

**BOARD OF EDUCATION  
OF THE  
GLOUCESTER TOWNSHIP SCHOOL DISTRICT  
BLACKWOOD, NEW JERSEY**



**COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FOR THE FISCAL YEAR ENDED  
JUNE 30, 2020**

**GLOUCESTER TOWNSHIP SCHOOL DISTRICT**  
Table of Contents

---

| <b>INTRODUCTORY SECTION</b>  | <u>Page</u> |
|--|-------------|
| Letter of Transmittal  | 2           |
| Organizational Chart   | 6           |
| Roster of Officials  | 7           |
| Consultants and Advisors   | 8           |
| <b>FINANCIAL SECTION</b>   |             |
| <b>Independent Auditor's Report</b>  | 10          |
| <b>Required Supplementary Information - Part I<br/>Management's Discussion and Analysis</b>  | 16          |
| <b>Basic Financial Statements</b>  |             |
| A. Government-Wide Financial Statements:   |             |
| A-1 Statement of Net Position  | 30          |
| A-2 Statement of Activities  | 31          |
| B. Fund Financial Statements:  |             |
| Governmental Funds:  |             |
| B-1 Balance Sheet  | 33          |
| B-2 Statement of Revenues, Expenditures and Changes in Fund Balances   | 35          |
| B-3 Reconciliation of the Statement of Revenues, Expenditures and Changes in<br>Fund Balances of Governmental Funds to the Statement of Activities | 37          |
| Proprietary Funds:   |             |
| B-4 Statement of Net Position  | 38          |
| B-5 Statement of Revenues, Expenses and Changes in Fund Net Position   | 39          |
| B-6 Statement of Cash Flows  | 40          |
| Fiduciary Funds:   |             |
| B-7 Statement of Fiduciary Net Position  | 41          |
| B-8 Statement of Changes in Fiduciary Net Position   | 42          |
| <b>Notes to Financial Statements</b>   | 43          |
| <b>Required Supplementary Information - Part II</b>  |             |
| C. Budgetary Comparison Schedules  |             |
| C-1 Budgetary Comparison Schedule - General Fund   | 83          |
| C-1a Combining Schedule of Revenues, Expenditures and Changes<br>in Fund Balance - Budget and Actual   | N/A         |
| C-1b Community Development Block Grant - Budget and Actual   | N/A         |
| C-2 Budgetary Comparison Schedule - Special Revenue Fund   | 92          |
| C-3 Note to Required Supplementary Information - Part II<br>Budget-to-GAAP Reconciliation  | 94          |

**GLOUCESTER TOWNSHIP SCHOOL DISTRICT**  
Table of Contents (Cont'd)

| <b>FINANCIAL SECTION (CONT'D)</b>                             |   | <b>Page</b> |
|---|---|-------------|
| <b>Required Supplementary Information - Part III</b>          |   |             |
| L. Schedules Related to Accounting and Reporting for Pensions |   |             |
| L-1   | Schedule of the School District's Proportionate Share of the Net Pension Liability – PERS | 96          |
| L-2   | Schedule of the School District's Contributions – PERS                                    | 97          |
| L-3   | Schedule of the School District's Proportionate Share of the Net Pension Liability – TPAF | 98          |
| L-4   | Schedule of the School District's Contributions – TPAF                                    | 99          |
| L-5   | Notes to Required Supplementary Information - Part III                                    | 100         |
| <b>Required Supplementary Information - Part IV</b>           |   |             |
| M. Schedules Related to Accounting and Reporting for OPEB     |   |             |
| M-1   | Schedule of Changes in the School District's Total OPEB Liability and Related Ratios      | 102         |
| M-2   | Notes to Required Supplementary Information - Part IV                                     | 103         |
| <b>Other Supplementary Information</b>                        |   |             |
| D. School Based Budget Schedules:                             |   |             |
| D-1   | Combining Balance Sheet   | N/A         |
| D-2   | Blended Resource Fund - Schedule of Expenditures Allocated by Resource Type - Actual      | N/A         |
| D-3   | Blended Resource Fund - Schedule of Blended Expenditures - Budget and Actual              | N/A         |
| E. Special Revenue Fund:                                      |   |             |
| E-1   | Combining Schedule of Program Revenues and Expenditures - Budgetary Basis                 | 106         |
| E-2   | Preschool Education Aid Schedule of Expenditures - Budgetary Basis                        | 109         |
| F. Capital Projects Fund:                                     |   |             |
| F-1   | Summary Schedule of Project Expenditures  | 111         |
| F-2   | Statement of Revenues, Expenditures, and Changes in Fund Balance                          | 112         |
| F-2a  | Schedules of Project Revenues, Expenditures, Project Balance and Project Status           | 113         |
| -2j   |   |             |

**GLOUCESTER TOWNSHIP SCHOOL DISTRICT**  
Table of Contents (Cont'd)

| <b>FINANCIAL SECTION (CONT'D)</b>   | <b>Page</b> |
|---|-------------|
| <b>Other Supplementary Information (Cont'd)</b>                                   |             |
| G. Proprietary Funds:   |             |
| Enterprise Fund:  |             |
| G-1 Combining Statement of Net Position   | 124         |
| G-2 Combining Statement of Revenues, Expenses and<br>Changes in Fund Net Position | 125         |
| G-3 Combining Statement of Cash Flows   | 126         |
| Internal Service Fund:  |             |
| G-4 Statement of Net Position   | 127         |
| G-5 Statement of Revenues, Expenses and Changes in Fund Net Position              | 128         |
| G-6 Statement of Cash Flows   | 129         |
| H. Fiduciary Funds:   |             |
| H-1 Combining Statement of Fiduciary Net Position                                 | 131         |
| H-2 Statement of Changes in Fiduciary Net Position                                | 132         |
| H-3 Student Activity Agency Fund Schedule of Receipts and<br>Disbursements        | 133         |
| H-4 Payroll Agency Fund Schedule of Receipts and Disbursements                    | 134         |
| I. Long-Term Debt:  |             |
| I-1 Schedule of Serial Bonds  | 136         |
| I-2 Schedule of Obligations under Capital Leases                                  | 137         |
| I-3 Debt Service Fund Budgetary Comparison Schedule                               | 138         |
| <b>STATISTICAL SECTION (Unaudited)</b>  |             |
| <b>Introduction to the Statistical Section</b>                                    |             |
| <b>Financial Trends</b>   |             |
| J-1 Net Position by Component   | 141         |
| J-2 Changes in Net Position   | 142         |
| J-3 Fund Balances - Governmental Funds  | 144         |
| J-4 Changes in Fund Balances - Governmental Funds                                 | 145         |
| J-5 General Fund Other Local Revenue by Source                                    | 146         |
| <b>Revenue Capacity</b>   |             |
| J-6 Assessed Value and Estimated Actual Value of Taxable Property                 | 148         |
| J-7 Direct and Overlapping Property Tax Rates                                     | 149         |
| J-8 Principal Property Taxpayers  | 150         |
| J-9 Property Tax Levies and Collections   | 151         |
| <b>Debt Capacity</b>  |             |
| J-10 Ratios of Outstanding Debt by Type   | 153         |
| J-11 Ratios of Net General Bonded Debt Outstanding                                | 154         |
| J-12 Direct and Overlapping Governmental Activities Debt                          | 155         |
| J-13 Legal Debt Margin Information  | 156         |

**GLOUCESTER TOWNSHIP SCHOOL DISTRICT**  
Table of Contents (Cont'd)

---

|  | <b>Page</b> |
|--|-------------|
| <b>STATISTICAL SECTION (Unaudited) (Cont'd)</b>  |             |
| <b>Demographic and Economic Information</b>  |             |
| J-14 Demographic and Economic Statistics   | 158         |
| J-15 Principal Non-Governmental Employers  | 159         |
| <b>Operating Information</b>   |             |
| J-16 Full-time Equivalent District Employees by Function/Program   | 161         |
| J-17 Operating Statistics  | 162         |
| J-18 School Building Information   | 163         |
| J-19 Schedule of Required Maintenance  | 165         |
| J-20 Insurance Schedule  | 166         |
| <b>SINGLE AUDIT SECTION</b>  |             |
| K-1 Report on Internal Control over Financial Reporting and on Compliance<br>and Other Matters Based on an Audit of Financial Statements<br>Performed in Accordance with Government Auditing Standards – Independent<br>Auditor's Report | 13          |
| K-2 Report on Compliance for Each Major Program and Report on Internal Control<br>over Compliance Required by the Uniform Guidance and State of<br>New Jersey Circular 15-08-OMB – Independent Auditor's Report                          | 168         |
| K-3 Schedule of Expenditures of Federal Awards, Schedule A   | 170         |
| K-4 Schedule of Expenditures of State Financial Assistance, Schedule B   | 172         |
| K-5 Notes to Schedules of Expenditures of Federal Awards and State Financial<br>Assistance   | 176         |
| K-6 Schedule of Findings and Questioned Costs  |             |
| Section 1 - Summary of Auditor's Results   | 179         |
| Section 2 - Schedule of Financial Statement Findings   | 181         |
| Section 3 - Schedule of Federal Award Findings and Questioned Costs  | 182         |
| Section 4 - Schedule of State Financial Assistance Findings and Questioned Costs   | 183         |
| K-7 Summary Schedule of Prior Year Audit Findings and Questioned Costs as Prepared<br>by Management  | 184         |

## INTRODUCTORY SECTION



## Gloucester Township Public Schools

**John Bilodeau**

Superintendent of Schools

**Administrative Offices**

17 Erial Road • Blackwood, NJ 08012 • 856-227-1400 • FAX 856-232-3050

February 2, 2021

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

Dear Board Members:

The comprehensive annual financial report of the Gloucester Township School District for the fiscal year ended June 30, 2020 is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the School District. To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The comprehensive annual financial report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter, the District's organizational chart and a list of principal officials. The financial section includes the basic financial statements and schedules, as well as the auditor's report thereon. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis.

The District is required to undergo an annual single audit in conformity with the provisions of the Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), and State of New Jersey Circular 15-08-OMB, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid. 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 questioned costs, are included in the single audit section of this report.

### **REPORTING ENTITY AND ITS SERVICES:**

The Gloucester Township School District is an independent reporting entity within the criteria adopted by the GASB as established by NCGA Statement No. 3. All funds of the District are included in this report. The Gloucester 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 K through 8. These include regular, as well as special education for handicapped youngsters. The District completed the 2019-2020 fiscal year with an average daily enrollment of 6,395.96 students, which is 149.61 students more than the previous year's average enrollment.

The following details the changes in the student enrollment of the District over the last ten years.

|         |         |        |
|---------|---------|--------|
| 2019-20 | 6,395.9 | 2.39%  |
| 2018-19 | 6,246.4 | -1.23% |
| 2017-18 | 6,324.2 | -0.56% |
| 2016-17 | 6,359.9 | -0.44% |
| 2015-16 | 6,388.2 | -2.23% |
| 2014-15 | 6,534.0 | -3.19% |
| 2013-14 | 6,749.5 | -2.77% |
| 2012-13 | 6,941.8 | -1.19% |
| 2011-12 | 7,025.3 | -4.29% |
| 2010-11 | 7,340.3 | -1.19% |
| 2009-10 | 7,428.9 |        |

### **ECONOMIC CONDITION AND OUTLOOK:**

The Garden State had some success in containing Coronavirus spread through the late summer and early fall, but the health crisis has taken a turn for the worse again. This latest pandemic-induced hurdle will weigh on near-term economic activity.

Industries that require considerable close social interaction are at the greatest risk from reduced-confidence and virus containment measures. Unfortunately, these are the same industries that are furthest behind in the recovery curve. Payrolls in the leisure and hospitality industry for instance are still down by a quarter from pre-pandemic levels. The spike in COVID-19 cases will only add to the industries' challenges. A late-night curfew was recently implemented for bars and restaurants. For businesses that were already contending with a host of restrictions (such as a 25% capacity limit on indoor dining), these latest measures are likely to lead to increased operational difficulties.

On the brighter side, the housing market has seen robust activity in the state. Home sales were up over 34% (year-to-year) in October. Lower interest rates have helped in this regard. With housing inventories down over 30% y/y and price growth rising, builders have broken ground on a rising number of new properties. Encouragingly, this positive trend extends to both the single-family and multifamily segments, with the latter bucking the national trends.

Containing the virus' spread will be of particular help to aforementioned consumer-related industries. Several other sectors are expected to contribute to next year's economic rebound, which we expect to be realized at 3.4%. Among these are healthcare, professional and business services and logistics. Healthcare, for instance, is poised to stage a firmer comeback as the health emergency abates, with reduced health-safety concerns allowing for the return of a normal flow of medical visits and health procedures.

Further out, New Jersey's growth path will be limited by soft demographic fundamentals and a deteriorating fiscal situation. The current budget hole was *plugged* by issuing \$4 billion in new debt. Given this and other lingering structural challenges, the state's credit rating was downgraded once again recently from Standard & Poors. A fiscal relief package that includes support for state and local governments would go a long way not only in supporting economic activity in the near-term, but also further down the road by easing some of the fiscal pressures that have accumulated due to the pandemic.



**INTERNAL ACCOUNTING CONTROLS:**

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

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

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

**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. Annual appropriated budgets are adopted for the general fund, the special revenue fund, and the debt service fund. Project-length budgets are approved for the capital improvements accounted for in the capital projects fund. The final budget amount as amended for the fiscal year is reflected in the financial section.

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either canceled or are included as reappropriations of fund balance in the subsequent year. Those amounts to be reappropriated are reported as assignments of fund balance at June 30, 2020.

**ACCOUNTING SYSTEM AND REPORTS:**

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

**CASH MANAGEMENT:**

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

**RISK MANAGEMENT:**

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

**BUSINESS OPERATIONS:**

The Gloucester Township School District is unique in that it actively finds ways to reduce administrative costs through joint purchasing, shared services and cooperative pricing agreements with neighboring school districts and municipalities.

The School District acts as lead agency for the purchase of Waste Removal and commodities for the regional high school district and the municipality. The District also participates in a statewide consortium for the purchase of electricity, natural gas, and telephone services.

In addition, the District continues to realize savings for the taxpayers by acting as lead agency for the joint purchasing system that has been in existence for the past twenty years. This jointure provides purchasing services for the elementary school district, the regional high school district, the local municipality, and other surrounding school districts.

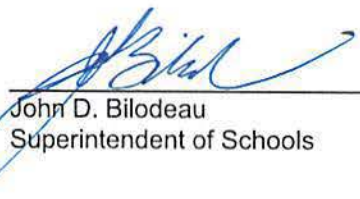
**INDEPENDENT AUDIT:**

State statutes require an annual audit by an independent public school accountant. The accounting firm of Bowman & Company LLP was selected by the Board's audit committee. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Uniform Guidance and New Jersey Circular 15-08-OMB, 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.

**ACKNOWLEDGEMENTS:**

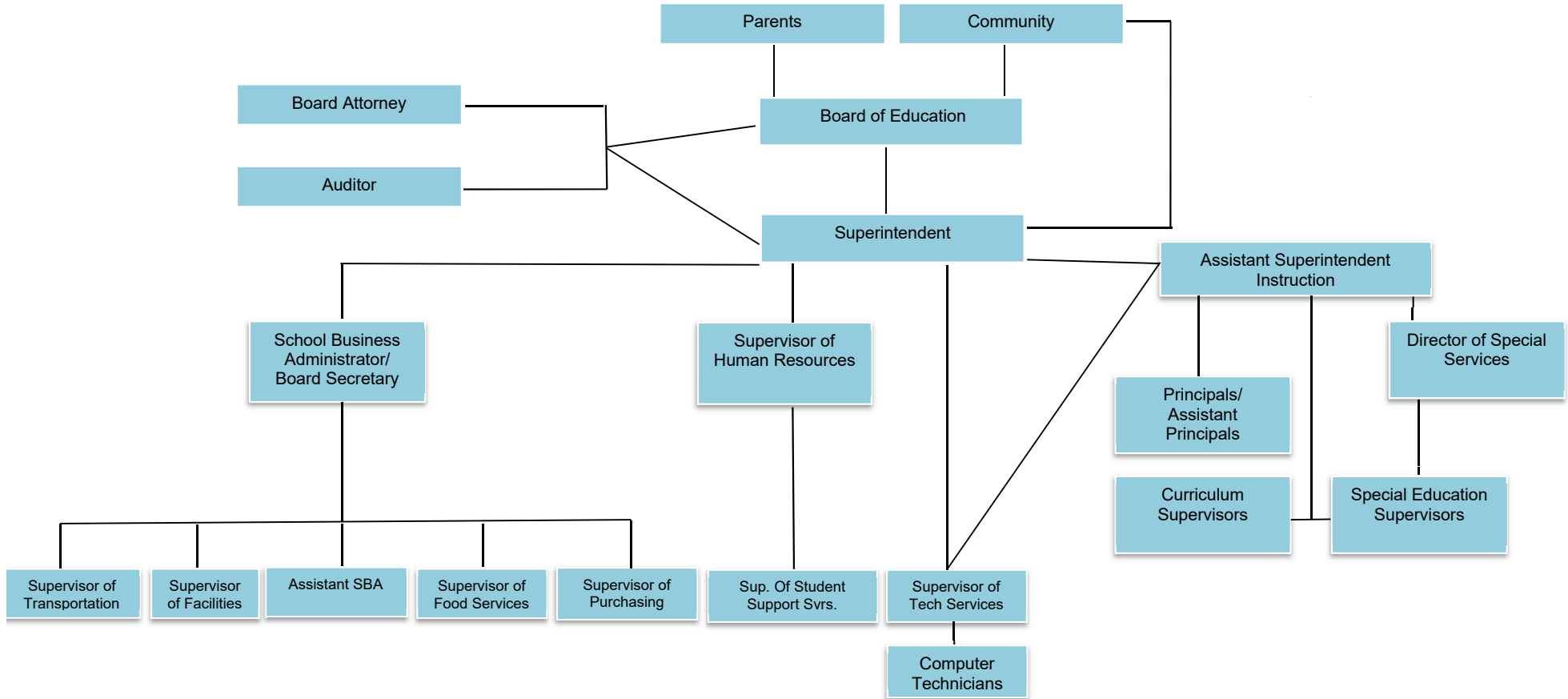
We would like to express our appreciation to the members of the Gloucester Township Board of Education for providing an outstanding educational program that includes fiscal responsibility and accountability to the citizens and taxpayers of Gloucester Township. The preparation of this report could not have been accomplished without the assistance and information provided by an outstanding administrative team.



---

John D. Bilodeau  
Superintendent of Schools

# GLOUCESTER TOWNSHIP SCHOOLS ORGANIZATIONAL CHART



**GLOUCESTER TOWNSHIP BOARD OF EDUCATION  
COUNTY OF CAMDEN  
STATE OF NEW JERSEY**

**ROSTER OF OFFICIALS  
June 30, 2020**

| <u>Members of the Board of Education</u> | <u>Term Expires</u> |
|--|---------------------|
| Mary Jo Dintino, President               | 2020                |
| Anthony Marks, Vice President            | 2021                |
| Mark Gallo                               | 2020                |
| Mary Ann Johnson                         | 2020                |
| Carolyn Grace                            | 2021                |
| Brian Hammell                            | 2021                |
| Jennifer O'Donnell                       | 2022                |
| Victoria Smith                           | 2022                |
| Elliot Wilson                            | 2022                |

**Other Officials**

John Bilodeau, Superintendent

Jean Grubb, Business Administrator/Board Secretary

**GLOUCESTER TOWNSHIP SCHOOL DISTRICT  
COUNTY OF CAMDEN  
STATE OF NEW JERSEY**

**CONSULTANTS AND ADVISORS  
June 30, 2020**

**AUDIT FIRM**

Bowman & Company LLP  
601 White Horse Road  
Voorhees, NJ 08043

**ATTORNEY**

Daniel H. Long, Esq.  
Wade, Long, Wood & Long, LLC  
1250 Chews Landing Road  
Laurel Springs, NJ 08021

**OFFICIAL DEPOSITORY**

Republic Bank  
Two Liberty Place  
Philadelphia, PA 19102

**INSURANCE ADVISOR/BROKER**

Connor Strong & Buckelew Companies, Inc.  
123 Rosenhayn Avenue  
PO Box 358  
Bridgeton, NJ 08302

FINANCIAL SECTION

## **INDEPENDENT AUDITOR'S REPORT**

The Honorable President and  
Members of the Board of Education  
Gloucester Township School District  
County of Camden

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Gloucester Township School District, in the County of Camden, State of New Jersey, as of and for the fiscal year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements as listed in the table of contents.

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

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

### ***Auditor's Responsibility***

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the 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, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

**Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Gloucester Township School District, in the County of Camden, State of New Jersey, as of June 30, 2020, and the respective changes in financial position and, where applicable, cash flows thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

**Other Matters**

*Required Supplementary Information*

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

*Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Gloucester Township School District's basic financial statements. The introductory section, combining statements and related major fund supporting statements and schedules, and statistical section are presented for purposes of additional analysis, as required by the Office of School Finance, Department of Education, State of New Jersey, and are not a required part of the basic financial statements. The accompanying schedules of expenditures of federal awards and state financial assistance, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and State of New Jersey Circular 15-08-OMB, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, respectively, are also presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

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



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

In accordance with *Government Auditing Standards*, we have also issued our report dated February 1, 2021 on our consideration of the Gloucester Township School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Gloucester Township School District's 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 Gloucester Township School District's internal control over financial reporting and compliance.

Respectfully submitted,



BOWMAN & COMPANY LLP  
Certified Public Accountants  
& Consultants



Todd R. Saler  
Certified Public Accountant  
Public School Accountant No. CS 02195

Voorhees, New Jersey  
February 1, 2021

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

**INDEPENDENT AUDITOR'S REPORT**

The Honorable President and  
Members of the Board of Education  
Gloucester Township School District  
County of Camden

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the standards applicable to financial statement audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and in compliance with audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Gloucester Township School District, in the County of Camden, State of New Jersey, as of and for the fiscal year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements, and have issued our report thereon dated February 1, 2021.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Gloucester Township School District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the School District's internal control. Accordingly, we do not express an opinion on the effectiveness of the Gloucester Township School District's internal control.

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

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

**Compliance and Other Matters**

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

**Purpose of this Report**

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

Respectfully submitted,



BOWMAN & COMPANY LLP  
Certified Public Accountants  
& Consultants



Todd R. Saler  
Certified Public Accountant  
Public School Accountant No. CS 02195

Voorhees, New Jersey  
February 1, 2021

REQUIRED SUPPLEMENTARY INFORMATION  
PART I  
MANAGEMENT'S DISCUSSION AND ANALYSIS

# Gloucester Township School District

## Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2020

This section of the Gloucester Township School District annual financial report presents our discussion and analysis of the District's financial performance during the fiscal year that ended on June 30, 2020. Please read it in conjunction with the transmittal letter at the front of this report and the District's financial statements, which immediately follows this section.

The Management's Discussion and Analysis (MD&A) is an element of Required Supplementary Information specified in the Governmental Accounting Standard Board's (GASB) Statement No. 34- Basic Financial Statements- and Management's Discussion and Analysis – for State and Local Governments. Certain comparative information between the current year (2019-20) and the prior year (2018-19) is required to be presented in the MD&A.

### FINANCIAL HIGHLIGHTS

Key financial highlights for the 2019-20 fiscal year include the following:

- Net Position for Governmental and Business-Type activities were \$38,103,895 and \$ 2,149,819, totaling \$40,253,714.
- Net Position for both activities increased by \$5,160,456 from July 1, 2019 to June 30, 2020.
- The General Fund fund balance as of June 30, 2020 was \$ 13,210,734, a decrease of \$2,130,040 when compared with the beginning balance of \$15,340,774 as of July 1, 2019.

### OVERVIEW OF THE FINANCIAL STATEMENTS

The financial section of the annual report consists of four parts – Independent Auditor's Report, required supplementary information which includes the management's discussion and analysis (this section), the basic financial statements, and supplemental information. The basic financial statements include two kinds of statements that present different views of the Gloucester Township School District.

- The first two statements are government-wide financial statements that provide both short-term and long-term information about the Gloucester Township School District's overall financial status.
- The remaining statements are fund financial statements that focus on individual parts of the Gloucester Township School District, reporting the Gloucester Township School District's operation in more detail than the government-wide statements.
- The governmental funds statements tell how basic services such as regular and special education were financed in short term as well as what remains for future spending.
- Proprietary funds statements offer short-term and long-term financial information about the activities that the Gloucester Township School District operates like businesses.
- Fiduciary funds statements provide information about the financial relationships in which the District acts solely as a trustee or agent for the benefit of others to whom the resources belong.

The financial statements also include notes that explain some of the information in the statements and provide more detailed data. Table A-1 summarizes the major features of the Gloucester Township School District's financial statements, including the portion of the District's activities they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis highlights the structure and contents of each of the statements.

**Gloucester Township School District  
Gloucester Township, New Jersey**

**Management's Discussion and Analysis (Continued)  
For the Fiscal Year Ended June 30, 2020**

Table A-1

**MAJOR FEATURES OF THE GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS**

|  |  | Fund Financial Statements   |   |
|--|--|---|---|
|  | Government-wide Statements   | Governmental Funds  | Proprietary Funds   |
| Scope                                  | Entire District (except fiduciary funds)   | The activities of the District that are not proprietary or fiduciary, such as regular and special education, building maintenance and transportation                              | Activities the District operates similar to private businesses: Food Service Fund, Latchkey Fund and Transportation Internal Service Fund |
| Required Financial Statements          | Statements of net position   | Balance sheet   | Statement of net position   |
|  | Statement of activities  | Statement of revenue, expenditures and changes in fund balances   | Statement of revenue, expenses and changes in fund net position   |
|  |  |   | Statement of cash flows   |
| Accounting Basis and measurement focus | Accrual accounting and economic resources focus                                    | Modified accrual accounting and current financial focus   | Accrual accounting and economic resources focus   |
| Type of asset/liability information    | All assets and liabilities, both financial and capital, short-term and long-term   | Generally assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets or long-term liabilities included                     | All assets and liabilities, both financial and capital, and short-term and long-term  |
| Type of inflow/outflow information     | All revenues and expenses during year, regardless of when cash is received or paid | Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due and payable | All revenue and expenses during the year, regardless of when cash is received or paid   |

**Government-wide Statements**

The government-wide statements report information about the Gloucester Township School District as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes all of the District's assets, deferred outflows and inflows of resources and liabilities. All of the current year's revenue and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

**Gloucester Township School District  
Gloucester Township, New Jersey**

**Management's Discussion and Analysis (Continued)  
For the Fiscal Year Ended June 30, 2020**

**Government-wide Statements (Cont'd)**

The two government-wide statements report the Gloucester Township School District's net position and how they have changed. Net position – the District's assets and deferred outflows of resources, less deferred inflows of resources and liabilities – is a measure of the District's financial health or position.

- Over time, increases or decreases in the District's net position are an indicator of whether the financial position is improving or deteriorating, respectively.
- To assess the overall health of the District you need to consider additional non-financial factors such as changes in the District's property tax base and the condition of school buildings and other facilities.

In the government-wide financial statements the District's activities are shown in two categories:

- *Governmental activities*- Most of the District's basic services are included here, such as regular and special education, transportation, administration, and maintenance. Aid from the State of New Jersey and from the Federal government along with local property taxes finances most of these activities.
- *Business-type activities*-The District charges fees to customers to help it cover the costs of certain services it provides. The District's Food Service Fund and Latchkey Program Fund are included here.

**Fund Financial Statements**

The fund financial statements provide more detailed information about the District's funds – focusing on the most significant or “major” funds – not the District as a whole. Funds are accounting devices the District uses to keep track of specific sources of funding and spending on particular programs:

- Some funds are required by State law and by bond covenants.
- The District uses other funds, established in accordance with the State of New Jersey Uniform Chart of Accounts, to control and manage money for particular purposes (e.g., repaying its long-term debts) or to show that it is properly using certain revenues (e.g., federal funds).

The District has three kinds of funds:

- **Governmental funds** - Most of the District's basic services are included in governmental funds, which generally focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps to determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide additional information at the bottom of the governmental funds statements that explain the relationship (or differences) between them.
- **Proprietary funds** - Services for which the District charges a fee are generally reported in proprietary funds. Proprietary funds are reported in the same way as the government-wide statements.
- **Fiduciary funds** – The District is the trustee, or fiduciary, for assets that belong to others. The District is responsible for ensuring that the assets reported in these funds are used only for their intended purposes and by those to whom the assets belong. All of the District's fiduciary activities are reported in a separate statement of fiduciary net position and a statement of changes in fiduciary net position. We exclude these activities from the government-wide financial statements because the District cannot use these assets to finance its operations.

**Gloucester Township School District  
Gloucester Township, New Jersey**

**Management's Discussion and Analysis (Continued)  
For the Fiscal Year Ended June 30, 2020**

**FINANCIAL ANALYSIS OF THE GLOUCESTER TOWNSHIP SCHOOL DISTRICT AS A WHOLE**

**Net Position.** The District's net position for **governmental and business-type activities** was \$38,103,896 and \$2,149,819, respectively, totaling \$40,253,714 as of June 30, 2020. (See Table A-2)

| <b>Table A-2</b>  |                      |                      |   |   |
|---|----------------------|----------------------|---|---|
| <b>Gloucester Township School District's Net Position</b> |                      |                      |   |   |
|   | <b>2020</b>          | <b>2019</b>          | <b>Amount of<br/>Increase/<br/>(Decrease)</b> | <b>Percent<br/>Increase/<br/>(Decrease)</b> |
| Current and Other Assets                                  | \$ 22,242,845        | \$ 26,646,978        | \$ (4,404,133)                                | -16.5%                                      |
| Capital Assets  | <u>66,724,241</u>    | <u>58,380,767</u>    | <u>8,343,475</u>                              | <u>14.3%</u>                                |
| <b>Total Assets</b>                                       | <u>88,967,086</u>    | <u>85,027,745</u>    | <u>3,939,341</u>                              | <u>4.6%</u>                                 |
| <b>Deferred Outflow of Resources</b>                      | <u>4,691,483</u>     | <u>6,106,338</u>     | <u>(1,414,856)</u>                            | <u>100.0%</u>                               |
| Long-Term Liabilities                                     | 37,999,632           | 41,810,452           | (3,810,820)                                   | -9.1%                                       |
| Other Liabilities   | <u>5,304,720</u>     | <u>3,604,333</u>     | <u>1,700,387</u>                              | <u>47.2%</u>                                |
| <b>Total Liabilities</b>                                  | <u>43,304,352</u>    | <u>45,414,785</u>    | <u>(2,110,433)</u>                            | <u>-4.6%</u>                                |
| <b>Deferred Inflow of Resources</b>                       | <u>10,100,503</u>    | <u>7,717,956</u>     | <u>2,382,547</u>                              | <u>30.9%</u>                                |
| <b>Net Position:</b>                                      |                      |                      |   |   |
| Net Investment in Capital Assets                          | 54,669,171           | 44,032,400           | 10,636,770                                    | 24.2%                                       |
| Restricted  | 12,735,040           | 18,282,033           | (5,546,994)                                   | -30.3%                                      |
| Unrestricted (Deficit)                                    | <u>(27,150,496)</u>  | <u>(27,221,175)</u>  | <u>70,679</u>                                 | <u>-0.3%</u>                                |
| <b>Total Net Position</b>                                 | <u>\$ 40,253,714</u> | <u>\$ 35,093,258</u> | <u>\$ 5,160,456</u>                           | <u>14.7%</u>                                |

The District's financial position for governmental and business-type activities is the product of the following factors:

- Program revenues were \$33,329,148.
  - ✓ Operating Grants & Contributions--\$30,075,435.
  - ✓ Charges for Services--\$3,253,713.
- General revenues totaled \$107,865,029.
- Net Expenditures were \$102,704,573.
- Total District revenues and beginning position are adjusted by net adjusted expenditures resulting in a calculation of net position of \$40,253,714 as of June 30, 2020.
- General revenues (\$107,865,029) + Beginning position (\$35,093,258) – Net expenditures (\$102,704,573) = Net Position of \$40,253,714.



**Gloucester Township School District  
Gloucester Township, New Jersey**

**Management's Discussion and Analysis (Continued)  
For the Fiscal Year Ended June 30, 2020**

**Change in Net Position.** Net position for governmental and business-type activities increased by \$5,160,456 during the period from July 1, 2019 to June 30, 2020. (See Table A-3)

| Table A-3   |                             |                             |                            |
|---|-----------------------------|-----------------------------|----------------------------|
| Gloucester Township School District's Changes in Net Position |                             |                             |                            |
|   | 2020                        | 2019                        | Increase/<br>(Decrease)    |
| <b>Revenues</b>   |                             |                             |                            |
| Program revenues:   |                             |                             |                            |
| Charges for services  | \$ 3,253,713                | \$ 3,978,501                | \$ (724,788)               |
| Operating Grants and Contributions                            | 30,075,435                  | 34,441,063                  | (4,365,628)                |
| General revenues  |                             |                             |                            |
| Property taxes  | 52,060,873                  | 50,264,381                  | 1,796,492                  |
| State and Federal Aid   | 53,844,837                  | 53,930,308                  | (85,471)                   |
| Other   | 1,959,318                   | 1,928,702                   | 30,617                     |
| Gain/(Loss) on Disposal of Capital Assets                     | -                           | (1,851)                     | 1,851                      |
| <b>Total revenues</b>   | <b><u>141,194,177</u></b>   | <b><u>144,541,104</u></b>   | <b><u>(3,346,928)</u></b>  |
| <b>Expenses</b>   |                             |                             |                            |
| Governmental Activities:                                      |                             |                             |                            |
| Instruction:  |                             |                             |                            |
| Regular   | 39,110,873                  | 37,790,269                  | 1,320,604                  |
| Special Education   | 10,246,824                  | 10,668,511                  | (421,687)                  |
| Other Instruction   | 2,216,197                   | 2,190,985                   | 25,212                     |
| Non-Public School Programs                                    | 508                         | 211                         | 297.23                     |
| Community Service Programs                                    | 236                         | 1,640                       | (1,405)                    |
| Support Services:   |                             |                             |                            |
| Tuition   | 7,718,526                   | 7,547,367                   | 171,158                    |
| Student & Instruction Related Services                        | 10,086,730                  | 9,192,771                   | 893,959                    |
| School Administrative Services                                | 3,603,321                   | 3,613,560                   | (10,240)                   |
| General and Business Administrative Services                  | 3,072,782                   | 3,279,390                   | (206,608)                  |
| Plant Operations and Maintenance                              | 7,680,837                   | 7,417,307                   | 263,530                    |
| Pupil Transportation  | 8,448,353                   | 9,003,762                   | (555,409)                  |
| Unallocated Benefits  | 39,611,826                  | 46,361,258                  | (6,749,432)                |
| Transfer to Charter Schools                                   | 188,301                     | 1,429,434                   | (1,241,133)                |
| Interest on Long-term Debt                                    | 401,378                     | 363,219                     | 38,159.69                  |
| Total Expenses--Governmental Activities                       | <u>132,386,692</u>          | <u>138,859,684</u>          | <u>(6,472,992)</u>         |
| Business-Type Activities:                                     |                             |                             |                            |
| Food Service  | 2,480,822                   | 2,625,728                   | (144,906)                  |
| Latchkey  | 1,166,207                   | 1,231,503                   | (65,296)                   |
| Total Expenses--Business-Type Activities                      | <u>3,647,029</u>            | <u>3,857,230</u>            | <u>(210,202)</u>           |
| <b>Total Expenses</b>   | <b><u>136,033,721</u></b>   | <b><u>142,716,914</u></b>   | <b><u>(6,683,193)</u></b>  |
| <b>Net Increase/(Decrease) in Net Position</b>                | <b><u>5,160,456</u></b>     | <b><u>1,824,190</u></b>     | <b><u>3,336,265.58</u></b> |
| <b>Net Position July 1</b>                                    | <b><u>35,093,258</u></b>    | <b><u>33,269,068</u></b>    | <b><u>1,824,190</u></b>    |
| <b>Net Position June 30</b>                                   | <b><u>\$ 40,253,714</u></b> | <b><u>\$ 35,093,258</u></b> | <b><u>\$ 5,160,456</u></b> |

**Gloucester Township School District  
Gloucester Township, New Jersey**

**Management's Discussion and Analysis (Continued)  
For the Fiscal Year Ended June 30, 2020**

Total revenues for the District were \$141,194,177. Government funding of \$83,920,272 was the source of 59.4% of the District's revenues. This includes the State of New Jersey and Federal sources.

Property taxes of \$52,060,873 provided 36.9% of revenues.

Other miscellaneous revenues of \$1,959,318 represent 1.4% of the District revenues. Miscellaneous revenues were primarily provided from interest, rentals, homeless tuition, energy rebates and refunds.

Total revenues exceeded expenses for governmental and business-type activities, increasing net position by \$5,160,456 from the beginning balance as of July 1, 2019.

The District's expenses for government activities are predominantly related to instruction and support services. Instruction together with tuition totaled \$59,293,163 (44.8%) of total expenditures. Student support services including transportation, exclusive of administration, totaled \$18,535,083 (14.0%) of total expenditures. (See Table A-4)

| <b>Governmental Activities:</b>              | <b>Total Cost<br/>of Services</b> | <b>Net Cost<br/>of Services</b> |
|--|-----------------------------------|---------------------------------|
| Instruction:                                 |                                   |                                 |
| Regular                                      | \$39,110,873                      | \$35,229,602                    |
| Special Education                            | 10,246,824                        | 10,246,824                      |
| Other Instruction                            | 2,216,197                         | 2,216,197                       |
| Non-Public School Programs                   | 508                               | 508                             |
| Community Service Programs                   | 236                               | 236                             |
| Support Services:                            |                                   |                                 |
| Tuition                                      | 7,718,526                         | 7,718,526                       |
| Student & Instruction Related Services       | 10,086,730                        | 8,552,265                       |
| School Administrative Services               | 3,603,321                         | 3,603,321                       |
| General and Business Administrative Services | 3,072,782                         | 3,072,782                       |
| Plant Operations and Maintenance             | 7,680,837                         | 7,680,837                       |
| Pupil Transportation                         | 8,448,353                         | 6,994,093                       |
| Unallocated Benefits                         | 39,611,826                        | 16,686,004                      |
| Transfer to Charter Schools                  | 188,301                           | 188,301                         |
| Interest on Long-term Debt                   | 401,378                           | 344,922                         |
| <br>   |                                   |                                 |
| <b>Total Governmental Activities</b>         | <b>\$ 132,386,692</b>             | <b>\$ 102,534,418</b>           |

**Gloucester Township School District  
Gloucester Township, New Jersey**

**Management's Discussion and Analysis (Continued)  
For the Fiscal Year Ended June 30, 2020**

**Activity Descriptions**

**Instruction expenses** include activities directly dealing with the teaching of pupils and the interaction between teacher and student.

**Tuition expenses** include the cost to the District to send pupils with special needs living within the District to private schools and/or schools outside the District area.

**Student and instruction related services** include the activities designed to assess and improve the well-being of students and to supplement the teaching process.

**School Administrative and General and Business Administrative services** include expenses associated with establishing and administering policy for the District including financial supervision.

**Plant operation and maintenance of plant 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, as well as to and from student activities as provided by State law and Board Policy.

**Unallocated benefits** includes the cost of benefits for the District staff for social security, retirement contributions, worker's compensation, health benefits and other employee benefits.

**Interest on long-term debt and amortization of premiums/discounts** involve the transactions associated with the payment of interest and other related charges to the debt of the District.

**FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT'S FUNDS**

The financial performance of the Gloucester Township School District as a whole is also reflected in the governmental funds which is accounted for using the modified accrual basis of accounting. As the District completed the 2019-20 school year, its governmental funds reported a combined fund balance of \$16,330,875. At the end of the 2018-19 school year, the fund balance was \$21,922,022.

All governmental funds had total revenues of \$130,829,650, total expenditures of \$133,475,199 and net other financing uses of \$2,945,598.

**GENERAL FUND**

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

The General Fund includes the primary operations of the District in providing educational services to students from Kindergarten through Grade 8 including pupil transportation activities and capital outlay projects.

**Gloucester Township School District  
Gloucester Township, New Jersey**

**Management's Discussion and Analysis (Continued)  
For the Fiscal Year Ended June 30, 2020**

**GENERAL FUND (CONT'D)**

The following schedule (Table A-5) presents a summary of General Fund Revenues. The summary reflects the dollar and percent increase (decrease) from the prior year.

| <b>Table A-5</b>  |                                     |                                     |  |  |
|---|-------------------------------------|-------------------------------------|--|--|
| <b>Gloucester Township School District<br/>Summary of General Fund Revenues</b> |                                     |                                     |  |  |
|   | <b>Year Ended<br/>June 30, 2020</b> | <b>Year Ended<br/>June 30, 2019</b> | <b>Amount of<br/>Increase<br/>(Decrease)</b> | <b>Percent<br/>Increase<br/>(Decrease)</b> |
| Local sources:  |                                     |                                     |  |  |
| Local Tax levy  | \$ 51,434,683                       | \$ 49,630,311                       | \$ 1,804,372                                 | 3.6%                                       |
| Miscellaneous   | 1,797,280                           | 1,754,340                           | 42,940                                       | 2.4%                                       |
| Total - Local Sources   | 53,231,963                          | 51,384,651                          | 1,847,312                                    | 3.6%                                       |
| State Sources   | 71,409,536                          | 70,184,644                          | 1,224,892                                    | 1.7%                                       |
| Federal Sources   | 261,470                             | 271,682                             | (10,212)                                     | -3.8%                                      |
| Total - Govt Sources  | 71,671,006                          | 70,456,326                          | 1,214,680                                    | 1.7%                                       |
| Total Revenues  | <b>\$ 124,902,969</b>               | <b>\$ 121,840,977</b>               | <b>\$ 3,061,992</b>                          | <b>2.5%</b>                                |

The primary source of funding for the District is received from State sources which accounted for 57.2% of total revenues. Local property taxes accounted for 41.2% of total revenues.

Total General Fund revenue increased by \$3,061,992, or 2.5% from the previous year.

**Gloucester Township School District  
Gloucester Township, New Jersey**

**Management's Discussion and Analysis (Continued)  
For the Fiscal Year Ended June 30, 2020**

**GENERAL FUND (CONT'D)**

The following schedule (Table A-6) presents a summary of General Fund expenditures and other financing uses. The summary reflects the dollar and percent increases (decreases) from the prior year.

| <b>Table A-6</b>   |   |   |   |   |
|--|---|---|---|---|
| <b>Gloucester Township School District</b>                           |   |   |   |   |
| <b>Summary of General Fund Expenditures and Other Financing Uses</b> |   |   |   |   |
|  | <u>Year Ended</u><br><u>June 30, 2020</u> | <u>Year Ended</u><br><u>June 30, 2019</u> | <u>Amount of</u><br><u>Increase/</u><br><u>(Decrease)</u> | <u>Percent</u><br><u>Increase/</u><br><u>(Decrease)</u> |
| Current:   |   |   |   |   |
| Regular Instruction  | \$ 34,488,734                             | \$ 33,935,000                             | \$ 553,734  | 1.6%  |
| Special Education Instruction  | 10,246,824                                | 10,668,511                                | (421,687)   | -4.0%   |
| Other Instruction  | 2,210,391                                 | 2,184,811                                 | 25,580  | 1.2%  |
| Community Service Programs/Operations                                | 236                                       | 1,640                                     | (1,405)   | -85.6%  |
| Support Services and Undistributed Costs:                            |   |   |   |   |
| Tuition  | 7,718,526                                 | 7,547,367                                 | 171,158   | 2.3%  |
| Student & Instruction Related Services                               | 8,538,610                                 | 8,421,211                                 | 117,398   | 1.4%  |
| School Administrative Services                                       | 3,597,613                                 | 3,606,794                                 | (9,182)   | -0.3%   |
| Other Administrative Services  | 3,618,761                                 | 3,116,409                                 | 502,351   | 16.1%   |
| Plant Operations and Maintenance                                     | 6,635,347                                 | 6,732,147                                 | (96,800)  | -1.4%   |
| Pupil Transportation   | 7,606,338                                 | 7,706,453                                 | (100,115)   | -1.3%   |
| Unallocated Employee Benefits  | 17,228,601                                | 17,823,017                                | (594,416)   | -3.3%   |
| Transfer to Charter Schools  | 188,301                                   | 1,429,434                                 | (1,241,133)   | -86.8%  |
| Debt Service   | 985,873                                   | -   | 985,873   | 100.0%  |
| On-Behalf Payments (Non-Budget)                                      | 17,534,710                                | 16,952,748                                | 581,962   | 3.4%  |
| Capital Outlay   | 956,077                                   | 1,056,839                                 | (100,762)   | -9.5%   |
| Transfers to Other Funds   | 6,038,000                                 | 4,800,000                                 | 1,238,000   | 25.8%   |
| <b>Total Expenditures and Other Financing Uses</b>                   | <b><u>\$ 127,592,941</u></b>              | <b><u>\$ 125,982,383</u></b>              | <b><u>\$ 1,610,559</u></b>                                | <b><u>1.3%</u></b>                                      |

Total General Fund expenditures and other financing uses increased \$1,610,559, or 1.3% from the previous year. This increase was due primarily to costs associated with debt service related to the Energy Savings Improvement Plan (ESIP) project and on-behalf pension payments. In addition, the District experienced increased transfers to other funds for capital projects.

The Gloucester Township Board of Education values its fund balances as an available funding source for addressing unbudgeted and/or emergent needs that occur during the school year. The amounts of budgeted fund balance designated to support the subsequent year's budgets, including withdrawals from various restricted reserves, were \$6,165,873 for the 2020-21 school year and \$8,692,133 for the 2019-20 school year. These fund balances serve a two-fold purpose; (a) they are designated to assist the District in moderating local tax rate impacts from one fiscal year to the next; and (b) they finance capital improvements to the District's school properties. By illustration, \$450,000 was budgeted during the 2020-21 school year and \$3,425,000 was budgeted for the 2019-20 school year for capital expenditures.

Gloucester Township Public Schools has been proactive in its establishment and use of restricted reserve funds to satisfy capital projects as well as emergent issues as the need arises.

During the course of fiscal year 2020, the District modified the General Fund Budget as needed to ensure no line item was projected to be over-expended.

**Gloucester Township School District  
Gloucester Township, New Jersey**

**Management's Discussion and Analysis (Continued)  
For the Fiscal Year Ended June 30, 2020**

**DEBT SERVICE FUND**

The current year obligations for payment of debt service principal and interest in the Debt Service Fund amounted to \$1,136,000, of which \$626,190 in funding was provided by the local tax levy and \$509,000 was received as state aid.

**FOOD SERVICE FUND**

The Food Service Fund had net position of \$417,493 as of June 30, 2020. This reflects a decrease of \$83,027 from June 30, 2019.

**LATCH KEY FUND**

The Latchkey Fund had net position of \$1,732,326 as of June 30, 2020. This reflects an increase of \$20,153 from June 30, 2019.

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

**Capital Assets**

Capital Assets are individual items purchased at a cost exceeding \$2,000, have an extended useful life of one year or more and maintain their identity and structure when placed into service.

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

- Energy Savings Improvement Plan
  - ✓ Boilers and related equipment
  - ✓ Lighting upgrades
  - ✓ Building automation controls
- District-Wide Wireless Upgrade
- Security Vestibules
- Electrical Upgrades at Gloucester Township and Glendora Elementary Schools
- Floor Removal and Replacement at the James W. Lilley and Union Valley Elementary Schools
- SMART Boards
- School Buses and Vans

At the end of 2020, the District had capital assets with a book value of \$66,724,241 (See Table A-7). This consists of a broad range of capital assets, including land, school buildings, school buses, computer and audio-visual equipment, and administrative offices. Total depreciation expense for the year was \$3,036,258.

**Gloucester Township School District  
Gloucester Township, New Jersey**

**Management's Discussion and Analysis (Continued)  
For the Fiscal Year Ended June 30, 2020**

|                            | Governmental Activities |                      | Business-Type Activities |                   | Total                |                      |
|----------------------------|-------------------------|----------------------|--------------------------|-------------------|----------------------|----------------------|
|                            | 2020                    | 2019                 | 2020                     | 2019              | 2020                 | 2019                 |
| Land                       | \$ 902,513.50           | \$ 902,513.50        |                          |                   | \$ 902,514           | \$ 902,514           |
| Construction in Progress   | 8,506,064               | 3,320,316            |                          |                   | 8,506,064            | 3,320,316            |
| Land Improvements          | 3,633,834               | 3,633,834            |                          |                   | 3,633,834            | 3,633,834            |
| Buildings and Improvements | 88,318,903              | 84,797,717           |                          |                   | 88,318,903           | 84,797,717           |
| Equipment                  | 16,185,712              | 14,155,488           | \$ 1,764,044             | \$ 1,692,642      | 17,949,756           | 15,848,130           |
| Total Capital Assets       | 117,547,027             | 106,809,868          | 1,764,044                | 1,692,642         | 119,311,070          | 108,502,509          |
| Less:                      |                         |                      |                          |                   |                      |                      |
| Accumulated Depreciation   | (51,069,777)            | (48,652,205)         | (1,517,051)              | (1,469,538)       | (52,586,829)         | (50,121,743)         |
| <b>Net Capital Assets</b>  | <b>\$ 66,477,249</b>    | <b>\$ 58,157,663</b> | <b>\$ 246,992</b>        | <b>\$ 223,104</b> | <b>\$ 66,724,241</b> | <b>\$ 58,380,767</b> |

**Long-term Obligations**

At year-end, the District had \$11,025,000 in general obligation bonds outstanding, a decrease of \$1,510,000 from the previous year. Obligations Under Capital Leases were \$401,398, a decrease of \$701,392 from the previous year. The net pension liability was \$23,412,004, a decrease of \$1,683,300 from the previous year. (See Table A-8)

The District had a liability of \$2,502,321 for compensated absences. This liability represents the District's contractual obligation to compensate employees for accumulated unused sick leave and vacation entitlements upon retirement.

|                                  | Balance at<br><u>June 30, 2020</u> | Balance at<br><u>June 30, 2019</u> | Increase/<br><u>(Decrease)</u> | %<br><u>Change</u> |
|----------------------------------|------------------------------------|------------------------------------|--------------------------------|--------------------|
| <b>Governmental Activities:</b>  |                                    |                                    |                                |                    |
| General Obligation Bonds Payable | \$ 11,025,000                      | \$ 12,535,000                      | \$ (1,510,000)                 | -12.0%             |
| Obligations Under Capital Leases | 401,397.78                         | 1,102,789.46                       | (701,392)                      | -63.6%             |
| Net Pension Liability            | 23,412,004                         | 25,095,304                         | (1,683,300)                    | -6.7%              |
| Compensated Absences             | 2,239,696                          | 2,081,424                          | 158,272                        | 7.6%               |
|                                  | 37,078,098                         | 40,814,518                         | (3,736,420)                    | -9.2%              |
| <b>Business-type Activities:</b> |                                    |                                    |                                |                    |
| Compensated Absences             | 262,624                            | 243,782                            | 18,842                         | 7.7%               |
| <b>Total</b>                     | <b>\$ 37,340,722</b>               | <b>\$ 41,058,300</b>               | <b>\$ (3,717,577)</b>          | <b>-9.1%</b>       |

**Gloucester Township School District  
Gloucester Township, New Jersey**

**Management's Discussion and Analysis (Continued)  
For the Fiscal Year Ended June 30, 2020**

**THE FUTURE OUTLOOK**

The Gloucester Township School District presently maintains a sound financial condition. However, without additional financial resources this financial condition could diminish. The State of New Jersey continues to cope with achieving a consistent school aid formula which is equitable for all districts. For the past two consecutive years the district received minimal increases in state school aid, however it is uncertain whether state school aid will again increase for the 2021-22 school year.

The over-reliance on property taxes to support the schools in Gloucester Township is an annual concern for both the Board of Education and its Administration. Recent budgets have been benefited from the infusion of millions of dollars of unassigned fund balance which were a direct result of a Board of Education which has been committed to financial excellence for many years. The Board of Education's system for financial planning, budgeting and capital improvements is well regarded. The Board of Education is committed to continually improving upon its fiscal management processes and to meeting the challenges of the future.

**CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, please contact Janice Grassia, School Business Administrator at: Gloucester Township School District, 17 Erial Road, Blackwood, New Jersey 08012.



## BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS

## GLOUCESTER TOWNSHIP SCHOOL DISTRICT

## Statement of Net Position

June 30, 2020

|   | Governmental<br>Activities | Business-Type<br>Activities | Total                     |
|---|----------------------------|-----------------------------|---------------------------|
| <b>ASSETS:</b>  |                            |                             |                           |
| Cash and Cash Equivalents                                 | \$ 7,663,573.91            | \$ 2,125,951.84             | \$ 9,789,525.75           |
| Investments   | 1,500,167.37               |                             | 1,500,167.37              |
| Receivables, net  | 7,095,056.77               | 76,192.07                   | 7,171,248.84              |
| Inventory   |                            | 25,998.62                   | 25,998.62                 |
| Restricted Assets:  |                            |                             |                           |
| Restricted Cash and Cash Equivalents                      | 3,708,193.06               |                             | 3,708,193.06              |
| Capital Assets, net                                       | 66,477,249.33              | 246,992.12                  | 66,724,241.45             |
| <b>Total Assets</b>                                       | <b>86,444,240.44</b>       | <b>2,475,134.65</b>         | <b>88,919,375.09</b>      |
| <b>DEFERRED OUTFLOW OF RESOURCES:</b>                     |                            |                             |                           |
| Deferred Loss on Refunding of Debt<br>Related to Pensions | 30,236.68<br>4,661,246.00  |                             | 30,236.68<br>4,661,246.00 |
| <b>Total Deferred Outflows of Resources</b>               | <b>4,691,482.68</b>        | <b>-</b>                    | <b>4,691,482.68</b>       |
| <b>LIABILITIES:</b>                                       |                            |                             |                           |
| Accounts Payable  | 4,342,120.14               | 13,160.00                   | 4,355,280.14              |
| Payable to State Government                               | 53,548.00                  |                             | 53,548.00                 |
| Estimated Worker's Compensation Claims<br>Payable         | 189,568.00                 | 8,887.00                    | 198,455.00                |
| Unearned Revenue  | 397,575.97                 | 40,644.26                   | 438,220.23                |
| Accrued Interest Payable                                  | 211,505.25                 |                             | 211,505.25                |
| Noncurrent Liabilities:                                   |                            |                             |                           |
| Due within One Year                                       | 1,875,623.51               | 13,963.54                   | 1,889,587.05              |
| Due beyond One Year                                       | 35,861,384.15              | 248,660.89                  | 36,110,045.04             |
| <b>Total Liabilities</b>                                  | <b>42,931,325.01</b>       | <b>325,315.69</b>           | <b>43,256,640.70</b>      |
| <b>DEFERRED INFLOWS OF RESOURCES:</b>                     |                            |                             |                           |
| Related to Pensions                                       | 10,100,503.00              | -                           | 10,100,503.00             |
| <b>NET POSITION:</b>                                      |                            |                             |                           |
| Net Investment in Capital Assets                          | 54,422,178.58              | 246,992.12                  | 54,669,170.70             |
| Restricted for:   |                            |                             |                           |
| Capital Projects  | 5,251,419.26               |                             | 5,251,419.26              |
| Other Purposes  | 7,483,620.32               |                             | 7,483,620.32              |
| Unrestricted (Deficit)                                    | (29,053,323.06)            | 1,902,826.84                | (27,150,496.22)           |
| <b>Total Net Position</b>                                 | <b>\$ 38,103,895.10</b>    | <b>\$ 2,149,818.96</b>      | <b>\$ 40,253,714.06</b>   |

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

**GLOUCESTER TOWNSHIP SCHOOL DISTRICT**  
Statement of Activities  
For the Fiscal Year Ended June 30, 2020

| Functions / Programs                             | Expenses                 | Program Revenues       |                                    |                                  | Net (Expense) Revenue and Changes in Net Position |                          |                         |
|--|--------------------------|------------------------|------------------------------------|----------------------------------|---|--------------------------|-------------------------|
|  |                          | Charges for Services   | Operating Grants and Contributions | Capital Grants and Contributions | Governmental Activities                           | Business-Type Activities | Total                   |
| <b>Governmental Activities:</b>                  |                          |                        |                                    |                                  |   |                          |                         |
| <b>Instruction:</b>                              |                          |                        |                                    |                                  |   |                          |                         |
| Regular  | \$ 39,110,872.93         |                        | \$ 3,881,270.94                    |                                  | \$ (35,229,601.99)                                |                          | \$ (35,229,601.99)      |
| Special Education                                | 10,246,823.62            |                        |                                    |                                  | (10,246,823.62)                                   |                          | (10,246,823.62)         |
| Other Special Instruction                        | 435,923.22               |                        |                                    |                                  | (435,923.22)                                      |                          | (435,923.22)            |
| Other Instruction                                | 1,780,273.89             |                        |                                    |                                  | (1,780,273.89)                                    |                          | (1,780,273.89)          |
| Nonpublic School Programs                        | 508.35                   |                        |                                    |                                  | (508.35)  |                          | (508.35)                |
| Community Services Programs / Operations         | 235.75                   |                        |                                    |                                  | (235.75)  |                          | (235.75)                |
| <b>Support Services:</b>                         |                          |                        |                                    |                                  |   |                          |                         |
| Tuition  | 7,718,525.62             |                        |                                    |                                  | (7,718,525.62)                                    |                          | (7,718,525.62)          |
| Student and Instruction Related Services         | 10,086,729.95            |                        | 1,534,464.96                       |                                  | (8,552,264.99)                                    |                          | (8,552,264.99)          |
| School Administrative Services                   | 3,603,320.60             |                        |                                    |                                  | (3,603,320.60)                                    |                          | (3,603,320.60)          |
| General and Business Administrative Services     | 3,072,782.42             |                        |                                    |                                  | (3,072,782.42)                                    |                          | (3,072,782.42)          |
| Plant Operations and Maintenance                 | 7,680,837.23             |                        |                                    |                                  | (7,680,837.23)                                    |                          | (7,680,837.23)          |
| Pupil Transportation                             | 8,448,352.98             | \$ 1,454,260.00        |                                    |                                  | (6,994,092.98)                                    |                          | (6,994,092.98)          |
| Unallocated Benefits                             | 39,611,826.04            |                        | 22,925,822.43                      |                                  | (16,686,003.61)                                   |                          | (16,686,003.61)         |
| Transfer to Charter School                       | 188,301.00               |                        |                                    |                                  | (188,301.00)                                      |                          | (188,301.00)            |
| Interest on Long-Term Debt                       | 401,378.39               |                        | 56,455.99                          |                                  | (344,922.41)                                      |                          | (344,922.41)            |
| <b>Total Governmental Activities</b>             | <b>132,386,691.99</b>    | <b>1,454,260.00</b>    | <b>28,398,014.32</b>               | <b>-</b>                         | <b>(102,534,417.67)</b>                           | <b>-</b>                 | <b>(102,534,417.67)</b> |
| <b>Business-Type Activities:</b>                 |                          |                        |                                    |                                  |   |                          |                         |
| Food Service                                     | 2,480,822.11             | 648,590.06             | 1,677,420.75                       |                                  |   | \$ (154,811.30)          | (154,811.30)            |
| Latchkey   | 1,166,206.53             | 1,150,862.85           |                                    |                                  |   | (15,343.68)              | (15,343.68)             |
| <b>Total Business-Type Activities</b>            | <b>3,647,028.64</b>      | <b>1,799,452.91</b>    | <b>1,677,420.75</b>                | <b>-</b>                         | <b>-</b>  | <b>(170,154.98)</b>      | <b>(170,154.98)</b>     |
| <b>Total Government</b>                          | <b>\$ 136,033,720.63</b> | <b>\$ 3,253,712.91</b> | <b>\$ 30,075,435.07</b>            | <b>\$ -</b>                      | <b>(102,534,417.67)</b>                           | <b>(170,154.98)</b>      | <b>(102,704,572.65)</b> |
| <b>General Revenues:</b>                         |                          |                        |                                    |                                  |   |                          |                         |
| <b>Taxes:</b>                                    |                          |                        |                                    |                                  |   |                          |                         |
| Property Taxes, Levied for General Purposes, net |                          |                        |                                    |                                  | 51,434,683.00                                     |                          | 51,434,683.00           |
| Taxes Levied for Debt Service                    |                          |                        |                                    |                                  | 626,190.00  |                          | 626,190.00              |
| Federal and State Aid not Restricted             |                          |                        |                                    |                                  | 53,844,837.34                                     |                          | 53,844,837.34           |
| Investment Earnings                              |                          |                        |                                    |                                  | 455,803.26  | 42,281.04                | 498,084.30              |
| Miscellaneous Income                             |                          |                        |                                    |                                  | 1,461,233.97                                      |                          | 1,461,233.97            |
| Transfers  |                          |                        |                                    |                                  | (65,000.00)                                       | 65,000.00                |                         |
| <b>Total General Revenues</b>                    |                          |                        |                                    |                                  | <b>107,757,747.57</b>                             | <b>107,281.04</b>        | <b>107,865,028.61</b>   |
| <b>Change in Net Position</b>                    |                          |                        |                                    |                                  | <b>5,223,329.90</b>                               | <b>(62,873.94)</b>       | <b>5,160,455.96</b>     |
| <b>Net Position -- July 1</b>                    |                          |                        |                                    |                                  | <b>32,880,565.20</b>                              | <b>2,212,692.90</b>      | <b>35,093,258.10</b>    |
| <b>Net Position -- June 30</b>                   |                          |                        |                                    |                                  | <b>\$ 38,103,895.10</b>                           | <b>\$ 2,149,818.96</b>   | <b>\$ 40,253,714.06</b> |

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

FUND FINANCIAL STATEMENTS

**GLOUCESTER TOWNSHIP SCHOOL DISTRICT**  
Governmental Funds  
Balance Sheet  
June 30, 2020

|   | General<br>Fund         | Special<br>Revenue<br>Fund | Capital<br>Projects<br>Fund | Debt<br>Service<br>Fund | Total<br>Governmental<br>Funds |
|---|-------------------------|----------------------------|-----------------------------|-------------------------|--------------------------------|
| <b>ASSETS:</b>  |                         |                            |                             |                         |                                |
| Cash and Cash Equivalents                                     | \$ 8,751,681.68         |                            | \$ 2,097,744.60             | \$ 72,726.03            | \$ 10,922,152.31               |
| Investments   |                         |                            | 1,500,167.37                |                         | 1,500,167.37                   |
| Interfund Accounts Receivable                                 | 91,922.74               |                            |                             |                         | 91,922.74                      |
| Receivables from Other Governments                            | 6,093,836.77            | \$ 566,960.00              |                             |                         | 6,660,796.77                   |
| <b>Total Assets</b>   | <b>\$ 14,937,441.19</b> | <b>\$ 566,960.00</b>       | <b>\$ 3,597,911.97</b>      | <b>\$ 72,726.03</b>     | <b>\$ 19,175,039.19</b>        |
| <b>LIABILITIES AND FUND BALANCES:</b>                         |                         |                            |                             |                         |                                |
| Liabilities:  |                         |                            |                             |                         |                                |
| Accounts Payable  | \$ 1,577,499.36         | \$ 250,166.29              | \$ 389,244.12               |                         | \$ 2,216,909.77                |
| Interfund Accounts Payable                                    |                         | 26,922.74                  |                             |                         | 26,922.74                      |
| Estimated Worker's Compensation Claims Payable                | 149,208.00              |                            |                             |                         | 149,208.00                     |
| Payable to State Government                                   |                         | 53,548.00                  |                             |                         | 53,548.00                      |
| Unearned Revenue  |                         | 397,575.97                 |                             |                         | 397,575.97                     |
| <b>Total Liabilities</b>                                      | <b>1,726,707.36</b>     | <b>728,213.00</b>          | <b>389,244.12</b>           | <b>-</b>                | <b>2,844,164.48</b>            |
| Fund Balances:  |                         |                            |                             |                         |                                |
| Restricted:   |                         |                            |                             |                         |                                |
| Capital Projects  |                         |                            | 3,208,667.85                |                         | 3,208,667.85                   |
| Debt Service  |                         |                            |                             | \$ 72,726.03            | 72,726.03                      |
| Capital Reserve Account                                       | 2,042,751.41            |                            |                             |                         | 2,042,751.41                   |
| Maintenance Reserve Account                                   | 1,078,455.49            |                            |                             |                         | 1,078,455.49                   |
| Emergency Reserve Account                                     | 989,291.83              |                            |                             |                         | 989,291.83                     |
| Tuition   | 200,000.00              |                            |                             |                         | 200,000.00                     |
| Tuition--Designated for Subsequent Year's Expenditures        | 200,000.00              |                            |                             |                         | 200,000.00                     |
| Excess Surplus--Designated for Subsequent Year's Expenditures | 5,015,873.00            |                            |                             |                         | 5,015,873.00                   |

(Continued)

**GLOUCESTER TOWNSHIP SCHOOL DISTRICT**  
Governmental Funds  
Balance Sheet  
June 30, 2020

|   | <u>General<br/>Fund</u> | <u>Special<br/>Revenue<br/>Fund</u> | <u>Capital<br/>Projects<br/>Fund</u> | <u>Debt<br/>Service<br/>Fund</u> | <u>Total<br/>Governmental<br/>Funds</u> |
|---|-------------------------|-------------------------------------|--------------------------------------|----------------------------------|---|
| <b>LIABILITIES AND FUND BALANCES (CONTINUED):</b>   |                         |                                     |                                      |                                  |   |
| Fund Balances (Continued):  |                         |                                     |                                      |                                  |   |
| Assigned:   |                         |                                     |                                      |                                  |   |
| Other Purposes  | \$ 635,929.13           |                                     |                                      |                                  | \$ 635,929.13                           |
| Unassigned:   |                         |                                     |                                      |                                  |   |
| Special Revenue Fund  |                         | \$ (161,253.00)                     |                                      |                                  | (161,253.00)                            |
| General Fund  | <u>3,048,432.97</u>     |                                     |                                      |                                  | <u>3,048,432.97</u>                     |
| Total Fund Balances   | <u>13,210,733.83</u>    | <u>(161,253.00)</u>                 | <u>\$ 3,208,667.85</u>               | <u>\$ 72,726.03</u>              | 16,330,874.71                           |
| Total Liabilities and Fund Balances   | <u>\$ 14,937,441.19</u> | <u>\$ 566,960.00</u>                | <u>\$ 3,597,911.97</u>               | <u>\$ 72,726.03</u>              |   |
| Amounts reported for <i>governmental activities</i> in the statement of net position (A-1) are different because:   |                         |                                     |                                      |                                  |   |
| The Internal Service Fund is used to account for the financing of student transportation services to the district and other school districts. Student transportation services are governmental activities. This amount is the unrestricted net position in the Internal Service Fund. |                         |                                     |                                      |                                  |   |
|   |                         |                                     |                                      |                                  | 26,914.29                               |
| Interest on long-term debt in the statement of activities is accrued, regardless of when due.   |                         |                                     |                                      |                                  |   |
|   |                         |                                     |                                      |                                  | (211,505.25)                            |
| Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$117,547,026.73, and the accumulated depreciation is \$51,069,777.40.  |                         |                                     |                                      |                                  |   |
|   |                         |                                     |                                      |                                  | 66,477,249.33                           |
| Deferred loss on refunding of debt is a consumption of net position that is applicable to a future reporting period and therefore is not reported in the funds.   |                         |                                     |                                      |                                  |   |
|   |                         |                                     |                                      |                                  | 30,236.68                               |
| Long-term liabilities, including bonds payable, compensated absences payable, capital leases payable and net pension liability, are not due and payable in the current period and therefore are not reported as liabilities in the funds.   |                         |                                     |                                      |                                  |   |
|   |                         |                                     |                                      |                                  | (37,737,007.66)                         |
| Deferred outflows and deferred inflows related to pensions represent the consumption and acquisition, respectively, of resources that relate to future periods; therefore, such amounts are not reported in the fund financial statements.  |                         |                                     |                                      |                                  |   |
|   |                         |                                     |                                      |                                  | (5,439,257.00)                          |
| Accounts Payable related to the April 1, 2021 Required PERS pension contribution that is not to be liquidated with current financial resources.   |                         |                                     |                                      |                                  |   |
|   |                         |                                     |                                      |                                  | <u>(1,373,610.00)</u>                   |
| Net position of governmental activities   |                         |                                     |                                      |                                  | <u>\$ 38,103,895.11</u>                 |

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

**GLOUCESTER TOWNSHIP SCHOOL DISTRICT**  
 Governmental Funds  
 Statement of Revenues, Expenditures and Changes in Fund Balances  
 For the Fiscal Year Ended June 30, 2020

|  | <u>General<br/>Fund</u> | <u>Special<br/>Revenue<br/>Fund</u> | <u>Capital<br/>Projects<br/>Fund</u> | <u>Debt<br/>Service<br/>Fund</u> | <u>Total<br/>Governmental<br/>Funds</u> |
|--|-------------------------|-------------------------------------|--------------------------------------|----------------------------------|---|
| <b>REVENUES:</b>   |                         |                                     |                                      |                                  |   |
| Local Tax Levy   | \$ 51,434,683.00        |                                     |                                      | \$ 626,190.00                    | \$ 52,060,873.00                        |
| Miscellaneous  | 1,797,279.98            |                                     | \$ 119,757.25                        |                                  | 1,917,037.23                            |
| State Sources  | 71,409,535.93           | \$ 1,569,535.14                     |                                      | 509,000.00                       | 73,488,071.07                           |
| Federal Sources  | 261,470.23              | 3,102,198.36                        |                                      |                                  | 3,363,668.59                            |
| <b>Total Revenues</b>  | <b>124,902,969.14</b>   | <b>4,671,733.50</b>                 | <b>119,757.25</b>                    | <b>1,135,190.00</b>              | <b>130,829,649.89</b>                   |
| <b>EXPENDITURES:</b>   |                         |                                     |                                      |                                  |   |
| Current:   |                         |                                     |                                      |                                  |   |
| Regular Instruction  | 34,488,734.08           | 3,881,270.94                        |                                      |                                  | 38,370,005.02                           |
| Special Education Instruction                                | 10,246,823.62           |                                     |                                      |                                  | 10,246,823.62                           |
| Other Special Instruction                                    | 430,117.50              |                                     |                                      |                                  | 430,117.50                              |
| Other Instruction  | 1,780,273.89            |                                     |                                      |                                  | 1,780,273.89                            |
| Community Service Programs/Operations                        | 235.75                  |                                     |                                      |                                  | 235.75                                  |
| Support Services and Undistributed Costs:                    |                         |                                     |                                      |                                  |   |
| Tuition  | 7,718,525.62            |                                     |                                      |                                  | 7,718,525.62                            |
| Student and Instruction Related Services                     | 8,538,609.75            | 1,534,464.96                        |                                      |                                  | 10,073,074.71                           |
| School Administrative Services                               | 3,597,612.64            |                                     |                                      |                                  | 3,597,612.64                            |
| Other Administrative Services                                | 3,618,760.68            |                                     |                                      |                                  | 3,618,760.68                            |
| Plant Operations and Maintenance                             | 6,635,346.79            |                                     |                                      |                                  | 6,635,346.79                            |
| Pupil Transportation   | 4,127,674.81            |                                     |                                      |                                  | 4,127,674.81                            |
| Unallocated Benefits   | 34,763,311.88           |                                     |                                      |                                  | 34,763,311.88                           |
| Transfer to Charter School                                   | 188,301.00              |                                     |                                      |                                  | 188,301.00                              |
| Debt Service:  |                         |                                     |                                      |                                  |   |
| Principal  | 500,000.00              |                                     |                                      | 1,010,000.00                     | 1,510,000.00                            |
| Interest and Other Charges                                   | 485,872.91              |                                     |                                      | 126,000.00                       | 611,872.91                              |
| Capital Outlay   | 956,077.27              | 140,250.60                          | 8,706,934.48                         |                                  | 9,803,262.35                            |
| <b>Total Expenditures</b>                                    | <b>118,076,278.19</b>   | <b>5,555,986.50</b>                 | <b>8,706,934.48</b>                  | <b>1,136,000.00</b>              | <b>133,475,199.17</b>                   |
| <b>Excess (Deficiency) of Revenues<br/>over Expenditures</b> | <b>6,826,690.95</b>     | <b>(884,253.00)</b>                 | <b>(8,587,177.23)</b>                | <b>(810.00)</b>                  | <b>(2,645,549.28)</b>                   |

(Continued)



**GLOUCESTER TOWNSHIP SCHOOL DISTRICT**  
 Governmental Funds  
 Statement of Revenues, Expenditures and Changes in Fund Balances  
 For the Fiscal Year Ended June 30, 2020

|  | <u>General<br/>Fund</u> | <u>Special<br/>Revenue<br/>Fund</u> | <u>Capital<br/>Projects<br/>Fund</u> | <u>Debt<br/>Service<br/>Fund</u> | <u>Total<br/>Governmental<br/>Funds</u> |
|--|-------------------------|-------------------------------------|--------------------------------------|----------------------------------|---|
| OTHER FINANCING SOURCES (USES):        |                         |                                     |                                      |                                  |   |
| Capital Leases (Non-Budgeted)          | \$ 473,065.00           | \$ 125,000.00                       |                                      |                                  | \$ 598,065.00                           |
| Operating Transfers In                 | 86,866.91               | 598,000.00                          | \$ 5,375,000.00                      | \$ 32,890.34                     | 6,092,757.25                            |
| Operating Transfers Out                | <u>(9,516,663.24)</u>   |                                     | <u>(119,757.25)</u>                  |                                  | <u>(9,636,420.49)</u>                   |
| Total Other Financing Sources and Uses | <u>(8,956,731.33)</u>   | <u>723,000.00</u>                   | <u>5,255,242.75</u>                  | <u>32,890.34</u>                 | <u>(2,945,598.24)</u>                   |
| Net Change in Fund Balances            | <u>(2,130,040.38)</u>   | <u>(161,253.00)</u>                 | <u>(3,331,934.48)</u>                | <u>32,080.34</u>                 | <u>(5,591,147.52)</u>                   |
| Fund Balance -- July 1                 | <u>15,340,774.21</u>    | <u>-</u>                            | <u>6,540,602.33</u>                  | <u>40,645.69</u>                 | <u>21,922,022.23</u>                    |
| Fund Balance -- June 30                | <u>\$ 13,210,733.83</u> | <u>\$ (161,253.00)</u>              | <u>\$ 3,208,667.85</u>               | <u>\$ 72,726.03</u>              | <u>\$ 16,330,874.71</u>                 |

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

**GLOUCESTER TOWNSHIP SCHOOL DISTRICT**  
 Reconciliation of the Statement of Revenues, Expenditures  
 and Changes in Fund Balances of Governmental Funds  
 to the Statement of Activities  
 For the Fiscal Year Ended June 30, 2020

|  |                   |                   |
|--|-------------------|-------------------|
| Total Net Change in Fund Balances - Governmental Funds   |                   | \$ (5,591,147.52) |
| <p>Amounts reported for governmental activities in the statement of activities (A-2) are different because:</p>  |                   |                   |
| <p>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.</p>  |                   |                   |
| Depreciation Expense   | \$ (2,534,077.29) |                   |
| Capital Outlays (Exclusive of SDA Debt Service Aid Assessment)   | 9,803,262.35      | 7,269,185.06      |
| 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.  |                   | 1,510,000.00      |
| Repayment of capital leases 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.  |                   | 1,388,209.34      |
| Proceeds from capital lease 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 position.   |                   | (598,065.00)      |
| The issuance of long-term debt (bonds) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of the governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items. |                   | 81,903.78         |
| The Internal Service Fund is used by management to charge the costs of providing student transportation services to the district and other school districts. This amount is the change in net position for the Internal Service fund, exclusive of any gain/(loss) on disposal of Internal Service Fund capital assets.  |                   | 485,868.83        |
| Interest on long-term debt in the statement of activities is accrued, regardless of when due. In the governmental funds, interest is reported when due. This amount is the net effect of the difference in the treatment of interest on long-term debt.  |                   | 134,777.58        |
| In the statement of activities, certain operating expenses, (e.g., compensated absences) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). This amount is the net effect of the difference in treatment of compensated absences.   |                   | (158,272.16)      |
| Governmental funds report School District pension contributions as expenditures. However in the statement of activities, the cost of pension benefits earned is reported as pension expense. This is the amount by which pension benefits earned exceeded the School District's pension contributions in the current period.   |                   | 700,870.00        |
| Change in Net Position of Governmental Activities  |                   | \$ 5,223,329.90   |

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

**GLOUCESTER TOWNSHIP SCHOOL DISTRICT**  
Proprietary Funds  
Statement of Net Position  
June 30, 2020

|  | Business-Type Activities -<br>Enterprise Funds |                 |                 | Governmental<br>Activities -<br>Internal<br>Service Fund |
|--|--|-----------------|-----------------|--|
|  | Food<br>Service                                | Latchkey        | Totals          |  |
| <b>ASSETS:</b>                                 |  |                 |                 |  |
| Current Assets:                                |  |                 |                 |  |
| Cash and Cash Equivalents                      | \$ 311,021.25                                  | \$ 1,814,930.59 | \$ 2,125,951.84 | \$ 449,614.66  |
| Accounts Receivable:                           |  |                 |                 |  |
| State  | 7,699.77                                       |                 | 7,699.77        |  |
| Federal  | 68,280.30                                      |                 | 68,280.30       |  |
| Other Governments                              |  |                 |                 | 369,260.00   |
| Other  | 212.00   |                 | 212.00          |  |
| Inventories                                    | 25,998.62                                      |                 | 25,998.62       |  |
| Total Current Assets                           | 413,211.94                                     | 1,814,930.59    | 2,228,142.53    | 818,874.66   |
| Noncurrent Assets:                             |  |                 |                 |  |
| Equipment                                      | 1,665,217.33                                   | 98,826.18       | 1,764,043.51    | 6,884,223.14   |
| Less Accumulated Depreciation                  | (1,418,958.68)                                 | (98,092.71)     | (1,517,051.39)  | (3,856,544.97)   |
| Total Noncurrent Assets                        | 246,258.65                                     | 733.47          | 246,992.12      | 3,027,678.17   |
| Total Assets                                   | 659,470.59                                     | 1,815,664.06    | 2,475,134.65    | 3,846,552.83   |
| <b>LIABILITIES:</b>                            |  |                 |                 |  |
| Current Liabilities:                           |  |                 |                 |  |
| Accounts Payable                               | 779.53   | 12,380.47       | 13,160.00       | 751,600.37   |
| Compensated Absences Payable                   |  | 13,963.54       | 13,963.54       |  |
| Estimated Worker's Compensation Claims Payable | 7,945.00                                       | 942.00          | 8,887.00        | 40,360.00  |
| Capital Leases Payable                         |  |                 |                 | 187,700.17   |
| Unearned Revenue                               | 40,644.26                                      |                 | 40,644.26       |  |
| Total Current Liabilities                      | 49,368.79                                      | 27,286.01       | 76,654.80       | 979,660.54   |
| Noncurrent Liabilities:                        |  |                 |                 |  |
| Compensated Absences Payable                   | 192,608.74                                     | 56,052.15       | 248,660.89      |  |
| Capital Leases Payable                         |  |                 |                 | 92,545.63  |
| Total Noncurrent Liabilities                   | 192,608.74                                     | 56,052.15       | 248,660.89      | 92,545.63  |
| Total Liabilities                              | 241,977.53                                     | 83,338.16       | 325,315.69      | 1,072,206.17   |
| <b>NET POSITION:</b>                           |  |                 |                 |  |
| Net Investment in Capital Assets               | 246,258.65                                     | 733.47          | 246,992.12      | 2,747,432.37   |
| Unrestricted                                   | 171,234.41                                     | 1,731,592.43    | 1,902,826.84    | 26,914.29  |
| Total Net Position                             | \$ 417,493.06                                  | \$ 1,732,325.90 | \$ 2,149,818.96 | \$ 2,774,346.66  |

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

**GLOUCESTER TOWNSHIP SCHOOL DISTRICT**  
 Proprietary Funds  
 Statement of Revenues, Expenses and Changes in Fund Net Position  
 For the Fiscal Year Ended June 30, 2020

|  | Business-Type Activities -<br>Enterprise Fund |                        |                        | Governmental<br>Activities -<br>Internal<br>Service<br>Fund |
|--|---|------------------------|------------------------|---|
|  | Food<br>Service                               | Latchkey               | Total<br>Enterprise    |   |
| <b>OPERATING REVENUES:</b>                               |   |                        |                        |   |
| Charges for Services:                                    |   |                        |                        |   |
| Daily Sales - Reimbursable Programs                      | \$ 423,848.75                                 |                        | \$ 423,848.75          |   |
| Daily Sales - Non-Reimbursable Programs                  | 185,320.39                                    |                        | 185,320.39             |   |
| Special Functions  | 39,420.92                                     |                        | 39,420.92              |   |
| Community Service Activities                             |   | \$ 1,150,862.85        | 1,150,862.85           |   |
| Transportation Fees from LEA                             |   |                        |                        | \$ 3,478,663.24   |
| Transportation Fees from Other LEA's Within the State    |   |                        |                        | 1,454,260.00  |
| Total Operating Revenues                                 | <u>648,590.06</u>                             | <u>1,150,862.85</u>    | <u>1,799,452.91</u>    | <u>4,932,923.24</u>   |
| <b>OPERATING EXPENSES:</b>                               |   |                        |                        |   |
| Salaries   | 968,102.33                                    | 562,634.93             | 1,530,737.26           | 1,766,548.01  |
| Employee Benefits  | 558,375.40                                    | 308,474.41             | 866,849.81             | 1,072,164.16  |
| Purchased Professional Services                          | 27,147.00                                     | 9,500.00               | 36,647.00              | 64,044.15   |
| Purchased Property Services                              |   | 225,000.00             | 225,000.00             | 240,000.00  |
| Cleaning, Repair and Maintenance Services                | 36,034.20                                     |                        | 36,034.20              | 159,172.20  |
| Other Purchased Services:                                |   |                        |                        |   |
| Contracted Services (Other Than Between Home and School) |   |                        |                        | 205,396.62  |
| Insurance  |   |                        |                        | 112,076.00  |
| Miscellaneous  | 7,945.00                                      | 942.00                 | 8,887.00               | 1,360.00  |
| Communications/Telephone                                 |   | 3,569.20               | 3,569.20               |   |
| Travel   | 688.42  |                        | 688.42                 |   |
| General Supplies   | 37,402.55                                     | 34,137.16              | 71,539.71              |   |
| Transportation Supplies                                  |   |                        |                        | 173,186.52  |
| Gasoline   |   |                        |                        | 165,011.59  |
| Depreciation   | 46,836.96                                     | 676.58                 | 47,513.54              | 454,667.08  |
| Cost of Sales:   |   |                        |                        |   |
| Reimbursable Programs                                    | 667,500.55                                    |                        | 667,500.55             |   |
| Non-reimbursable Programs                                | 130,565.70                                    |                        | 130,565.70             |   |
| Miscellaneous Expense                                    | 224.00  | 21,272.25              | 21,496.25              | 27,241.24   |
| Total Operating Expenses                                 | <u>2,480,822.11</u>                           | <u>1,166,206.53</u>    | <u>3,647,028.64</u>    | <u>4,440,867.57</u>   |
| Operating Income (Loss)                                  | <u>(1,832,232.05)</u>                         | <u>(15,343.68)</u>     | <u>(1,847,575.73)</u>  | <u>492,055.67</u>   |
| <b>NONOPERATING REVENUES (EXPENSES):</b>                 |   |                        |                        |   |
| State Sources:   |   |                        |                        |   |
| State School Lunch Program                               | 29,583.56                                     |                        | 29,583.56              |   |
| Federal Sources:   |   |                        |                        |   |
| National School Lunch Program                            | 1,113,482.30                                  |                        | 1,113,482.30           |   |
| National School Breakfast Program                        | 409,503.98                                    |                        | 409,503.98             |   |
| After School Snack Program                               | 10,986.28                                     |                        | 10,986.28              |   |
| Special Milk Program                                     | 65.12   |                        | 65.12                  |   |
| Food Distribution Program                                | 113,799.51                                    |                        | 113,799.51             |   |
| Interest on Capital Leases                               |   |                        |                        | (6,186.84)  |
| Interest and Investment Revenue                          | 6,784.01                                      | 35,497.03              | 42,281.04              |   |
| Total Nonoperating Revenues (Expenses)                   | <u>1,684,204.76</u>                           | <u>35,497.03</u>       | <u>1,719,701.79</u>    | <u>(6,186.84)</u>   |
| Income (Loss) before Contributions and Transfers         | <u>(148,027.29)</u>                           | <u>20,153.35</u>       | <u>(127,873.94)</u>    | <u>485,868.83</u>   |
| Operating Transfers In (Out) - General Fund              | <u>65,000.00</u>                              | <u>-</u>               | <u>65,000.00</u>       | <u>-</u>  |
| Change in Net Position                                   | <u>(83,027.29)</u>                            | <u>20,153.35</u>       | <u>(62,873.94)</u>     | <u>485,868.83</u>   |
| Total Net Position -- July 1                             | <u>500,520.35</u>                             | <u>1,712,172.55</u>    | <u>2,212,692.90</u>    | <u>2,288,477.83</u>   |
| Total Net Position -- June 30                            | <u>\$ 417,493.06</u>                          | <u>\$ 1,732,325.90</u> | <u>\$ 2,149,818.96</u> | <u>\$ 2,774,346.66</u>                                      |

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

**GLOUCESTER TOWNSHIP SCHOOL DISTRICT**  
 Proprietary Funds  
 Statement of Cash Flows  
 For the Fiscal Year Ended June 30, 2020

|  | Business-Type Activities -<br>Enterprise Funds |                        |                          | Governmental<br>Activities -<br>Internal<br>Service<br>Fund |
|--|--|------------------------|--------------------------|---|
|  | Food<br>Service                                | Latchkey               | Total<br>Enterprise      |   |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>   |  |                        |                          |   |
| Receipts from Customers  | \$ 673,318.09                                  | \$ 1,095,299.40        | \$ 1,768,617.49          | \$ 4,692,810.24   |
| Payments to Employees  | (968,102.33)                                   | (562,634.93)           | (1,530,737.26)           | (1,766,548.01)  |
| Payments for Employee Benefits   | (530,163.50)                                   | (308,957.26)           | (839,120.76)             | (1,072,164.16)  |
| Payments to Suppliers  | (936,756.07)                                   | (289,869.15)           | (1,226,625.22)           | (482,547.60)  |
| Net Cash Provided by (used for) Operating Activities   | <u>(1,761,703.81)</u>                          | <u>(66,161.94)</u>     | <u>(1,827,865.75)</u>    | <u>1,371,550.47</u>   |
| <b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>  |  |                        |                          |   |
| State Sources  | 23,789.95                                      |                        | 23,789.95                |   |
| Federal Sources  | 1,664,307.39                                   |                        | 1,664,307.39             |   |
| Operating Subsidies and Transfers to Other Funds   | 71,090.45                                      | (6,090.45)             | 65,000.00                |   |
| Net Cash Provided by (used for) Non-Capital Financing Activities   | <u>1,759,187.79</u>                            | <u>(6,090.45)</u>      | <u>1,753,097.34</u>      | <u>-</u>  |
| <b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>   |  |                        |                          |   |
| Purchase of Capital Assets   | (71,402.00)                                    |                        | (71,402.00)              | (1,228,068.46)  |
| Principal Paid on Capital Leases   |  |                        |                          | (188,247.34)  |
| Interest Paid on Capital Leases  |  |                        |                          | (6,186.84)  |
| Net Cash Provided by (used for) Capital and Related Financing Activities                                     | <u>(71,402.00)</u>                             | <u>-</u>               | <u>(71,402.00)</u>       | <u>(1,422,502.64)</u>                                       |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>   |  |                        |                          |   |
| Interest and Dividends   | 6,784.01                                       | 35,497.03              | 42,281.04                | -   |
| Net Cash Provided by (used for) Investing Activities   | <u>6,784.01</u>                                | <u>35,497.03</u>       | <u>42,281.04</u>         | <u>-</u>  |
| Net Increase (Decrease) in Cash and Cash Equivalents   | (67,134.01)                                    | (36,755.36)            | (103,889.37)             | (50,952.17)   |
| Balances -- July 1   | 378,155.26                                     | 1,851,685.95           | 2,229,841.21             | 500,566.83  |
| Balances -- June 30  | <u>\$ 311,021.25</u>                           | <u>\$ 1,814,930.59</u> | <u>\$ 2,125,951.84</u>   | <u>\$ 449,614.66</u>  |
| Reconciliation of Operating Income (Loss) to Net Cash Provided (Used)<br>by Operating Activities:            |  |                        |                          |   |
| Operating Income (Loss)  | \$ (1,832,232.05)                              | \$ (15,343.68)         | \$ (1,847,575.73)        | \$ 492,055.67   |
| Adjustments to Reconcile Operating Income (Loss) to Net Cash<br>Provided by (used for) Operating Activities: |  |                        |                          |   |
| Depreciation and Net Amortization  | 46,836.96                                      | 676.58                 | 47,513.54                | 454,667.08  |
| (Increase) Decrease in Inventories   | (3,715.40)                                     |                        | (3,715.40)               |   |
| Increase (Decrease) in Accounts Payable  | (25,533.25)                                    | 4,551.46               | (20,981.79)              | 693,791.72  |
| Increase (Decrease) in Accrued Salaries Benefits   | 20,266.90                                      | (1,424.85)             | 18,842.05                |   |
| (Increase) Decrease in Accounts Receivable, net  | 828.49   |                        | 828.49                   | (240,113.00)  |
| Increase (Decrease) in Unearned Revenue  | 23,899.54                                      | (55,563.45)            | (31,663.91)              |   |
| Increase (Decrease) in Estimated Worker's Comp Claims Payable  | 7,945.00                                       | 942.00                 | 8,887.00                 | (28,851.00)   |
| Total Adjustments  | <u>70,528.24</u>                               | <u>(50,818.26)</u>     | <u>19,709.98</u>         | <u>879,494.80</u>   |
| Net Cash Provided by (used for) Operating Activities   | <u>\$ (1,761,703.81)</u>                       | <u>\$ (66,161.94)</u>  | <u>\$ (1,827,865.75)</u> | <u>\$ 1,371,550.47</u>                                      |

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

**GLOUCESTER TOWNSHIP SCHOOL DISTRICT**  
 Fiduciary Funds  
 Statement of Fiduciary Net Position  
 June 30, 2020

|   | Private-Purpose<br>Trust Fund        | Agency Funds                |                      |
|---|--------------------------------------|-----------------------------|----------------------|
|   | <u>Unemployment<br/>Compensation</u> | <u>Student<br/>Activity</u> | <u>Payroll</u>       |
| <b>ASSETS:</b>  |                                      |                             |                      |
| Cash and Cash Equivalents                                   | \$ 1,581,730.76                      | \$ 184,353.98               | \$ 472,026.80        |
| Intrafund Accounts Receivable                               | 30,791.01                            |                             |                      |
| Total Assets  | <u>1,612,521.77</u>                  | <u>\$ 184,353.98</u>        | <u>\$ 472,026.80</u> |
| <b>LIABILITIES:</b>   |                                      |                             |                      |
| Interfund Accounts Payable                                  |                                      |                             | \$ 65,000.00         |
| Intrafund Accounts Payable                                  |                                      |                             | 30,791.01            |
| Payable to Student Groups                                   |                                      | \$ 184,353.98               |                      |
| Payroll Deductions and Withholdings                         |                                      |                             | 376,235.79           |
| Total Liabilities   | <u>-</u>                             | <u>\$ 184,353.98</u>        | <u>\$ 472,026.80</u> |
| <b>NET POSITION:</b>  |                                      |                             |                      |
| Held in Trust for Unemployment<br>Claims and Other Purposes | <u>1,612,521.77</u>                  |                             |                      |
| Total Net Position  | <u>\$ 1,612,521.77</u>               |                             |                      |

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

**GLOUCESTER TOWNSHIP SCHOOL DISTRICT**  
 Fiduciary Funds  
 Statement of Changes in Fiduciary Net Position  
 For the Fiscal Year Ended June 30, 2020

---

|                            | Private-Purpose<br>Trust Fund         |
|----------------------------|---------------------------------------|
|                            | Unemployment<br>Compensation<br>Trust |
| <b>ADDITIONS:</b>          |                                       |
| Contributions:             |                                       |
| Employee Salary Deductions | \$ 102,969.44                         |
| Investment Earnings:       |                                       |
| Interest                   | 28,610.92                             |
| Total Additions            | 131,580.36                            |
| <b>DEDUCTIONS:</b>         |                                       |
| Unemployment Claims        | 48,060.76                             |
| Total Deductions           | 48,060.76                             |
| Change in Net Position     | 83,519.60                             |
| Net Position -- July 1     | 1,529,002.17                          |
| Net Position -- June 30    | \$ 1,612,521.77                       |

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

**GLOUCESTER TOWNSHIP SCHOOL DISTRICT**  
Notes to Financial Statements  
For the Fiscal Year Ended June 30, 2020

---

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the Gloucester Township School District (the "School District") have been prepared to conform with accounting principles generally accepted in the United States of America ("GAAP") as applied to governmental units. The Governmental Accounting Standards Board ("GASB") is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the more significant of these policies.

**Description of the Financial Reporting Entity**

The School District is a Type II district located in the County of Camden, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education (the "Board"). The Board is comprised of nine members elected to three-year terms. These terms are staggered so that three member's terms expire each year. The Superintendent is appointed by the Board to act as executive officer of the School District. The purpose of the School District is to educate students in grades K-8 at its eight elementary and three middle schools. The School District has an approximate enrollment at June 30, 2020 of 6,366.

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

**Government-wide and Fund Financial Statements**

The School District's basic financial statements consist of government-wide statements, and fund financial statements which provide a more detailed level of financial information.

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by property taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are specifically associated with a service, program, or department and, therefore, clearly identifiable to a particular function. It is the policy of the School District to not allocate indirect expenses to functions in the statement of activities. Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Property taxes and other items not properly included among program revenues are reported instead as general revenues.



**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****Government-wide and Fund Financial Statements (Cont'd)**

In regards to the fund financial statements, the School District segregates transactions related to certain functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. Fund financial statements report detailed information about the School District. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a single column. Internal service funds are aggregated and presented in a single column on the face of the proprietary fund statements. Fiduciary funds are reported by fund type.

**Measurement Focus, Basis of Accounting and Financial Statement Presentation**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Property taxes are recognized as revenues in the year for which they are levied. The Camden County Board of Taxation is responsible for the assessment of properties, and the respective municipal tax collector is responsible for the collection of property taxes. Assessments are certified and property taxes are levied on January 1. Property tax payments are due February 1, May 1, August 1 and November 1. Unpaid property taxes are considered delinquent the following January 1 and are then subject to municipal lien. In accordance with New Jersey State Statute, the School District is entitled to receive moneys under an established payment schedule, and any unpaid amount is considered as an accounts receivable. The governing body of each municipality is required to pay over to the School District, within forty (40) days after the beginning of the school year, twenty percent (20%) of the moneys from school tax due. Thereafter, but prior to the last day of the school year, the municipality must pay the balance of moneys from school tax due for school purposes in such amounts as requested, with certain limitations, from time to time by the School District, within thirty days after each request.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recorded when they are deemed both available and measurable. Available means when revenues are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the School District considers revenues to be available if they are collected within sixty (60) days of the end of the current fiscal year. Measurable means that the amount of revenue can be determined. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, tuition, reimbursable-type grants, and interest associated with the current fiscal year are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal year. All other revenue items are considered to be measurable and available only when cash is received by the School District.

The School District reports the following major governmental funds:

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

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****Measurement Focus, Basis of Accounting and Financial Statement Presentation (Cont'd)**

The School District reports the following major governmental funds (cont'd):

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

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

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

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

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

Proprietary funds are used to account for the School District's ongoing organizations and activities, which are operated and financed in a manner similar to those found in the private sector. The measurement focus is upon the determination of net income. Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Operating expenses for the internal service funds include salaries, benefits, administrative expenses, and other transportation related expenses. All items not meeting this definition are reported as nonoperating revenues and expenses.

The School District reports the following major proprietary funds:

**Enterprise Funds**

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

**Latchkey Fund** - This fund accounts for financial activity related to providing day care services for School District students before and after school and during the summer.

**Internal Service Funds**

**Transportation Services** – This fund has been established to account for the financing of transportation services provided by the Gloucester Township School District for use by the Black Horse Pike Regional School District, as well as for the Gloucester Township School District itself. Services are provided on a cost-reimbursement basis.

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****Measurement Focus, Basis of Accounting and Financial Statement Presentation (Cont'd)**

Additionally, the School District reports the following fund types.

Fiduciary funds are used to account for assets held by the School District on behalf of outside related organizations or on behalf of other funds within the School District. The fiduciary 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. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds, and agency funds.

The School District maintains the following fiduciary funds:

**Agency Funds** - Agency funds are used to account for assets held by the School District in a trustee capacity or as an agent for individuals, private organizations, other governments, and / or other funds (i.e., payroll and student activities). The School District retains no equity interest in these funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The School District maintains the following agency funds: student activity fund and payroll fund.

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

**New Jersey Unemployment Compensation Insurance Trust Fund** - Revenues consist of contributions that have been included in the annual budget of the School District, employee payroll withholdings, and interest income. Expenditures represent claims incurred for unemployment.

As a general rule, the effect of internal/interfund activity has been eliminated from the government-wide financial statements.

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

**Budgets / Budgetary Control**

Annual appropriated budgets are prepared in the spring of each fiscal year for the general, special revenue, and debt service funds, and are submitted to the county office of education. In accordance with P.L. 2011, c. 202, the School District passed a resolution to move the school board election to the first Tuesday after the first Monday in November, starting in November of 2012, to be held simultaneously with the general election. As a result, a vote is not required on the School District's general fund tax levy for the budget year, other than the general fund tax levy required to support a proposal for additional funds, if any. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6A:23A-16.2(f)1. Transfers of appropriations may be made by school board resolution at any time during the fiscal year in accordance with N.J.A.C. 6A:23A-13.3.

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****Measurement Focus, Basis of Accounting and Financial Statement Presentation (Cont'd)****Budgets / Budgetary Control (Cont'd)**

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 one or more June state aid payments for budgetary purposes only, and the special revenue fund. N.J.S.A. 18A:22-44.2 provides that in the event a state school aid payment is not made until the following school budget year, school districts must record the delayed one or more June state aid payments as revenue, for budget purposes only, in the current school budget year. The bill provides legal authority for school districts to recognize this revenue in the current budget year. Encumbrance accounting is also employed as an extension of formal budgetary integration in the governmental fund types. Unencumbered appropriations lapse at fiscal year-end.

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

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

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

**Encumbrances**

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

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

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

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****Cash, Cash Equivalents and Investments**

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

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

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

**Inventories**

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

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

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

**Tuition Receivable**

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

**Prepaid Expenses**

Prepaid expenses recorded on the government-wide financial statements and in the proprietary fund types represent payments made to vendors for services that will benefit periods beyond June 30, 2020. The School District had no prepaid expenses for the fiscal year ended June 30, 2020.

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

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****Short-Term Interfund Receivables / Payables**

Short-term interfund receivables / payables (internal balances) represent amounts that are owed, other than charges for goods or services rendered to / from a particular fund within the School District, and that are due within one year. Such balances are eliminated in the statement of net position to minimize the grossing up of internal balances, thus leaving a net amount due between the governmental and business-type activities that are eliminated in the total government column. Balances with fiduciary activities are not considered to be internal balances; therefore, such balances appear on the statement of net position as accounts receivable or accounts payable.

**Capital Assets**

Capital assets represent the cumulative amount of capital assets owned by the School District. Purchased capital assets are recorded as expenditures in the governmental fund financial statements and are capitalized at cost on the government-wide statement of net position and proprietary fund statement of net position. In the case of gifts or contributions, such capital assets are recorded at acquisition value at the time received.

The School District's capitalization threshold is \$2,000.00. Other costs incurred for repairs and maintenance is expensed as incurred. All reported capital assets, except land and construction in progress, are depreciated. Depreciation is computed using the straight-line method over the following estimated useful lives:

| <u>Description</u>         | <u>Estimated Lives</u> |
|----------------------------|------------------------|
| Land Improvements          | 10-20 Years            |
| Buildings and Improvements | 10-50 Years            |
| Equipment                  | 4-10 Years             |

The School District does not possess any infrastructure assets.

**Deferred Outflows and Deferred Inflows of Resources**

The statement of net position reports separate sections for deferred outflows of resources and deferred inflows of resources. Deferred outflows of resources, reported after total assets, represents a reduction of net position that applies to a future period(s) and will be recognized as an outflow of resources (expense) at that time. Deferred inflows of resources, reported after total liabilities, represents an acquisition of net position that applies to a future period(s) and will be recognized as an inflow of resources (revenue) at that time.

Transactions are classified as deferred outflows of resources and deferred inflows of resources only when specifically prescribed by the Governmental Accounting Standards Board (GASB) standards. The School District is required to report the following as deferred outflows of resources and deferred inflows of resources: loss on refunding of debt and defined benefit pension plans.

**Tuition Payable**

Tuition charges for the fiscal years ended June 30, 2020 and 2019 were based on rates established by the receiving district. These rates are subject to change when the actual costs have been determined.

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****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 School District is eligible to realize the revenue.

**Compensated Absences**

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

The School District uses the termination method to calculate the compensated absences amount. The entire compensated absence liability is reported on the government-wide financial statements. The portion related to employees in the proprietary funds is recorded at the fund level. The current portion is the amount estimated to be used in the following fiscal year. Expenditures are recognized in the governmental funds as payments come due each period, for example, as a result of employee resignations and retirements. Compensated absences not recorded at the fund level represent a reconciling item between the fund level and government-wide presentations.

**Accrued Liabilities and Long-Term Obligations**

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

**Bond Discounts / Premiums**

Bond discounts / premiums arising from the issuance of long-term debt (bonds) are amortized over the life of the bonds, in systematic and rational method, as a component of interest expense. Bond discounts / premiums are presented as an adjustment of the face amount of the bonds on the government-wide statement of net position and on the proprietary fund statement of net position.

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****Net Position**

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

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

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

The School District applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

**Fund Balance**

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

***Nonspendable*** - The nonspendable fund balance classification includes amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash, such as inventories and prepaid amounts.

***Restricted*** - The restricted fund balance classification includes amounts that are restricted to specific purposes. Such restrictions, or constraints, are placed on the use of resources either by being (1) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (2) imposed by law through constitutional provisions or enabling legislation.

***Committed*** - The committed fund balance classification includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the School District's highest level of decision-making authority, which, for the School District, is the Board of Education. Such formal action consists of an affirmative vote by the Board of Education, memorialized by the adoption of a resolution. Once committed, amounts cannot be used for any other purpose unless the Board of Education removes, or changes, the specified use by taking the same type of action (resolution) it employed to previously commit those amounts.

***Assigned*** - The assigned fund balance classification includes amounts that are constrained by the School District's *intent* to be used for specific purposes, but are neither restricted nor committed. *Intent* is expressed by either the Board of Education or by the business administrator, to which the Board of Education has delegated the authority to assign amounts to be used for specific purposes. Such authority of the business administrator is established by way of a formal job description for the position and standard operating procedures, approved by the Board of Education.



**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****Fund Balance (Cont'd)**

The School District's classifications, and policies for determining such classifications, are as follows:

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

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

**Interfund Activity**

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

**Accounting Estimates**

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

**Impact of Recently Issued Accounting Principles****Recently Issued Accounting Pronouncements**

The GASB has issued the following Statements that will become effective for the School District for fiscal years ending after June 30, 2020:

Statement No. 84, *Fiduciary Activities*. The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. This Statement establishes criteria for identifying fiduciary activities of all state and local governments.

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****Impact of Recently Issued Accounting Principles (Cont'd)****Recently Issued Accounting Pronouncements (Cont'd)**

The GASB has issued the following Statements that will become effective for the School District for fiscal years ending after June 30, 2020 (cont'd):

Statement No. 84, *Fiduciary Activities (Cont'd)*. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities. The Statement will become effective for the School District in the fiscal year ending June 30, 2021. Management is currently evaluating whether or not this Statement will have an impact on the basic financial statements of the School District.

Statement No. 87, *Leases*. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The Statement will become effective for the School District in the fiscal year ending June 30, 2022. Management is currently evaluating whether or not this Statement will have an impact on the basic financial statements of the School District.

**Note 2: CASH AND CASH EQUIVALENTS**

**Custodial Credit Risk Related to Deposits** - Custodial credit risk is the risk that, in the event of a bank failure, the School District's deposits might not be recovered. Although the School District does not have a formal policy regarding custodial credit risk, N.J.S.A. 17:9-41 et seq. requires that governmental units shall deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (GUDPA). Under the Act, the first \$250,000.00 of governmental deposits in each insured depository is protected by the Federal Deposit Insurance Corporation (FDIC). Public funds owned by the School District in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled agency funds such as salary withholdings, and student activity funds, or funds that may pass to the School District relative to the happening of a future condition. Such funds are classified as uninsured and uncollateralized.

As of June 30, 2020, the School District's bank balances of \$19,113,246.77 were exposed to custodial credit risk as follows:

|                                |                         |
|--------------------------------|-------------------------|
| Insured by FDIC and GUDPA      | \$ 18,519,650.32        |
| Uninsured and Uncollateralized | <u>593,596.45</u>       |
| Total                          | <u>\$ 19,113,246.77</u> |

**Note 3: INVESTMENTS**

New Jersey school districts are limited as to the types of investments and types of financial institutions they may invest in. N.J.S.A. 18A:20-37 provides a list of permissible investments that may be purchased by New Jersey school districts. These permissible investments generally include 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 a federal instrumentality has issued in accordance with an act of Congress, bonds or other obligations of the School District or other obligations of the local unit or units within which the School District is located, bonds or other obligations approved by the Division of Investment in the Department of Treasury for investment by school districts, local government investment pools, deposits with the State of New Jersey Cash Management Fund, and agreements for the purchase of fully collateralized securities with certain provisions. The School District has no investment policy that would further limit its investment choices.

**Custodial Credit Risk Related to Investments** - For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the School District will not be able to recover the value of its investments or collateral securities that are in possession of an outside party if the counterparty to the transactions fails. The School District's investment policy allows funds to be invested in bonds or other obligations of the United States; bonds of those federal agencies in which such investment is permitted by law; the New Jersey Cash Management Fund; bonds or obligations of a county, municipality, or school district; and public depositories located within the boundaries of the State of New Jersey that secure public funds in accordance with statute. As of June 30, 2020, the School District's investments were exposed to custodial credit risk as follows:

|  |                        |
|--|------------------------|
| Uninsured and unregistered, with securities held by the<br>counterparty's trust department or agent in the School<br>District's name | <u>\$ 1,500,167.37</u> |
|--|------------------------|

As of June 30, 2020, the School District had the following investments:

| <u>Investment</u>         | <u>Weighted<br/>Average<br/>Days to<br/>Maturity</u> | <u>Fair Value<br/>Hierarchy<br/>Level *</u> | <u>Fair<br/>Value</u>  |
|---------------------------|--|---|------------------------|
| U.S. Treasury Bonds/Notes | 31   | Level 1                                     | \$ 200,281.24          |
| Money Market Mutual Fund  | Daily  | Level 1                                     | <u>1,299,886.13</u>    |
| Total                     |  |   | <u>\$ 1,500,167.37</u> |

\* Level 1 inputs are quoted (unadjusted) prices in active markets for identical assets that the government can access at the measurement date. Observable markets include exchange markets, dealer markets, brokered markets and principal-to-principal markets.

Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset, either directly or indirectly. These inputs are derived from or corroborated by observable market data through correlation.

Level 3 inputs are unobservable inputs for the asset; they should be used only when the relevant Level 1 and Level 2 inputs are unavailable.

**Note 3: INVESTMENTS (CONT'D)**

**Interest Rate Risk** - Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The weighted average days to maturity of the School District's investment portfolio was 31 days as of June 30, 2020. Other than the rules and regulations promulgated by N.J.S.A. 18A:20-37, the School District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

**Credit Risk** - Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligation. As stated in note 1, investments are purchased in accordance with N.J.S.A. 18A:20-37. Other than the rules and regulations promulgated by N.J.S.A. 18A:20-37, the School District has no investment policy that would further limit its exposure to credit risk. As of June 30, 2020, the School District's investments had the following ratings:

| <u>Investment</u>         | <u>Standard &amp; Poor's</u> | <u>Moody's</u> |
|---------------------------|------------------------------|----------------|
| U.S. Treasury Bonds/Notes | AA+                          | Aaa            |
| Money Market Mutual Fund  | AAAm                         | Not Rated      |

**Concentration of Credit Risk** - Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. Other than the rules and regulations promulgated by N.J.S.A. 18A:20-37, the School District's investment policies place no limit on the amount the School District may invest in any one issuer. As of June 30, 2020, 100% of the School District's investments were with the New Jersey Asset & Rebate Management Program, with 13.35% invested in U.S. Treasury Bonds/Notes and 86.65% invested in a Money Market Mutual Fund.

**Note 4: CAPITAL RESERVE ACCOUNT**

A capital reserve account was originally established by the School District by inclusion of \$1,000.00 for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

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

**Note 4: CAPITAL RESERVE ACCOUNT (CONT'D)**

The activity of the capital reserve for the July 1, 2019 to June 30, 2020 fiscal year is as follows:

|   |                   |                        |
|---|-------------------|------------------------|
| Balance, June 30, 2019                                    |                   | \$ 5,162,177.65        |
| Increased by:   |                   |                        |
| Interest Earnings   | \$ 38,440.76      |                        |
| Deposits:   |                   |                        |
| Board Resolution - June 29, 2020                          | 1,400,000.00      |                        |
| Budgeted Increase   | <u>217,133.00</u> |                        |
|   |                   | <u>1,655,573.76</u>    |
|   |                   | 6,817,751.41           |
| Decreased by:   |                   |                        |
| Withdrawals:  |                   |                        |
| Budget Appropriations - Transfer to Capital Projects Fund |                   | <u>4,775,000.00</u>    |
| Balance, June 30, 2020                                    |                   | <u>\$ 2,042,751.41</u> |

The June 30, 2020 capital reserve balance does not exceed the LRFP balance of local support costs of uncompleted projects. The withdrawals from the capital reserve were for use in Department of Education approved facilities projects, consistent with the School District's LRFP.

**Note 5: ACCOUNTS RECEIVABLE**

Accounts receivable at June 30, 2020 consisted of intergovernmental awards, tuition and transportation charges, fiduciary funds interfunds and other miscellaneous fees. All intergovernmental receivables are considered collectible in full due to the stable condition of federal and state programs, the current fiscal year guarantee of federal funds, and the regulated budgetary control of governmental entities in New Jersey.

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

| <u>Fund</u>               | <u>Intergovernmental</u> |                       |                       |                      |                               | <u>Fiduciary</u>       | <u>Other</u>     | <u>Total</u>          |
|---------------------------|--------------------------|-----------------------|-----------------------|----------------------|-------------------------------|------------------------|------------------|-----------------------|
|                           | <u>Federal Awards</u>    | <u>State Awards</u>   | <u>Local Tax Levy</u> | <u>Tuition</u>       | <u>Transportation Charges</u> | <u>Funds Interfund</u> |                  |                       |
| Governmental Activities:  |                          |                       |                       |                      |                               |                        |                  |                       |
| Governmental Funds:       |                          |                       |                       |                      |                               |                        |                  |                       |
| General                   |                          | \$1,532,714.11        | \$4,338,406.10        | \$ 222,716.56        |                               | \$ 65,000.00           |                  | \$6,158,836.77        |
| Special Revenue           | \$ 564,966.00            | 1,994.00              |                       |                      |                               |                        |                  | 566,960.00            |
| Proprietary Funds:        |                          |                       |                       |                      |                               |                        |                  |                       |
| Internal Service          |                          |                       |                       |                      | \$ 369,260.00                 |                        |                  | 369,260.00            |
|                           | <u>564,966.00</u>        | <u>1,534,708.11</u>   | <u>4,338,406.10</u>   | <u>222,716.56</u>    | <u>369,260.00</u>             | <u>65,000.00</u>       | <u>-</u>         | <u>7,095,056.77</u>   |
| Business-Type Activities: |                          |                       |                       |                      |                               |                        |                  |                       |
| Proprietary Funds:        |                          |                       |                       |                      |                               |                        |                  |                       |
| Food Service              | <u>68,280.30</u>         | <u>7,699.77</u>       |                       |                      |                               |                        | <u>\$ 212.00</u> | <u>76,192.07</u>      |
|                           | <u>\$ 633,246.30</u>     | <u>\$1,542,407.88</u> | <u>\$4,338,406.10</u> | <u>\$ 222,716.56</u> | <u>\$ 369,260.00</u>          | <u>\$ 65,000.00</u>    | <u>\$ 212.00</u> | <u>\$7,171,248.84</u> |

**Note 6: INVENTORY**

Inventory recorded at June 30, 2020 in business-type activities on the government-wide statement of net position, and on the food service enterprise fund statement of net position, consisted of the following:

|          |                     |
|----------|---------------------|
| Food     | \$ 15,746.01        |
| Supplies | <u>10,252.61</u>    |
|          | <u>\$ 25,998.62</u> |

**Note 7: CAPITAL ASSETS**

Capital asset activity for the fiscal year ended June 30, 2020 is as follows:

|  | <u>Balance<br/>June 30, 2019</u> | <u>Increases</u>       | <u>Transfers</u>      | <u>Decreases</u>    | <u>Balance<br/>June 30, 2020</u> |
|--|----------------------------------|------------------------|-----------------------|---------------------|----------------------------------|
| <b>Governmental Activities:</b>              |                                  |                        |                       |                     |                                  |
| Capital Assets, not being Depreciated:       |                                  |                        |                       |                     |                                  |
| Land   | \$ 902,513.50                    |                        |                       |                     | \$ 902,513.50                    |
| Construction in Progress                     | 3,320,315.58                     | \$ 8,706,934.48        | \$ (3,521,185.69)     |                     | 8,506,064.37                     |
| Total Capital Assets, not being Depreciated  | <u>4,222,829.08</u>              | <u>8,706,934.48</u>    | <u>(3,521,185.69)</u> | <u>-</u>            | <u>9,408,577.87</u>              |
| Capital Assets, being Depreciated:           |                                  |                        |                       |                     |                                  |
| Land Improvements                            | 3,633,833.93                     |                        |                       |                     | 3,633,833.93                     |
| Buildings and Improvements                   | 84,797,716.92                    |                        | 3,521,185.69          |                     | 88,318,902.61                    |
| Equipment                                    | 14,155,487.99                    | 2,601,396.33           |                       | \$ (571,172.00)     | 16,185,712.32                    |
| Total Capital Assets, being Depreciated      | <u>102,587,038.84</u>            | <u>2,601,396.33</u>    | <u>3,521,185.69</u>   | <u>(571,172.00)</u> | <u>108,138,448.86</u>            |
| Total Capital Assets, Cost                   | <u>106,809,867.92</u>            | <u>11,308,330.81</u>   | <u>-</u>              | <u>(571,172.00)</u> | <u>117,547,026.73</u>            |
| Less Accumulated Depreciation for:           |                                  |                        |                       |                     |                                  |
| Land Improvements                            | (3,026,872.57)                   | (46,095.70)            |                       |                     | (3,072,968.27)                   |
| Buildings and Improvements                   | (36,405,182.71)                  | (1,794,950.73)         |                       |                     | (38,200,133.44)                  |
| Equipment                                    | (9,220,149.75)                   | (1,147,697.94)         |                       | 571,172.00          | (9,796,675.69)                   |
| Total Accumulated Depreciation               | <u>(48,652,205.03)</u>           | <u>(2,988,744.37)</u>  | <u>-</u>              | <u>571,172.00</u>   | <u>(51,069,777.40)</u>           |
| Total Capital Assets, being Depreciated, Net | <u>53,934,833.81</u>             | <u>(387,348.04)</u>    | <u>3,521,185.69</u>   | <u>-</u>            | <u>57,068,671.46</u>             |
| Governmental Activities Capital Assets, Net  | <u>\$ 58,157,662.89</u>          | <u>\$ 8,319,586.44</u> | <u>\$ -</u>           | <u>\$ -</u>         | <u>\$ 66,477,249.33</u>          |
| <b>Business-Type Activities:</b>             |                                  |                        |                       |                     |                                  |
| Capital Assets, being Depreciated:           |                                  |                        |                       |                     |                                  |
| Equipment                                    | \$ 1,692,641.51                  | \$ 71,402.00           | -                     | -                   | \$ 1,764,043.51                  |
| Total Capital Assets, being Depreciated      | <u>1,692,641.51</u>              | <u>71,402.00</u>       | <u>-</u>              | <u>-</u>            | <u>1,764,043.51</u>              |
| Less Accumulated Depreciation for:           |                                  |                        |                       |                     |                                  |
| Equipment                                    | (1,469,537.85)                   | (47,513.54)            | -                     | -                   | (1,517,051.39)                   |
| Total Accumulated Depreciation               | <u>(1,469,537.85)</u>            | <u>(47,513.54)</u>     | <u>-</u>              | <u>-</u>            | <u>(1,517,051.39)</u>            |
| Business-Type Activities Capital Assets, Net | <u>\$ 223,103.66</u>             | <u>\$ 23,888.46</u>    | <u>\$ -</u>           | <u>\$ -</u>         | <u>\$ 246,992.12</u>             |

**Note 7: CAPITAL ASSETS (CONT'D)**

Depreciation expense was charged to functions / programs of the School District as follows:

**Governmental Activities:**

|  |                  |
|--|------------------|
| Instruction Regular Programs                         | \$ 1,327,935.94  |
| Instruction Special Programs                         | 5,805.72         |
| Instruction Nonpublic School Programs                | 508.35           |
| Support Services Students                            | 13,655.24        |
| Support Services General Administration              | 41,625.03        |
| Support Services School Administration               | 5,707.96         |
| Support Services Plant Operations and Maintenance    | 1,045,490.44     |
| Support Services Pupil Transportation                | 490,907.83       |
| Support Services Business and Other Support Services | <u>57,107.86</u> |

|  |                        |
|--|------------------------|
| Total Depreciation Expense - Governmental Activities | <u>\$ 2,988,744.37</u> |
|--|------------------------|

**Business-Type Activities:**

|              |               |
|--------------|---------------|
| Food Service | \$ 46,836.96  |
| Latchkey     | <u>676.58</u> |

|   |                     |
|---|---------------------|
| Total Depreciation Expense - Business-Type Activities | <u>\$ 47,513.54</u> |
|---|---------------------|

**Note 8: LONG-TERM LIABILITIES**

During the fiscal year ended June 30, 2020, the following changes occurred in long-term obligations for governmental activities:

|   | <u>Balance<br/>June 30, 2019</u> | <u>Additions</u>        | <u>Deductions</u>         | <u>Balance<br/>June 30, 2020</u> | <u>Due within<br/>One Year</u> |
|---|----------------------------------|-------------------------|---------------------------|----------------------------------|--------------------------------|
| <b>Governmental Activities:</b>               |                                  |                         |                           |                                  |                                |
| Bonds Payable:                                |                                  |                         |                           |                                  |                                |
| General Obligation Bonds                      | \$ 12,535,000.00                 |                         | \$ (1,510,000.00)         | \$ 11,025,000.00                 | \$ 1,335,000.00                |
| Plus Amounts:                                 |                                  |                         |                           |                                  |                                |
| Premium on Bonds                              | <u>752,152.18</u>                |                         | <u>(93,242.53)</u>        | <u>658,909.64</u>                |                                |
| Total Bonds Payable                           | <u>13,287,152.18</u>             | <u>-</u>                | <u>(1,603,242.53)</u>     | <u>11,683,909.64</u>             | <u>1,335,000.00</u>            |
| Other Liabilities:                            |                                  |                         |                           |                                  |                                |
| Obligations under Capital Lease               | 1,102,789.46                     | \$ 875,065.00           | (1,576,456.68)            | 401,397.78                       | 267,089.68                     |
| Compensated Absences                          | 2,081,424.07                     | 333,953.42              | (175,681.26)              | 2,239,696.23                     | 273,533.83                     |
| Net Pension Liability                         | <u>25,095,304.00</u>             | <u>14,476,678.00</u>    | <u>(16,159,978.00)</u>    | <u>23,412,004.00</u>             |                                |
| Total Other Liabilities                       | <u>28,279,517.53</u>             | <u>15,685,696.42</u>    | <u>(17,912,115.94)</u>    | <u>26,053,098.01</u>             | <u>540,623.51</u>              |
| Governmental Activities Long-Term Liabilities | <u>\$ 41,566,669.71</u>          | <u>\$ 15,685,696.42</u> | <u>\$ (19,515,358.47)</u> | <u>\$ 37,737,007.65</u>          | <u>\$ 1,875,623.51</u>         |

The bonds payable are liquidated by the general fund and debt service fund. Obligations under capital lease are liquidated by the general fund, special revenue fund and transportation internal service fund. Compensated absences and net pension liability are liquidated by the general fund.

**Note 8: LONG-TERM LIABILITIES (CONT'D)**

During the fiscal year ended June 30, 2020, the following changes occurred in long-term obligations for business-type activities:

|  | <u>Balance<br/>June 30, 2019</u> | <u>Additions</u>    | <u>Deductions</u>    | <u>Balance<br/>June 30, 2020</u> | <u>Due within<br/>One Year</u> |
|--|----------------------------------|---------------------|----------------------|----------------------------------|--------------------------------|
| <b>Business-Type Activities:</b>               |                                  |                     |                      |                                  |                                |
| Other Liabilities:                             |                                  |                     |                      |                                  |                                |
| Compensated Absences Payable                   | \$ 243,782.38                    | \$ 25,172.90        | \$ (6,330.85)        | \$ 262,624.43                    | \$ 13,963.54                   |
| Business-Type Activities Long-Term Liabilities | <u>\$ 243,782.38</u>             | <u>\$ 25,172.90</u> | <u>\$ (6,330.85)</u> | <u>\$ 262,624.43</u>             | <u>\$ 13,963.54</u>            |

Compensated absences are liquidated by the enterprise funds.

**Bonds Payable** – Generally, bonds and loans are authorized in accordance with State law by the voters of the municipality through referendums. Voter approval is not required for the issuance of refunding bonds to finance an approved Energy Savings Improvement Program (ESIP). All bonds are retired in serial installments within the statutory period of usefulness. Bonds issued by the School District are general obligation bonds.

On October 6, 2016, the School District issued \$4,570,000.00 in school refunding bonds with an interest rate of 4.000% to advance refund \$4,806,000.00 of outstanding 2007 series bonds with an interest rate of 3.875%. The final maturity of these bonds is March 1, 2022.

On October 25, 2018, the School District issued \$9,385,000.00 in school refunding bonds to fund the School District's approved Energy Savings Improvement Program (ESIP). The refunding bonds were issued to provide funds which will be used to: (i) finance the costs of the installation of equipment at certain facilities owned by the School District (ESIP Project), as described in the School District's energy savings plan; and (ii) pay certain costs and expenses related to the issuance, sale and delivery of the refunding bonds. As required by School District law, the payments of the principal of and interest on the refunding bonds will be included in the School District's general fund budget, but are anticipated to be offset by the energy savings. The refunding bonds were issued at interest rates varying from 3.000% to 5.000%. The final maturity of these bonds is July 15, 2038.

Principal and interest due on bonds outstanding is as follows:

| <u>Fiscal Year<br/>Ending June 30,</u> | <u>Principal</u>        | <u>Interest</u>        | <u>Total</u>            |
|--|-------------------------|------------------------|-------------------------|
| 2021                                   | \$ 1,335,000.00         | \$ 468,568.76          | \$ 1,803,568.76         |
| 2022                                   | 1,360,000.00            | 414,118.76             | 1,774,118.76            |
| 2023                                   | 320,000.00              | 355,768.76             | 675,768.76              |
| 2024                                   | 350,000.00              | 339,018.76             | 689,018.76              |
| 2025                                   | 265,000.00              | 323,643.76             | 588,643.76              |
| 2026-2030                              | 1,785,000.00            | 1,377,718.80           | 3,162,718.80            |
| 2031-2035                              | 2,700,000.00            | 833,143.80             | 3,533,143.80            |
| 2036-2039                              | 2,910,000.00            | 220,509.40             | 3,130,509.40            |
| Total                                  | <u>\$ 11,025,000.00</u> | <u>\$ 4,332,490.80</u> | <u>\$ 15,357,490.80</u> |

**Bonds Authorized but not Issued** - As of June 30, 2020, the School District had no authorizations to issue additional bonded debt.



**Note 8: LONG-TERM LIABILITIES (CONT'D)**

**Obligations under Capital Lease** - The School District is leasing buses and vans totaling \$401,397.78 under capital leases for terms of three years. Assets purchased through capital leases are depreciated in a manner consistent with the School District's depreciation policy for owned assets.

The following is a schedule of the future minimum lease payments under these capital leases, and the present value of the net minimum lease payments at June 30, 2020.

| <b><u>Fiscal Year</u></b><br><b><u>Ending June 30,</u></b> | <b><u>Principal</u></b> | <b><u>Interest</u></b> | <b><u>Total</u></b>  |
|--|-------------------------|------------------------|----------------------|
| 2021   | \$ 267,089.68           | \$ 9,620.02            | \$ 276,709.70        |
| 2022   | <u>134,308.10</u>       | <u>2,890.14</u>        | <u>137,198.24</u>    |
| Total  | <u>\$ 401,397.78</u>    | <u>\$ 12,510.16</u>    | <u>\$ 413,907.94</u> |

**Compensated Absences** - As previously stated, compensated absences will be paid from the fund from which the employees' salaries are paid. Refer to note 15 for a description of the School District's policy.

**Net Pension Liability** - For details on the net pension liability, refer to note 10. The School District's annual required contribution to the Public Employees' Retirement System is budgeted and paid from the general fund on an annual basis.

**Note 9: OPERATING LEASES**

At June 30, 2020, the School District had operating lease agreements in effect for copy machines. The present value of the future minimum rental payments under the operating lease agreements are as follows:

| <b><u>Fiscal Year</u></b><br><b><u>Ending June 30,</u></b> | <b><u>Amount</u></b> |
|--|----------------------|
| 2021   | \$ 116,933.52        |
| 2022   | 31,808.52            |
| 2023   | 31,808.52            |
| 2024   | 31,808.52            |
| 2025   | <u>2,353.34</u>      |
|  | <u>\$ 214,712.42</u> |

Rental payments under operating leases for the fiscal year ended June 30, 2020 were \$115,965.22.

**Note 10: PENSION PLANS**

A substantial number of the School District's employees participate in one of the following defined benefit pension plans: the Teachers' Pension and Annuity Fund ("TPAF") and the Public Employees' Retirement System ("PERS"), which are administered by the New Jersey Division of Pensions and Benefits (the "Division"). In addition, several School District employees participate in the Defined Contribution Retirement Program, which is a defined contribution pension plan. The DCRP is administered by Prudential Financial for the Division.

Each of the aforementioned plans have a Board of Trustees that is primarily responsible for its administration. The Division issues a publicly available financial report that includes financial statements, required supplementary information, and detailed information about the PERS and TPAF plans' fiduciary net position that can be obtained by writing to or at the following website:

State of New Jersey, Department of the Treasury  
Division of Pensions and Benefits  
P.O. Box 295  
Trenton, New Jersey 08625-0295  
<https://www.nj.gov/treasury/pensions/financial-reports.shtml>

**General Information about the Pension Plans****Plan Descriptions**

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

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

**Defined Contribution Retirement Program** - The Defined Contribution Retirement Program is a multiple-employer defined contribution pension fund established on July 1, 2007 under the provisions of Chapter 92, P.L. 2007, and Chapter 103, P.L. 2007 (N.J.S.A. 43:15C-1 et. seq.). The DCRP is a tax-qualified defined contribution money purchase pension plan under Internal Revenue Code (IRC) § 401(a) et seq., and is a "governmental plan" within the meaning of IRC § 414(d). The DCRP provides retirement benefits for eligible employees and their beneficiaries. Individuals covered under DCRP are employees enrolled in TPAF or PERS on or after July 1, 2007, who earn salary in excess of established "maximum compensation" limits; employees enrolled in New Jersey State Police Retirement System (SPRS) or the Police and Firemen's Retirement System (PFRS) after May 21, 2010, who earn salary in excess of established "maximum compensation" limits; employees otherwise eligible to enroll in TPAF or PERS on or after November 2, 2008, who do not earn the minimum annual salary for tier 3 enrollment but who earn salary of at least \$5,000.00 annually; and employees otherwise eligible to enroll in TPAF or PERS after May 21, 2010 who do not work the minimum number of hours per week required for tiers 4 or 5 enrollment, but who earn salary of at least \$5,000.00 annually.

**Note 10: PENSION PLANS (CONT'D)****General Information about the Pension Plans****Vesting and Benefit Provisions**

**Teachers' Pension and Annuity Fund** - 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 TPAF:

**Tier Definition**

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

Service retirement benefits of 1/55<sup>th</sup> of final average salary for each year of service credit is available to tiers 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60<sup>th</sup> of final average salary for each year of service credit is available to tier 4 members upon reaching age 62 and tier 5 members upon reaching age 65. Early retirement benefits are available to 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 years or more 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.

**Public Employees' Retirement System** - 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 10 years of service, except for medical benefits, which vest after 25 years of service or under the disability provisions of the PERS.

The membership tiers for PERS are the same as previously noted for TPAF.

Service retirement benefits of 1/55<sup>th</sup> of final average salary for each year of service credit is available to tiers 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60<sup>th</sup> of final average salary for each year of service credit is available to tier 4 members upon reaching age 62 and tier 5 members upon reaching age 65. Early retirement benefits are available to tiers 1 and 2 members before reaching age 60, tiers 3 and 4 with 25 years or more service credit before age 62 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.

**Note 10: PENSION PLANS (CONT'D)****General Information about the Pension Plans (Cont'd)****Vesting and Benefit Provisions (Cont'd)**

**Defined Contribution Retirement Program** - Eligible members are provided with a defined contribution retirement plan intended to qualify for favorable Federal income tax treatment under IRC Section 401(a), a noncontributory group life insurance plan and a noncontributory group disability benefit plan. A participant's interest in that portion of his or her defined contribution retirement plan account attributable to employee contributions shall immediately become and shall at all times remain fully vested and nonforfeitable. A participant's interest in that portion of his or her defined contribution retirement plan account attributable to employer contributions shall be vested and nonforfeitable on the date the participant commences the second year of employment or upon his or her attainment of age 65, while employed by an employer, whichever occurs first.

**Contributions**

**Teachers' Pension and Annuity Fund** - The contribution policy is set by N.J.S.A. 18A:66 and requires contributions by active members and contributing employers. Pursuant to the provisions of P.L. 2011, C. 78, the member contribution rate was 7.50% in State fiscal year 2019. The State's contribution is based on an actuarially determined amount, which includes the normal cost and unfunded accrued liability. For fiscal year 2019, the State's pension contribution was less than the actuarial determined amount.

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 several preceding fiscal years. These on-behalf contributions by the State of New Jersey are considered a special funding situation, under the definition of GASB 68, *Accounting and Financial Reporting for Pensions*.

The School District's contractually required contribution rate for the fiscal year ended June 30, 2020 was 18.23% of the School District's covered payroll, of which 0.00% of payroll was required from the School District and 100.00% of payroll was required from the State of New Jersey. The School District was not required to make any contributions to the pension plan during the fiscal year ended June 30, 2020 because of the 100.00% special funding situation with the State of New Jersey.

Based on the most recent TPAF measurement date of June 30, 2019, the State's contractually required contribution, on-behalf of the School District, to the pension plan for the fiscal year ended June 30, 2020 was \$9,215,649.00, and was paid by April 1, 2020. School District employee contributions to the Plan during the fiscal year ended June 30, 2020 were \$3,812,625.91.

**Public Employees' Retirement System** - The contribution policy is set by N.J.S.A. 43:15A and requires contributions by active members and contributing employers. Pursuant to the provisions of P.L. 2011, C. 78, the member contribution rate was 7.50% in State fiscal year 2019. The rate for members who are eligible for the Prosecutors Part of PERS (P.L. 2001, C. 366) was 10% in State fiscal year 2019. Employers' contributions are based on an actuarially determined amount, which includes the normal cost and unfunded accrued liability.

The School District's contractually required contribution rate for the fiscal year ended June 30, 2020 was 15.20% of the School District's covered payroll. This amount was actuarially determined as the amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, including an additional amount to finance any unfunded accrued liability.

**Note 10: PENSION PLANS (CONT'D)****General Information About the Pension Plans (Cont'd)****Contributions (Cont'd)**

**Public Employees' Retirement System (Cont'd)** - Based on the most recent PERS measurement date of June 30, 2019, the School District's contractually required contribution to the pension plan for the fiscal year ended June 30, 2020 was \$1,263,868.00, and was paid by April 1, 2020. School District employee contributions to the Plan during the fiscal year ended June 30, 2020 were \$682,376.94.

**Defined Contribution Retirement Program** - The contribution policy is set by N.J.S.A. 43:15C-3 and requires contributions by active members and contributing employers. In accordance with P.L. 2007, C. 92, and P.L. 2007, C. 103, Plan members are required to contribute 5.5% of their annual covered salary. In addition to the employee contributions, the School District contributes 3% of the employees' base salary, for each pay period, to Prudential Financial no later than the fifth business day after the date on which the employee is paid for that pay period.

For the fiscal year ended June 30, 2020, employee contributions totaled \$141,489.50, and the School District recognized pension expense, which equaled the required contributions, of \$108,316.47. There were no forfeitures during the fiscal year.

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions****Teachers' Pension and Annuity Fund**

**Pension Liability** - At June 30, 2020, the School District was not required to report a liability for its proportionate share of the net pension liability for TPAF because of the 100% special funding situation by the State of New Jersey.

The State's proportionate share of net pension liability, however, attributable to the School District is as follows:

|  |                          |
|--|--------------------------|
| School District's Proportionate Share of Net Pension Liability   | \$ -                     |
| State of New Jersey's Proportionate Share of Net Pension Liability Associated with the School District | <u>281,289,764.00</u>    |
|  | <u>\$ 281,289,764.00</u> |

The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2018. The total pension liability was calculated using updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2019. For the June 30, 2019 measurement date, the School District's proportion of the net pension liability was based on a projection of the School District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers and the State of New Jersey, actuarially determined. At the June 30, 2019 measurement date, the School District proportion was 0.00% due to the 100% special funding situation with the State of New Jersey; however, the State's proportionate share of the TPAF net pension liability associated with the School District was 0.4583435513%, which was an increase of 0.0092703804% from its proportion measured as of June 30, 2018.

**Pension Expense** - For the fiscal year ended June 30, 2020, the School District recognized \$16,591,222.00 in pension expense and revenue, in the government-wide financial statements, for the State of New Jersey on-behalf TPAF pension contributions. This pension expense and revenue was based on the pension plan's June 30, 2019 measurement date.

**Note 10: PENSION PLANS (CONT'D)****Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)****Public Employees' Retirement System**

**Pension Liability** - At June 30, 2020, the School District reported a liability of \$23,412,004.00 for its proportionate share of the net pension liability for PERS. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2018. The total pension liability was calculated using updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2019. The School District's proportion of the net pension liability was based on a projection of the School District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. For the June 30, 2019 measurement date, the School District's proportion was 0.1299332720%, which was an increase of 0.0024780174% from its proportion measured as of June 30, 2018.

**Pension Expense** - For the fiscal year ended June 30, 2020, the School District recognized pension expense of \$566,080.00, in the government-wide financial statements. This pension expense was based on the pension plan's June 30, 2019 measurement date.

**Deferred Outflows and Inflows of Resources** - At June 30, 2020, the School District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

|  | <b><u>Deferred<br/>Outflows<br/>of Resources</u></b> | <b><u>Deferred<br/>Inflows<br/>of Resources</u></b> |
|--|--|---|
| Differences between Expected<br>and Actual Experience  | \$ 420,215.00  | \$ 103,424.00                                       |
| Changes of Assumptions   | 2,337,775.00   | 8,126,233.00  |
| Net Difference between Projected<br>and Actual Earnings on Pension<br>Plan Investments                                     | -  | 369,568.00  |
| Changes in Proportion and Differences<br>between School District Contributions<br>and Proportionate Share of Contributions | 529,646.00   | 1,501,278.00  |
| School District Contributions Subsequent<br>to the Measurement Date  | <u>1,373,610.00</u>                                  | <u>-</u>  |
|  | <b><u>\$ 4,661,246.00</u></b>                        | <b><u>\$ 10,100,503.00</u></b>                      |

**Note 10: PENSION PLANS (CONT'D)****Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)****Public Employees' Retirement System (Cont'd)**

**Deferred Outflows and Inflows of Resources (Cont'd)** - Deferred outflows of resources in the amount of \$1,373,610.00 will be included as a reduction of the net pension liability in the subsequent fiscal year, June 30, 2021. The other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

| <b>Fiscal Year</b>            |                          |
|-------------------------------|--------------------------|
| <b><u>Ending June 30,</u></b> | <b><u>Amount</u></b>     |
| 2021                          | \$ (1,081,394.00)        |
| 2022                          | (2,511,432.00)           |
| 2023                          | (2,165,644.00)           |
| 2024                          | (1,521,285.00)           |
| 2025                          | 466,888.00               |
|                               | <u>\$ (6,812,867.00)</u> |

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

|   | <b><u>Deferred</u></b>    | <b><u>Deferred</u></b>   |
|---|---------------------------|--------------------------|
|   | <b><u>Outflows of</u></b> | <b><u>Inflows of</u></b> |
|   | <b><u>Resources</u></b>   | <b><u>Resources</u></b>  |
| Differences between Expected<br>and Actual Experience |                           |                          |
| Year of Pension Plan Deferral:                        |                           |                          |
| June 30, 2014   | -                         | -                        |
| June 30, 2015   | 5.72                      | -                        |
| June 30, 2016   | 5.57                      | -                        |
| June 30, 2017   | 5.48                      | -                        |
| June 30, 2018   | -                         | 5.63                     |
| June 30, 2019   | 5.21                      | -                        |
| Changes of Assumptions                                |                           |                          |
| Year of Pension Plan Deferral:                        |                           |                          |
| June 30, 2014   | 6.44                      | -                        |
| June 30, 2015   | 5.72                      | -                        |
| June 30, 2016   | 5.57                      | -                        |
| June 30, 2017   | -                         | 5.48                     |
| June 30, 2018   | -                         | 5.63                     |
| June 30, 2019   | -                         | 5.21                     |

**Note 10: PENSION PLANS (CONT'D)****Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)****Public Employees' Retirement System (Cont'd)**

**Deferred Outflows and Inflows of Resources (Cont'd)** - The other deferred outflows of resources and deferred inflows of resources related to pensions will be amortized over the following number of years (cont'd):

|  | <b><u>Deferred<br/>Outflows of<br/>Resources</u></b> | <b><u>Deferred<br/>Inflows of<br/>Resources</u></b> |
|--|--|---|
| Net Difference between Projected<br>and Actual Earnings on Pension<br>Plan Investments                                     |  |   |
| Year of Pension Plan Deferral:   |  |   |
| June 30, 2014  | -  | 5.00  |
| June 30, 2015  | 5.00   | -   |
| June 30, 2016  | 5.00   | -   |
| June 30, 2017  | -  | 5.00  |
| June 30, 2018  | -  | 5.00  |
| June 30, 2019  | 5.00   | -   |
| Changes in Proportion and Differences<br>between School District Contributions<br>and Proportionate Share of Contributions |  |   |
| Year of Pension Plan Deferral:   |  |   |
| June 30, 2014  | 6.44   | 6.44  |
| June 30, 2015  | 5.72   | 5.72  |
| June 30, 2016  | 5.57   | 5.57  |
| June 30, 2017  | 5.48   | 5.48  |
| June 30, 2018  | 5.63   | 5.63  |
| June 30, 2019  | 5.21   | 5.21  |

**Actuarial Assumptions**

The net pension liabilities were measured as of June 30, 2019 and the total pension liabilities used to calculate the net pension liability were determined by an actuarial valuation as of July 1, 2018. The total pension liabilities were calculated using updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2019.



**Note 10: PENSION PLANS (CONT'D)****Actuarial Assumptions (Cont'd)**

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

|                                | <u>TPAF</u>                  | <u>PERS</u>                  |
|--------------------------------|------------------------------|------------------------------|
| Inflation Rate:                |                              |                              |
| Price                          | 2.75%                        | 2.75%                        |
| Wage                           | 3.25%                        | 3.25%                        |
| Salary Increases:              |                              |                              |
| Through 2026                   | 1.55% - 4.45%                | 2.00% - 6.00%                |
|                                | Based on Yrs. of Service     | Based on Yrs. of Service     |
| Thereafter                     | 2.75% - 5.65%                | 3.00% - 7.00%                |
|                                | Based on Yrs. of Service     | Based on Yrs. of Service     |
| Investment Rate of Return      | 7.00%                        | 7.00%                        |
| Period of Actuarial Experience |                              |                              |
| Study upon which Actuarial     |                              |                              |
| Assumptions were Based         | July 1, 2015 - June 30, 2018 | July 1, 2014 - June 30, 2018 |

For TPAF, pre-retirement mortality rates were based on the Pub-2010 Teachers Above-Median Income Employee mortality table with a 93.9% adjustment for males and 85.3% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 Teachers Above-Median Income Healthy Retiree mortality table with a 114.7% adjustment for males and 99.6% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability mortality rates were based on the Pub-2010 Non-Safety Disabled Retiree mortality table with a 106.3% adjustment for males and 100.3% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2019.

For PERS, pre-retirement mortality rates were based on the Pub-2010 General Below-Median Income Employee mortality table with an 82.2% adjustment for males and 101.4% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 General Below-Median Income Healthy Retiree mortality table with a 91.4% adjustment for males and 99.7% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability retirement rates used to value disabled retirees were based on the Pub-2010 Non-Safety Disabled Retiree mortality table with a 127.7% adjustment for males and 117.2% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2019.

For TPAF and PERS, in accordance with State statute, the long-term expected rate of return on Plan investments (7.00% at the June 30, 2019 measurement date) 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.

**Note 10: PENSION PLANS (CONT'D)****Actuarial Assumptions (Cont'd)**

Best estimates of arithmetic rates of return for each major asset class included in TPAF's and PERS' target asset allocation as of the June 30, 2019 measurement date are summarized in the following table:

| <u>Asset Class</u>                | <u>Target Allocation</u> | <u>Long-Term Expected Real Rate of Return</u> |
|-----------------------------------|--------------------------|---|
| Risk Mitigation Strategies        | 3.00%                    | 4.67%   |
| Cash Equivalents                  | 5.00%                    | 2.00%   |
| U.S. Treasuries                   | 5.00%                    | 2.68%   |
| Investment Grade Credit           | 10.00%                   | 4.25%   |
| High Yield                        | 2.00%                    | 5.37%   |
| Private Credit                    | 6.00%                    | 7.92%   |
| Real Assets                       | 2.50%                    | 9.31%   |
| Real Estate                       | 7.50%                    | 8.33%   |
| U.S. Equity                       | 28.00%                   | 8.26%   |
| Non-U.S. Developed Markets Equity | 12.50%                   | 9.00%   |
| Emerging Markets Equity           | 6.50%                    | 11.37%  |
| Private Equity                    | 12.00%                   | 10.85%  |
|                                   | 100.00%                  |   |

**Discount Rate -**

**Teachers' Pension and Annuity Fund** - The discount rate used to measure the total pension liability was 5.60% as of June 30, 2019. 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 3.50% as of the June 30, 2019 measurement date 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 would be based on 70% of the actuarially determined contributions for the State. 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 2054. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2054 and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

**Public Employees' Retirement System** - The discount rate used to measure the total pension liability was 6.28% as of June 30, 2019. 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 3.50% as of the June 30, 2019 measurement date 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 would be based on 70% of the actuarially determined contributions for the State. 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 2057. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2057 and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

**Note 10: PENSION PLANS (CONT'D)****Sensitivity of School District's Proportionate Share of Net Pension Liability to Changes in the Discount Rate**

**Teachers' Pension and Annuity Fund (TPAF)** - As previously mentioned, TPAF has a special funding situation where the State pays 100% of the School District's annual required contribution. As such, the proportionate share of the net pension liability as of June 30, 2019, the Plan's measurement date, attributable to the School District is \$0.00. The following, however, presents the net pension liability of the State as of June 30, 2019 (Plan's measurement date), attributable to the School District, calculated using the discount rate of 5.60% as well as what the State's net pension liability would be if it was calculated using a discount rate that is 1-percentage point lower or 1-percentage-point higher than the current rate:

|  | <b>1%<br/>Decrease<br/><u>(4.60%)</u></b> | <b>Current<br/>Discount Rate<br/><u>(5.60%)</u></b> | <b>1%<br/>Increase<br/><u>(6.60%)</u></b> |
|--|---|---|---|
| School District's Proportionate Share of the Net Pension Liability                                     | \$ -                                      | \$ -  | \$ -                                      |
| State of New Jersey's Proportionate Share of Net Pension Liability associated with the School District | <u>331,702,891.00</u>                     | <u>281,289,764.00</u>                               | <u>239,462,788.00</u>                     |
|  | <u>\$ 331,702,891.00</u>                  | <u>\$ 281,289,764.00</u>                            | <u>\$ 239,462,788.00</u>                  |

**Public Employees' Retirement System (PERS)** - The following presents the School District's proportionate share of the net pension liability at June 30, 2019, the Plan's measurement date, calculated using a discount rate of 6.28%, as well as what the School District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1% lower or 1% higher than the current rates used:

|  | <b>1%<br/>Decrease<br/><u>(5.28%)</u></b> | <b>Current<br/>Discount Rate<br/><u>(6.28%)</u></b> | <b>1%<br/>Increase<br/><u>(7.28%)</u></b> |
|--|---|---|---|
| School District's Proportionate Share of the Net Pension Liability | <u>\$ 29,778,898.00</u>                   | <u>\$ 23,412,004.00</u>                             | <u>\$ 18,347,107.00</u>                   |

**Pension Plan Fiduciary Net Position**

For purposes of measuring the net pension liability, deferred outflows of resources, deferred inflows of resources related to pensions, and pension expense, information about the respective fiduciary net position of the TPAF and PERS and additions to/deductions from TPAF and PERS' respective fiduciary net position have been determined on the same basis as they are reported by TPAF and PERS. Accordingly, 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 additional information about TPAF and PERS, please refer to the Plan's Comprehensive Annual Financial Report (CAFR) which can be found at <https://www.nj.gov/treasury/pensions/financial-reports.shtml>.

**Note 11: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)****STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES PLAN****General Information about the OPEB Plan**

**Plan Description and Benefits Provided** - The State Health Benefit Local Education Retired Employees Plan (the "OPEB Plan") is a multiple-employer defined benefit OPEB plan, with a special funding situation, that is administered on a pay-as-you-go basis. Accordingly, no assets are accumulated in a qualifying trust that meets the criteria in paragraph 4 of GASB Statement No. 75 - *Accounting and Financial Reporting for the Postemployment Benefits Other Than Pensions*. The OPEB Plan is administered by the State of New Jersey Division of Pensions and Benefits (the "Division") and is part of the New Jersey State Health Benefits Program (SHBP). The Division issues a publically available financial report that includes financial statements and required supplementary information which can be obtained by writing to or at the following website:

State of New Jersey  
Division of Pensions and Benefits  
P.O. Box 295  
Trenton, New Jersey 08625-0295  
<https://www.nj.gov/treasury/pensions/financial-reports.shtml>

The OPEB Plan provides medical, prescription drug, and Medicare Part B reimbursement to retirees and their covered dependents of local education employers.

**Contributions** - The employer contributions for the participating local education employers are legally required to be funded by the State of New Jersey (the "State") in accordance with N.J.S.A 52:14-17.32f. According to N.J.S.A 52:14-17.32f, the State provides employer-paid coverage to employees who retire from a board of education or county college with 25 years or more of service credit in, or retires on a disability pension from, one or more of the following plans: the Teachers' Pension and Annuity Fund (TPAF), the Public Employees' Retirement System (PERS), the Police and Firemen Retirement System (PFRS), or the Alternate Benefit Program (ABP). Pursuant to Chapter 78, P.L. 2011, future retirees eligible for postretirement medical coverage who have less than 20 years of creditable service on June 28, 2011 will be required to pay a percentage of the cost of their health care coverage in retirement provided they retire with 25 or more years of pension service credit. The percentage of the premium for which the retiree will be responsible will be determined based on the retiree's annual retirement benefit and level of coverage.

**Employees Covered by Benefit Terms** - At June 30, 2019, the OPEB Plan's Measurement date, the entire State Health Benefit Local Education Retired Employees OPEB Plan consisted of the following members.

|  |                |
|--|----------------|
| Active Plan Members  | 216,892        |
| Inactive Plan Members or Beneficiaries Currently Receiving Benefits      | 148,051        |
| Inactive Plan Members Entitled to but Not Yet Receiving Benefit Payments | -              |
|  | <u>364,943</u> |

**Total Non-Employer OPEB Liability**

The State of New Jersey, a non-employer contributing entity, is the only entity that has a legal obligation to make employer contributions to the OPEB Plan for qualified retired TPAF, PERS, PFRS and ABP participants. The School District's proportionate share percentage determined under paragraphs 193 and 203 through 205 of GASBS No. 75 is zero percent. Accordingly, the School District did not recognize any portion of the collective net OPEB liability on the Statement of Net Position.

**Note 11: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONT'D)****STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES PLAN (CONT'D)****Total Non-Employer OPEB Liability (Cont'd)**

The State's proportionate share of the net OPEB liability associated with the School District as of June 30, 2020 was \$226,353,746.00. Since the OPEB liability associated with the School District is 100% attributable to the State, the OPEB liability will be referred to as the total Non-Employer OPEB Liability.

The total Non-Employer OPEB Liability was measured as of June 30, 2019, and was determined by an actuarial valuation as of June 30, 2018, which was rolled forward to June 30, 2019. For the June 30, 2019 measurement date, the State's proportionate share of the Non-Employer OPEB Plan Liability associated with the School District was 0.5424364504%, which was a decrease of 0.0048336111% from its proportion measured as of June 30, 2018.

**Actuarial Assumptions and Other Inputs** - The actuarial assumptions and other inputs vary for each plan member depending on the pension plan in which the member is enrolled. The actuarial valuation at June 30, 2018 used the following actuarial assumptions, applied to all periods in the measurement:

**Salary Increases –**

|                           | <u>TPAF/ABP</u> | <u>PERS</u>  | <u>PFRS</u>   |
|---------------------------|-----------------|--------------|---------------|
| Through 2026              | 1.55 - 3.05%    | 2.00 - 6.00% | 3.25 - 15.25% |
| Thereafter                | 1.55 - 3.05%    | 3.00 - 7.00% | 3.25 - 15.25% |
| Based on years of service |                 |              |               |

**Inflation Rate** - 2.50%.

**Mortality Rates** - Current and future retiree healthy mortality rates were based on the PUB-2010 Healthy classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2019.

Disabled mortality was based on the PUB-2010 headcount-weighted disabled mortality table with fully generational mortality improvement projections from the central year using Scale MP-2019.

**Experience Studies** - The actuarial assumptions used in the June 30, 2018 valuation were based on the results of actuarial experience studies for the periods July 1, 2015 - June 30, 2018, July 1, 2014 - June 30, 2018, and July 1, 2013 - June 30, 2018 for TPAF, PERS, and PFRS, respectively.

**Health Care Trend Assumptions** - For pre-Medicare medical benefits, the trend rate is initially 5.7% and decreases to a 4.5% long-term trend rate after eight years. For post-65 medical benefits, the actual fully-insured Medicare Advantage trend rate for fiscal year 2020 are reflected. The assumed post-65 medical trend is 4.5% for all future years. For prescription drug benefits, the initial trend rate is 7.5% and decreases to a 4.5% long-term trend rate after eight years. For the Medicare Part B reimbursement, the trend rate is 5.0%.

**Note 11: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONT'D)****STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES PLAN (CONT'D)****Total Non-Employer OPEB Liability (Cont'd)**

**Discount Rate** - The discount rate for June 30, 2019 was 3.50%. This represents the municipal bond return rate as chosen by the Division. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. As the long-term rate of return is less than the municipal bond rate, it is not considered in the calculation of the discount rate, rather the discount rate is set at the municipal bond rate.

**Changes in the Total Non-Employer OPEB Liability**

The below table summarizes the State's proportionate share of the change in the Total Non-Employer OPEB Liability associated with the School District:

|   |                   |                          |
|---|-------------------|--------------------------|
| Balance at June 30, 2019                          |                   | \$ 252,350,784.00        |
| Changes for the Year:                             |                   |                          |
| Service Cost                                      | \$ 8,013,423.00   |                          |
| Interest Cost                                     | 9,946,867.00      |                          |
| Difference Between Expected and Actual Experience | (40,589,865.00)   |                          |
| Changes in Assumptions                            | 3,374,953.00      |                          |
| Gross Benefit Payments                            | (6,948,385.00)    |                          |
| Member Contributions                              | <u>205,969.00</u> |                          |
| Net Changes                                       |                   | <u>(25,997,038.00)</u>   |
| Balance at June 30, 2020                          |                   | <u>\$ 226,353,746.00</u> |

There were no changes in benefit terms between the June 30, 2018 measurement date and the June 30, 2019 measurement date.

Differences between expected and actual experience reflect a decrease in liability from June 30, 2018 to June 30, 2019 is due to changes in the census, claims, and premiums experience.

Changes of assumptions reflect a decrease in the liability from June 30, 2018 to June 30, 2019 is due to the combined effect of the decrease in the assumed discount rate from 3.87% as of June 30, 2018 to 3.50% as of June 30, 2019; and changes in the trend, excise tax, updated decrements, future spouse election, PPO/HMO future retiree elections, salary scale, and mortality assumptions.

**Sensitivity of the Total Non-Employer OPEB Liability to Changes in the Discount Rate** - The State's proportionate share of the total Non-Employer OPEB Liability as of June 30, 2019, associated with the School District, using a discount rate of 3.50%, as well as using a discount rate that is 1% lower or 1% higher than the current rate used is as follows:

|  | 1%<br>Decrease<br><u>(2.50%)</u> | Current<br>Discount Rate<br><u>(3.50%)</u> | 1%<br>Increase<br><u>(4.50%)</u> |
|--|----------------------------------|--|----------------------------------|
| State of New Jersey's Proportionate Share<br>of the Total Non-Employer OPEB Liability<br>Associated with the School District | <u>\$ 267,413,223.00</u>         | <u>\$ 226,353,746.00</u>                   | <u>\$ 193,738,348.00</u>         |

**Note 11: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONT'D)****STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES PLAN (CONT'D)****Changes in the Total Non-Employer OPEB Liability (Cont'd)**

**Sensitivity of the Total Non-Employer OPEB Liability to Changes in the Healthcare Cost Trend Rates** - The State's proportionate share of the total Non-Employer OPEB Liability as of June 30, 2019, associated with the School District, using a healthcare cost trend rates that are 1% lower or 1% higher than the current healthcare cost trend rate used is as follows:

|  | <u>1%<br/>Decrease</u>   | <u>Healthcare Cost<br/>Trend Rates</u> | <u>1%<br/>Increase</u>   |
|--|--------------------------|--|--------------------------|
| State of New Jersey's Proportionate Share<br>of the Total Non-Employer OPEB Liability<br>Associated with the School District | <u>\$ 186,505,398.00</u> | <u>\$ 226,353,746.00</u>               | <u>\$ 279,104,777.00</u> |

**OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to the Total Non-Employer OPEB Liability**

**OPEB Expense** - For the fiscal year ended June 30, 2020, the School District recognized \$2,515,895.00 in OPEB expense and revenue, in the government-wide financial statements, for the State's proportionate share of the OPEB Plan's OPEB Expense, associated with the School District. This expense and revenue was based on the OPEB Plan's June 30, 2019 measurement date.

**Deferred Outflows and Inflows of Resources** - In accordance with GASBS No. 75, the School District's proportionate share of the OPEB liability is zero. As such, there is no recognition of the allocation of proportionate share of deferred outflows of resources and deferred inflows of resources by the School District. However, at June 30, 2020, the State's proportionate share of the total Non-Employer OPEB Liability's deferred outflows of resources and deferred inflows of resources, associated with School District, from the following sources are as follows:

|   | <u>Deferred<br/>Outflows<br/>of Resources</u> | <u>Deferred<br/>Inflows<br/>of Resources</u> |
|---|---|--|
| Changes in Proportion                             | \$ -  | \$ 12,092,638.00                             |
| Difference Between Expected and Actual Experience | -   | 56,874,274.00                                |
| Changes of Assumptions                            | -   | 46,006,907.00                                |
|   | <u>\$ -</u>                                   | <u>\$ 114,973,819.00</u>                     |

**Note 11: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONT'D)****STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES PLAN (CONT'D)****OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to the Total Non-Employer OPEB Liability (Cont'd)**

**Deferred Outflows and Inflows of Resources (Cont'd)** - Amounts reported as deferred outflows of resources and deferred inflows of resources related to the State's proportionate share of the total Non-Employer OPEB Liability, associated with the School District, will be recognized in OPEB expense as follows:

| <b>Fiscal<br/>Year Ending<br/><u>June 30,</u></b> | <b><u>Amount</u></b>       |
|---|----------------------------|
| 2021  | \$ (15,412,088.00)         |
| 2022  | (15,412,088.00)            |
| 2023  | (15,412,088.00)            |
| 2024  | (15,412,088.00)            |
| 2025  | (15,412,088.00)            |
| Thereafter  | <u>(37,913,379.00)</u>     |
|   | <u>\$ (114,973,819.00)</u> |

**Note 12: ON-BEHALF PAYMENTS**

For the fiscal year ended June 30, 2020, the School District has recognized as revenues and expenditures on-behalf payments made by the State for normal costs and post-retirement medical costs related to TPAF, in the fund financial statements. The amounts recognized as revenues and expenditures in the fund financial statements for normal costs, non-contributory insurance, post-retirement medical costs, and long-term disability insurance were \$9,956,225.00, \$178,454.00, \$3,759,780.00 and \$5,458.00, respectively.

**Note 13: RISK MANAGEMENT**

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

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

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



**Note 13: RISK MANAGEMENT (CONT'D)**

**New Jersey Unemployment Compensation Insurance (Cont'd)** - The following is a summary of the activity of the School District's private-purpose trust fund for the unemployment claims for the current and previous two fiscal years:

| <u>Fiscal Year</u><br><u>Ending June 30,</u> | <u>Employee</u><br><u>Contributions</u> | <u>Interest</u><br><u>Income</u> | <u>Claims</u><br><u>Incurred</u> | <u>Ending</u><br><u>Balance</u> |
|--|---|----------------------------------|----------------------------------|---------------------------------|
| 2020   | \$ 102,969.44                           | \$ 28,610.92                     | \$ 48,060.76                     | \$ 1,612,521.77                 |
| 2019   | 102,142.38                              | 22,655.67                        | 54,942.85                        | 1,529,002.17                    |
| 2018   | 100,510.97                              | 2,705.92                         | 44,211.71                        | 1,459,146.97                    |

**Self-Insurance Plan** - The School District has adopted a plan of self-insurance for workers' compensation insurance claims up to \$500,000.00 per any one accident. Claims greater than this amount are covered by an excess workers' compensation insurance policy. The records of the Administrator of the plan indicate \$198,455.00 of pending claims which have been recorded and are included in accounts payable as of June 30, 2020. Any additional funds required for claims in excess of these pending claims will be paid and charged to the 2020-2021 or future budgets.

The workers' compensation insurance claims liability (incurred) is based on an analysis prepared by management, which is based on historical trends. The remaining claims liability (incurred) is based on an evaluation performed by the third-party administrator of the plan.

**Note 14: DEFERRED COMPENSATION**

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

Lincoln Investment Planning, Inc.  
Syracusa Benefits Program  
Metlife  
Equitable Life Assurance Society

**Note 15: COMPENSATED ABSENCES**

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

School District employees who are employed for ten months are entitled to ten paid sick leave days per fiscal school year. School District employees who are employed for twelve months are entitled to twelve paid sick leave days per fiscal school year. Unused sick leave may be accumulated and carried forward to the subsequent years. School District employees are entitled to two personal days which may be carried forward to subsequent years. Generally, four vacation days not used during the fiscal school year may be carried forward to be used during the allowable vacation period in the subsequent year. Benefits paid in any future year will be calculated according to formulas outlined in the School Districts' agreements with the various employee unions and included in the current years' budget.

**Note 15: COMPENSATED ABSENCES (CONT'D)**

The liability for vested compensated absences is recorded within those funds as the benefits accrue to employees. At June 30, 2020 the liability for compensated absences reported on the government-wide statement of net position and on the proprietary fund statement of net position was \$2,239,696.23 and \$262,624.43, respectively.

**Note 16: INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS**

The composition of interfund balances as of June 30, 2020 is as follows:

| <u>Fund</u>     | <u>Interfunds<br/>Receivable</u> | <u>Interfunds<br/>Payable</u> |
|-----------------|----------------------------------|-------------------------------|
| General         | \$ 91,922.74                     |                               |
| Special Revenue |                                  | \$ 26,922.74                  |
| Fiduciary       |                                  | 65,000.00                     |
|                 | <u>\$ 91,922.74</u>              | <u>\$ 91,922.74</u>           |

The interfund receivables and payables above predominately resulted from payments made by certain funds on behalf of other funds. During the fiscal year 2021, the School District expects to liquidate such interfunds, depending upon the availability of cash flow.

Interfund Transfers:

|                             | <u>Transfer In:</u>      |                                      |                                  |                                  |                                      |
|-----------------------------|--------------------------|--------------------------------------|----------------------------------|----------------------------------|--------------------------------------|
|                             | <u>General<br/>Fund</u>  | <u>Capital<br/>Projects<br/>Fund</u> | <u>Debt<br/>Service<br/>Fund</u> | <u>Food<br/>Service<br/>Fund</u> | <u>Internal<br/>Service<br/>Fund</u> |
| <b><u>Transfer Out:</u></b> |                          |                                      |                                  |                                  |                                      |
| General Fund                | \$ (8,918,663.24)        | \$ 5,375,000.00                      |                                  | \$ 65,000.00                     | \$ 3,478,663.24                      |
| Capital Projects Fund       | <u>86,866.91</u>         | <u>(119,757.25)</u>                  | <u>\$ 32,890.34</u>              |                                  |                                      |
| Total Transfers             | <u>\$ (8,831,796.33)</u> | <u>\$ 5,255,242.75</u>               | <u>\$ 32,890.34</u>              | <u>\$ 65,000.00</u>              | <u>\$ 3,478,663.24</u>               |

Transfers were made during the fiscal year ended June 30, 2020 for the following purposes:

- the general fund budgeted and transferred \$3,478,663.24 to the internal service proprietary fund for the local share of transportation expenditures made in the internal service fund;
- the general fund budgeted and transferred \$65,000.00 to subsidize the operations of the food service enterprise fund;
- the general fund budgeted and transferred \$600,000.00 from capital outlay appropriations to the capital projects fund for approved capital projects;
- the general fund budgeted and transferred \$4,775,000.00 from capital reserve funds to the capital projects fund for approved capital projects;
- the capital projects fund transferred \$86,866.91 of interest earned on investments and deposits to the general fund; and
- the capital projects fund transferred \$32,890.34 of interest earned on investments and deposits to the debt service fund.

**Note 17: CONTINGENCIES**

**Grantor Agencies** - Amounts received or receivable from grantor agencies could be subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time, although the School District expects such amount, if any, to be immaterial.

**Litigation** - The School District is a defendant in certain legal proceedings that are in various stages of litigation. It is believed that the outcome, or exposure to the School District, from such litigation is either unknown or potential losses, if any, would not be material to the financial statements.

**Note 18: CONCENTRATIONS**

The School District depends on financial resources flowing from, or associated with, both the federal government and the State of New Jersey. As a result of this dependency, the School District is subject to changes in specific flows of intergovernmental revenues based on modifications to federal and State laws and federal and State appropriations.

**Note 19: COMMITMENTS**

The School District had multiple construction projects ongoing as of the fiscal year ended June 30, 2020 that are to continue into the subsequent fiscal year(s). These projects, related to the capital projects fund, are as follows:

| <u>Contract</u>                         | <u>Commitment<br/>Date</u> | <u>Amount<br/>Outstanding</u> |
|---|----------------------------|-------------------------------|
| Energy Savings Improvement Plan (ESIP): |                            |                               |
| Johnson Controls, Inc.                  | 12/12/18                   | \$ 1,176,137.00               |
| Hutchinson Plumbing, Heating & Cooling  | 1/28/20                    | 102,802.61                    |
| Security Vestibules:                    |                            |                               |
| Garozzo Scimeca Construction, Inc.      | 5/19/20                    | 147,405.00                    |
| Joseph Porretta Builders, Inc           | 5/20/20                    | <u>188,514.88</u>             |
| Total                                   |                            | <u>\$ 1,614,859.49</u>        |

**Note 20: DEFICIT FUND BALANCES**

The School District has a deficit fund balance of \$161,253.00 in the special revenue fund as of June 30, 2020 as reported in the fund statements (modified accrual basis). N.J.S.A. 18A:22-44.2 provides that in the event a state school aid payment is not made until the following school budget year, school districts must record the delayed one or more June state aid payments as revenue, for budget purposes only, in the current school budget year. The statute provides legal authority for school districts to recognize this revenue in the current budget year. For intergovernmental transactions, GASB Statement No. 33 requires that recognition (revenue, expenditure, asset, liability) should be in symmetry, i.e., if one government recognizes an asset, the other government recognizes a liability. Since the State is recording the June state aid payments in the subsequent fiscal year, the School District cannot recognize the June state aid payment on the GAAP financial statements until the year the State records the payable. Due to the timing difference of recording the June state aid payments, the special revenue fund balance deficit does not alone indicate that the School District is facing financial difficulties.

**Note 21: FUND BALANCES****RESTRICTED**

As stated in note 1, the restricted fund balance classification includes amounts that are restricted to specific purposes. Such restrictions, or constraints, are placed on the use of resources by either of the following: (1) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (2) imposed by law through constitutional provisions or enabling legislation. Specific restrictions of the School District's fund balance are summarized as follows:

**General Fund**

**For Tuition** - In accordance with N.J.A.C. 6A:23A-3.1(f)(8), the School District has restricted fund balance in the amount of \$400,000.00 in a legal reserve for tuition adjustments. This restricted fund balance represents foreseeable future tuition adjustments up to a maximum of 10% of the estimated tuition cost of the respective contract year. As of June 30, 2020, \$200,000.00 and \$200,000.00 have been restricted for the contract years 2018-2019 and 2019-2020, respectively.

**For Excess Surplus** - In accordance with N.J.S.A. 18A:7F-7, as amended, the designation of restricted fund balance - excess surplus is the result of a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to restrict general fund 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 current year excess fund balance at June 30, 2020 is \$4,570,932.65 presented on the budgetary basis of accounting (Exhibit C-1). Excluding the last state aid payments not recognized on a GAAP basis, the current year excess fund balance reported on the balance sheet as of June 30, 2020 is \$0. Additionally, \$5,015,873.00 of excess fund balance generated during 2018-2019 has been restricted at June 30, 2020 and is designated for utilization in the 2020-2021 budget.

**For Capital Reserve Account** - As of June 30, 2020, the balance in the capital reserve account is \$2,042,751.41. These funds are restricted for future capital outlay expenditures for capital projects in the School District's approved Long Range Facilities Plan (LRFP).

**For Maintenance Reserve Account** - As of June 30, 2020, the balance in the maintenance reserve account is \$1,078,455.49. These funds are restricted for the required maintenance of school facilities in accordance with the Educational Facilities Construction and Financing Act (EFCFA) (N.J.S.A. 18A:7G-9) as amended by P.L. 2004, c. 73 (S1701).

**For Emergency Reserve** - As of June 30, 2020, the balance in the emergency reserve is \$989,291.83. These funds are restricted for the purpose of financing unanticipated general fund expenditures required for a thorough and efficient education in accordance with N.J.S.A. 18A:7F-41c(1). The balance of the restricted fund balance is not permitted to exceed \$250,000.00, or one percent (1%) of the School District's general fund budget up to a maximum of \$1,000,000.00, whichever is greater. Deposits may be made to the emergency reserve account at budget time, or by board resolution at year end of any unanticipated revenue or unexpended line item appropriation, or both. Withdrawals from the emergency reserve require approval by the Commissioner, unless withdrawn for excess health care costs or to finance school security improvements.

**Capital Projects Fund** - As of June 30, 2020, \$3,208,667.85 of capital projects fund balance is restricted for future capital expenditures.

**Debt Service Fund** - In accordance with N.J.A.C. 6A:23A-8.6, a district board of education shall appropriate annually all debt service fund balances in the budget certified for taxes unless expressly authorized and documented by the voters in a bond referendum. As of June 30, 2020, \$72,726.03 of debt service fund balance is restricted for future debt service expenditures, of which \$39,836.00 has been designated for utilization in the 2020-2021.

**Note 21: FUND BALANCES****ASSIGNED**

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

**General Fund**

**Other Purposes** - As of June 30, 2020, the School District had \$ 635,929.13 of encumbrances outstanding for purchase orders and contracts signed by the School District, but not completed, as of the close of the fiscal year.

**UNASSIGNED**

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

**General Fund** - As of June 30, 2020, \$3,048,432.97 of general fund balance was unassigned.

**Note 22: TAX ABATEMENTS**

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

The Township of Gloucester has entered into various property tax abatement agreements with properties having aggregate assessed valuations of \$79,755,700.00. Based on the School District's 2020 certified tax rate of \$1.174, abated taxes totaled \$936,656.68.

**Note 23: SUBSEQUENT EVENTS**

**COVID-19** - On January 30, 2020, the World Health Organization (“WHO”) announced a global health emergency because of a new strain of coronavirus originating in Wuhan, China (the “COVID-19 outbreak”) and the risks to the international community as the virus spreads globally beyond its point of origin. In March 2020, the WHO classified the COVID-19 outbreak as a pandemic, based on the rapid increase in exposure globally.

The full impact of the COVID-19 outbreak continues to evolve as of the date of this report. As such, it is uncertain as to the full magnitude that the pandemic will have on the School District’s financial condition, liquidity, and future results of operations. Management is actively monitoring the global situation on its financial condition, liquidity, operations, suppliers, industry, and workforce. Given the daily evolution of the COVID-19 outbreak and the global responses to curb its spread, the School District is not able to estimate the effects of the COVID-19 outbreak on its results of operations, financial condition, or liquidity for fiscal year 2021.

REQUIRED SUPPLEMENTARY INFORMATION  
PART II  
BUDGETARY COMPARISON SCHEDULES

**GLOUCESTER TOWNSHIP SCHOOL DISTRICT**  
 Required Supplementary Information  
**GENERAL FUND**  
 Budgetary Comparison Schedule  
 For the Fiscal Year Ended June 30, 2020

|  | Original<br>Budget    | Budget<br>Modifications | Final<br>Budget       | Actual                | Variance<br>Final to Actual<br>Favorable/<br>(Unfavorable) |
|--|-----------------------|-------------------------|-----------------------|-----------------------|--|
| <b>REVENUES:</b>   |                       |                         |                       |                       |  |
| Local Sources:   |                       |                         |                       |                       |  |
| Local Tax Levy   | \$ 51,434,683.00      |                         | \$ 51,434,683.00      | \$ 51,434,683.00      |  |
| Unrestricted Miscellaneous   | 1,315,000.00          |                         | 1,315,000.00          | 1,797,279.98          | \$ 482,279.98  |
| <b>Total - Local Sources</b>   | <b>52,749,683.00</b>  | <b>-</b>                | <b>52,749,683.00</b>  | <b>53,231,962.98</b>  | <b>482,279.98</b>  |
| State Sources:   |                       |                         |                       |                       |  |
| Equalization Aid   | 46,375,401.00         |                         | 46,375,401.00         | 46,375,401.00         |  |
| Categorical Transportation Aid   | 1,634,840.00          |                         | 1,634,840.00          | 1,634,840.00          |  |
| Categorical Special Education Aid  | 3,992,445.00          |                         | 3,992,445.00          | 3,992,445.00          |  |
| Categorical Security Aid   | 487,009.00            |                         | 487,009.00            | 487,009.00            |  |
| Tuition Reimbursements for Homeless Students   |                       |                         |                       | 149,672.50            | 149,672.50   |
| Extraordinary Special Education Costs Aid  |                       |                         |                       | 1,290,927.00          | 1,290,927.00   |
| Nonpublic School Transportation Aid  |                       |                         |                       | 17,052.00             | 17,052.00  |
| Reimbursed TPAF Social Security Contributions (non-budgeted)                         |                       |                         |                       | 3,634,793.43          | 3,634,793.43   |
| On-behalf TPAF Pension Contributions - Normal Costs (non-budgeted)                   |                       |                         |                       | 10,134,679.00         | 10,134,679.00  |
| On-behalf TPAF Pension Contributions - Post Retirement Benefits (non-budgeted)       |                       |                         |                       | 3,759,780.00          | 3,759,780.00   |
| On-behalf TPAF Pension Contributions - Long-term Disability Insurance (non-budgeted) |                       |                         |                       | 5,458.00              | 5,458.00   |
| <b>Total - State Sources</b>   | <b>52,489,695.00</b>  | <b>-</b>                | <b>52,489,695.00</b>  | <b>71,482,056.93</b>  | <b>18,992,361.93</b>                                       |
| Federal Sources:   |                       |                         |                       |                       |  |
| Special Education Medicaid Initiative  | 216,220.00            | -                       | 216,220.00            | 261,470.23            | 45,250.23  |
| <b>Total - Federal Sources</b>   | <b>216,220.00</b>     | <b>-</b>                | <b>216,220.00</b>     | <b>261,470.23</b>     | <b>45,250.23</b>   |
| <b>Total Revenues</b>  | <b>105,455,598.00</b> | <b>-</b>                | <b>105,455,598.00</b> | <b>124,975,490.14</b> | <b>19,519,892.14</b>                                       |
| <b>EXPENDITURES:</b>   |                       |                         |                       |                       |  |
| <b>GENERAL CURRENT EXPENSE:</b>  |                       |                         |                       |                       |  |
| Regular Programs - Instruction:  |                       |                         |                       |                       |  |
| Salaries of Teachers:  |                       |                         |                       |                       |  |
| Kindergarten   | 2,275,000.00          | \$ 70,000.00            | 2,345,000.00          | 2,342,839.82          | 2,160.18   |
| Grades 1 - 5   | 16,715,819.00         | (140,000.00)            | 16,575,819.00         | 16,468,819.05         | 106,999.95   |
| Grades 6 - 8   | 11,256,500.00         | 70,000.00               | 11,326,500.00         | 11,303,567.02         | 22,932.98  |
| Regular Programs - Home Instruction:   |                       |                         |                       |                       |  |
| Salaries of Teachers   | 30,000.00             | (19,500.00)             | 10,500.00             | 10,319.25             | 180.75   |
| Purchased Professional Educational Services  | 15,000.00             | 12,000.00               | 27,000.00             | 20,852.45             | 6,147.55   |
| Regular Programs - Undistributed Instruction:  |                       |                         |                       |                       |  |
| Other Salaries for Instruction   | 1,218,000.00          | (160,000.00)            | 1,058,000.00          | 994,715.17            | 63,284.83  |
| Purchased Professional - Educational Services  | 1,197,000.00          | (300,000.00)            | 897,000.00            | 845,088.30            | 51,911.70  |
| Purchased Technical Services   | 7,000.00              |                         | 7,000.00              | 2,274.60              | 4,725.40   |
| Other Purchased Services   | 250,400.00            | 363,630.00              | 614,030.00            | 606,062.82            | 7,967.18   |
| General Supplies   | 1,165,233.97          | 770,800.00              | 1,936,033.97          | 1,817,982.74          | 118,051.23   |
| Textbooks  | 4,913.00              | 250,000.00              | 254,913.00            | 60,143.63             | 194,769.37   |
| Other Objects  | 35,000.00             |                         | 35,000.00             | 16,069.23             | 18,930.77  |
| <b>Total Regular Programs</b>  | <b>34,169,865.97</b>  | <b>916,930.00</b>       | <b>35,086,795.97</b>  | <b>34,488,734.08</b>  | <b>598,061.89</b>  |

(Continued)



**GLOUCESTER TOWNSHIP SCHOOL DISTRICT**  
 Required Supplementary Information  
 GENERAL FUND  
 Budgetary Comparison Schedule  
 For the Fiscal Year Ended June 30, 2020

|   | Original<br>Budget  | Budget<br>Modifications | Final<br>Budget     | Actual              | Variance<br>Final to Actual<br>Favorable/<br>(Unfavorable) |
|---|---------------------|-------------------------|---------------------|---------------------|--|
| <b>EXPENDITURES (CONT'D):</b>                     |                     |                         |                     |                     |  |
| <b>GENERAL CURRENT EXPENSE (CONT'D):</b>          |                     |                         |                     |                     |  |
| Special Education:                                |                     |                         |                     |                     |  |
| Behavioral Disabilities:                          |                     |                         |                     |                     |  |
| Salaries of Teachers                              | \$ 374,750.00       | \$ (10,000.00)          | \$ 364,750.00       | \$ 312,644.25       | \$ 52,105.75   |
| Other Salaries for Instruction                    | 82,100.00           | 105,000.00              | 187,100.00          | 168,401.58          | 18,698.42  |
| Purchased Professional - Educational Services     |                     | 15,000.00               | 15,000.00           | 7,329.00            | 7,671.00   |
| General Supplies                                  | 5,000.00            |                         | 5,000.00            | 1,539.94            | 3,460.06   |
| Textbooks   | 500.00              |                         | 500.00              |                     | 500.00   |
| Other Objects                                     | 2,477.29            |                         | 2,477.29            | 1,699.57            | 777.72   |
| <b>Total - Behavioral Disabilities</b>            | <b>464,827.29</b>   | <b>110,000.00</b>       | <b>574,827.29</b>   | <b>491,614.34</b>   | <b>83,212.95</b>   |
| Multiple Disabilities:                            |                     |                         |                     |                     |  |
| Salaries of Teachers                              | 975,750.00          |                         | 975,750.00          | 916,706.00          | 59,044.00  |
| Other Salaries for Instruction                    | 244,000.00          | 220,000.00              | 464,000.00          | 459,244.82          | 4,755.18   |
| Purchased Professional - Educational Services     | 1,000.00            |                         | 1,000.00            |                     | 1,000.00   |
| General Supplies                                  | 20,000.00           |                         | 20,000.00           | 18,810.68           | 1,189.32   |
| Textbooks   | 1,000.00            |                         | 1,000.00            |                     | 1,000.00   |
| Other Objects                                     | 1,000.00            |                         | 1,000.00            | 680.88              | 319.12   |
| <b>Total - Multiple Disabilities</b>              | <b>1,242,750.00</b> | <b>220,000.00</b>       | <b>1,462,750.00</b> | <b>1,395,442.38</b> | <b>67,307.62</b>   |
| Resource Room/Center                              |                     |                         |                     |                     |  |
| Salaries of Teachers                              | 6,884,500.00        | (49,000.00)             | 6,835,500.00        | 6,774,663.49        | 60,836.51  |
| Other Salaries for Instruction                    | 370,500.00          |                         | 370,500.00          | 360,701.98          | 9,798.02   |
| Purchased Professional - Educational Services     | 12,000.00           |                         | 12,000.00           | 3,630.70            | 8,369.30   |
| General Supplies                                  | 86,242.82           | 49,000.00               | 135,242.82          | 135,040.81          | 202.01   |
| Textbooks   | 8,000.00            |                         | 8,000.00            | 7,916.50            | 83.50  |
| <b>Total - Resource Room/Center</b>               | <b>7,361,242.82</b> | <b>-</b>                | <b>7,361,242.82</b> | <b>7,281,953.48</b> | <b>79,289.34</b>   |
| Autism  |                     |                         |                     |                     |  |
| Salaries of Teachers                              | 396,000.00          |                         | 396,000.00          | 365,714.00          | 30,286.00  |
| Other Salaries for Instruction                    | 300,000.00          | (50,000.00)             | 250,000.00          | 125,064.53          | 124,935.47   |
| General Supplies                                  | 28,306.20           |                         | 28,306.20           | 23,383.73           | 4,922.47   |
| Textbooks   | 1,000.00            |                         | 1,000.00            |                     | 1,000.00   |
| Other Objects                                     | 6,000.40            |                         | 6,000.40            | 3,605.82            | 2,394.58   |
| <b>Total - Autism</b>                             | <b>731,306.60</b>   | <b>(50,000.00)</b>      | <b>681,306.60</b>   | <b>517,768.08</b>   | <b>163,538.52</b>  |
| Preschool Disabilities - Part-time:               |                     |                         |                     |                     |  |
| Salaries of Teachers                              | 561,000.00          | (270,000.00)            | 291,000.00          | 289,283.40          | 1,716.60   |
| Other Salaries for Instruction                    | 207,000.00          | 30,000.00               | 237,000.00          | 212,842.01          | 24,157.99  |
| General Supplies                                  | 15,062.66           |                         | 15,062.66           | 14,257.17           | 805.49   |
| Other Objects                                     | 2,767.37            |                         | 2,767.37            | 2,205.81            | 561.56   |
| <b>Total - Preschool Disabilities - Part-Time</b> | <b>785,830.03</b>   | <b>(240,000.00)</b>     | <b>545,830.03</b>   | <b>518,588.39</b>   | <b>27,241.64</b>   |

(Continued)

**GLOUCESTER TOWNSHIP SCHOOL DISTRICT**  
 Required Supplementary Information  
 GENERAL FUND  
 Budgetary Comparison Schedule  
 For the Fiscal Year Ended June 30, 2020

|   | Original<br>Budget | Budget<br>Modifications | Final<br>Budget | Actual        | Variance<br>Final to Actual<br>Favorable/<br>(Unfavorable) |
|---|--------------------|-------------------------|-----------------|---------------|--|
| <b>EXPENDITURES (CONT'D):</b>   |                    |                         |                 |               |  |
| <b>GENERAL CURRENT EXPENSE (CONT'D):</b>                              |                    |                         |                 |               |  |
| Special Education (Cont'd):   |                    |                         |                 |               |  |
| Home Instruction  |                    |                         |                 |               |  |
| Salaries of Teachers  | \$ 30,000.00       |                         | \$ 30,000.00    | \$ 23,305.75  | \$ 6,694.25  |
| Purchased Professional - Educational Services                         | 15,000.00          | \$ 7,500.00             | 22,500.00       | 18,151.20     | 4,348.80   |
| Total - Home Instruction  | 45,000.00          | 7,500.00                | 52,500.00       | 41,456.95     | 11,043.05  |
| Total - Special Education   | 10,630,956.74      | 47,500.00               | 10,678,456.74   | 10,246,823.62 | 431,633.12   |
| Bilingual Education:  |                    |                         |                 |               |  |
| Salaries of Teachers  | 427,000.00         | 3,500.00                | 430,500.00      | 430,117.50    | 382.50   |
| Purchased Professional - Educational Services                         | 5,000.00           |                         | 5,000.00        |               | 5,000.00   |
| General Supplies  | 500.00             |                         | 500.00          |               | 500.00   |
| Other Objects   | 250.00             |                         | 250.00          |               | 250.00   |
| Total - Bilingual Education   | 432,750.00         | 3,500.00                | 436,250.00      | 430,117.50    | 6,132.50   |
| School Sponsored Cocurricular Activities - Instruction:               |                    |                         |                 |               |  |
| Salaries  | 300,000.00         | -                       | 300,000.00      | 298,218.79    | 1,781.21   |
| School Sponsored Athletics - Instruction:                             |                    |                         |                 |               |  |
| Salaries  | 231,000.00         |                         | 231,000.00      | 224,721.72    | 6,278.28   |
| Other Purchased Services  | 40,500.00          |                         | 40,500.00       | 22,470.07     | 18,029.93  |
| General Supplies  | 27,000.00          |                         | 27,000.00       | 19,581.31     | 7,418.69   |
| Total - School-Sponsored Athletics - Instruction                      | 298,500.00         | -                       | 298,500.00      | 266,773.10    | 31,726.90  |
| Other Supplemental/At-Risk Programs - Instruction:                    |                    |                         |                 |               |  |
| Salaries of Reading Specialists                                       | 1,257,000.00       | (3,500.00)              | 1,253,500.00    | 1,215,282.00  | 38,218.00  |
| Total - Instruction   | 47,089,072.71      | 964,430.00              | 48,053,502.71   | 46,945,949.09 | 1,107,553.62   |
| Community Service Programs/Operations:                                |                    |                         |                 |               |  |
| General Supplies  | 5,000.00           | -                       | 5,000.00        | 235.75        | 4,764.25   |
| Undistributed Expenditures - Instruction:                             |                    |                         |                 |               |  |
| Tuition to Other LEAs within the State - Regular                      | 200,000.00         | 15,000.00               | 215,000.00      | 187,057.14    | 27,942.86  |
| Tuition to Other LEAs within the State - Special                      | 100,000.00         | 26,000.00               | 126,000.00      | 125,988.36    | 11.64  |
| Tuition to CSSD & Regional Day Schools                                | 3,150,000.00       | (35,000.00)             | 3,115,000.00    | 3,113,725.08  | 1,274.92   |
| Tuition to Private School for the Disabled within the State           | 3,850,000.00       | 244,000.00              | 4,094,000.00    | 4,088,965.31  | 5,034.69   |
| Tuition Private School for the Disabled and Other LEAs - Out of State | 125,000.00         | (54,000.00)             | 71,000.00       | 70,526.60     | 473.40   |
| Tuition - State Facilities  | 39,872.00          |                         | 39,872.00       | 39,872.00     |  |
| Tuition - Other   | 90,000.00          | 4,000.00                | 94,000.00       | 92,391.13     | 1,608.87   |
| Total Undistributed Expenditures - Instruction                        | 7,554,872.00       | 200,000.00              | 7,754,872.00    | 7,718,525.62  | 36,346.38  |

(Continued)

**GLOUCESTER TOWNSHIP SCHOOL DISTRICT**  
 Required Supplementary Information  
 GENERAL FUND  
 Budgetary Comparison Schedule  
 For the Fiscal Year Ended June 30, 2020

|   | Original<br>Budget  | Budget<br>Modifications | Final<br>Budget     | Actual              | Variance<br>Final to Actual<br>Favorable/<br>(Unfavorable) |
|---|---------------------|-------------------------|---------------------|---------------------|--|
| <b>EXPENDITURES (CONT'D):</b>                                     |                     |                         |                     |                     |  |
| <b>GENERAL CURRENT EXPENSE (CONT'D):</b>                          |                     |                         |                     |                     |  |
| Undistributed Expenditures - Attendance and Social Work Services: |                     |                         |                     |                     |  |
| Salaries  | \$ 186,775.00       |                         | \$ 186,775.00       | \$ 171,051.84       | \$ 15,723.16   |
| General Supplies  | 1,000.00            |                         | 1,000.00            |                     | 1,000.00   |
| Total Undistributed Expenditures - Attendance and Social Work     | <u>187,775.00</u>   | <u>-</u>                | <u>187,775.00</u>   | <u>171,051.84</u>   | <u>16,723.16</u>   |
| Undistributed Expenditures - Health Services:                     |                     |                         |                     |                     |  |
| Salaries  | 1,019,100.00        |                         | 1,019,100.00        | 964,812.67          | 54,287.33  |
| Purchased Professional and Technical Services                     | 550,000.00          |                         | 550,000.00          | 544,320.55          | 5,679.45   |
| Other Purchased Services  | 4,000.00            |                         | 4,000.00            |                     | 4,000.00   |
| General Supplies  | 11,000.00           | \$ 10,000.00            | 21,000.00           | 11,446.69           | 9,553.31   |
| Total Undistributed Expenditures - Health Services                | <u>1,584,100.00</u> | <u>10,000.00</u>        | <u>1,594,100.00</u> | <u>1,520,579.91</u> | <u>73,520.09</u>   |
| Undistributed Expenditures - Speech, OT, PT & Related Services:   |                     |                         |                     |                     |  |
| Salaries  | 1,410,900.00        | 250.00                  | 1,411,150.00        | 1,410,937.00        | 213.00   |
| Purchased Professional Educational Services                       | 120,000.00          | 10,000.00               | 130,000.00          | 120,502.25          | 9,497.75   |
| General Supplies  | 15,000.00           | (10,000.00)             | 5,000.00            | 3,728.27            | 1,271.73   |
| Total Undistributed Expenditures - Speech, OT, PT & Rel. Serv.    | <u>1,545,900.00</u> | <u>250.00</u>           | <u>1,546,150.00</u> | <u>1,535,167.52</u> | <u>10,982.48</u>   |
| Undistributed Expenditures - Extraordinary Services               |                     |                         |                     |                     |  |
| Purchased Professional Educational Services                       | 414,000.00          | 58,000.00               | 472,000.00          | 436,155.54          | 35,844.46  |
| General Supplies  |                     | 2,000.00                | 2,000.00            | 1,742.21            | 257.79   |
| Total Undistributed Expenditures - Extraordinary Services         | <u>414,000.00</u>   | <u>60,000.00</u>        | <u>474,000.00</u>   | <u>437,897.75</u>   | <u>36,102.25</u>   |
| Undistributed Expenditures - Guidance:                            |                     |                         |                     |                     |  |
| Salaries of Other Professional Staff                              | 1,359,500.00        | (250.00)                | 1,359,250.00        | 1,308,699.99        | 50,550.01  |
| Salaries of Secretarial and Clerical Assistants                   | 64,500.00           |                         | 64,500.00           | 57,140.40           | 7,359.60   |
| Other Purchased Professional and Technical Services               | 17,500.00           |                         | 17,500.00           | 8,800.00            | 8,700.00   |
| General Supplies  | 12,000.00           |                         | 12,000.00           | 6,505.20            | 5,494.80   |
| Total Undistributed Expenditures - Guidance                       | <u>1,453,500.00</u> | <u>(250.00)</u>         | <u>1,453,250.00</u> | <u>1,381,145.59</u> | <u>72,104.41</u>   |
| Undistributed Expenses - Child Study Teams:                       |                     |                         |                     |                     |  |
| Salaries of Other Professional Staff                              | 1,628,700.00        | (25,000.00)             | 1,603,700.00        | 1,559,365.07        | 44,334.93  |
| Purchased Professional Education Services                         | 6,000.00            | 35,000.00               | 41,000.00           | 40,255.90           | 744.10   |
| Other Purchased Professional and Technical Services               | 22,000.00           | (10,000.00)             | 12,000.00           | 10,299.00           | 1,701.00   |
| Other Purchased Services  | 12,000.00           |                         | 12,000.00           | 4,696.01            | 7,303.99   |
| General Supplies  | 42,190.00           |                         | 42,190.00           | 27,460.25           | 14,729.75  |
| Total Undistributed Expenditures - Child Study Teams              | <u>1,710,890.00</u> | <u>-</u>                | <u>1,710,890.00</u> | <u>1,642,076.23</u> | <u>68,813.77</u>   |

(Continued)

**GLOUCESTER TOWNSHIP SCHOOL DISTRICT**  
 Required Supplementary Information  
**GENERAL FUND**  
 Budgetary Comparison Schedule  
 For the Fiscal Year Ended June 30, 2020

|   | <u>Original<br/>Budget</u> | <u>Budget<br/>Modifications</u> | <u>Final<br/>Budget</u> | <u>Actual</u>       | <u>Variance<br/>Final to Actual<br/>Favorable/<br/>(Unfavorable)</u> |
|---|----------------------------|---------------------------------|-------------------------|---------------------|--|
| <b>EXPENDITURES (CONT'D):</b>   |                            |                                 |                         |                     |  |
| <b>GENERAL CURRENT EXPENSE (CONT'D):</b>  |                            |                                 |                         |                     |  |
| Undistributed Expenditures - Improvement of Instruction Services:                 |                            |                                 |                         |                     |  |
| Salaries of Other Professional Staff  | \$ 778,500.00              | \$ (23,800.00)                  | \$ 754,700.00           | \$ 711,986.16       | \$ 42,713.84   |
| Salaries of Secretarial and Clerical Assistants                                   | 160,500.00                 |                                 | 160,500.00              | 160,428.24          | 71.76  |
| General Supplies  | 3,000.00                   |                                 | 3,000.00                | 1,065.39            | 1,934.61   |
| Other Objects   | 500.00                     |                                 | 500.00                  | 150.00              | 350.00   |
| <b>Total Undistributed Expenditures - Improvement of Instruction Services</b>     | <b>942,500.00</b>          | <b>(23,800.00)</b>              | <b>918,700.00</b>       | <b>873,629.79</b>   | <b>45,070.21</b>   |
| Undistributed Expenditures - Educational Media/Library:                           |                            |                                 |                         |                     |  |
| Salaries  | 980,000.00                 |                                 | 980,000.00              | 947,904.00          | 32,096.00  |
| General Supplies  | 33,042.00                  |                                 | 33,042.00               | 27,691.12           | 5,350.88   |
| <b>Total Undistributed Expenditures - Educational Media/Library</b>               | <b>1,013,042.00</b>        | <b>-</b>                        | <b>1,013,042.00</b>     | <b>975,595.12</b>   | <b>37,446.88</b>   |
| Undistributed Expenditures - Instructional Staff Training Services:               |                            |                                 |                         |                     |  |
| Purchased Professional Educational Services                                       | 1,500.00                   |                                 | 1,500.00                | 59.00               | 1,441.00   |
| Other Purchased Services  | 14,000.00                  |                                 | 14,000.00               | 1,407.00            | 12,593.00  |
| <b>Total Undistributed Expenditures - Instructional Staff Training Services</b>   | <b>15,500.00</b>           | <b>-</b>                        | <b>15,500.00</b>        | <b>1,466.00</b>     | <b>14,034.00</b>   |
| Undistributed Expenditures - Support Services General Administration:             |                            |                                 |                         |                     |  |
| Salaries  | 266,600.00                 |                                 | 266,600.00              | 265,362.93          | 1,237.07   |
| Legal Services  | 128,000.00                 |                                 | 128,000.00              | 80,970.97           | 47,029.03  |
| Audit Fees  | 98,000.00                  |                                 | 98,000.00               | 96,500.00           | 1,500.00   |
| Architectural/Engineering Services  | 90,000.00                  |                                 | 90,000.00               | 25,501.90           | 64,498.10  |
| Insurance   | 238,000.00                 | 25,000.00                       | 263,000.00              | 261,575.08          | 1,424.92   |
| Communications/Telephone  | 140,000.00                 | 66,750.00                       | 206,750.00              | 142,149.00          | 64,601.00  |
| BOE Other Purchased Services  | 9,600.00                   | 10,000.00                       | 19,600.00               | 19,477.45           | 122.55   |
| General Supplies  | 3,427.50                   |                                 | 3,427.50                | 1,624.65            | 1,802.85   |
| Miscellaneous Expenditures  | 17,000.00                  |                                 | 17,000.00               | 16,195.67           | 804.33   |
| BOE Membership Dues and Fees  | 28,000.00                  |                                 | 28,000.00               | 26,662.70           | 1,337.30   |
| <b>Total Undistributed Expenditures - Support Services General Administration</b> | <b>1,018,627.50</b>        | <b>101,750.00</b>               | <b>1,120,377.50</b>     | <b>936,020.35</b>   | <b>184,357.15</b>  |
| Undistributed Expenditures - Support Services School Administration:              |                            |                                 |                         |                     |  |
| Salaries of Principals/Assistant Principals/Program Directors                     | 2,840,000.00               | 8,800.00                        | 2,848,800.00            | 2,704,568.01        | 144,231.99   |
| Salaries of Other Professional Staff  | 157,400.00                 |                                 | 157,400.00              | 149,454.00          | 7,946.00   |
| Salaries of Secretarial and Clerical Assistants                                   | 761,000.00                 | 20,000.00                       | 781,000.00              | 738,969.72          | 42,030.28  |
| Other Purchased Services  | 14,000.00                  |                                 | 14,000.00               | 4,620.91            | 9,379.09   |
| <b>Total Undistributed Expenditures - Support Services School Administration</b>  | <b>3,772,400.00</b>        | <b>28,800.00</b>                | <b>3,801,200.00</b>     | <b>3,597,612.64</b> | <b>203,587.36</b>  |

(Continued)

**GLOUCESTER TOWNSHIP SCHOOL DISTRICT**  
 Required Supplementary Information  
**GENERAL FUND**  
 Budgetary Comparison Schedule  
 For the Fiscal Year Ended June 30, 2020

|   | Original<br>Budget  | Budget<br>Modifications | Final<br>Budget     | Actual              | Variance<br>Final to Actual<br>Favorable/<br>(Unfavorable) |
|---|---------------------|-------------------------|---------------------|---------------------|--|
| <b>EXPENDITURES (CONT'D):</b>   |                     |                         |                     |                     |  |
| <b>GENERAL CURRENT EXPENSE (CONT'D):</b>  |                     |                         |                     |                     |  |
| Undistributed Expenditures - Central Services                                   |                     |                         |                     |                     |  |
| Salaries  | \$ 1,004,750.00     | \$ 174,000.00           | \$ 1,178,750.00     | \$ 883,334.57       | \$ 295,415.43  |
| Purchased Professional Services   | 7,167.00            |                         | 7,167.00            | 2,467.00            | 4,700.00   |
| Miscellaneous Purchased Services  | 276,733.77          | 21,275.00               | 298,008.77          | 224,791.88          | 73,216.89  |
| General Supplies  | 21,105.98           |                         | 21,105.98           | 13,377.06           | 7,728.92   |
| Miscellaneous Expenditures  | 6,100.00            |                         | 6,100.00            | 3,833.61            | 2,266.39   |
| <b>Total Undistributed Expenditures - Central Services</b>                      | <b>1,315,856.75</b> | <b>195,275.00</b>       | <b>1,511,131.75</b> | <b>1,127,804.12</b> | <b>383,327.63</b>  |
| Undistributed Expenditures - Admin. Info. Technology                            |                     |                         |                     |                     |  |
| Salaries  | 470,500.00          | 14,000.00               | 484,500.00          | 483,463.92          | 1,036.08   |
| Purchased Technical Services  | 174,000.00          |                         | 174,000.00          | 169,633.76          | 4,366.24   |
| Other Purchased Services  | 377,500.00          | 407,500.00              | 785,000.00          | 780,313.37          | 4,686.63   |
| General Supplies  | 46,250.00           | 25,000.00               | 71,250.00           | 28,720.16           | 42,529.84  |
| <b>Total Undistributed Expenditures - Admin. Info. Technology</b>               | <b>1,068,250.00</b> | <b>446,500.00</b>       | <b>1,514,750.00</b> | <b>1,462,131.21</b> | <b>52,618.79</b>   |
| Undistributed Expenditures - Required Maint. for School Facilities:             |                     |                         |                     |                     |  |
| Salaries  | 244,500.00          |                         | 244,500.00          | 224,488.57          | 20,011.43  |
| Cleaning, Repair & Maintenance Services   | 358,805.95          | 100,000.00              | 458,805.95          | 452,843.68          | 5,962.27   |
| General Supplies  | 92,269.24           |                         | 92,269.24           | 91,265.41           | 1,003.83   |
| Other Objects   | 17,400.00           |                         | 17,400.00           | 13,399.98           | 4,000.02   |
| <b>Total Undistributed Expenditures - Required Maint. for School Facilities</b> | <b>712,975.19</b>   | <b>100,000.00</b>       | <b>812,975.19</b>   | <b>781,997.64</b>   | <b>30,977.55</b>   |
| Undistributed Expenditures - Custodial Services:                                |                     |                         |                     |                     |  |
| Salaries  | 2,731,850.00        | (56,000.00)             | 2,675,850.00        | 2,620,445.25        | 55,404.75  |
| Purchased Professional and Technical Services                                   | 1,000.00            |                         | 1,000.00            |                     | 1,000.00   |
| Cleaning, Repair & Maintenance Services   | 84,876.21           |                         | 84,876.21           | 63,187.98           | 21,688.23  |
| Rental of Land and Building Other Than Lease Purchase                           | 1,900.00            |                         | 1,900.00            | 1,466.42            | 433.58   |
| Other Purchased Property Services   | 355,800.00          |                         | 355,800.00          | 334,194.02          | 21,605.98  |
| Insurance   | 250,000.00          |                         | 250,000.00          | 220,099.00          | 29,901.00  |
| Miscellaneous Purchased Services  | 1,500.00            |                         | 1,500.00            | 510.00              | 990.00   |
| General Supplies  | 386,383.87          | 202,000.00              | 588,383.87          | 397,829.05          | 190,554.82   |
| Energy (Electricity)  | 900,000.00          | 60,000.00               | 960,000.00          | 920,061.76          | 39,938.24  |
| Energy (Natural Gas)  | 600,000.00          | (82,000.00)             | 518,000.00          | 455,227.68          | 62,772.32  |
| Interest - Energy Savings Impr Prog Bonds                                       | 486,000.00          |                         | 486,000.00          | 485,872.91          | 127.09   |
| Principal - Energy Savings Impr Prog Bonds                                      | 500,000.00          |                         | 500,000.00          | 500,000.00          |  |
| Other Objects   | 43,550.00           |                         | 43,550.00           | 26,165.64           | 17,384.36  |
| <b>Total - Undistributed Expenditures - Custodial Services</b>                  | <b>6,342,860.08</b> | <b>124,000.00</b>       | <b>6,466,860.08</b> | <b>6,025,059.71</b> | <b>441,800.37</b>  |
| Undistributed Expenditures - Care and Upkeep of Grounds:                        |                     |                         |                     |                     |  |
| Salaries  | 184,750.00          | 10,000.00               | 194,750.00          | 185,916.71          | 8,833.29   |
| Cleaning, Repair & Maintenance Services   | 31,975.00           |                         | 31,975.00           | 28,968.72           | 3,006.28   |
| General Supplies  | 55,000.00           | (11,000.00)             | 44,000.00           | 34,646.60           | 9,353.40   |
| <b>Total Undistributed Expenditures - Care and Upkeep of Grounds</b>            | <b>271,725.00</b>   | <b>(1,000.00)</b>       | <b>270,725.00</b>   | <b>249,532.03</b>   | <b>21,192.97</b>   |

(Continued)

**GLOUCESTER TOWNSHIP SCHOOL DISTRICT**  
 Required Supplementary Information  
**GENERAL FUND**  
 Budgetary Comparison Schedule  
 For the Fiscal Year Ended June 30, 2020

|   | Original<br>Budget   | Budget<br>Modifications | Final<br>Budget      | Actual               | Variance<br>Final to Actual<br>Favorable/<br>(Unfavorable) |
|---|----------------------|-------------------------|----------------------|----------------------|--|
| <b>EXPENDITURES (CONT'D):</b>   |                      |                         |                      |                      |  |
| <b>GENERAL CURRENT EXPENSE (CONT'D):</b>                                      |                      |                         |                      |                      |  |
| Undistributed Expenditures - Security:  |                      |                         |                      |                      |  |
| Salaries  | \$ 84,750.00         | \$ 46,000.00            | \$ 130,750.00        | \$ 129,547.92        | \$ 1,202.08  |
| Purchased Professional and Technical Services                                 | 300,000.00           |                         | 300,000.00           | 300,000.00           |  |
| Cleaning, Repair & Maintenance Services                                       | 138,418.99           |                         | 138,418.99           | 134,298.50           | 4,120.49   |
| General Supplies  | 6,500.00             |                         | 6,500.00             | 783.90               | 5,716.10   |
| <b>Total Undistributed Expenditures - Security</b>                            | <b>529,668.99</b>    | <b>46,000.00</b>        | <b>575,668.99</b>    | <b>564,630.32</b>    | <b>11,038.67</b>   |
| Undistributed Expenditures - Student Transportation Services:                 |                      |                         |                      |                      |  |
| Salaries - Non-Instructional Aides  | 300,000.00           | 50,000.00               | 350,000.00           | 344,216.62           | 5,783.38   |
| Salaries for Pupil Transportation (Between Home & School) - Special Education | 485,000.00           |                         | 485,000.00           | 456,583.88           | 28,416.12  |
| Salaries for Pupil Transportation (Between Home & School) - Nonpublic         | 10,000.00            |                         | 10,000.00            |                      | 10,000.00  |
| Health Benefits   | 315,000.00           | 35,000.00               | 350,000.00           | 346,805.42           | 3,194.58   |
| Social Security Contributions   | 55,000.00            | 6,000.00                | 61,000.00            | 60,738.52            | 261.48   |
| Other Retirement Contributions - PERS   | 55,000.00            |                         | 55,000.00            | 55,000.00            |  |
| Other Employee Benefits   | 6,000.00             |                         | 6,000.00             |                      | 6,000.00   |
| Cleaning, Repair & Maintenance Services                                       | 27,652.50            |                         | 27,652.50            | 17,226.80            | 10,425.70  |
| Lease Purchase Payments - School Buses  | 87,000.00            | 81,320.00               | 168,320.00           | 161,570.12           | 6,749.88   |
| Contracted Services (Between Home & School) - Vendors                         | 325,000.00           | 125,000.00              | 450,000.00           | 406,937.25           | 43,062.75  |
| Contracted Services (Other Than Between Home & School) - Vendors              | 90,000.00            | (41,000.00)             | 49,000.00            | 47,950.71            | 1,049.29   |
| Contracted Services (Spec. Ed. Students) - Vendors                            | 80,000.00            | 53,000.00               | 133,000.00           | 116,512.48           | 16,487.52  |
| Contracted Services (Spec. Ed. Students) - ESC/CTSA                           | 2,100,000.00         | (132,000.00)            | 1,968,000.00         | 1,880,608.34         | 87,391.66  |
| Contracted Services - Aid in Lieu Payments - Nonpublic                        | 300,000.00           | (60,000.00)             | 240,000.00           | 138,903.32           | 101,096.68   |
| Miscellaneous Purchased Services - Transportation                             | 5,000.00             |                         | 5,000.00             | 2,600.00             | 2,400.00   |
| Transportation Supplies   | 80,000.00            | (35,000.00)             | 45,000.00            | 40,313.26            | 4,686.74   |
| General Supplies  | 55,646.36            |                         | 55,646.36            | 50,709.48            | 4,936.88   |
| Other Objects   | 3,000.00             |                         | 3,000.00             | 998.61               | 2,001.39   |
| <b>Total Undistributed Expenditures - Student Transportation Services</b>     | <b>4,379,298.86</b>  | <b>82,320.00</b>        | <b>4,461,618.86</b>  | <b>4,127,674.81</b>  | <b>333,944.05</b>  |
| Unallocated Benefits - Employee Benefits:                                     |                      |                         |                      |                      |  |
| Social Security Contributions   | 867,000.00           |                         | 867,000.00           | 777,129.16           | 89,870.84  |
| Other Retirement Contributions - PERS   | 1,400,000.00         |                         | 1,400,000.00         | 1,287,227.04         | 112,772.96   |
| Workmen's Compensation  | 492,000.00           |                         | 492,000.00           | 341,296.76           | 150,703.24   |
| Health Benefits   | 17,933,723.00        | (1,728,750.00)          | 16,204,973.00        | 14,092,929.06        | 2,112,043.94   |
| Tuition Reimbursement   | 125,000.00           |                         | 125,000.00           | 64,704.58            | 60,295.42  |
| Other Employee Benefits   | 895,000.00           |                         | 895,000.00           | 665,314.85           | 229,685.15   |
| <b>Total Unallocated Benefits - Employee Benefits</b>                         | <b>21,712,723.00</b> | <b>(1,728,750.00)</b>   | <b>19,983,973.00</b> | <b>17,228,601.45</b> | <b>2,755,371.55</b>  |
| Undistributed Expenditures - Transfer to Charter Schools                      | 1,556,713.00         | (1,298,725.00)          | 257,988.00           | 188,301.00           | 69,687.00  |

(Continued)

**GLOUCESTER TOWNSHIP SCHOOL DISTRICT**  
 Required Supplementary Information  
**GENERAL FUND**  
 Budgetary Comparison Schedule  
 For the Fiscal Year Ended June 30, 2020

|  | <u>Original<br/>Budget</u> | <u>Budget<br/>Modifications</u> | <u>Final<br/>Budget</u> | <u>Actual</u>    | Variance<br>Final to Actual<br>Favorable/<br>(Unfavorable) |
|--|----------------------------|---------------------------------|-------------------------|------------------|--|
| <b>EXPENDITURES (CONT'D):</b>  |                            |                                 |                         |                  |  |
| <b>GENERAL CURRENT EXPENSE (CONT'D):</b>   |                            |                                 |                         |                  |  |
| Undistributed Expenditures- Non-budgeted:  |                            |                                 |                         |                  |  |
| On-behalf TPAF Pension Contributions - Normal Costs (non-budgeted)                   |                            |                                 |                         | \$ 10,134,679.00 | \$ (10,134,679.00)   |
| On-behalf TPAF Pension Contributions - Post Retirement Benefits (non-budgeted)       |                            |                                 |                         | 3,759,780.00     | (3,759,780.00)   |
| On-behalf TPAF Pension Contributions - Long-term Disability Insurance (non-budgeted) |                            |                                 |                         | 5,458.00         | (5,458.00)   |
| Total On-behalf TPAF Pension Contributions   | -                          | -                               | -                       | 13,899,917.00    | (13,899,917.00)  |
| Undistributed Expenditures - Non-budgeted  |                            |                                 |                         |                  |  |
| Reimbursed TPAF Social Security Contributions  | -                          | -                               | -                       | 3,634,793.43     | (3,634,793.43)   |
| Total Undistributed Expenses   | \$ 59,103,177.37           | \$ (1,657,630.00)               | \$ 57,445,547.37        | 70,081,211.08    | (12,635,663.71)  |
| Total Current Expense  | 106,197,250.08             | (693,200.00)                    | 105,504,050.08          | 117,027,395.92   | (11,523,345.84)  |
| <b>CAPITAL OUTLAY:</b>   |                            |                                 |                         |                  |  |
| Equipment:   |                            |                                 |                         |                  |  |
| Grades 1-5   |                            | 2,300.00                        | 2,300.00                | 2,275.12         | 24.88  |
| Grades 6-8   | 10,000.00                  | 366,900.00                      | 376,900.00              | 366,463.10       | 10,436.90  |
| Resource Room/Resource Center  | 10,000.00                  |                                 | 10,000.00               |                  | 10,000.00  |
| Undistributed Expenditures:  |                            |                                 |                         |                  |  |
| Required Maintenance   | 10,185.00                  |                                 | 10,185.00               | 10,185.00        |  |
| Central Services   |                            | 25,000.00                       | 25,000.00               | 10,345.30        | 14,654.70  |
| Admin. Info. Technology  |                            | 17,000.00                       | 17,000.00               |                  | 17,000.00  |
| Custodial  |                            | 46,000.00                       | 46,000.00               | 25,369.00        | 20,631.00  |
| Care and Upkeep of Grounds   | 20,000.00                  | 123,000.00                      | 143,000.00              | 68,374.75        | 74,625.25  |
| Total - Equipment  | 50,185.00                  | 580,200.00                      | 630,385.00              | 483,012.27       | 147,372.73   |
| Facilities Acquisition and Construction Services:                                    |                            |                                 |                         |                  |  |
| Assessment for Debt Service on SDA Funding   | 92,805.00                  | -                               | 92,805.00               | 92,805.00        | -  |
| Total - Facilities Acquisition and Construction Services                             | 92,805.00                  | -                               | 92,805.00               | 92,805.00        | -  |
| Assets Acquired Under Capital Leases (Non-Budgeted):                                 |                            |                                 |                         |                  |  |
| Undistributed Expenditures:  |                            |                                 |                         |                  |  |
| Lease Purchase Agreement - Principal   | -                          | -                               | -                       | 473,065.00       | (473,065.00)   |
| Total Capital Outlay   | 142,990.00                 | 580,200.00                      | 723,190.00              | 1,048,882.27     | (325,692.27)   |
| Total Expenditures   | 106,340,240.08             | (113,000.00)                    | 106,227,240.08          | 118,076,278.19   | (11,849,038.11)  |
| Excess (Deficiency) of Revenues Over (Under) Expenditures                            | (884,642.08)               | 113,000.00                      | (771,642.08)            | 6,899,211.95     | 7,670,854.03   |

(Continued)

**GLOUCESTER TOWNSHIP SCHOOL DISTRICT**  
 Required Supplementary Information  
 GENERAL FUND  
 Budgetary Comparison Schedule  
 For the Fiscal Year Ended June 30, 2020

|   | Original<br>Budget      | Budget<br>Modifications  | Final<br>Budget        | Actual                  | Variance<br>Final to Actual<br>Favorable/<br>(Unfavorable) |
|---|-------------------------|--------------------------|------------------------|-------------------------|--|
| Other Financing Sources (Uses):   |                         |                          |                        |                         |  |
| Transfers to Capital Projects - Capital Outlay Transfer   | \$ (600,000.00)         |                          | \$ (600,000.00)        | \$ (600,000.00)         |  |
| Transfers to Capital Projects - Capital Reserve Transfer  | (3,425,000.00)          | \$ (1,350,000.00)        | (4,775,000.00)         | (4,775,000.00)          |  |
| Transfers from Capital Projects - Investment Earnings   |                         |                          |                        | 86,866.91               | \$ 86,866.91   |
| Transfers to Internal Service Fund - Board Contribution   | (3,700,000.00)          |                          | (3,700,000.00)         | (3,478,663.24)          | 221,336.76   |
| Transfers to Special Revenue Fund - Preschool Education Expansion Aid   |                         | (598,000.00)             | (598,000.00)           | (598,000.00)            |  |
| Transfers to Food Service Fund - Board Contributipon  |                         | (65,000.00)              | (65,000.00)            | (65,000.00)             |  |
| Capital Leases (Non-Budgeted)   |                         |                          |                        | 473,065.00              | 473,065.00   |
| <b>Total - Other Financing Sources (Uses)</b>   | <u>(7,725,000.00)</u>   | <u>(2,013,000.00)</u>    | <u>(9,738,000.00)</u>  | <u>(8,956,731.33)</u>   | <u>781,268.67</u>  |
| Excess (Deficiency) of Revenues and Other Financing Sources<br>Over (Under) Expenditures and Other Financing Uses | <u>(8,609,642.08)</u>   | <u>(1,900,000.00)</u>    | <u>(10,509,642.08)</u> | <u>(2,057,519.38)</u>   | <u>8,452,122.70</u>  |
| Fund Balances, July 1   | <u>20,289,135.21</u>    | <u>-</u>                 | <u>20,289,135.21</u>   | <u>20,289,135.21</u>    | <u>-</u>   |
| Fund Balances, June 30  | <u>\$ 11,679,493.13</u> | <u>\$ (1,900,000.00)</u> | <u>\$ 9,779,493.13</u> | <u>\$ 18,231,615.83</u> | <u>\$ 8,452,122.70</u>                                     |
| <b>Recapitulation:</b>  |                         |                          |                        |                         |  |
| Restricted:   |                         |                          |                        |                         |  |
| Capital Reserve   |                         |                          |                        | \$ 2,042,751.41         |  |
| Maintenance Reserve   |                         |                          |                        | 1,078,455.49            |  |
| Emergency Reserve   |                         |                          |                        | 989,291.83              |  |
| Reserve for Tuition:  |                         |                          |                        |                         |  |
| 2018-19--Designated for Subsequent Year's Expenditures  |                         |                          |                        | 200,000.00              |  |
| 2019-20   |                         |                          |                        | 200,000.00              |  |
| Excess Surplus--Current Year  |                         |                          |                        | 4,570,932.65            |  |
| Excess Surplus--Prior Year--Designated for Subsequent Year's Expenditures   |                         |                          |                        | 5,015,873.00            |  |
| Assigned:   |                         |                          |                        |                         |  |
| Year-End Encumbrances   |                         |                          |                        | 635,929.13              |  |
| Unassigned  |                         |                          |                        | <u>3,498,382.32</u>     |  |
|   |                         |                          |                        | 18,231,615.83           |  |
| Reconciliation to Governmental Funds Statements (GAAP):   |                         |                          |                        |                         |  |
| Last State Aid Payments Not Recognized on GAAP Basis  |                         |                          |                        | <u>(5,020,882.00)</u>   |  |
| Fund Balance per Governmental Funds (GAAP)  |                         |                          |                        | <u>\$ 13,210,733.83</u> |  |



**GLOUCESTER TOWNSHIP SCHOOL DISTRICT**  
 Required Supplementary Information  
 SPECIAL REVENUE FUND  
 Budgetary Comparison Schedule  
 For the Fiscal Year Ended June 30, 2020

|                                   | <u>Original<br/>Budget</u> | <u>Budget<br/>Modifications</u> | <u>Final<br/>Budget</u> | <u>Actual</u>       | <u>Variance<br/>Final to Actual</u> |
|-----------------------------------|----------------------------|---------------------------------|-------------------------|---------------------|-------------------------------------|
| <b>REVENUES:</b>                  |                            |                                 |                         |                     |                                     |
| State Sources:                    |                            |                                 |                         |                     |                                     |
| Nonpublic Aid                     | \$ 406,118.00              | \$ 173,392.00                   | \$ 579,510.00           | \$ 477,139.84       | \$ (102,370.16)                     |
| Preschool Education Expansion Aid |                            | 1,451,363.00                    | 1,451,363.00            | 1,440,766.60        | (10,596.40)                         |
| Municipal Drug Alliance           | <u>12,000.00</u>           |                                 | <u>12,000.00</u>        | <u>12,000.00</u>    |                                     |
| Total - State Sources             | <u>418,118.00</u>          | <u>1,624,755.00</u>             | <u>2,042,873.00</u>     | <u>1,929,906.44</u> | <u>(112,966.56)</u>                 |
| Federal Sources:                  |                            |                                 |                         |                     |                                     |
| E.S.S.A.:                         |                            |                                 |                         |                     |                                     |
| Title I                           | 801,851.00                 | 275,023.00                      | 1,076,874.00            | 993,510.54          | (83,363.46)                         |
| Title I Reallocated               |                            | 131,328.74                      | 131,328.74              | 23,958.00           | (107,370.74)                        |
| Title I School Improvement        |                            | 37,933.00                       | 37,933.00               | 76,579.36           | 38,646.36                           |
| Title II - Part A                 | 160,268.00                 | 142,853.00                      | 303,121.00              | 131,025.18          | (172,095.82)                        |
| Title III                         | 26,558.00                  | 9,147.00                        | 35,705.00               | 20,429.85           | (15,275.15)                         |
| Title III Immigrant               |                            | 5,316.00                        | 5,316.00                | 1,626.49            | (3,689.51)                          |
| Title IV                          | 34,888.00                  | 34,252.00                       | 69,140.00               | 51,546.10           | (17,593.90)                         |
| I.D.E.A.:                         |                            |                                 |                         |                     |                                     |
| Basic                             | 1,413,198.00               | 417,259.00                      | 1,830,457.00            | 1,737,919.58        | (92,537.42)                         |
| Preschool                         |                            | 71,066.00                       | 71,066.00               | 70,605.00           | (461.00)                            |
| CARES Emergency Relief Grant      |                            | <u>750,747.00</u>               | <u>750,747.00</u>       | <u>107,037.76</u>   | <u>(643,709.24)</u>                 |
| Total - Federal Sources           | <u>2,436,763.00</u>        | <u>1,874,924.74</u>             | <u>4,311,687.74</u>     | <u>3,214,237.86</u> | <u>(1,097,449.88)</u>               |
| Total Revenues                    | <u>2,854,881.00</u>        | <u>3,499,679.74</u>             | <u>6,354,560.74</u>     | <u>5,144,144.30</u> | <u>(1,210,416.44)</u>               |

(Continued)

**GLOUCESTER TOWNSHIP SCHOOL DISTRICT**  
 Required Supplementary Information  
 SPECIAL REVENUE FUND  
 Budgetary Comparison Schedule  
 For the Fiscal Year Ended June 30, 2020

|   | <u>Original<br/>Budget</u> | <u>Budget<br/>Modifications</u> | <u>Final<br/>Budget</u> | <u>Actual</u>       | <u>Variance<br/>Final to Actual</u> |
|---|----------------------------|---------------------------------|-------------------------|---------------------|-------------------------------------|
| <b>EXPENDITURES:</b>  |                            |                                 |                         |                     |                                     |
| Instruction:  |                            |                                 |                         |                     |                                     |
| Salaries of Teachers  | \$ 866,297.00              | \$ 624,873.00                   | \$ 1,491,170.00         | \$ 1,294,263.11     | \$ 196,906.89                       |
| Other Salaries for Instruction  | 39,646.00                  | 165,223.00                      | 204,869.00              | 203,393.41          | 1,475.59                            |
| Purchased Professional Educational Services   | 308,955.00                 | 149,985.00                      | 458,940.00              | 354,189.12          | 104,750.88                          |
| Purchased Professional and Technical Services   |                            | 4,000.00                        | 4,000.00                |                     | 4,000.00                            |
| Other Purchased Services  | 1,413,198.00               | 316,333.20                      | 1,729,531.20            | 1,718,594.97        | 10,936.23                           |
| General Supplies  |                            | 652,987.43                      | 652,987.43              | 415,352.54          | 237,634.89                          |
| Textbooks   | 21,606.00                  | 3,352.00                        | 24,958.00               | 24,703.46           | 254.54                              |
| Other Objects   |                            | 15,792.00                       | 15,792.00               |                     | 15,792.00                           |
| <b>Total Instruction</b>  | <u>2,649,702.00</u>        | <u>1,932,545.63</u>             | <u>4,582,247.63</u>     | <u>4,010,496.61</u> | <u>571,751.02</u>                   |
| Support Services:   |                            |                                 |                         |                     |                                     |
| Personal Services-Salaries  | 160,268.00                 | (18,499.50)                     | 141,768.50              | 83,203.93           | 58,564.57                           |
| Salaries of Supervisors of Instruction  |                            | 20,750.00                       | 20,750.00               | 20,342.20           | 407.80                              |
| Salaries of Program Directors   |                            | 64,250.00                       | 64,250.00               | 63,925.43           | 324.57                              |
| Salaries of Other Professional Staff  |                            | 26,000.00                       | 26,000.00               | 25,455.47           | 544.53                              |
| Salaries of Secr. and Clerical Assistants   |                            | 9,750.00                        | 9,750.00                | 9,120.03            | 629.97                              |
| Other Salaries  |                            | 125,500.00                      | 125,500.00              | 125,427.66          | 72.34                               |
| Personal Services-Employee Benefits   |                            | 659,645.00                      | 659,645.00              | 637,407.98          | 22,237.02                           |
| Purchased Professional Educational Services   |                            | 122,050.00                      | 122,050.00              | 56,546.09           | 65,503.91                           |
| Purchased Professional and Technical Services   |                            | 283,526.04                      | 283,526.04              | 145,666.23          | 137,859.81                          |
| Other Purchased Services  |                            | 537,582.00                      | 537,582.00              | 397,644.65          | 139,937.35                          |
| General Supplies  | 44,911.00                  | 263,486.40                      | 308,397.40              | 148,326.21          | 160,071.19                          |
| Other Objects   |                            | 3,343.57                        | 3,343.57                | 3,331.21            | 12.36                               |
| <b>Total Support Services</b>   | <u>205,179.00</u>          | <u>2,097,383.51</u>             | <u>2,302,562.51</u>     | <u>1,716,397.09</u> | <u>586,165.42</u>                   |
| Facilities Acquisition and Construction Services:   |                            |                                 |                         |                     |                                     |
| Noninstructional Equipment  |                            | 67,750.60                       | 67,750.60               | 15,250.60           | 52,500.00                           |
| Assets Acquired Under Capital Leases (Non-Budgeted):  |                            |                                 |                         |                     |                                     |
| Lease Purchase Agreement - Principal  |                            |                                 |                         | 125,000.00          | (125,000.00)                        |
| <b>Total Facilities Acquisition and Construction Services</b>                                   | <u>-</u>                   | <u>67,750.60</u>                | <u>67,750.60</u>        | <u>140,250.60</u>   | <u>(72,500.00)</u>                  |
| <b>Total Expenditures</b>   | <u>2,854,881.00</u>        | <u>4,097,679.74</u>             | <u>6,952,560.74</u>     | <u>5,867,144.30</u> | <u>1,085,416.44</u>                 |
| Other Financing Sources (Uses):   |                            |                                 |                         |                     |                                     |
| Capital Leases (Non-Budgeted)   |                            |                                 |                         | 125,000.00          | (125,000.00)                        |
| Transfer in from General Fund   |                            | 598,000.00                      | 598,000.00              | 598,000.00          |                                     |
| <b>Total Other Financing Sources (Uses)</b>   | <u>2,854,881.00</u>        | <u>3,499,679.74</u>             | <u>6,354,560.74</u>     | <u>5,144,144.30</u> | <u>1,210,416.44</u>                 |
| Excess (Deficiency) of Revenues Over (Under)<br>Expenditures and Other Financing Sources (Uses) | <u>\$ -</u>                | <u>\$ -</u>                     | <u>\$ -</u>             | <u>\$ -</u>         | <u>\$ -</u>                         |

**GLOUCESTER TOWNSHIP SCHOOL DISTRICT**  
 Required Supplementary Information  
 Budgetary Comparison Schedule  
 Note to Required Supplementary Information  
 For the Fiscal Year Ended June 30, 2020

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

|   | <u>General<br/>Fund</u>  | <u>Special<br/>Revenue<br/>Fund</u> |
|---|--------------------------|-------------------------------------|
| Sources / Inflows of Resources:   |                          |                                     |
| Actual amounts (budgetary basis) "revenues" from the budgetary comparison schedules   | \$ 124,975,490.14        | \$ 5,144,144.30                     |
| Differences - Budget to GAAP:   |                          |                                     |
| Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.  |                          | (311,157.80)                        |
| State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes.   | 4,948,361.00             |                                     |
| State aid payment recognized as revenue for budgetary purposes, not recognized for GAAP statements until the subsequent year.   | <u>(5,020,882.00)</u>    | <u>(161,253.00)</u>                 |
| Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds  | <u>\$ 124,902,969.14</u> | <u>\$ 4,671,733.50</u>              |
| Uses / Outflows of Resources:   |                          |                                     |
| Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule  | \$ 127,592,941.43        | \$ 5,269,144.30                     |
| Differences - Budget to GAAP:   |                          |                                     |
| Encumbrances for goods or services ordered but not received are reported in the year the orders are placed for budgetary purposes, but in the year the goods or services are received for financial reporting purposes. |                          | (311,157.80)                        |
| Transfers to and from other funds are presented as outflows of budgetary resources but are not expenditures for financial reporting purposes.   | <u>(9,516,663.24)</u>    | <u>598,000.00</u>                   |
| Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds (B-2)  | <u>\$ 118,076,278.19</u> | <u>\$ 5,555,986.50</u>              |

REQUIRED SUPPLEMENTARY INFORMATION  
PART III

SCHEDULES RELATED TO ACCOUNTING  
AND REPORTING FOR PENSIONS

**GLOUCESTER TOWNSHIP SCHOOL DISTRICT**  
 Required Supplementary Information  
 Schedule of the School District's Proportionate Share of the Net Pension Liability  
 Public Employees' Retirement System (PERS)  
 Last Seven Plan Years

|   | <u>Measurement Date Ending June 30,</u> |                  |                  |                  |                  |                  |                  |
|---|---|------------------|------------------|------------------|------------------|------------------|------------------|
|   | <u>2019</u>                             | <u>2018</u>      | <u>2017</u>      | <u>2016</u>      | <u>2015</u>      | <u>2014</u>      | <u>2013</u>      |
| School District's Proportion of the Net Pension Liability   | 0.1299332720%                           | 0.1274552546%    | 0.1342243227%    | 0.1365256078%    | 0.1396445955%    | 0.1365048142%    | 0.1453286906%    |
| School District's Proportionate Share of the Net Pension Liability  | \$ 23,412,004.00                        | \$ 25,095,304.00 | \$ 31,245,277.00 | \$ 40,434,969.00 | \$ 31,347,413.00 | \$ 25,557,435.00 | \$ 27,775,200.00 |
| School District's Covered Payroll (Plan Measurement Period)   | \$ 10,001,732.00                        | \$ 9,748,084.00  | \$ 10,018,452.00 | \$ 10,257,272.00 | \$ 10,431,456.00 | \$ 10,396,260.00 | \$ 10,904,504.00 |
| School District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll | 234.08%                                 | 257.44%          | 311.88%          | 394.21%          | 300.51%          | 245.83%          | 254.71%          |
| Plan Fiduciary Net Position as a Percentage of the Total Pension Liability                                | 56.27%                                  | 53.60%           | 48.10%           | 40.14%           | 47.93%           | 52.08%           | 48.72%           |

*Note: This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, this presentation will only include information for those years for which information is available.*

**GLOUCESTER TOWNSHIP SCHOOL DISTRICT**  
 Required Supplementary Information  
 Schedule of the School District's Contributions  
 Public Employees' Retirement System (PERS)  
 Last Seven Fiscal Years

|   | <u>Fiscal Year Ended June 30,</u> |                       |                       |                       |                       |                       |                       |
|---|-----------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
|   | <u>2020</u>                       | <u>2019</u>           | <u>2018</u>           | <u>2017</u>           | <u>2016</u>           | <u>2015</u>           | <u>2014</u>           |
| Contractually Required Contribution                                     | \$ 1,373,610.00                   | \$ 1,263,868.00       | \$ 1,267,768.00       | \$ 1,243,445.00       | \$ 1,212,874.00       | \$ 1,200,569.00       | \$ 1,125,326.00       |
| Contributions in Relation to the<br>Contractually Required Contribution | <u>(1,373,610.00)</u>             | <u>(1,263,868.00)</u> | <u>(1,267,768.00)</u> | <u>(1,243,445.00)</u> | <u>(1,212,874.00)</u> | <u>(1,200,569.00)</u> | <u>(1,125,326.00)</u> |
| Contribution Deficiency (Excess)  | <u>\$ -</u>                       | <u>\$ -</u>           | <u>\$ -</u>           | <u>\$ -</u>           | <u>\$ -</u>           | <u>\$ -</u>           | <u>\$ -</u>           |
| School District's Covered Payroll (Fiscal Year)                         | \$ 9,039,113.00                   | \$ 9,091,215.00       | \$ 9,195,826.00       | \$ 8,990,340.00       | \$ 9,053,821.00       | \$ 9,334,577.00       | \$ 9,225,278.00       |
| Contributions as a Percentage of<br>School District's Covered Payroll   | 15.20%                            | 13.90%                | 13.79%                | 13.83%                | 13.40%                | 12.86%                | 12.20%                |

*Note: This schedule is presented to illustrate the requirement to show information for 10 years.  
 However, until a full 10-year trend is compiled, this presentation will only include information  
 for those years for which information is available.*

**GLOUCESTER TOWNSHIP SCHOOL DISTRICT**  
 Required Supplementary Information  
 Schedule of the School District's Proportionate Share of the Net Pension Liability  
 Teachers' Pension and Annuity Fund (TPAF)  
 Last Seven Plan Years

|  | Measurement Date Ending June 30, |                          |                          |                          |                          |                          |                          |
|--|----------------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
|  | <u>2019</u>                      | <u>2018</u>              | <u>2017</u>              | <u>2016</u>              | <u>2015</u>              | <u>2014</u>              | <u>2013</u>              |
| School District's Proportion of the Net Pension Liability  | 0.00%                            | 0.00%                    | 0.00%                    | 0.00%                    | 0.00%                    | 0.00%                    | 0.00%                    |
| State's Proportion of the Net Pension Liability<br>Associated with the School District                       | <u>100.00%</u>                   | <u>100.00%</u>           | <u>100.00%</u>           | <u>100.00%</u>           | <u>100.00%</u>           | <u>100.00%</u>           | <u>100.00%</u>           |
|  | <u>100.00%</u>                   | <u>100.00%</u>           | <u>100.00%</u>           | <u>100.00%</u>           | <u>100.00%</u>           | <u>100.00%</u>           | <u>100.00%</u>           |
| School District's Proportionate Share of the Net Pension Liability   | \$ -                             | \$ -                     | \$ -                     | \$ -                     | \$ -                     | \$ -                     | \$ -                     |
| State's Proportionate Share of the Net Pension Liability<br>Associated with the School District              | <u>281,289,764.00</u>            | <u>285,690,705.00</u>    | <u>303,807,861.00</u>    | <u>359,242,602.00</u>    | <u>282,899,224.00</u>    | <u>249,375,734.00</u>    | <u>231,195,410.00</u>    |
|  | <u>\$ 281,289,764.00</u>         | <u>\$ 285,690,705.00</u> | <u>\$ 303,807,861.00</u> | <u>\$ 359,242,602.00</u> | <u>\$ 282,899,224.00</u> | <u>\$ 249,375,734.00</u> | <u>\$ 231,195,410.00</u> |
| School District's Covered Payroll (Plan Measurement Period)  | \$ 57,541,176.00                 | \$ 56,982,732.00         | \$ 55,353,352.00         | \$ 54,505,568.00         | \$ 54,728,692.00         | \$ 53,208,424.00         | \$ 53,736,876.00         |
| School District's Proportionate Share of the Net Pension<br>Liability as a Percentage of its Covered Payroll | 0.00%                            | 0.00%                    | 0.00%                    | 0.00%                    | 0.00%                    | 0.00%                    | 0.00%                    |
| State's Proportionate Share of the Net Pension<br>Liability as a Percentage of its Covered Payroll           | 488.85%                          | 501.36%                  | 548.85%                  | 659.09%                  | 516.91%                  | 468.68%                  | 430.24%                  |
| Plan Fiduciary Net Position as a Percentage of the Total<br>Pension Liability                                | 26.95%                           | 26.49%                   | 25.41%                   | 22.33%                   | 28.71%                   | 33.64%                   | 33.76%                   |

*Note: This schedule is presented to illustrate the requirement to show information for 10 years.  
 However, until a full 10-year trend is compiled, this presentation will only include information  
 for those years for which information is available.*

**GLOUCESTER TOWNSHIP SCHOOL DISTRICT**  
Required Supplementary Information  
Schedule of School District's Contributions  
Teachers' Pension and Annuity Fund (TPAF)  
Last Ten Fiscal Years

---

This schedule is not applicable.

The School District is not required to make any contributions towards TPAF.

There is a special funding situation where the State of New Jersey pays 100% of the required contributions.



**GLOUCESTER TOWNSHIP SCHOOL DISTRICT**  
Notes to Required Supplementary Information - Part III  
For the Fiscal Year Ended June 30, 2020

---

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

*Changes in Benefit Terms*

None

*Changes in Assumptions*

The Discount Rate changed at June 30th over the following years, 4.68% 2014, 4.13% 2015, 3.22% 2016, 4.25% 2017, 4.86% 2018 and 5.60% 2019.

The Long-term Expected Rate of Return changed at June 30th over the following years, 7.90% 2014 and 2015, 7.65% 2016, 7.00% 2017, 2018 and 2019.

For 2019, the assumed rates of retirement, mortality, salary increases, and inflation were updated based on the July 1, 2015 - June 30, 2018 experience study. For pre-retirement mortality, the Pub-2010 Teachers Above-Median Income Employee mortality table with a 93.9% adjustment for males and 85.3% adjustment for females, and with future improvement from the base year of 2010 on a generational basis was used. For healthy retirees and beneficiaries, the Pub-2010 Teachers Above-Median Income Healthy Retiree mortality table with a 114.7% adjustment for males and 99.6% adjustment for females, and with future improvement from the base year of 2010 on a generational basis was used. For disabled retiree mortality, the Pub-2010 Non-Safety Disabled Retiree mortality table with a 106.3% adjustment for males, and a 100.3% adjustment for females, and with improvement from the base year of 2010 on a generational basis was used. For mortality improvement, Scale MP-2019 was used.

For 2016, demographic assumptions were revised in accordance with the results of the July 1, 2012- June 30, 2015 experience study.

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

*Changes in Benefit Terms*

None

*Changes in Assumptions*

The Discount Rate changed at June 30th over the following years, 5.39% 2014, 4.90% 2015, 3.98% 2016, 5.00% 2017, 5.66% 2018, and 6.28% 2019.

The Long-term Expected Rate of Return changed at June 30th over the following years, 7.90% 2014 and 2015, 7.65% 2016, 7.00% 2017, 2018 and 2019.

For 2019, the assumed rates of retirement, mortality, salary increases, and inflation were updated based on the July 1, 2014 - June 30, 2018 experience study. For pre-retirement mortality, the Pub-2010 General Below-Median Income Employee mortality table with a 82.2% adjustment for males and 101.4% adjustment for females, and with future improvement from the base year of 2010 on a generational basis was used. For healthy retirees and beneficiaries, the Pub-2010 General Below-Median Income Healthy Retiree mortality table with a 91.4% adjustment for males and 99.7% adjustment for females, and with future improvement from the base year of 2010 on a generational basis was used. For disabled retiree mortality, the Pub-2010 Non-Safety Disabled Retiree mortality table with a 127.7% adjustment for males, and a 117.2% adjustment for females, and with improvement from the base year of 2010 on a generational basis was used. For mortality improvement, Scale MP-2019 was used.

For 2016, demographic assumptions were revised in accordance with the results of the July 1, 2011 - June 30, 2014 experience study and the mortality improvement scale incorporated the Plan actuary's modified MP-2014 projection scale. Further, salary increases were assumed to increase between 1.65% and 4.15% (based on age) through fiscal year 2026 and 2.65% and 5.15% (based on age) for each fiscal year thereafter.

For 2015, the social security wage base was set at \$118,500.00 for 2015, increasing 4.00% per annum, compounded annually and the 401(a)(17) pay limit was set at \$265,000.00 for 2015, increasing 3.00% per annum, compounded annually.

REQUIRED SUPPLEMENTARY INFORMATION  
PART IV

SCHEDULES RELATED TO ACCOUNTING  
AND REPORTING FOR OPEB

**GLOUCESTER TOWNSHIP SCHOOL DISTRICT**  
 Required Supplementary Information  
 Schedule of Changes in the School District's Total OPEB Liability and Related Ratios  
 Last Three Plan Years

|   | <u>Measurement Date Ending June 30,</u> |                          |                          |
|---|---|--------------------------|--------------------------|
|   | <u>2019</u>                             | <u>2018</u>              | <u>2017</u>              |
| <b>Total Non-Employer OPEB Liability - State's Proportionate Share of the Total OPEB Liability Associated with the School District</b>      |   |                          |                          |
| Changes for the Year:   |   |                          |                          |
| Service Cost  | \$ 8,013,423.00                         | \$ 9,269,405.00          | \$ 11,189,164.00         |
| Interest Cost   | 9,946,867.00                            | 11,065,073.00            | 9,586,105.00             |
| Changes in Assumptions  | (40,589,865.00)                         | (35,550,102.00)          |                          |
| Gross Benefit Payments  | 3,374,953.00                            | (28,958,515.00)          | (39,497,164.00)          |
| Member Contributions  | (6,948,385.00)                          | (6,747,770.00)           | (7,019,037.00)           |
|   | <u>205,969.00</u>                       | <u>233,214.00</u>        | <u>258,459.00</u>        |
| Net Change in Total Non-Employer OPEB Liability   | (25,997,038.00)                         | (50,688,695.00)          | (25,482,473.00)          |
| Total Non-Employer OPEB Liability - Beginning of Fiscal Year  | <u>252,350,784.00</u>                   | <u>303,039,479.00</u>    | <u>328,521,952.00</u>    |
| Total Non-Employer OPEB Liability - End of Fiscal Year  | <u>\$ 226,353,746.00</u>                | <u>\$ 252,350,784.00</u> | <u>\$ 303,039,479.00</u> |
| School District's Covered Payroll (Plan Measurement Period)   | <u>\$ 58,732,283.00</u>                 | <u>\$ 57,876,878.00</u>  | <u>\$ 56,672,923.00</u>  |
| State's Proportionate Share of the Total Non-Employer OPEB Liability Associated with the School District as a Percentage of Covered Payroll | 385.40%                                 | 436.01%                  | 534.72%                  |

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, this presentation will only include information for those years for which information is available.

**GLOUCESTER TOWNSHIP SCHOOL DISTRICT**  
Notes to Required Supplementary Information - Part IV  
For the Fiscal Year Ended June 30, 2020

---

Changes of Benefit Terms

None

Differences Between Expected and Actual Experience

The decrease in liability from June 30, 2017 to June 30, 2018 is due to changes in the census, claims and premiums experience. The decrease in liability from June 30, 2018 to June 30, 2019 is due to changes in the census, claims and premiums experience.

Changes of Assumptions

The decrease in the liability from June 30, 2017 to June 30, 2018 is due to the increase in the assumed discount rate from 3.58% as of June 30, 2017 to 3.87% as of June 30, 2018; and a decrease in the assumed health care cost trend and excise tax assumptions. The decrease in the liability from June 30, 2018 to June 30, 2019 is due to the combined effect of the decrease in the assumed discount rate from 3.87% as of June 30, 2018 to 3.50% as of June 30, 2019; and changes in the trend, excise tax, updated decrements, future spouse election, PPO/HMO future retiree elections, salary scale and mortality assumptions.

OTHER SUPPLEMENTARY INFORMATION

SPECIAL REVENUE FUND

**GLOUCESTER TOWNSHIP SCHOOL DISTRICT**  
**SPECIAL REVENUE FUND**  
 Combining Schedule of Revenues and Expenditures - Budgetary Basis  
 For the Fiscal Year Ended June 30, 2020

|  | E.S.S.A.            |                   |                            |                     |                   |                  |                     |                  | Total Brought Forward |
|--|---------------------|-------------------|----------------------------|---------------------|-------------------|------------------|---------------------|------------------|-----------------------|
|  | Total               | Title I           | Title I School Improvement | Title I Reallocated | Title II          | Title III        | Title III Immigrant | Title IV         |                       |
| <b>REVENUES:</b>   |                     |                   |                            |                     |                   |                  |                     |                  |                       |
| Federal Sources  | \$ 3,214,237.86     | \$ 993,510.54     | \$ 23,958.00               | \$ 76,579.36        | \$ 131,025.18     | \$ 20,429.85     | \$ 1,626.49         | \$ 51,546.10     | \$ 1,915,562.34       |
| State Sources  | 1,929,906.44        |                   |                            |                     |                   |                  |                     |                  | 1,929,906.44          |
| <b>Total Revenues</b>  | <b>5,144,144.30</b> | <b>993,510.54</b> | <b>23,958.00</b>           | <b>76,579.36</b>    | <b>131,025.18</b> | <b>20,429.85</b> | <b>1,626.49</b>     | <b>51,546.10</b> | <b>3,845,468.78</b>   |
| <b>EXPENDITURES:</b>   |                     |                   |                            |                     |                   |                  |                     |                  |                       |
| Instruction:   |                     |                   |                            |                     |                   |                  |                     |                  |                       |
| Salaries of Teachers   | 1,294,263.11        | 571,462.96        |                            | 57,501.25           |                   | 13,552.25        |                     | 28,486.97        | 623,259.68            |
| Other Salaries for Instruction   | 203,393.41          | 11,437.13         |                            |                     |                   |                  |                     |                  | 191,956.28            |
| Purchased Professional Educational Services  | 354,189.12          |                   |                            |                     |                   |                  |                     |                  | 354,189.12            |
| Other Purchased Services   | 1,718,594.97        |                   |                            |                     | 19,323.77         |                  |                     |                  | 1,699,271.20          |
| General Supplies   | 415,352.54          | 84,205.08         | 21,900.00                  | 10,411.25           |                   | 5,840.86         | 57.50               | 20,879.88        | 272,057.97            |
| Textbooks  | 24,703.46           |                   |                            |                     |                   |                  |                     |                  | 24,703.46             |
| <b>Total Instruction</b>   | <b>4,010,496.61</b> | <b>667,105.17</b> | <b>21,900.00</b>           | <b>67,912.50</b>    | <b>19,323.77</b>  | <b>19,393.11</b> | <b>57.50</b>        | <b>49,366.85</b> | <b>3,165,437.71</b>   |
| Support Services:  |                     |                   |                            |                     |                   |                  |                     |                  |                       |
| Personal Services-Salaries   | 83,203.93           | 25,535.68         |                            |                     | 49,811.25         |                  | 1,457.50            |                  | 6,399.50              |
| Salaries of Supervisors of Instruction   | 20,342.20           |                   |                            |                     |                   |                  |                     |                  | 20,342.20             |
| Salaries of Program Directors  | 63,925.43           |                   |                            |                     |                   |                  |                     |                  | 63,925.43             |
| Salaries of Other Professional Staff   | 25,455.47           |                   |                            |                     |                   |                  |                     |                  | 25,455.47             |
| Salaries of Secr. and Clerical Assistants  | 9,120.03            |                   |                            |                     |                   |                  |                     |                  | 9,120.03              |
| Other Salaries   | 125,427.66          |                   |                            |                     |                   |                  |                     |                  | 125,427.66            |
| Personal Services-Employee Benefits  | 637,407.98          | 293,383.64        |                            | 4,398.86            | 3,810.57          | 1,036.74         | 111.49              | 2,179.25         | 332,487.43            |
| Purchased Professional Educational Services  | 56,546.09           | 1,132.00          |                            | 4,268.00            | 51,146.09         |                  |                     |                  |                       |
| Purchased Professional and Technical Services  | 145,666.23          |                   |                            |                     |                   |                  |                     |                  | 145,666.23            |
| Other Purchased Services   | 397,644.65          | 900.00            | 2,058.00                   |                     | 4,342.00          |                  |                     |                  | 390,344.65            |
| General Supplies   | 148,326.21          | 5,454.05          |                            |                     | 2,591.50          |                  |                     |                  | 140,280.66            |
| Other Objects  | 3,331.21            |                   |                            |                     |                   |                  |                     |                  | 3,331.21              |
| <b>Total Support Services</b>  | <b>1,716,397.09</b> | <b>326,405.37</b> | <b>2,058.00</b>            | <b>8,666.86</b>     | <b>111,701.41</b> | <b>1,036.74</b>  | <b>1,568.99</b>     | <b>2,179.25</b>  | <b>1,262,780.47</b>   |
| Facilities Acquisition and Construction Services:  |                     |                   |                            |                     |                   |                  |                     |                  |                       |
| Non-Instructional Equipment  | 15,250.60           |                   |                            |                     |                   |                  |                     |                  | 15,250.60             |
| Assets Acquired Under Capital Leases (Non-Budgeted):   |                     |                   |                            |                     |                   |                  |                     |                  |                       |
| Lease Purchase Agreement - Principal   | 125,000.00          |                   |                            |                     |                   |                  |                     |                  | 125,000.00            |
| <b>Total Facilities Acquisition and Construction Services</b>                                | <b>140,250.60</b>   | <b>-</b>          | <b>-</b>                   | <b>-</b>            | <b>-</b>          | <b>-</b>         | <b>-</b>            | <b>-</b>         | <b>140,250.60</b>     |
| <b>Total Expenditures</b>  | <b>5,867,144.30</b> | <b>993,510.54</b> | <b>23,958.00</b>           | <b>76,579.36</b>    | <b>131,025.18</b> | <b>20,429.85</b> | <b>1,626.49</b>     | <b>51,546.10</b> | <b>4,568,468.78</b>   |
| Other Financing Sources (Uses):  |                     |                   |                            |                     |                   |                  |                     |                  |                       |
| Capital Leases (Non-Budgeted)  | 125,000.00          |                   |                            |                     |                   |                  |                     |                  | 125,000.00            |
| Transfer from Other Funds  | 598,000.00          |                   |                            |                     |                   |                  |                     |                  | 598,000.00            |
| <b>Total Outflows</b>  | <b>5,144,144.30</b> | <b>993,510.54</b> | <b>23,958.00</b>           | <b>76,579.36</b>    | <b>131,025.18</b> | <b>20,429.85</b> | <b>1,626.49</b>     | <b>51,546.10</b> | <b>3,845,468.78</b>   |
| Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses) | \$ -                | \$ -              | \$ -                       | \$ -                | \$ -              | \$ -             | \$ -                | \$ -             | \$ -                  |

(Continued)

**GLOUCESTER TOWNSHIP SCHOOL DISTRICT**  
**SPECIAL REVENUE FUND**  
 Combining Schedule of Revenues and Expenditures - Budgetary Basis  
 For the Fiscal Year Ended June 30, 2020

|  | Total Carried Forward | IDEA                |                  | N.J. Nonpublic Auxiliary Services, Ch. 192, L. 1977 |                 |                  |                  | Preschool Education Aid | Total Brought Forward |
|--|-----------------------|---------------------|------------------|---|-----------------|------------------|------------------|-------------------------|-----------------------|
|  |                       | Basic               | Preschool        | Compensatory Education                              | ESL             | Transportation   | Home Instruction |                         |                       |
| <b>REVENUES:</b>   |                       |                     |                  |   |                 |                  |                  |                         |                       |
| Federal Sources  | \$ 1,915,562.34       | \$ 1,737,919.58     | \$ 70,605.00     |   |                 |                  |                  |                         | \$ 107,037.76         |
| State Sources  | 1,929,906.44          |                     |                  | \$ 158,508.48                                       | \$ 7,858.40     | \$ 85,224.50     | \$ 1,994.00      | \$ 1,440,766.60         | 235,554.46            |
| <b>Total Revenues</b>  | <b>3,845,468.78</b>   | <b>1,737,919.58</b> | <b>70,605.00</b> | <b>158,508.48</b>                                   | <b>7,858.40</b> | <b>85,224.50</b> | <b>1,994.00</b>  | <b>1,440,766.60</b>     | <b>342,592.22</b>     |
| <b>EXPENDITURES:</b>   |                       |                     |                  |   |                 |                  |                  |                         |                       |
| Instruction:   |                       |                     |                  |   |                 |                  |                  |                         |                       |
| Salaries of Teachers   | 623,259.68            |                     |                  |   |                 |                  |                  | 620,259.68              | 3,000.00              |
| Other Salaries for Instruction   | 191,956.28            |                     |                  |   |                 |                  |                  | 191,556.28              | 400.00                |
| Purchased Professional Educational Services  | 354,189.12            |                     |                  | 158,508.48  | 7,858.40        | 85,224.50        | 1,994.00         | 17,196.00               | 83,407.74             |
| Other Purchased Services   | 1,699,271.20          | 1,628,666.20        | 70,605.00        |   |                 |                  |                  | 148,998.46              | 123,059.51            |
| General Supplies   | 272,057.97            |                     |                  |   |                 |                  |                  | 249.38                  | 24,454.08             |
| Textbooks  | 24,703.46             |                     |                  |   |                 |                  |                  |                         |                       |
| <b>Total Instruction</b>   | <b>3,165,437.71</b>   | <b>1,628,666.20</b> | <b>70,605.00</b> | <b>158,508.48</b>                                   | <b>7,858.40</b> | <b>85,224.50</b> | <b>1,994.00</b>  | <b>978,259.80</b>       | <b>234,321.33</b>     |
| Support Services:  |                       |                     |                  |   |                 |                  |                  |                         |                       |
| Personal Services-Salaries   | 6,399.50              |                     |                  |   |                 |                  |                  |                         | 6,399.50              |
| Salaries of Supervisors of Instruction   | 20,342.20             |                     |                  |   |                 |                  |                  | 20,342.20               |                       |
| Salaries of Program Directors  | 63,925.43             |                     |                  |   |                 |                  |                  | 63,925.43               |                       |
| Salaries of Other Professional Staff   | 25,455.47             |                     |                  |   |                 |                  |                  | 25,455.47               |                       |
| Salaries of Sec. and Clerical Assistants   | 9,120.03              |                     |                  |   |                 |                  |                  | 9,120.03                |                       |
| Other Salaries   | 125,427.66            |                     |                  |   |                 |                  |                  | 125,427.66              |                       |
| Personal Services-Employee Benefits  | 332,487.43            |                     |                  |   |                 |                  |                  | 331,997.83              | 489.60                |
| Purchased Professional Educational Services  |                       |                     |                  |   |                 |                  |                  |                         |                       |
| Purchased Professional and Technical Services  | 145,666.23            | 89,473.38           |                  |   |                 |                  |                  |                         | 56,192.85             |
| Other Purchased Services   | 390,344.65            |                     |                  |   |                 |                  |                  | 390,344.65              |                       |
| General Supplies   | 140,280.66            | 19,780.00           |                  |   |                 |                  |                  | 93,893.53               | 26,607.13             |
| Other Objects  | 3,331.21              |                     |                  |   |                 |                  |                  |                         | 3,331.21              |
| <b>Total Support Services</b>  | <b>1,262,780.47</b>   | <b>109,253.38</b>   | <b>-</b>         | <b>-</b>  | <b>-</b>        | <b>-</b>         | <b>-</b>         | <b>1,060,506.80</b>     | <b>93,020.29</b>      |
| Facilities Acquisition and Construction Services:  |                       |                     |                  |   |                 |                  |                  |                         |                       |
| Non-Instructional Equipment  | 15,250.60             |                     |                  |   |                 |                  |                  |                         | 15,250.60             |
| Assets Acquired Under Capital Leases (Non-Budgeted):   |                       |                     |                  |   |                 |                  |                  |                         |                       |
| Lease Purchase Agreement - Principal   | 125,000.00            |                     |                  |   |                 |                  |                  | 125,000.00              |                       |
| <b>Total Facilities Acquisition and Construction Services</b>                                | <b>140,250.60</b>     | <b>-</b>            | <b>-</b>         | <b>-</b>  | <b>-</b>        | <b>-</b>         | <b>-</b>         | <b>125,000.00</b>       | <b>15,250.60</b>      |
| <b>Total Expenditures</b>  | <b>4,568,468.78</b>   | <b>1,737,919.58</b> | <b>70,605.00</b> | <b>158,508.48</b>                                   | <b>7,858.40</b> | <b>85,224.50</b> | <b>1,994.00</b>  | <b>2,163,766.60</b>     | <b>342,592.22</b>     |
| Other Financing Sources (Uses):  |                       |                     |                  |   |                 |                  |                  |                         |                       |
| Capital Leases (Non-Budgeted)  | 125,000.00            |                     |                  |   |                 |                  |                  | 125,000.00              |                       |
| Transfer from Other Funds  | 598,000.00            |                     |                  |   |                 |                  |                  | 598,000.00              |                       |
| <b>Total Outflows</b>  | <b>3,845,468.78</b>   | <b>1,737,919.58</b> | <b>70,605.00</b> | <b>158,508.48</b>                                   | <b>7,858.40</b> | <b>85,224.50</b> | <b>1,994.00</b>  | <b>1,440,766.60</b>     | <b>342,592.22</b>     |
| Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses) | \$ -                  | \$ -                | \$ -             | \$ -  | \$ -            | \$ -             | \$ -             | \$ -                    | \$ -                  |

(Continued)



**GLOUCESTER TOWNSHIP SCHOOL DISTRICT**  
**SPECIAL REVENUE FUND**  
 Combining Schedule of Revenues and Expenditures - Budgetary Basis  
 For the Fiscal Year Ended June 30, 2020

|   | Total Carried Forward | NJ Non-Public Textbook Aid | NJ Non-Public Nursing Services Aid | NJ Non-Public Security Aid | NJ Non-Public Technology Aid | N.J. Nonpublic Handicapped Services, Ch. 193, L. 1977 |                   |                           | CARES Emergency Relief Grant | Municipal Drug Alliance |
|---|-----------------------|----------------------------|------------------------------------|----------------------------|------------------------------|---|-------------------|---------------------------|------------------------------|-------------------------|
|   |                       |                            |                                    |                            |                              | Examination and Classification                        | Corrective Speech | Supplementary Instruction |                              |                         |
| <b>REVENUES:</b>  |                       |                            |                                    |                            |                              |   |                   |                           |                              |                         |
| Federal Sources   | \$ 107,037.76         |                            |                                    |                            |                              |   |                   |                           | \$ 107,037.76                |                         |
| State Sources   | 235,554.46            | \$ 24,454.08               | \$ 36,731.78                       | \$ 68,488.98               | \$ 16,671.88                 | \$ 21,379.25  | \$ 30,167.34      | \$ 25,661.15              |                              | \$ 12,000.00            |
| <b>Total Revenues</b>   | <b>342,592.22</b>     | <b>24,454.08</b>           | <b>36,731.78</b>                   | <b>68,488.98</b>           | <b>16,671.88</b>             | <b>21,379.25</b>                                      | <b>30,167.34</b>  | <b>25,661.15</b>          | <b>107,037.76</b>            | <b>12,000.00</b>        |
| <b>EXPENDITURES:</b>  |                       |                            |                                    |                            |                              |   |                   |                           |                              |                         |
| Instruction:  |                       |                            |                                    |                            |                              |   |                   |                           |                              |                         |
| Salaries of Teachers  | 3,000.00              |                            |                                    |                            |                              |   |                   |                           |                              | 3,000.00                |
| Other Salaries for Instruction  | 400.00                |                            |                                    |                            |                              |   |                   |                           |                              | 400.00                  |
| Purchased Professional Educational Services   | 83,407.74             |                            |                                    |                            |                              | 21,379.25   | 30,167.34         | 25,661.15                 |                              | 6,200.00                |
| Other Purchased Services  |                       |                            |                                    |                            |                              |   |                   |                           |                              |                         |
| General Supplies  | 123,059.51            |                            |                                    |                            | 16,021.75                    |   |                   |                           | 107,037.76                   |                         |
| Textbooks   | 24,454.08             | 24,454.08                  |                                    |                            |                              |   |                   |                           |                              |                         |
| <b>Total Instruction</b>  | <b>234,321.33</b>     | <b>24,454.08</b>           | <b>-</b>                           | <b>-</b>                   | <b>16,021.75</b>             | <b>21,379.25</b>                                      | <b>30,167.34</b>  | <b>25,661.15</b>          | <b>107,037.76</b>            | <b>9,600.00</b>         |
| Support Services:   |                       |                            |                                    |                            |                              |   |                   |                           |                              |                         |
| Personal Services-Salaries  | 6,399.50              |                            | 6,399.50                           |                            |                              |   |                   |                           |                              |                         |
| Salaries of Supervisors of Instruction  |                       |                            |                                    |                            |                              |   |                   |                           |                              |                         |
| Salaries of Program Directors   |                       |                            |                                    |                            |                              |   |                   |                           |                              |                         |
| Salaries of Other Professional Staff  |                       |                            |                                    |                            |                              |   |                   |                           |                              |                         |
| Salaries of Secr. and Clerical Assistants   |                       |                            |                                    |                            |                              |   |                   |                           |                              |                         |
| Other Salaries  |                       |                            |                                    |                            |                              |   |                   |                           |                              |                         |
| Personal Services-Employee Benefits   | 489.60                |                            | 489.60                             |                            |                              |   |                   |                           |                              |                         |
| Purchased Professional Educational Services   |                       |                            |                                    |                            |                              |   |                   |                           |                              |                         |
| Purchased Professional and Technical Services   | 56,192.85             |                            | 24,182.85                          | 29,610.00                  |                              |   |                   |                           |                              | 2,400.00                |
| Other Purchased Services  |                       |                            |                                    |                            |                              |   |                   |                           |                              |                         |
| General Supplies  | 26,607.13             |                            | 2,978.75                           | 23,628.38                  |                              |   |                   |                           |                              |                         |
| Other Objects   | 3,331.21              |                            | 2,681.08                           |                            | 650.13                       |   |                   |                           |                              |                         |
| <b>Total Support Services</b>   | <b>93,020.29</b>      | <b>-</b>                   | <b>36,731.78</b>                   | <b>53,238.38</b>           | <b>650.13</b>                | <b>-</b>  | <b>-</b>          | <b>-</b>                  | <b>-</b>                     | <b>2,400.00</b>         |
| Facilities Acquisition and Construction Services:   |                       |                            |                                    |                            |                              |   |                   |                           |                              |                         |
| Non-Instructional Equipment   | 15,250.60             |                            |                                    | 15,250.60                  |                              |   |                   |                           |                              |                         |
| Assets Acquired Under Capital Leases (Non-Budgeted):<br>Lease Purchase Agreement - Principal    |                       |                            |                                    |                            |                              |   |                   |                           |                              |                         |
| <b>Total Facilities Acquisition and Construction Services</b>                                   | <b>15,250.60</b>      | <b>-</b>                   | <b>-</b>                           | <b>15,250.60</b>           | <b>-</b>                     | <b>-</b>  | <b>-</b>          | <b>-</b>                  | <b>-</b>                     | <b>-</b>                |
| <b>Total Expenditures</b>   | <b>342,592.22</b>     | <b>24,454.08</b>           | <b>36,731.78</b>                   | <b>68,488.98</b>           | <b>16,671.88</b>             | <b>21,379.25</b>                                      | <b>30,167.34</b>  | <b>25,661.15</b>          | <b>107,037.76</b>            | <b>12,000.00</b>        |
| Other Financing Sources (Uses):   |                       |                            |                                    |                            |                              |   |                   |                           |                              |                         |
| Capital Leases (Non-Budgeted)   |                       |                            |                                    |                            |                              |   |                   |                           |                              |                         |
| Transfer from Other Funds   |                       |                            |                                    |                            |                              |   |                   |                           |                              |                         |
| <b>Total Outflows</b>   | <b>342,592.22</b>     | <b>24,454.08</b>           | <b>36,731.78</b>                   | <b>68,488.98</b>           | <b>16,671.88</b>             | <b>21,379.25</b>                                      | <b>30,167.34</b>  | <b>25,661.15</b>          | <b>107,037.76</b>            | <b>12,000.00</b>        |
| Excess (Deficiency) of Revenues Over (Under)<br>Expenditures and Other Financing Sources (Uses) | \$ -                  | \$ -                       | \$ -                               | \$ -                       | \$ -                         | \$ -  | \$ -              | \$ -                      | \$ -                         | \$ -                    |

**GLOUCESTER TOWNSHIP SCHOOL DISTRICT**  
**SPECIAL REVENUE FUND**  
Schedule of Preschool Education Aid Expenditures  
Preschool - All Programs  
Budgetary Basis  
For the Fiscal Year Ended June 30, 2020

|   | <u>Budget</u>          | <u>Actual</u>          | <u>Variance</u>     |
|---|------------------------|------------------------|---------------------|
| <b>EXPENDITURES:</b>                        |                        |                        |                     |
| Instruction:                                |                        |                        |                     |
| Salaries of Teachers                        | \$ 620,500.00          | \$ 620,259.68          | \$ 240.32           |
| Other Salaries for Instruction              | 193,000.00             | 191,556.28             | 1,443.72            |
| Purchased Professional Educational Services | 18,000.00              | 17,196.00              | 804.00              |
| General Supplies                            | 150,000.00             | 148,998.46             | 1,001.54            |
| Other Objects                               | 500.00                 | 249.38                 | 250.62              |
|   | <u>982,000.00</u>      | <u>978,259.80</u>      | <u>3,740.20</u>     |
| Total Instruction                           |                        |                        |                     |
| Support Services:                           |                        |                        |                     |
| Salaries of Supervisors of Instruction      | 20,750.00              | 20,342.20              | 407.80              |
| Salaries of Program Directors               | 64,250.00              | 63,925.43              | 324.57              |
| Salaries of Other Professional Staff        | 26,000.00              | 25,455.47              | 544.53              |
| Salaries of Sec. and Clerical Assistants    | 9,750.00               | 9,120.03               | 629.97              |
| Other Salaries                              | 125,500.00             | 125,427.66             | 72.34               |
| Personal Services-Employee Benefits         | 332,213.00             | 331,997.83             | 215.17              |
| Other Purchased Services                    | 395,000.00             | 390,344.65             | 4,655.35            |
| General Supplies                            | 93,900.00              | 93,893.53              | 6.47                |
|   | <u>1,067,363.00</u>    | <u>1,060,506.80</u>    | <u>6,856.20</u>     |
| Total Support Services                      |                        |                        |                     |
| Total Expenditures                          | <u>\$ 2,049,363.00</u> | <u>\$ 2,038,766.60</u> | <u>\$ 10,596.40</u> |

Calculation of Budget and Carryover

|  |                     |
|--|---------------------|
| Total Revised 2019-20 Preschool Education Aid Allocation                           | \$ 1,451,363.00     |
| Add:   |                     |
| Budgeted Transfer from General Fund  | <u>598,000.00</u>   |
| Total Preschool Education Aid Funds Available for 2019-20 Budget                   | 2,049,363.00        |
| Less:  |                     |
| 2019-20 Budgeted Preschool Education Aid (Including Prior Year Budgeted Carryover) | <u>2,049,363.00</u> |
| Available and Unbudgeted Preschool Education Aid Funds as of June 30, 2020         | -                   |
| Add:   |                     |
| June 30, 2020 Unexpended Preschool Education Aid                                   | <u>10,596.40</u>    |
| 2019-20 Carryover - Preschool Education Aid Programs                               | <u>\$ 10,596.40</u> |
| 2019-20 Preschool Education Aid Carryover Budgeted in 2020-21                      | <u>\$ -</u>         |

CAPITAL PROJECTS FUND

**GLOUCESTER TOWNSHIP SCHOOL DISTRICT**  
**CAPITAL PROJECTS FUND**  
 Summary Schedule of Project Expenditures  
 For the Fiscal Year Ended June 30, 2020

| Project Title/Issue   | Original Date | Appropriations   | Expenditures to Date |                           | Unexpended Balance<br>June 30, 2020 |
|---|---------------|------------------|----------------------|---------------------------|-------------------------------------|
|   |               |                  | Prior Years          | Current Year Expenditures |                                     |
| a. Ann Mullen Middle School Roof Replacement  | 7-1-18        | \$ 4,800,000.00  | \$ 4,789,855.25      |                           | \$ 10,144.75                        |
| b. Energy Savings Improvement Plan  | 9-24-18       | 9,911,206.75     | 3,380,749.17         | \$ 5,047,009.39           | 1,483,448.19                        |
| c. District-Wide Wireless Upgrade   | 7-1-19        | 125,000.00       |                      | 122,653.01                | 2,346.99                            |
| d. Roof Replacement Systems   | 7-1-19        | 3,200,000.00     |                      | 3,047,279.90              | 152,720.10                          |
| e. Security Vestibules  | 7-1-19        | 525,000.00       |                      | 138,739.40                | 386,260.60                          |
| f. Electrical Upgrades at Gloucester Township and Glendora Elementary Schools               | 7-1-19        | 100,000.00       |                      | 71,147.00                 | 28,853.00                           |
| g. Floor Removal and Replacement at the James W. Lilley and Union Valley Elementary Schools | 7-29-19       | 450,000.00       |                      | 383,253.18                | 66,746.82                           |
| h. Ann Mullen Middle School Paging System   | 7-1-19        | 75,000.00        |                      |                           | 75,000.00                           |
| i. Roof Replacement at the Glendora Elementary School                                       | 5-18-20       | 900,000.00       |                      |                           | 900,000.00                          |
| j. Ann Mullen Middle School Roof Project Design and Solar Panel Relocation                  | 7-1-17        | 364,785.00       | 364,785.00           | (103,147.40)              | 103,147.40                          |
| Total Projects Authorized   |               | \$ 20,450,991.75 | \$ 8,535,389.42      | \$ 8,706,934.48           | \$ 3,208,667.85                     |

**Recapitulation:**

Restricted for Capital Projects:

Year-End Encumbrances

Designated for Subsequent Year's Expenditures

\$ 1,842,276.27

1,366,391.58

\$ 3,208,667.85

**GLOUCESTER TOWNSHIP SCHOOL DISTRICT**  
**CAPITAL PROJECTS FUND**

Statement of Revenues, Expenditures and Changes in Fund Balance--Budgetary Basis  
 For the Fiscal Year Ended June 30, 2020

**Revenues:**

|                               |                 |
|-------------------------------|-----------------|
| Transfer from Capital Reserve | \$ 4,775,000.00 |
| Transfer from Capital Outlay  | 600,000.00      |
| Investment Earnings           | 86,866.91       |
| Interest Earned on Deposits   | 32,890.34       |
|                               | 5,494,757.25    |
| Total Revenues                | 5,494,757.25    |

**Expenditures:**

|   |              |
|---|--------------|
| Other Purchased Professional and Technical Services | 915,457.11   |
| Construction Services                               | 7,788,582.02 |
| Other Objects                                       | 2,895.35     |
|   | 8,706,934.48 |
| Total Expenditures                                  | 8,706,934.48 |

|   |                |
|---|----------------|
| Excess (Deficiency) of Revenues Over (Under) Expenditures | (3,212,177.23) |
|---|----------------|

## Other Financing Sources (Uses):

|  |              |
|--|--------------|
| Transfer to Debt Service Fund--Interest Earned on Deposits | (32,890.34)  |
| Transfer to General Fund--Interest Earned on Deposits      | (86,866.91)  |
|  | (119,757.25) |

|  |              |
|--|--------------|
| Total - Other Financing Sources (Uses) | (119,757.25) |
|--|--------------|

|   |                |
|---|----------------|
| Excess (Deficiency) of Revenues and Other Financing Sources<br>Over (Under) Expenditures and Other Financing Uses | (3,331,934.48) |
|---|----------------|

|                        |              |
|------------------------|--------------|
| Fund Balance -- July 1 | 6,540,602.33 |
|------------------------|--------------|

|                         |                 |
|-------------------------|-----------------|
| Fund Balance -- June 30 | \$ 3,208,667.85 |
|-------------------------|-----------------|

**GLOUCESTER TOWNSHIP SCHOOL DISTRICT**  
**CAPITAL PROJECTS FUND**

Schedule of Project Revenues, Expenditures, Project Balance and Project Status--Budgetary Basis  
 Ann Mullen Middle School Roof Replacement  
 From Inception and for the Fiscal Year Ended June 30, 2020

|  | <u>Prior Years</u>  | <u>Current Year</u> | <u>Totals</u>       | <u>Revised<br/>Authorized<br/>Cost</u> |
|--|---------------------|---------------------|---------------------|--|
| <b>Revenues and Other Financing Sources</b>                  |                     |                     |                     |  |
| Bond Proceeds and Transfers                                  |                     |                     |                     |  |
| Premium on Issuance of Bonds                                 |                     |                     |                     |  |
| Transfer from Capital Reserve                                | \$ 4,800,000.00     |                     | \$ 4,800,000.00     | \$ 4,800,000.00                        |
| Transfer from Capital Outlay                                 |                     |                     |                     |  |
|  | <hr/>               | <hr/>               | <hr/>               | <hr/>                                  |
| Total Revenues   | 4,800,000.00        | -                   | 4,800,000.00        | 4,800,000.00                           |
|  | <hr/>               | <hr/>               | <hr/>               | <hr/>                                  |
| <b>Expenditures and Other Financing Uses</b>                 |                     |                     |                     |  |
| Other Purchased Professional and Technical Services          | 20,756.25           |                     | 20,756.25           | 20,756.25                              |
| Construction Services  | 4,769,099.00        |                     | 4,769,099.00        | 4,779,243.75                           |
| Other Objects  |                     |                     |                     |  |
|  | <hr/>               | <hr/>               | <hr/>               | <hr/>                                  |
| Total Expenditures   | 4,789,855.25        | -                   | 4,789,855.25        | 4,800,000.00                           |
|  | <hr/>               | <hr/>               | <hr/>               | <hr/>                                  |
| Excess (Deficiency) of Revenues Over<br>(Under) Expenditures | <u>\$ 10,144.75</u> | <u>\$ -</u>         | <u>\$ 10,144.75</u> | <u>\$ -</u>                            |
| <b>Additional Project Information:</b>                       |                     |                     |                     |  |
| Project Numbers  |                     | N/A                 |                     |  |
| Grant Date   |                     | N/A                 |                     |  |
| Bond Authorization Date                                      |                     | N/A                 |                     |  |
| Bonds Authorized   |                     | N/A                 |                     |  |
| Bonds Issued   |                     | N/A                 |                     |  |
| Original Authorized Cost                                     | \$ 4,800,000.00     |                     |                     |  |
| Additional Authorized Cost                                   | -                   |                     |                     |  |
| Revised Authorized Cost                                      | \$ 4,800,000.00     |                     |                     |  |
| Percentage Decrease over Original Authorized Cost            |                     |                     |                     |  |
| Percentage Completion  |                     | 99.79%              |                     |  |
| Original Target Completion Date                              |                     | 6-30-19             |                     |  |
| Revised Target Completion Date                               |                     | 7-30-20             |                     |  |

**GLOUCESTER TOWNSHIP SCHOOL DISTRICT**  
**CAPITAL PROJECTS FUND**

Schedule of Project Revenues, Expenditures, Project Balance and Project Status--Budgetary Basis  
 Energy Savings Improvement Plan  
 From Inception and for the Fiscal Year Ended June 30, 2020

|  | <u>Prior Years</u>     | <u>Current Year</u>      | <u>Totals</u>          | <u>Revised<br/>Authorized<br/>Cost</u> |
|--|------------------------|--------------------------|------------------------|--|
| <b>Revenues and Other Financing Sources</b>                  |                        |                          |                        |  |
| Bond Proceeds and Transfers                                  | \$ 9,385,000.00        |                          | \$ 9,385,000.00        | \$ 9,385,000.00                        |
| Premium on Issuance of Bonds                                 | 526,206.75             |                          | 526,206.75             | 526,206.75                             |
| Transfer from Capital Reserve                                |                        |                          |                        |  |
| Transfer from Capital Outlay                                 |                        |                          |                        |  |
| <b>Total Revenues</b>  | <u>9,911,206.75</u>    | <u>-</u>                 | <u>9,911,206.75</u>    | <u>9,911,206.75</u>                    |
| <b>Expenditures and Other Financing Uses</b>                 |                        |                          |                        |  |
| Other Purchased Professional and Technical Services          | 967,771.62             | \$ 657,086.04            | 1,624,857.66           | 1,960,895.75                           |
| Construction Services  | 2,388,870.00           | 4,387,028.00             | 6,775,898.00           | 7,922,211.00                           |
| Other Objects  |                        | 2,895.35                 | 2,895.35               | 3,500.00                               |
| <b>Total Expenditures</b>                                    | <u>3,380,749.17</u>    | <u>5,047,009.39</u>      | <u>8,427,758.56</u>    | <u>9,911,206.75</u>                    |
| Excess (Deficiency) of Revenues Over<br>(Under) Expenditures | <u>\$ 6,530,457.58</u> | <u>\$ (5,047,009.39)</u> | <u>\$ 1,483,448.19</u> | <u>\$ -</u>                            |
| <b>Additional Project Information:</b>                       |                        |                          |                        |  |
| Project Numbers  |                        | N/A                      |                        |  |
| Grant Date   |                        | N/A                      |                        |  |
| Bond Authorization Date                                      |                        | 9-24-18                  |                        |  |
| Bonds Authorized   | \$ 10,200,000.00       |                          |                        |  |
| Bonds Issued   | \$ 9,385,000.00        |                          |                        |  |
| Original Authorized Cost                                     | \$ 9,933,559.00        |                          |                        |  |
| Additional Authorized Cost                                   | (22,352.25)            |                          |                        |  |
| Revised Authorized Cost                                      | \$ 9,911,206.75        |                          |                        |  |
| Percentage Decrease over Original Authorized Cost            |                        | -0.23%                   |                        |  |
| Percentage Completion  |                        | 85.03%                   |                        |  |
| Original Target Completion Date                              |                        | 12-31-20                 |                        |  |
| Revised Target Completion Date                               |                        | N/A                      |                        |  |

**GLOUCESTER TOWNSHIP SCHOOL DISTRICT****CAPITAL PROJECTS FUND**

Schedule of Project Revenues, Expenditures, Project Balance and Project Status--Budgetary Basis

District-Wide Wireless Upgrade

From Inception and for the Fiscal Year Ended June 30, 2020

|  | <u>Prior Years</u> | <u>Current Year</u> | <u>Totals</u> | <u>Revised<br/>Authorized<br/>Cost</u> |
|--|--------------------|---------------------|---------------|--|
| <b>Revenues and Other Financing Sources</b>                  |                    |                     |               |  |
| Bond Proceeds and Transfers                                  |                    |                     |               |  |
| Premium on Issuance of Bonds                                 |                    |                     |               |  |
| Transfer from Capital Reserve                                |                    | \$ 125,000.00       | \$ 125,000.00 | \$ 125,000.00                          |
| Transfer from Capital Outlay                                 |                    |                     |               |  |
|  |                    |                     |               |  |
| Total Revenues   | -                  | 125,000.00          | 125,000.00    | 125,000.00                             |
| <b>Expenditures and Other Financing Uses</b>                 |                    |                     |               |  |
| Other Purchased Professional and Technical Services          |                    | 122,653.01          | 122,653.01    | 125,000.00                             |
| Construction Services  |                    |                     |               |  |
| Other Objects  |                    |                     |               |  |
|  |                    |                     |               |  |
| Total Expenditures   | -                  | 122,653.01          | 122,653.01    | 125,000.00                             |
| Excess (Deficiency) of Revenues Over<br>(Under) Expenditures | \$ -               | \$ 2,346.99         | \$ 2,346.99   | \$ -                                   |
| <b>Additional Project Information:</b>                       |                    |                     |               |  |
| Project Numbers  | 1780-035-19-4000   |                     |               |  |
| Grant Date   | N/A                |                     |               |  |
| Bond Authorization Date                                      | N/A                |                     |               |  |
| Bonds Authorized   | N/A                |                     |               |  |
| Bonds Issued   | N/A                |                     |               |  |
| Original Authorized Cost                                     | \$ 125,000.00      |                     |               |  |
| Additional Authorized Cost                                   | -                  |                     |               |  |
| Revised Authorized Cost                                      | \$ 125,000.00      |                     |               |  |
| Percentage Decrease over Original Authorized Cost            |                    |                     |               |  |
| Percentage Completion  | 98.12%             |                     |               |  |
| Original Target Completion Date                              | 7-30-20            |                     |               |  |
| Revised Target Completion Date                               | N/A                |                     |               |  |



**GLOUCESTER TOWNSHIP SCHOOL DISTRICT**  
**CAPITAL PROJECTS FUND**  
 Schedule of Project Revenues, Expenditures, Project Balance and Project Status--Budgetary Basis  
 Roof Replacement Systems  
 From Inception and for the Fiscal Year Ended June 30, 2020

|  | <u>Prior Years</u> | <u>Current Year</u> | <u>Totals</u>   | <u>Revised<br/>Authorized<br/>Cost</u> |
|--|--------------------|---------------------|-----------------|--|
| <b>Revenues and Other Financing Sources</b>                  |                    |                     |                 |  |
| Bond Proceeds and Transfers                                  |                    |                     |                 |  |
| Premium on Issuance of Bonds                                 |                    |                     |                 |  |
| Transfer from Capital Reserve                                |                    | \$ 3,200,000.00     | \$ 3,200,000.00 | \$ 3,200,000.00                        |
| Transfer from Capital Outlay                                 |                    |                     |                 |  |
|  | -----              | -----               | -----           | -----                                  |
| Total Revenues   | -                  | 3,200,000.00        | 3,200,000.00    | 3,200,000.00                           |
|  | -----              | -----               | -----           | -----                                  |
| <b>Expenditures and Other Financing Uses</b>                 |                    |                     |                 |  |
| Other Purchased Professional and Technical Services          |                    | 93,203.21           | 93,203.21       | 100,000.00                             |
| Construction Services  |                    | 2,954,076.69        | 2,954,076.69    | 3,100,000.00                           |
| Other Objects  |                    |                     |                 |  |
|  | -----              | -----               | -----           | -----                                  |
| Total Expenditures   | -                  | 3,047,279.90        | 3,047,279.90    | 3,200,000.00                           |
|  | -----              | -----               | -----           | -----                                  |
| Excess (Deficiency) of Revenues Over<br>(Under) Expenditures | \$ -               | \$ 152,720.10       | \$ 152,720.10   | \$ -                                   |
|  | =====              | =====               | =====           | =====                                  |
| <b>Additional Project Information:</b>                       |                    |                     |                 |  |
| Project Numbers  | 1780-180-19-2000   |                     |                 |  |
| Grant Date   | N/A                |                     |                 |  |
| Bond Authorization Date                                      | N/A                |                     |                 |  |
| Bonds Authorized   | N/A                |                     |                 |  |
| Bonds Issued   | N/A                |                     |                 |  |
| Original Authorized Cost                                     | \$ 2,500,000.00    |                     |                 |  |
| Additional Authorized Cost                                   | 700,000.00         |                     |                 |  |
| Revised Authorized Cost                                      | \$ 3,200,000.00    |                     |                 |  |
| Percentage Decrease over Original Authorized Cost            | 28.00%             |                     |                 |  |
| Percentage Completion  | 95.23%             |                     |                 |  |
| Original Target Completion Date                              | 7-30-20            |                     |                 |  |
| Revised Target Completion Date                               | N/A                |                     |                 |  |

**GLOUCESTER TOWNSHIP SCHOOL DISTRICT**

CAPITAL PROJECTS FUND

Schedule of Project Revenues, Expenditures, Project Balance and Project Status--Budgetary Basis

Security Vestibules

From Inception and for the Fiscal Year Ended June 30, 2020

|  | <u>Prior Years</u> | <u>Current Year</u> | <u>Totals</u> | <u>Revised<br/>Authorized<br/>Cost</u> |
|--|--------------------|---------------------|---------------|--|
| <b>Revenues and Other Financing Sources</b>                  |                    |                     |               |  |
| Bond Proceeds and Transfers                                  |                    |                     |               |  |
| Premium on Issuance of Bonds                                 |                    |                     |               |  |
| Transfer from Capital Reserve                                |                    |                     |               |  |
| Transfer from Capital Outlay                                 |                    | \$ 525,000.00       | \$ 525,000.00 | \$ 525,000.00                          |
|  | _____              | _____               | _____         | _____                                  |
| Total Revenues   | -                  | 525,000.00          | 525,000.00    | 525,000.00                             |
|  | _____              | _____               | _____         | _____                                  |
| <b>Expenditures and Other Financing Uses</b>                 |                    |                     |               |  |
| Other Purchased Professional and Technical Services          |                    | 32,367.85           | 32,367.85     | 80,000.00                              |
| Construction Services  |                    | 106,371.55          | 106,371.55    | 445,000.00                             |
| Other Objects  |                    |                     |               |  |
|  | _____              | _____               | _____         | _____                                  |
| Total Expenditures   | -                  | 138,739.40          | 138,739.40    | 525,000.00                             |
|  | _____              | _____               | _____         | _____                                  |
| Excess (Deficiency) of Revenues Over<br>(Under) Expenditures | \$ -               | \$ 386,260.60       | \$ 386,260.60 | \$ -                                   |
|  | _____              | _____               | _____         | _____                                  |
| <b>Additional Project Information:</b>                       |                    |                     |               |  |
| Project Numbers  | 1780-035-19-2000   |                     |               |  |
| Grant Date   |                    | N/A                 |               |  |
| Bond Authorization Date                                      |                    | N/A                 |               |  |
| Bonds Authorized   |                    | N/A                 |               |  |
| Bonds Issued   |                    | N/A                 |               |  |
| Original Authorized Cost                                     | \$ 525,000.00      |                     |               |  |
| Additional Authorized Cost                                   | -                  |                     |               |  |
| Revised Authorized Cost                                      | \$ 525,000.00      |                     |               |  |
| Percentage Decrease over Original Authorized Cost            |                    |                     |               |  |
| Percentage Completion  |                    | 26.43%              |               |  |
| Original Target Completion Date                              |                    | 12-31-20            |               |  |
| Revised Target Completion Date                               |                    | N/A                 |               |  |

**GLOUCESTER TOWNSHIP SCHOOL DISTRICT**  
**CAPITAL PROJECTS FUND**

Schedule of Project Revenues, Expenditures, Project Balance and Project Status--Budgetary Basis  
 Electrical Upgrades at Gloucester Township and Glendora Elementary Schools  
 From Inception and for the Fiscal Year Ended June 30, 2020

|  | <u>Prior Years</u> | <u>Current Year</u> | <u>Totals</u> | <u>Revised<br/>Authorized<br/>Cost</u> |
|--|--------------------|---------------------|---------------|--|
| <b>Revenues and Other Financing Sources</b>                  |                    |                     |               |  |
| Bond Proceeds and Transfers                                  |                    |                     |               |  |
| Premium on Issuance of Bonds                                 |                    |                     |               |  |
| Transfer from Capital Reserve                                |                    | \$ 100,000.00       | \$ 100,000.00 | \$ 100,000.00                          |
| Transfer from Capital Outlay                                 |                    |                     |               |  |
|  | <hr/>              | <hr/>               | <hr/>         | <hr/>                                  |
| Total Revenues   | -                  | 100,000.00          | 100,000.00    | 100,000.00                             |
|  | <hr/>              | <hr/>               | <hr/>         | <hr/>                                  |
| <b>Expenditures and Other Financing Uses</b>                 |                    |                     |               |  |
| Other Purchased Professional and Technical Services          |                    | 10,147.00           | 10,147.00     | 10,150.00                              |
| Construction Services  |                    | 61,000.00           | 61,000.00     | 89,850.00                              |
| Other Objects  |                    |                     |               |  |
|  | <hr/>              | <hr/>               | <hr/>         | <hr/>                                  |
| Total Expenditures   | -                  | 71,147.00           | 71,147.00     | 100,000.00                             |
|  | <hr/>              | <hr/>               | <hr/>         | <hr/>                                  |
| Excess (Deficiency) of Revenues Over<br>(Under) Expenditures | \$ -               | \$ 28,853.00        | \$ 28,853.00  | \$ -                                   |
|  | <hr/>              | <hr/>               | <hr/>         | <hr/>                                  |
| <b>Additional Project Information:</b>                       |                    |                     |               |  |
| Project Numbers  | 1780-060-19-2000   |                     |               |  |
| Grant Date   | N/A                |                     |               |  |
| Bond Authorization Date                                      | N/A                |                     |               |  |
| Bonds Authorized   | N/A                |                     |               |  |
| Bonds Issued   | N/A                |                     |               |  |
| Original Authorized Cost                                     | \$ 100,000.00      |                     |               |  |
| Additional Authorized Cost                                   | -                  |                     |               |  |
| Revised Authorized Cost                                      | \$ 100,000.00      |                     |               |  |
|  |                    |                     |               |  |
| Percentage Decrease over Original Authorized Cost            |                    |                     |               |  |
| Percentage Completion  |                    | 71.15%              |               |  |
| Original Target Completion Date                              |                    | 7-30-20             |               |  |
| Revised Target Completion Date                               |                    | N/A                 |               |  |

**GLOUCESTER TOWNSHIP SCHOOL DISTRICT**  
**CAPITAL PROJECTS FUND**

Schedule of Project Revenues, Expenditures, Project Balance and Project Status--Budgetary Basis  
 Floor Removal and Replacement at the James W. Lilley and Union Valley Elementary Schools  
 From Inception and for the Fiscal Year Ended June 30, 2020

|  | <u>Prior Years</u> | <u>Current Year</u> | <u>Totals</u>       | <u>Revised<br/>Authorized<br/>Cost</u> |
|--|--------------------|---------------------|---------------------|--|
| <b>Revenues and Other Financing Sources</b>                  |                    |                     |                     |  |
| Bond Proceeds and Transfers                                  |                    |                     |                     |  |
| Premium on Issuance of Bonds                                 |                    |                     |                     |  |
| Transfer from Capital Reserve                                |                    | \$ 450,000.00       | \$ 450,000.00       | \$ 450,000.00                          |
| Transfer from Capital Outlay                                 |                    |                     |                     |  |
|  | <u>-</u>           | <u>450,000.00</u>   | <u>450,000.00</u>   | <u>450,000.00</u>                      |
| <b>Expenditures and Other Financing Uses</b>                 |                    |                     |                     |  |
| Other Purchased Professional and Technical Services          |                    |                     |                     |  |
| Construction Services  |                    | 383,253.18          | 383,253.18          | 450,000.00                             |
| Other Objects  |                    |                     |                     |  |
|  | <u>-</u>           | <u>383,253.18</u>   | <u>383,253.18</u>   | <u>450,000.00</u>                      |
| Excess (Deficiency) of Revenues Over<br>(Under) Expenditures | <u>\$ -</u>        | <u>\$ 66,746.82</u> | <u>\$ 66,746.82</u> | <u>\$ -</u>                            |
| <b>Additional Project Information:</b>                       |                    |                     |                     |  |
| Project Numbers  |                    | N/A                 |                     |  |
| Grant Date   |                    | N/A                 |                     |  |
| Bond Authorization Date                                      |                    | N/A                 |                     |  |
| Bonds Authorized   |                    | N/A                 |                     |  |
| Bonds Issued   |                    | N/A                 |                     |  |
| Original Authorized Cost                                     | \$ 450,000.00      |                     |                     |  |
| Additional Authorized Cost                                   | -                  |                     |                     |  |
| Revised Authorized Cost                                      | \$ 450,000.00      |                     |                     |  |
| Percentage Decrease over Original Authorized Cost            |                    |                     |                     |  |
| Percentage Completion  |                    | 85.17%              |                     |  |
| Original Target Completion Date                              |                    | 7-30-20             |                     |  |
| Revised Target Completion Date                               |                    | N/A                 |                     |  |

## GLOUCESTER TOWNSHIP SCHOOL DISTRICT

## CAPITAL PROJECTS FUND

Schedule of Project Revenues, Expenditures, Project Balance and Project Status--Budgetary Basis

Ann Mullen Middle School Paging System

From Inception and for the Fiscal Year Ended June 30, 2020

|  | <u>Prior Years</u> | <u>Current Year</u> | <u>Totals</u> | <u>Revised<br/>Authorized<br/>Cost</u> |
|--|--------------------|---------------------|---------------|--|
| <b>Revenues and Other Financing Sources</b>                  |                    |                     |               |  |
| Bond Proceeds and Transfers                                  |                    |                     |               |  |
| Premium on Issuance of Bonds                                 |                    |                     |               |  |
| Transfer from Capital Reserve                                |                    |                     |               |  |
| Transfer from Capital Outlay                                 |                    | \$ 75,000.00        | \$ 75,000.00  | \$ 75,000.00                           |
| Total Revenues   | -                  | 75,000.00           | 75,000.00     | 75,000.00                              |
| <b>Expenditures and Other Financing Uses</b>                 |                    |                     |               |  |
| Other Purchased Professional and Technical Services          |                    |                     |               |  |
| Construction Services  |                    |                     |               | 75,000.00                              |
| Other Objects  |                    |                     |               |  |
| Total Expenditures   | -                  | -                   |               | 75,000.00                              |
| Excess (Deficiency) of Revenues Over<br>(Under) Expenditures | \$ -               | \$ 75,000.00        | \$ 75,000.00  | \$ -                                   |
| <b>Additional Project Information:</b>                       |                    |                     |               |  |
| Project Numbers  | 1780-100-19-2000   |                     |               |  |
| Grant Date   | N/A                |                     |               |  |
| Bond Authorization Date                                      | N/A                |                     |               |  |
| Bonds Authorized   | N/A                |                     |               |  |
| Bonds Issued   | N/A                |                     |               |  |
| Original Authorized Cost                                     | \$                 | 75,000.00           |               |  |
| Additional Authorized Cost                                   | -                  |                     |               |  |
| Revised Authorized Cost                                      | \$                 | 75,000.00           |               |  |
| Percentage Decrease over Original Authorized Cost            |                    |                     |               |  |
| Percentage Completion  | -                  |                     |               |  |
| Original Target Completion Date                              | 12-31-20           |                     |               |  |
| Revised Target Completion Date                               | N/A                |                     |               |  |

**GLOUCESTER TOWNSHIP SCHOOL DISTRICT**  
**CAPITAL PROJECTS FUND**  
 Schedule of Project Revenues, Expenditures, Project Balance and Project Status--Budgetary Basis  
 Roof Replacement at the Glendora Elementary School  
 From Inception and for the Fiscal Year Ended June 30, 2020

|  | <u>Prior Years</u> | <u>Current Year</u> | <u>Totals</u> | <u>Revised<br/>Authorized<br/>Cost</u> |
|--|--------------------|---------------------|---------------|--|
| <b>Revenues and Other Financing Sources</b>                  |                    |                     |               |  |
| Bond Proceeds and Transfers                                  |                    |                     |               |  |
| Premium on Issuance of Bonds                                 |                    |                     |               |  |
| Transfer from Capital Reserve                                |                    | \$ 900,000.00       | \$ 900,000.00 | \$ 900,000.00                          |
| Transfer from Capital Outlay                                 |                    |                     |               |  |
|  |                    |                     |               |  |
| Total Revenues   | -                  | 900,000.00          | 900,000.00    | 900,000.00                             |
| <b>Expenditures and Other Financing Uses</b>                 |                    |                     |               |  |
| Other Purchased Professional and Technical Services          |                    |                     |               | 100,000.00                             |
| Construction Services  |                    |                     |               | 800,000.00                             |
| Other Objects  |                    |                     |               |  |
|  |                    |                     |               |  |
| Total Expenditures   | -                  | -                   |               | 900,000.00                             |
| Excess (Deficiency) of Revenues Over<br>(Under) Expenditures | \$ -               | \$ 900,000.00       | \$ 900,000.00 | \$ -                                   |
| <b>Additional Project Information:</b>                       |                    |                     |               |  |
| Project Numbers  |                    | N/A                 |               |  |
| Grant Date   |                    | N/A                 |               |  |
| Bond Authorization Date                                      |                    | N/A                 |               |  |
| Bonds Authorized   |                    | N/A                 |               |  |
| Bonds Issued   |                    | N/A                 |               |  |
| Original Authorized Cost                                     | \$ 900,000.00      |                     |               |  |
| Additional Authorized Cost                                   | -                  |                     |               |  |
| Revised Authorized Cost                                      | \$ 900,000.00      |                     |               |  |
| Percentage Decrease over Original Authorized Cost            |                    |                     |               |  |
| Percentage Completion  |                    | -                   |               |  |
| Original Target Completion Date                              |                    | 8-30-21             |               |  |
| Revised Target Completion Date                               |                    | N/A                 |               |  |

**GLOUCESTER TOWNSHIP SCHOOL DISTRICT**  
**CAPITAL PROJECTS FUND**

Schedule of Project Revenues, Expenditures, Project Balance and Project Status--Budgetary Basis  
 Ann Mullen Middle School Roof Project Design and Solar Panel Relocation  
 From Inception and for the Fiscal Year Ended June 30, 2020

|  | <u>Prior Years</u> | <u>Current Year</u> | <u>Totals</u> | <u>Revised<br/>Authorized<br/>Cost</u> |
|--|--------------------|---------------------|---------------|--|
| <b>Revenues and Other Financing Sources</b>                  |                    |                     |               |  |
| Bond Proceeds and Transfers                                  |                    |                     |               |  |
| Premium on Issuance of Bonds                                 |                    |                     |               |  |
| Transfer from Capital Reserve                                | \$ 364,785.00      |                     | \$ 364,785.00 | \$ 364,785.00                          |
| Transfer from Capital Outlay                                 |                    |                     |               |  |
|  | <hr/>              | <hr/>               | <hr/>         | <hr/>                                  |
| Total Revenues   | 364,785.00         | -                   | 364,785.00    | 364,785.00                             |
|  | <hr/>              | <hr/>               | <hr/>         | <hr/>                                  |
| <b>Expenditures and Other Financing Uses</b>                 |                    |                     |               |  |
| Other Purchased Professional and Technical Services          | 239,785.00         |                     | 239,785.00    | 239,785.00                             |
| Construction Services  | 125,000.00         | \$ (103,147.40)     | 21,852.60     | 125,000.00                             |
| Other Objects  |                    |                     |               |  |
|  | <hr/>              | <hr/>               | <hr/>         | <hr/>                                  |
| Total Expenditures   | 364,785.00         | (103,147.40)        | 261,637.60    | 364,785.00                             |
|  | <hr/>              | <hr/>               | <hr/>         | <hr/>                                  |
| Excess (Deficiency) of Revenues Over<br>(Under) Expenditures | \$ -               | \$ 103,147.40       | \$ 103,147.40 | \$ -                                   |
|  | <hr/>              | <hr/>               | <hr/>         | <hr/>                                  |
| <b>Additional Project Information:</b>                       |                    |                     |               |  |
| Project Numbers  |                    | N/A                 |               |  |
| Grant Date   |                    | N/A                 |               |  |
| Bond Authorization Date                                      |                    | N/A                 |               |  |
| Bonds Authorized   |                    | N/A                 |               |  |
| Bonds Issued   |                    | N/A                 |               |  |
| Original Authorized Cost                                     | \$ 369,761.00      |                     |               |  |
| Additional Authorized Cost                                   | (4,976.00)         |                     |               |  |
| Revised Authorized Cost                                      | \$ 364,785.00      |                     |               |  |
| Percentage Decrease over Original Authorized Cost            |                    | -1.35%              |               |  |
| Percentage Completion  |                    | 71.72%              |               |  |
| Original Target Completion Date                              |                    | 12-31-18            |               |  |
| Revised Target Completion Date                               |                    | 7-30-20             |               |  |

PROPRIETARY FUNDS



**GLOUCESTER TOWNSHIP SCHOOL DISTRICT**  
**PROPRIETARY FUNDS**  
 Business-Type Activities - Enterprise Funds  
 Combining Statement of Net Position  
 June 30, 2020

|  | <u>Food<br/>Service</u> | <u>Latchkey</u>        | <u>Total</u>           |
|--|-------------------------|------------------------|------------------------|
| <b>ASSETS:</b>                                 |                         |                        |                        |
| Current Assets:                                |                         |                        |                        |
| Cash and Cash Equivalents                      | \$ 311,021.25           | \$ 1,814,930.59        | \$ 2,125,951.84        |
| Accounts Receivable:                           |                         |                        |                        |
| State  | 7,699.77                |                        | 7,699.77               |
| Federal  | 68,280.30               |                        | 68,280.30              |
| Other  | 212.00                  |                        | 212.00                 |
| Inventories                                    | 25,998.62               |                        | 25,998.62              |
| Total Current Assets                           | <u>413,211.94</u>       | <u>1,814,930.59</u>    | <u>2,228,142.53</u>    |
| Noncurrent Assets:                             |                         |                        |                        |
| Equipment                                      | 1,665,217.33            | 98,826.18              | 1,764,043.51           |
| Less Accumulated Depreciation                  | <u>(1,418,958.68)</u>   | <u>(98,092.71)</u>     | <u>(1,517,051.39)</u>  |
| Total Noncurrent Assets                        | <u>246,258.65</u>       | <u>733.47</u>          | <u>246,992.12</u>      |
| Total Assets                                   | <u>659,470.59</u>       | <u>1,815,664.06</u>    | <u>2,475,134.65</u>    |
| <b>LIABILITIES:</b>                            |                         |                        |                        |
| Current Liabilities:                           |                         |                        |                        |
| Accounts Payable                               | 779.53                  | 12,380.47              | 13,160.00              |
| Compensated Absences Payable                   |                         | 13,963.54              | 13,963.54              |
| Estimated Worker's Compensation Claims Payable | 7,945.00                | 942.00                 | 8,887.00               |
| Unearned Revenue                               | 40,644.26               |                        | 40,644.26              |
| Total Current Liabilities                      | <u>49,368.79</u>        | <u>27,286.01</u>       | <u>76,654.80</u>       |
| Noncurrent Liabilities:                        |                         |                        |                        |
| Compensated Absences Payable                   | 192,608.74              | 56,052.15              | 248,660.89             |
| Total Liabilities                              | <u>241,977.53</u>       | <u>83,338.16</u>       | <u>325,315.69</u>      |
| <b>NET POSITION:</b>                           |                         |                        |                        |
| Net Investment in Capital Assets               | 246,258.65              | 733.47                 | 246,992.12             |
| Unrestricted                                   | 171,234.41              | 1,731,592.43           | 1,902,826.84           |
| Total Net Position                             | <u>\$ 417,493.06</u>    | <u>\$ 1,732,325.90</u> | <u>\$ 2,149,818.96</u> |

**GLOUCESTER TOWNSHIP SCHOOL DISTRICT**  
**PROPRIETARY FUNDS**  
 Business-Type Activities - Enterprise Funds  
 Combining Statement of Revenues, Expenses and Changes in Fund Net Position  
 For the Fiscal Year Ended June 30, 2020

|  | <u>Food<br/>Service</u> | <u>Latchkey</u>        | <u>Total</u>           |
|--|-------------------------|------------------------|------------------------|
| <b>OPERATING REVENUES:</b>                       |                         |                        |                        |
| Charges for Services:                            |                         |                        |                        |
| Daily Sales - Reimbursable Programs              | \$ 423,848.75           |                        | \$ 423,848.75          |
| Daily Sales - Non-Reimbursable Programs          | 185,320.39              |                        | 185,320.39             |
| Special Functions                                | 39,420.92               |                        | 39,420.92              |
| Community Service Activities                     |                         | \$ 1,150,862.85        | 1,150,862.85           |
| Total Operating Revenues                         | <u>648,590.06</u>       | <u>1,150,862.85</u>    | <u>1,799,452.91</u>    |
| <b>OPERATING EXPENSES:</b>                       |                         |                        |                        |
| Salaries   | 968,102.33              | 562,634.93             | 1,530,737.26           |
| Employee Benefits                                | 558,375.40              | 308,474.41             | 866,849.81             |
| Purchased Professional Services                  | 27,147.00               | 9,500.00               | 36,647.00              |
| Purchased Property Services                      |                         | 225,000.00             | 225,000.00             |
| Cleaning, Repair and Maintenance Services        | 36,034.20               |                        | 36,034.20              |
| Other Purchased Services                         | 7,945.00                | 942.00                 | 8,887.00               |
| Communications/Telephone                         |                         | 3,569.20               | 3,569.20               |
| Travel   | 688.42                  |                        | 688.42                 |
| General Supplies                                 | 37,402.55               | 34,137.16              | 71,539.71              |
| Depreciation                                     | 46,836.96               | 676.58                 | 47,513.54              |
| Cost of Sales:                                   |                         |                        |                        |
| Reimbursable Programs                            | 667,500.55              |                        | 667,500.55             |
| Non-reimbursable Programs                        | 130,565.70              |                        | 130,565.70             |
| Miscellaneous                                    | 224.00                  | 21,272.25              | 21,496.25              |
| Total Operating Expenses                         | <u>2,480,822.11</u>     | <u>1,166,206.53</u>    | <u>3,647,028.64</u>    |
| Operating Income (Loss)                          | <u>(1,832,232.05)</u>   | <u>(15,343.68)</u>     | <u>(1,847,575.73)</u>  |
| <b>NONOPERATING REVENUES (EXPENSES):</b>         |                         |                        |                        |
| State Sources:                                   |                         |                        |                        |
| State School Lunch Program                       | 29,583.56               |                        | 29,583.56              |
| Federal Sources:                                 |                         |                        |                        |
| National School Lunch Program                    | 1,113,482.30            |                        | 1,113,482.30           |
| National School Breakfast Program                | 409,503.98              |                        | 409,503.98             |
| After School Snack Program                       | 10,986.28               |                        | 10,986.28              |
| Special Milk Program                             | 65.12                   |                        | 65.12                  |
| Food Distribution Program                        | 113,799.51              |                        | 113,799.51             |
| Interest and Investment Revenue                  | 6,784.01                | 35,497.03              | 42,281.04              |
| Total Nonoperating Revenues (Expenses)           | <u>1,684,204.76</u>     | <u>35,497.03</u>       | <u>1,719,701.79</u>    |
| Income (Loss) before Contributions and Transfers | (148,027.29)            | 20,153.35              | (127,873.94)           |
| Operating Transfer In - General Fund             | 65,000.00               | -                      | 65,000.00              |
| Change in Net Position                           | <u>(83,027.29)</u>      | <u>20,153.35</u>       | <u>(62,873.94)</u>     |
| Net Position -- July 1                           | <u>500,520.35</u>       | <u>1,712,172.55</u>    | <u>2,212,692.90</u>    |
| Net Position -- June 30                          | <u>\$ 417,493.06</u>    | <u>\$ 1,732,325.90</u> | <u>\$ 2,149,818.96</u> |

**GLOUCESTER TOWNSHIP SCHOOL DISTRICT**  
**PROPRIETARY FUNDS**  
 Business-Type Activities - Enterprise Funds  
 Combining Statement of Cash Flows  
 For the Fiscal Year Ended June 30, 2020

|  | <u>Food<br/>Service</u>  | <u>Latchkey</u>        | <u>Totals</u>            |
|--|--------------------------|------------------------|--------------------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>   |                          |                        |                          |
| Receipts from Customers  | \$ 673,318.09            | \$ 1,095,299.40        | \$ 1,768,617.49          |
| Payments to Employees  | (968,102.33)             | (562,634.93)           | (1,530,737.26)           |
| Payments for Employee Benefits   | (530,163.50)             | (308,957.26)           | (839,120.76)             |
| Payments to Suppliers  | <u>(936,756.07)</u>      | <u>(289,869.15)</u>    | <u>(1,226,625.22)</u>    |
| Net Cash Provided by (used for) Operating Activities   | <u>(1,761,703.81)</u>    | <u>(66,161.94)</u>     | <u>(1,827,865.75)</u>    |
| <b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:</b>   |                          |                        |                          |
| State Sources  | 23,789.95                |                        | 23,789.95                |
| Federal Sources  | 1,664,307.39             |                        | 1,664,307.39             |
| Operating Subsidies and Transfers from/(to) Other Funds  | <u>71,090.45</u>         | <u>(6,090.45)</u>      | <u>65,000.00</u>         |
| Net Cash Provided by (used for) Non-Capital Financing Activities   | <u>1,759,187.79</u>      | <u>(6,090.45)</u>      | <u>1,753,097.34</u>      |
| <b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>   |                          |                        |                          |
| Purchases of Capital Assets  | <u>(71,402.00)</u>       | <u>-</u>               | <u>(71,402.00)</u>       |
| Net Cash Provided by (used for) Capital and Related Financing Activities                                     | <u>(71,402.00)</u>       | <u>-</u>               | <u>(71,402.00)</u>       |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>   |                          |                        |                          |
| Interest and Dividends   | <u>6,784.01</u>          | <u>35,497.03</u>       | <u>42,281.04</u>         |
| Net Cash Provided by (used for) Investing Activities   | <u>6,784.01</u>          | <u>35,497.03</u>       | <u>42,281.04</u>         |
| Net Increase (Decrease) in Cash and Cash Equivalents   | (67,134.01)              | (36,755.36)            | (103,889.37)             |
| Cash and Cash Equivalents -- July 1  | <u>378,155.26</u>        | <u>1,851,685.95</u>    | <u>2,229,841.21</u>      |
| Cash and Cash Equivalents -- June 30   | <u>\$ 311,021.25</u>     | <u>\$ 1,814,930.59</u> | <u>\$ 2,125,951.84</u>   |
| Reconciliation of Operating Income (Loss) to Net Cash Provided (Used)<br>by Operating Activities:            |                          |                        |                          |
| Operating Income (Loss)  | \$ (1,832,232.05)        | \$ (15,343.68)         | \$ (1,847,575.73)        |
| Adjustments to Reconcile Operating Income (Loss) to Net Cash<br>Provided by (used for) Operating Activities: |                          |                        |                          |
| Depreciation and Net Amortization  | 46,836.96                | 676.58                 | 47,513.54                |
| (Increase) Decrease in Inventories   | (3,715.40)               |                        | (3,715.40)               |
| (Increase) Decrease in Accounts Receivable, net  | 828.49                   |                        | 828.49                   |
| Increase (Decrease) in Accounts Payable  | (25,533.25)              | 4,551.46               | (20,981.79)              |
| Increase (Decrease) in Unearned Revenue  | 23,899.54                | (55,563.45)            | (31,663.91)              |
| Increase (Decrease) in Workers Comp Claims   | 7,945.00                 | 942.00                 | 8,887.00                 |
| Increase (Decrease) in Accrued Salaries Benefits   | <u>20,266.90</u>         | <u>(1,424.85)</u>      | <u>18,842.05</u>         |
| Total Adjustments  | <u>70,528.24</u>         | <u>(50,818.26)</u>     | <u>19,709.98</u>         |
| Net Cash Provided by (used for) Operating Activities   | <u>\$ (1,761,703.81)</u> | <u>\$ (66,161.94)</u>  | <u>\$ (1,827,865.75)</u> |

**GLOUCESTER TOWNSHIP SCHOOL DISTRICT**  
**PROPRIETARY FUNDS**  
 Governmental Activities - Internal Service Fund  
 Transportation Services  
 Statement of Net Position  
 June 30, 2020

**ASSETS:**

## Current Assets:

|                                    |               |  |
|------------------------------------|---------------|--|
| Cash and Cash Equivalents          | \$ 449,614.66 |  |
| Receivables from Other Governments | 369,260.00    |  |

|                      |  |            |
|----------------------|--|------------|
| Total Current Assets |  | 818,874.66 |
|----------------------|--|------------|

## Noncurrent Assets:

|                               |                |  |
|-------------------------------|----------------|--|
| Equipment                     | 6,884,223.14   |  |
| Less Accumulated Depreciation | (3,856,544.97) |  |

|                         |  |              |
|-------------------------|--|--------------|
| Total Noncurrent Assets |  | 3,027,678.17 |
|-------------------------|--|--------------|

|              |  |              |
|--------------|--|--------------|
| Total Assets |  | 3,846,552.83 |
|--------------|--|--------------|

**LIABILITIES:**

## Current Liabilities:

|  |            |  |
|--|------------|--|
| Accounts Payable                               | 751,600.37 |  |
| Estimated Worker's Compensation Claims Payable | 40,360.00  |  |
| Capital Leases Payable - Current               | 187,700.17 |  |

|                           |  |            |
|---------------------------|--|------------|
| Total Current Liabilities |  | 979,660.54 |
|---------------------------|--|------------|

## Noncurrent Liabilities:

|                        |  |           |
|------------------------|--|-----------|
| Capital Leases Payable |  | 92,545.63 |
|------------------------|--|-----------|

|                              |  |           |
|------------------------------|--|-----------|
| Total Noncurrent Liabilities |  | 92,545.63 |
|------------------------------|--|-----------|

|                   |  |              |
|-------------------|--|--------------|
| Total Liabilities |  | 1,072,206.17 |
|-------------------|--|--------------|

**NET POSITION:**

|                                  |              |  |
|----------------------------------|--------------|--|
| Net Investment in Capital Assets | 2,747,432.37 |  |
| Unrestricted                     | 26,914.29    |  |

|                    |  |                 |
|--------------------|--|-----------------|
| Total Net Position |  | \$ 2,774,346.66 |
|--------------------|--|-----------------|

**GLOUCESTER TOWNSHIP SCHOOL DISTRICT**  
**PROPRIETARY FUNDS**  
 Governmental Activities - Internal Service Fund  
 Transportation Services  
 Statement of Revenues, Expenses and Changes in Fund Net Position  
 For the Fiscal Year Ended June 30, 2020

**OPERATING REVENUES:**

|  |                 |
|--|-----------------|
| Charges for Service:                                 |                 |
| Transportation Fees from LEA                         | \$ 3,478,663.24 |
| Transportation Fees from Other LEAs Within the State | 1,454,260.00    |
|  | <hr/>           |
| Total Operating Revenues                             | 4,932,923.24    |
|  | <hr/>           |

**OPERATING EXPENSES:**

|  |              |
|--|--------------|
| Salaries   | 1,766,548.01 |
| Employee Benefits  | 1,072,164.16 |
| Purchased Professional Services                                  | 64,044.15    |
| Cleaning, Repair and Maintenance Services                        | 159,172.20   |
| Rentals  | 240,000.00   |
| Other Purchased Services:  |              |
| Contracted Services (Other Than Between Home & School) - Vendors | 205,396.62   |
| Insurance  | 112,076.00   |
| Miscellaneous  | 1,360.00     |
| Transportation Supplies  | 173,186.52   |
| Gasoline   | 165,011.59   |
| Depreciation   | 454,667.08   |
| Miscellaneous  | 27,241.24    |
|  | <hr/>        |
| Total Operating Expenses   | 4,440,867.57 |
|  | <hr/>        |
| Operating Income (Loss)  | 492,055.67   |
|  | <hr/>        |

**NONOPERATING REVENUES (EXPENSES):**

|  |                 |
|--|-----------------|
| Interest on Capital Leases             | (6,186.84)      |
|  | <hr/>           |
| Total Nonoperating Revenues (Expenses) | (6,186.84)      |
|  | <hr/>           |
| Change in Net Position                 | 485,868.83      |
|  | <hr/>           |
| Net Position -- July 1                 | 2,288,477.83    |
|  | <hr/>           |
| Net Position--June 30                  | \$ 2,774,346.66 |
|  | <hr/> <hr/>     |

**GLOUCESTER TOWNSHIP SCHOOL DISTRICT**  
**PROPRIETARY FUNDS**  
 Governmental Activities - Internal Service Fund  
 Transportation Services  
 Statement of Cash Flows  
 For the Fiscal Year Ended June 30, 2020

**CASH FLOWS FROM OPERATING ACTIVITIES:**

|  |                     |
|--|---------------------|
| Receipts from Customers                              | \$ 4,692,810.24     |
| Payments to Employees                                | (1,766,548.01)      |
| Payments for Employee Benefits                       | (1,072,164.16)      |
| Payments to Suppliers                                | <u>(482,547.60)</u> |
| Net Cash Provided by (used for) Operating Activities | <u>1,371,550.47</u> |

**CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:**

|  |                             |
|--|-----------------------------|
| Principal Paid on Capital Leases   | (188,247.34)                |
| Interest Paid on Capital Leases  | (6,186.84)                  |
| Purchase of Capital Assets   | <u>(1,228,068.46)</u>       |
| Net Cash Provided by (used for) Capital and Related Financing Activities | <u>(1,422,502.64)</u>       |
| Net Increase (Decrease) in Cash and Cash Equivalents                     | (50,952.17)                 |
| Cash and Cash Equivalents -- July 1                                      | <u>500,566.83</u>           |
| Cash and Cash Equivalents -- June 30                                     | <u><u>\$ 449,614.66</u></u> |

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

|  |                               |
|--|-------------------------------|
| Operating Income (Loss)  | \$ 492,055.67                 |
| Adjustments to Reconcile Operating Income (Loss) to Net Cash<br>Provided by (used for) Operating Activities: |                               |
| Depreciation and Net Amortization  | 454,667.08                    |
| (Increase) Decrease in Accounts Receivable, net  | (240,113.00)                  |
| Increase (Decrease) in Accounts Payable  | 693,791.72                    |
| Increase (Decrease) in Estimated Worker's Comp Claims Payable  | <u>(28,851.00)</u>            |
| Total Adjustments  | <u>879,494.80</u>             |
| Net Cash Provided by (used for) Operating Activities   | <u><u>\$ 1,371,550.47</u></u> |

FIDUCIARY FUNDS

**GLOUCESTER TOWNSHIP SCHOOL DISTRICT**  
**FIDUCIARY FUNDS**  
Combining Statement of Fiduciary Net Position  
June 30, 2020

|   | Private-Purpose<br>Trust Fund         | Agency Funds         |                      |                        |
|---|---------------------------------------|----------------------|----------------------|------------------------|
|   | Unemployment<br>Compensation<br>Trust | Student<br>Activity  | Payroll              | Total                  |
| <b>ASSETS:</b>  |                                       |                      |                      |                        |
| Cash and Cash Equivalents                                   | \$ 1,581,730.76                       | \$ 184,353.98        | \$ 472,026.80        | \$ 2,238,111.54        |
| Intrafund Accounts Receivable                               | 30,791.01                             |                      |                      | 30,791.01              |
| Total Assets  | <u>1,612,521.77</u>                   | <u>\$ 184,353.98</u> | <u>\$ 472,026.80</u> | <u>2,268,902.55</u>    |
| <b>LIABILITIES:</b>   |                                       |                      |                      |                        |
| Interfund Accounts Payable                                  |                                       |                      | \$ 65,000.00         | 65,000.00              |
| Intrafund Accounts Payable                                  |                                       |                      | 30,791.01            | 30,791.01              |
| Payable to Student Groups                                   |                                       | \$ 184,353.98        |                      | 184,353.98             |
| Payroll Deductions and Withholdings                         |                                       |                      | 376,235.79           | 376,235.79             |
| Total Liabilities   | -                                     | <u>\$ 184,353.98</u> | <u>\$ 472,026.80</u> | <u>656,380.78</u>      |
| <b>NET POSITION:</b>  |                                       |                      |                      |                        |
| Held in Trust for Unemployment<br>Claims and Other Purposes | <u>1,612,521.77</u>                   |                      |                      | <u>1,612,521.77</u>    |
| Total Net Position  | <u>\$ 1,612,521.77</u>                |                      |                      | <u>\$ 1,612,521.77</u> |



**GLOUCESTER TOWNSHIP SCHOOL DISTRICT**  
**FIDUCIARY FUNDS**  
Statement of Changes in Fiduciary Net Position  
For the Fiscal Year Ended June 30, 2020

|                            | Private-Purpose<br>Trust Fund         |
|----------------------------|---------------------------------------|
|                            | Unemployment<br>Compensation<br>Trust |
| <b>ADDITIONS:</b>          |                                       |
| Contributions:             |                                       |
| Employee Salary Deductions | \$ 102,969.44                         |
| Investment Earnings:       |                                       |
| Interest                   | 28,610.92                             |
| Total Additions            | 131,580.36                            |
| <b>DEDUCTIONS:</b>         |                                       |
| Unemployment Claims        | 48,060.76                             |
| Total Deductions           | 48,060.76                             |
| Change in Net Position     | 83,519.60                             |
| Net Position -- July 1     | 1,529,002.17                          |
| Net Position -- June 30    | \$ 1,612,521.77                       |

**GLOUCESTER TOWNSHIP SCHOOL DISTRICT**  
**FIDUCIARY FUNDS**  
 Student Activity Agency Fund Schedule of Receipts and Disbursements  
 For the Fiscal Year Ended June 30, 2020

---

|                                     | <u>Balance</u><br><u>June 30, 2019</u> | <u>Cash</u><br><u>Receipts</u> | <u>Cash</u><br><u>Disbursements</u> | <u>Balance</u><br><u>June 30, 2020</u> |
|-------------------------------------|--|--------------------------------|-------------------------------------|--|
| <b>ELEMENTARY SCHOOLS:</b>          |  |                                |                                     |  |
| Blackwood Elementary                | \$ 20,654.03                           | \$ 14,145.02                   | \$ 10,734.56                        | \$ 24,064.49                           |
| Chews Elementary                    | 8,768.27                               | 24,501.58                      | 23,693.63                           | 9,576.22                               |
| Erial Elementary                    | 6,954.16                               | 7,540.67                       | 12,559.21                           | 1,935.62                               |
| Glendora Elementary                 | 587.49                                 | 8,066.51                       | 6,728.01                            | 1,925.99                               |
| Gloucester Township Elementary      | 2,971.63                               | 5,862.49                       | 6,650.96                            | 2,183.16                               |
| James W. Lilley, Jr. Elementary     | 1,310.84                               | 14,650.11                      | 13,354.98                           | 2,605.97                               |
| Loring-Flemming Elementary          | 13,097.96                              | 14,308.55                      | 8,560.47                            | 18,846.04                              |
| Union Valley Elementary             | 26,406.79                              | 18,159.37                      | 15,708.24                           | 28,857.92                              |
| <b>MIDDLE SCHOOLS:</b>              |  |                                |                                     |  |
| Charles W. Lewis, Jr. Middle School | 26,332.07                              | 48,026.27                      | 49,201.95                           | 25,156.39                              |
| Glen Landing Middle School          | 41,763.66                              | 62,961.86                      | 61,837.39                           | 42,888.13                              |
| Ann Mullen Middle School            | 27,210.19                              | 48,190.45                      | 49,086.59                           | 26,314.05                              |
| Total All Schools                   | <u>\$ 176,057.09</u>                   | <u>\$ 266,412.88</u>           | <u>\$ 258,115.99</u>                | <u>\$ 184,353.98</u>                   |

**GLOUCESTER TOWNSHIP SCHOOL DISTRICT**  
**FIDUCIARY FUNDS**  
 Payroll Agency Fund Schedule of Receipts and Disbursements  
 For the Fiscal Year Ended June 30, 2020

|  | <u>Balance<br/>June 30, 2019</u> | <u>Additions</u>        | <u>Deletions</u>        | <u>Balance<br/>June 30, 2020</u> |
|--|----------------------------------|-------------------------|-------------------------|----------------------------------|
| <b>ASSETS:</b>                                     |                                  |                         |                         |                                  |
| Cash and Cash Equivalents                          | \$ 435,780.79                    | \$ 72,497,126.83        | \$ 72,460,880.82        | \$ 472,026.80                    |
|  | <u>\$ 435,780.79</u>             | <u>\$ 72,497,126.83</u> | <u>\$ 72,460,880.82</u> | <u>\$ 472,026.80</u>             |
| <b>LIABILITIES:</b>                                |                                  |                         |                         |                                  |
| Payroll Deductions and Withholdings                | \$ 340,554.75                    | \$ 33,368,477.30        | \$ 33,332,796.26        | \$ 376,235.79                    |
| Net Payroll  |                                  | 39,011,524.97           | 39,011,524.97           |                                  |
| Intrafund Accounts Payable                         | 30,226.04                        | 102,969.44              | 102,404.47              | 30,791.01                        |
| Interfund Accounts Payable:<br>Due to General Fund | <u>65,000.00</u>                 | <u>14,155.12</u>        | <u>14,155.12</u>        | <u>65,000.00</u>                 |
| Total Liabilities                                  | <u>\$ 435,780.79</u>             | <u>\$ 72,497,126.83</u> | <u>\$ 72,460,880.82</u> | <u>\$ 472,026.80</u>             |

LONG-TERM DEBT

**GLOUCESTER TOWNSHIP SCHOOL DISTRICT**  
 Schedule of Serial Bonds  
 For the Fiscal Year Ended June 30, 2020

|  | Date of Issue | Amount of Issue | Annual Maturities |                 | Interest Rate | Balance June 30, 2019   | Decreased              | Balance June 30, 2020   |
|--|---------------|-----------------|-------------------|-----------------|---------------|-------------------------|------------------------|-------------------------|
|  |               |                 | Date              | Amount          |               |                         |                        |                         |
| Refunding Bonds, Series 2016                       | 10-6-16       | \$ 4,570,000.00 | 3-1-21            | \$ 1,050,000.00 | 4.000%        | \$ 3,150,000.00         | \$ 1,010,000.00        | \$ 2,140,000.00         |
|  |               |                 | 3-1-22            | 1,090,000.00    | 4.000%        |                         |                        |                         |
| School Refunding Bonds (ESIP Project), Series 2018 | 10-25-18      | 9,385,000.00    | 7-15-20           | 285,000.00      | 4.000%        | 9,385,000.00            | 500,000.00             | 8,885,000.00            |
|  |               |                 | 7-15-21           | 270,000.00      | 5.000%        |                         |                        |                         |
|  |               |                 | 7-15-22           | 320,000.00      | 5.000%        |                         |                        |                         |
|  |               |                 | 7-15-23           | 350,000.00      | 5.000%        |                         |                        |                         |
|  |               |                 | 7-15-24           | 265,000.00      | 5.000%        |                         |                        |                         |
|  |               |                 | 7-15-25           | 295,000.00      | 5.000%        |                         |                        |                         |
|  |               |                 | 7-15-26           | 325,000.00      | 5.000%        |                         |                        |                         |
|  |               |                 | 7-15-27           | 355,000.00      | 5.000%        |                         |                        |                         |
|  |               |                 | 7-15-28           | 390,000.00      | 5.000%        |                         |                        |                         |
|  |               |                 | 7-15-29           | 420,000.00      | 5.000%        |                         |                        |                         |
|  |               |                 | 7-15-30           | 460,000.00      | 5.000%        |                         |                        |                         |
|  |               |                 | 7-15-31           | 500,000.00      | 5.000%        |                         |                        |                         |
|  |               |                 | 7-15-32           | 540,000.00      | 5.000%        |                         |                        |                         |
|  |               |                 | 7-15-33           | 580,000.00      | 4.000%        |                         |                        |                         |
|  |               |                 | 7-15-34           | 620,000.00      | 4.000%        |                         |                        |                         |
|  |               |                 | 7-15-35           | 665,000.00      | 3.500%        |                         |                        |                         |
|  |               |                 | 7-15-36           | 705,000.00      | 3.500%        |                         |                        |                         |
|  |               |                 | 7-15-37           | 745,000.00      | 3.625%        |                         |                        |                         |
| 7-15-38  | 795,000.00    | 3.750%          |                   |                 |               |                         |                        |                         |
|  |               |                 |                   |                 |               | <u>9,385,000.00</u>     | <u>500,000.00</u>      | <u>8,885,000.00</u>     |
|  |               |                 |                   |                 |               | <u>\$ 12,535,000.00</u> | <u>\$ 1,510,000.00</u> | <u>\$ 11,025,000.00</u> |
| Paid by Budget Appropriation:                      |               |                 |                   |                 |               |                         |                        |                         |
| General Fund                                       |               |                 |                   |                 |               |                         | \$ 500,000.00          |                         |
| Debt Service Fund                                  |               |                 |                   |                 |               |                         |                        | 1,010,000.00            |
|  |               |                 |                   |                 |               |                         | <u>\$ 1,510,000.00</u> |                         |

**GLOUCESTER TOWNSHIP SCHOOL DISTRICT**  
 Schedule of Obligations Under Capital Leases  
 For the Fiscal Year Ended June 30, 2020

| Series  | Date of Lease | Term of Lease | Amount of Original Issue |              | Interest Rate Payable | Amount Outstanding June 30, 2019 | Issued               | Retired                | Amount Outstanding June 30, 2020 |
|---|---------------|---------------|--------------------------|--------------|-----------------------|----------------------------------|----------------------|------------------------|----------------------------------|
|   |               |               | Principal                | Interest     |                       |                                  |                      |                        |                                  |
| Telecommunications System                             | 5-18-17       | 5 years       | \$ 567,485.00            | \$ 60,842.75 | 3.300%                | \$ 463,807.40                    |                      | \$ 463,807.40          |                                  |
| SMART Boards  | 9-7-18        | 3 years       | 354,720.00               | 10,430.91    | 2.970%                | 233,003.03                       |                      | 233,003.03             |                                  |
| District Network                                      | 9-26-18       | 3 years       | 211,000.00               | 6,353.15     | 3.000%                | 138,548.95                       |                      | 138,548.95             |                                  |
| Three Blue Bird School Buses and Two Wheelchair Buses | 6-29-18       | 3 years       | 405,000.00               | 13,534.35    | 2.876%                | 267,430.08                       |                      | 131,819.25             | \$ 135,610.83                    |
| SMART Boards and Two Vans                             | 8-30-19       | 3 years       | 473,065.00               | 11,750.22    | 2.280%                |                                  | \$ 473,065.00        | 473,065.00             |                                  |
| Three School Buses and Two Vans                       | 2-28-20       | 3 years       | 402,000.00               | 9,594.74     | 2.150%                |                                  | 402,000.00           | 136,213.05             | 265,786.95                       |
|   |               |               |                          |              |                       | <u>\$ 1,102,789.46</u>           | <u>\$ 875,065.00</u> | <u>\$ 1,576,456.68</u> | <u>\$ 401,397.78</u>             |
| General Fund  |               |               |                          |              |                       | \$ 911,296.32                    | \$ 473,065.00        | \$ 1,345,854.53        | \$ 38,506.78                     |
| Special Revenue Fund                                  |               |               |                          |              |                       |                                  | 125,000.00           | 42,354.80              | 82,645.20                        |
| Internal Service Fund                                 |               |               |                          |              |                       | 191,493.14                       | 277,000.00           | 188,247.34             | 280,245.80                       |
|   |               |               |                          |              |                       | <u>\$ 1,102,789.46</u>           | <u>\$ 875,065.00</u> | <u>\$ 1,576,456.68</u> | <u>\$ 401,397.78</u>             |

**GLOUCESTER TOWNSHIP SCHOOL DISTRICT**  
**DEBT SERVICE FUND**  
 Budgetary Comparison Schedule  
 For the Fiscal Year Ended June 30, 2020

|   | Original<br>Budget | Budget<br>Transfers | Final<br>Budget | Actual              | Variance<br>Positive<br>(Negative)<br>Final to Actual |
|---|--------------------|---------------------|-----------------|---------------------|---|
| <b>REVENUES:</b>  |                    |                     |                 |                     |   |
| Local Sources:  |                    |                     |                 |                     |   |
| Local Tax Levy  | \$ 626,190.00      |                     | \$ 626,190.00   | \$ 626,190.00       |   |
| Debt Service Aid Type II  | 509,000.00         |                     | 509,000.00      | 509,000.00          |   |
| Total Revenues  | 1,135,190.00       | -                   | 1,135,190.00    | 1,135,190.00        | -   |
| <b>EXPENDITURES:</b>  |                    |                     |                 |                     |   |
| Regular Debt Service:   |                    |                     |                 |                     |   |
| Interest on Bonds   | 126,000.00         |                     | 126,000.00      | 126,000.00          |   |
| Redemption of Principal   | 1,010,000.00       |                     | 1,010,000.00    | 1,010,000.00        |   |
| Total Regular Debt Service  | 1,136,000.00       | -                   | 1,136,000.00    | 1,136,000.00        | -   |
| Total Expenditures  | 1,136,000.00       | -                   | 1,136,000.00    | 1,136,000.00        |   |
| Excess (Deficiency) of Revenues Over (Under) Expenditures                             | (810.00)           | -                   | (810.00)        | (810.00)            |   |
| Other Financing Sources (Uses):   |                    |                     |                 |                     |   |
| Operating Transfers In:   |                    |                     |                 |                     |   |
| Interest Earned in Capital Projects Fund  | -                  | -                   | -               | 32,890.34           | \$ 32,890.34  |
| Total - Other Financing Sources (Uses)  | -                  | -                   | -               | 32,890.34           | 32,890.34   |
| Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures | (810.00)           | -                   | (810.00)        | 32,080.34           | 32,890.34   |
| Fund Balance, July 1  | 40,645.69          | -                   | 40,645.69       | 40,645.69           | -   |
| Fund Balance, June 30   | \$ 39,835.69       | \$ -                | \$ 39,835.69    | \$ 72,726.03        | \$ 32,890.34  |
| Restricted for:   |                    |                     |                 |                     |   |
| Debt Service  |                    |                     |                 | \$ 32,890.03        |   |
| Debt Service--Designated for Subsequent Year's Expenditures                           |                    |                     |                 | 39,836.00           |   |
|   |                    |                     |                 | <u>\$ 72,726.03</u> |   |

STATISTICAL SECTION



## Financial Trends Information

Financial trends information is intended to assist the user in understanding and assessing how the School District's financial position has changed over time. Please refer to the following exhibits for a historical view of the School District's financial performance.

**GLOUCESTER TOWNSHIP SCHOOL DISTRICT**  
 Net Position by Component  
 Last Ten Fiscal Years (Accrual Basis of Accounting)

|   | Fiscal Year Ended June 30, |                      |                      |                      |                      |                      |                      |                      |                      |                      |
|---|----------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
|   | 2020 (1)(2)                | 2019 (1)(2)          | 2018 (1)(2)          | 2017 (1)             | 2016 (1)             | 2015 (1)             | 2014                 | 2013                 | 2012                 | 2011                 |
| Governmental Activities:                    |                            |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| Net Investment in Capital Assets            | \$ 54,422,179              | \$ 43,809,297        | \$ 45,952,910        | \$ 43,564,511        | \$ 41,061,947        | \$ 38,782,919        | \$ 34,842,051        | \$ 32,198,818        | \$ 29,088,160        | \$ 26,644,828        |
| Restricted                                  | 12,735,040                 | 18,282,033           | 16,175,042           | 14,992,909           | 12,827,598           | 11,649,639           | 14,330,032           | 15,016,313           | 13,483,865           | 10,424,564           |
| Unrestricted (Deficit)                      | <u>(29,053,323)</u>        | <u>(29,210,765)</u>  | <u>(30,747,737)</u>  | <u>(29,305,262)</u>  | <u>(25,913,156)</u>  | <u>(25,573,942)</u>  | <u>(124,794)</u>     | 1,404,525            | 2,393,957            | 1,863,826            |
| Total Governmental Activities Net Position  | <u>\$ 38,103,895</u>       | <u>\$ 32,880,565</u> | <u>\$ 31,380,215</u> | <u>\$ 29,252,158</u> | <u>\$ 27,976,389</u> | <u>\$ 24,858,616</u> | <u>\$ 49,047,290</u> | <u>\$ 48,619,656</u> | <u>\$ 44,965,982</u> | <u>\$ 38,933,218</u> |
| Business-type Activities:                   |                            |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| Net Investment in Capital Assets            | \$ 246,992                 | \$ 223,104           | \$ 241,707           | \$ 140,323           | \$ 142,575           | \$ 184,424           | \$ 219,658           | \$ 179,536           | \$ 181,693           | \$ 164,736           |
| Unrestricted                                | <u>1,902,827</u>           | <u>1,989,589</u>     | <u>1,647,146</u>     | <u>1,364,251</u>     | <u>896,762</u>       | <u>667,221</u>       | <u>639,319</u>       | <u>1,021,358</u>     | <u>1,243,111</u>     | <u>1,425,065</u>     |
| Total Business-type Activities Net Position | <u>\$ 2,149,819</u>        | <u>\$ 2,212,693</u>  | <u>\$ 1,888,853</u>  | <u>\$ 1,504,574</u>  | <u>\$ 1,039,338</u>  | <u>\$ 851,645</u>    | <u>\$ 858,978</u>    | <u>\$ 1,200,894</u>  | <u>\$ 1,424,805</u>  | <u>\$ 1,589,801</u>  |
| District-wide:                              |                            |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| Net Investment in Capital Assets            | \$ 54,669,171              | \$ 44,032,400        | \$ 46,194,616        | \$ 43,704,834        | \$ 41,204,523        | \$ 38,967,343        | \$ 35,061,710        | \$ 32,378,354        | \$ 29,269,853        | \$ 26,809,564        |
| Restricted                                  | 12,735,040                 | 18,282,033           | 16,175,042           | 14,992,909           | 12,827,598           | 11,649,639           | 14,330,032           | 15,016,313           | 13,483,865           | 10,424,564           |
| Unrestricted (Deficit)                      | <u>(27,150,496)</u>        | <u>(27,221,175)</u>  | <u>(29,100,590)</u>  | <u>(27,941,011)</u>  | <u>(25,016,394)</u>  | <u>(24,906,721)</u>  | <u>514,526</u>       | 2,425,883            | 3,637,069            | 3,288,891            |
| Total Government-wide Net Position          | <u>\$ 40,253,714</u>       | <u>\$ 35,093,258</u> | <u>\$ 33,269,068</u> | <u>\$ 30,756,732</u> | <u>\$ 29,015,727</u> | <u>\$ 25,710,261</u> | <u>\$ 49,906,268</u> | <u>\$ 49,820,550</u> | <u>\$ 46,390,787</u> | <u>\$ 40,523,019</u> |

(1) Amounts for years 2020, 2019, 2018, 2017, 2016 and 2015 include the implementation of Governmental Accounting Standards Board Statement No. 68, Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27, and GASB Statement No. 71, Pension Transition for Contributions Made Subsequent to the Measurement Date - an amendment of GASB Statement No. 68.

(2) Amounts for years 2020, 2019 and 2018 include the implementation of Governmental Accounting Standards Board Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions.

Source: CAFR Exhibit A-1

**GLOUCESTER TOWNSHIP SCHOOL DISTRICT**  
Changes in Net Position  
Last Ten Fiscal Years (Accrual Basis of Accounting)

|  | Fiscal Year Ended June 30, |                         |                         |                         |                        |                        |                        |                        |                        |                        |
|--|----------------------------|-------------------------|-------------------------|-------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|
|  | 2020 (1)(2)                | 2019 (1)(2)             | 2018 (1)(2)             | 2017 (1)                | 2016 (1)               | 2015 (1)               | 2014                   | 2013                   | 2012                   | 2011                   |
| <b>Expenses:</b>                                       |                            |                         |                         |                         |                        |                        |                        |                        |                        |                        |
| Governmental Activities:                               |                            |                         |                         |                         |                        |                        |                        |                        |                        |                        |
| Instruction:   |                            |                         |                         |                         |                        |                        |                        |                        |                        |                        |
| Regular  | \$ 39,110,873              | \$ 37,790,269           | \$ 37,293,438           | \$ 37,127,571           | \$ 35,954,609          | \$ 35,703,761          | \$ 35,559,017          | \$ 34,354,778          | \$ 35,280,362          | \$ 33,720,137          |
| Special Education                                      | 10,246,824                 | 10,668,511              | 10,305,795              | 10,074,220              | 10,046,573             | 9,927,724              | 9,693,153              | 9,300,264              | 9,238,521              | 8,724,619              |
| Other Instruction                                      | 2,216,197                  | 2,190,985               | 1,947,347               | 1,723,503               | 1,800,847              | 1,846,099              | 1,829,108              | 2,044,579              | 2,042,166              | 2,139,988              |
| Nonpublic School Programs                              | 508                        | 211                     | 232                     | 232                     | 232                    | 581                    | 732                    | 836                    | 1,157                  | 1,364                  |
| Community Service Programs                             | 236                        | 1,640                   |                         | 1,539                   | 1,549                  | 3,998                  | 6,724                  | 3,596                  | 6,000                  | 6,000                  |
| Support Services:                                      |                            |                         |                         |                         |                        |                        |                        |                        |                        |                        |
| Tuition  | 7,718,526                  | 7,547,367               | 6,628,797               | 5,960,812               | 5,412,746              | 5,511,133              | 5,396,982              | 4,914,497              | 4,002,479              | 3,434,398              |
| Student and Instruction Related Services               | 10,086,730                 | 9,192,771               | 8,723,040               | 8,760,980               | 8,582,763              | 8,413,105              | 8,428,324              | 8,519,392              | 8,718,777              | 8,343,288              |
| School Administrative Services                         | 3,603,321                  | 3,613,560               | 3,672,574               | 3,531,135               | 3,329,433              | 3,351,440              | 3,332,941              | 3,133,103              | 3,193,051              | 3,202,290              |
| General and Business Administrative Services           | 3,072,782                  | 3,279,390               | 3,471,555               | 3,362,920               | 3,279,119              | 3,213,482              | 3,240,029              | 3,063,471              | 3,156,096              | 3,229,557              |
| Plant Operations and Maintenance                       | 7,680,837                  | 7,417,307               | 7,445,496               | 7,594,093               | 7,365,031              | 7,517,517              | 7,793,024              | 6,282,657              | 6,371,859              | 6,606,280              |
| Pupil Transportation                                   | 8,448,353                  | 9,003,762               | 8,264,545               | 8,121,945               | 8,045,834              | 8,022,599              | 8,901,381              | 8,408,098              | 7,868,327              | 7,738,205              |
| Unallocated Benefits                                   | 39,611,826                 | 46,361,258              | 59,462,017              | 54,708,520              | 42,891,639             | 37,045,293             | 24,925,354             | 25,518,151             | 22,759,680             | 20,275,643             |
| Transfer to Charter Schools                            | 188,301                    | 1,429,434               | 1,383,089               | 1,485,113               | 1,600,693              | 1,499,077              | 1,383,870              | 1,273,339              | 1,088,627              | 45,965                 |
| Interest on Long-term Debt                             | 401,378                    | 363,219                 | 147,350                 | 226,553                 | 358,783                | 531,502                | 586,771                | 938,063                | 1,146,507              | 1,315,649              |
| Amortization of Bond Issuance Costs                    |                            |                         |                         |                         |                        |                        | -                      | 200,825                | 38,067                 | 25,612                 |
| <b>Total Governmental Activities Expenses</b>          | <b>132,386,692</b>         | <b>138,859,684</b>      | <b>148,745,275</b>      | <b>142,679,135</b>      | <b>128,669,851</b>     | <b>122,587,311</b>     | <b>111,077,410</b>     | <b>107,955,649</b>     | <b>104,911,675</b>     | <b>98,808,996</b>      |
| Business-type Activities:                              |                            |                         |                         |                         |                        |                        |                        |                        |                        |                        |
| Food Service   | 2,480,822                  | 2,625,728               | 2,635,192               | 2,595,542               | 2,608,148              | 2,664,658              | 2,824,690              | 2,789,512              | 2,869,290              | 2,854,773              |
| Latchkey   | 1,166,207                  | 1,231,503               | 1,210,557               | 1,108,581               | 1,110,493              | 1,155,814              | 1,427,860              | 1,458,663              | 1,401,800              | 1,341,495              |
| <b>Total Business-type Activities Expense</b>          | <b>3,647,029</b>           | <b>3,857,230</b>        | <b>3,845,748</b>        | <b>3,704,123</b>        | <b>3,718,642</b>       | <b>3,820,471</b>       | <b>4,252,550</b>       | <b>4,248,175</b>       | <b>4,271,091</b>       | <b>4,196,268</b>       |
| <b>Total District Expenses</b>                         | <b>\$ 136,033,721</b>      | <b>\$ 142,716,914</b>   | <b>\$ 152,591,023</b>   | <b>\$ 146,383,258</b>   | <b>\$ 132,388,492</b>  | <b>\$ 126,407,782</b>  | <b>\$ 115,329,960</b>  | <b>\$ 112,203,824</b>  | <b>\$ 109,182,766</b>  | <b>\$ 103,005,264</b>  |
| <b>Program Revenues:</b>                               |                            |                         |                         |                         |                        |                        |                        |                        |                        |                        |
| Governmental Activities:                               |                            |                         |                         |                         |                        |                        |                        |                        |                        |                        |
| Charges for Services                                   | \$ 1,454,260               | \$ 1,524,147            | \$ 1,548,541            | \$ 1,494,913            | \$ 1,392,758           | \$ 1,459,123           | \$ 1,670,853           | \$ 1,691,965           | \$ 1,605,339           | \$ 1,518,767           |
| Operating Grants and Contributions                     | 28,398,014                 | 32,746,131              | 44,405,808              | 38,206,161              | 28,538,610             | 24,041,996             | 11,881,465             | 13,449,353             | 13,009,717             | 11,308,318             |
| <b>Total Governmental Activities Program Revenues</b>  | <b>29,852,274</b>          | <b>34,270,278</b>       | <b>45,954,349</b>       | <b>39,701,074</b>       | <b>29,931,368</b>      | <b>25,501,119</b>      | <b>13,552,318</b>      | <b>15,141,318</b>      | <b>14,615,056</b>      | <b>12,827,086</b>      |
| Business-type activities:                              |                            |                         |                         |                         |                        |                        |                        |                        |                        |                        |
| Charges for Services:                                  |                            |                         |                         |                         |                        |                        |                        |                        |                        |                        |
| Food service   | 648,590                    | 982,889                 | 1,012,797               | 1,053,509               | 1,073,439              | 1,112,365              | 1,230,905              | 1,325,356              | 1,469,814              | 1,585,916              |
| Latchkey   | 1,150,863                  | 1,471,465               | 1,504,170               | 1,487,691               | 1,333,888              | 1,233,626              | 1,171,266              | 1,289,464              | 1,306,669              | 1,371,994              |
| Operating Grants and Contributions                     | 1,677,421                  | 1,694,932               | 1,709,759               | 1,626,753               | 1,505,664              | 1,466,162              | 1,506,822              | 1,405,552              | 1,316,283              | 1,229,224              |
| <b>Total Business-type Activities Program Revenues</b> | <b>3,476,874</b>           | <b>4,149,286</b>        | <b>4,226,726</b>        | <b>4,167,953</b>        | <b>3,912,991</b>       | <b>3,812,152</b>       | <b>3,908,992</b>       | <b>4,020,372</b>       | <b>4,092,767</b>       | <b>4,187,134</b>       |
| <b>Total District Program Revenues</b>                 | <b>\$ 33,329,148</b>       | <b>\$ 38,419,564</b>    | <b>\$ 50,181,075</b>    | <b>\$ 43,869,028</b>    | <b>\$ 33,844,359</b>   | <b>\$ 29,313,272</b>   | <b>\$ 17,461,311</b>   | <b>\$ 19,161,690</b>   | <b>\$ 18,707,823</b>   | <b>\$ 17,014,220</b>   |
| <b>Net (Expense)/Revenue:</b>                          |                            |                         |                         |                         |                        |                        |                        |                        |                        |                        |
| Governmental Activities                                | \$ (102,534,418)           | \$ (104,589,406)        | \$ (102,790,926)        | \$ (102,978,061)        | \$ (98,738,482)        | \$ (97,086,191)        | \$ (97,525,092)        | \$ (92,814,332)        | \$ (90,296,619)        | \$ (85,981,910)        |
| Business-type Activities                               | (170,155)                  | 292,056                 | 380,977                 | 463,831                 | 194,349                | (8,319)                | (343,558)              | (227,803)              | (178,324)              | (9,134)                |
| <b>Total District-wide Net Expense</b>                 | <b>\$ (102,704,573)</b>    | <b>\$ (104,297,350)</b> | <b>\$ (102,409,948)</b> | <b>\$ (102,514,230)</b> | <b>\$ (98,544,134)</b> | <b>\$ (97,094,511)</b> | <b>\$ (97,868,650)</b> | <b>\$ (93,042,134)</b> | <b>\$ (90,474,942)</b> | <b>\$ (85,991,044)</b> |

(Continued)

**GLOUCESTER TOWNSHIP SCHOOL DISTRICT**  
Changes in Net Position  
Last Ten Fiscal Years (Accrual Basis of Accounting)

|  | Fiscal Year Ended June 30, |                       |                       |                       |                       |                       |                      |                      |                      |                      |
|--|----------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|----------------------|----------------------|----------------------|----------------------|
|  | 2020 (1)(2)                | 2019 (1)(2)           | 2018 (1)(2)           | 2017 (1)              | 2016 (1)              | 2015 (1)              | 2014                 | 2013                 | 2012                 | 2011                 |
| <b>General Revenues and Other Changes in Net Position:</b> |                            |                       |                       |                       |                       |                       |                      |                      |                      |                      |
| Governmental Activities:                                   |                            |                       |                       |                       |                       |                       |                      |                      |                      |                      |
| Property Taxes Levied for General Purposes, Net            | \$ 51,434,683              | \$ 49,630,311         | \$ 48,215,991         | \$ 47,270,580         | \$ 45,456,852         | \$ 43,756,246         | \$ 41,692,469        | \$ 40,874,970        | \$ 40,435,550        | \$ 39,936,815        |
| Taxes Levied for Debt Service                              | 626,190                    | 634,070               | 2,352,946             | 2,419,658             | 2,126,400             | 2,035,444             | 2,001,320            | 2,637,923            | 2,600,478            | 2,787,851            |
| Unrestricted Grants and Contributions                      | 53,844,837                 | 53,930,308            | 53,539,930            | 53,520,924            | 53,279,669            | 53,835,583            | 52,756,189           | 52,146,826           | 52,639,922           | 50,209,897           |
| Investment Earnings  | 455,803                    | 451,698               | 43,547                | 22,630                | 19,093                | 19,386                | 19,927               | 45,997               | 144,417              | 179,239              |
| Other  | 1,461,234                  | 1,445,220             | 857,560               | 1,095,674             | 993,532               | 800,229               | 1,027,047            | 762,289              | 514,107              | 744,687              |
| Gain/(Loss) on Disposal of Capital Assets                  |                            | (1,851)               | (90,992)              | (75,637)              | (19,290)              |                       | 490,728              |                      | (332)                | (3,010)              |
| Canceled Accounts Receivables/Payables                     |                            |                       |                       |                       |                       |                       | (34,953)             |                      | (4,759)              |                      |
| Transfers  | (65,000)                   |                       |                       |                       |                       |                       |                      |                      |                      | (100,000)            |
| <b>Total Governmental Activities</b>                       | <u>107,757,748</u>         | <u>106,089,756</u>    | <u>104,918,982</u>    | <u>104,253,830</u>    | <u>101,856,255</u>    | <u>100,446,888</u>    | <u>97,952,727</u>    | <u>96,468,005</u>    | <u>96,329,383</u>    | <u>93,755,479</u>    |
| Business-type Activities:                                  |                            |                       |                       |                       |                       |                       |                      |                      |                      |                      |
| Investment Earnings  | 42,281                     | 31,784                | 3,302                 | 1,405                 | 1,156                 | 986                   | 1,641                | 3,892                | 13,327               | 20,862               |
| Gain/(Loss) on Disposal of Capital Assets                  |                            |                       |                       |                       | (7,812)               |                       |                      |                      |                      |                      |
| Transfers  | 65,000                     |                       |                       |                       |                       |                       |                      |                      |                      | 100,000              |
| <b>Total Business-type Activities</b>                      | <u>107,281</u>             | <u>31,784</u>         | <u>3,302</u>          | <u>1,405</u>          | <u>(6,656)</u>        | <u>986</u>            | <u>1,641</u>         | <u>3,892</u>         | <u>13,327</u>        | <u>120,862</u>       |
| <b>Total District-wide</b>                                 | <u>\$ 107,865,029</u>      | <u>\$ 106,121,540</u> | <u>\$ 104,922,284</u> | <u>\$ 104,255,235</u> | <u>\$ 101,849,600</u> | <u>\$ 100,447,874</u> | <u>\$ 97,954,368</u> | <u>\$ 96,471,898</u> | <u>\$ 96,342,710</u> | <u>\$ 93,876,341</u> |
| <b>Change in Net Position:</b>                             |                            |                       |                       |                       |                       |                       |                      |                      |                      |                      |
| Governmental Activities                                    | \$ 5,223,330               | \$ 1,500,351          | \$ 2,128,057          | \$ 1,275,769          | \$ 3,117,773          | \$ 3,360,697          | \$ 427,635           | \$ 3,653,673         | \$ 6,032,764         | \$ 7,773,569         |
| Business-type Activities                                   | (62,874)                   | 323,840               | 384,279               | 465,236               | 187,693               | (7,333)               | (341,917)            | (223,910)            | (164,997)            | 111,728              |
| <b>Total District</b>                                      | <u>\$ 5,160,456</u>        | <u>\$ 1,824,190</u>   | <u>\$ 2,512,336</u>   | <u>\$ 1,741,005</u>   | <u>\$ 3,305,466</u>   | <u>\$ 3,353,364</u>   | <u>\$ 85,718</u>     | <u>\$ 3,429,763</u>  | <u>\$ 5,867,767</u>  | <u>\$ 7,885,297</u>  |

(1) Amounts for years 2020, 2019, 2018, 2017, 2016 and 2015 include the implementation of Governmental Accounting Standards Board Statement No. 68, Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27, and GASB Statement No. 71, Pension Transition for Contributions Made Subsequent to the Measurement Date - an amendment of GASB Statement No. 68.

(2) Amounts for years 2020, 2019 and 2018 include the implementation of Governmental Accounting Standards Board Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions.

Source: CAFR Exhibit A-2

**GLOUCESTER TOWNSHIP SCHOOL DISTRICT**  
Fund Balances, Governmental Funds  
Last Ten Fiscal Years (Modified Accrual Basis of Accounting)

|   | Fiscal Year Ended June 30, |                      |                      |                      |                      |                      |                      |                      |                      |                      |
|---|----------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
|   | 2020                       | 2019                 | 2018                 | 2017                 | 2016                 | 2015                 | 2014                 | 2013                 | 2012                 | 2011                 |
| General Fund:                             |                            |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| Restricted                                | \$ 9,526,372               | \$ 11,741,431        | \$ 15,820,505        | \$ 14,992,909        | \$ 12,473,879        | \$ 11,440,951        | \$ 13,743,531        | \$ 14,039,671        | \$ 12,245,059        | 8,411,864            |
| Assigned                                  | 635,929                    | 134,642              | 293,219              | 498,058              | 1,469,982            | 1,424,287            | 355,699              | 282,398              | 1,210,942            | 944,795              |
| Unassigned                                | 3,048,433                  | 3,464,701            | 2,360,108            | 2,950,008            | 3,087,291            | 2,507,044            | 1,349,502            | 2,491,812            | 2,249,048            | 1,916,516            |
| <b>Total General Fund</b>                 | <b>\$ 13,210,734</b>       | <b>\$ 15,340,774</b> | <b>\$ 18,473,832</b> | <b>\$ 18,440,975</b> | <b>\$ 17,031,151</b> | <b>\$ 15,372,282</b> | <b>\$ 15,448,731</b> | <b>\$ 16,813,881</b> | <b>\$ 15,705,050</b> | <b>\$ 11,273,174</b> |
| All Other Governmental Funds:             |                            |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| Restricted, Reported in:                  |                            |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| Capital Projects Fund                     | \$ 3,208,668               | \$ 6,540,602         | \$ 354,536.25        |                      | \$ 353,719           | \$ 259,038           | \$ 654,079           | \$ 1,103,047         | \$ 1,378,047         | 2,202,000            |
| Debt Service Fund                         | 72,726                     | 40,646               | 20,637               | \$ 20,555            | 1,751                | 97,504               | 100,118              | 56,587               | 67,834               | 28,666               |
| Unassigned (Deficit), Reported in:        |                            |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| Special Revenue Fund                      | (161,253)                  |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| <b>Total All Other Governmental Funds</b> | <b>\$ 3,120,141</b>        | <b>\$ 6,581,248</b>  | <b>\$ 375,173</b>    | <b>\$ 20,555</b>     | <b>\$ 355,470</b>    | <b>\$ 356,541</b>    | <b>\$ 754,197</b>    | <b>\$ 1,159,634</b>  | <b>\$ 1,445,881</b>  | <b>\$ 2,230,666</b>  |

Source: CAFR Exhibit B-1

**GLOUCESTER TOWNSHIP SCHOOL DISTRICT**  
 Changes in Fund Balances, Governmental Funds  
 Last Ten Fiscal Years (Modified Accrual Basis of Accounting)

|  | Fiscal Year Ended June 30, |                     |                    |                     |                     |                     |                       |                    |                     |                     |
|--|----------------------------|---------------------|--------------------|---------------------|---------------------|---------------------|-----------------------|--------------------|---------------------|---------------------|
|  | 2020                       | 2019                | 2018               | 2017                | 2016                | 2015                | 2014                  | 2013               | 2012                | 2011                |
| <b>Revenues:</b>   |                            |                     |                    |                     |                     |                     |                       |                    |                     |                     |
| Tax Levy   | \$ 52,060,873              | \$ 50,264,381       | \$ 50,568,937      | \$ 49,690,238       | \$ 47,583,252       | \$ 45,791,690       | \$ 43,693,789         | \$ 43,512,893      | \$ 43,036,028       | \$ 42,724,666       |
| Other Local Revenue  | 1,917,037                  | 1,896,918           | 901,107            | 1,118,304           | 1,012,625           | 819,615             | 1,046,974             | 808,286            | 644,720             | 923,926             |
| State Sources  | 73,488,071                 | 71,081,057          | 68,339,958         | 66,471,831          | 64,874,515          | 63,782,713          | 61,783,441            | 62,190,240         | 59,334,692          | 57,235,139          |
| Federal Sources  | 3,363,669                  | 3,348,476           | 3,120,781          | 3,154,270           | 3,152,976           | 3,095,973           | 2,854,213             | 3,405,939          | 6,314,947           | 4,283,076           |
| <b>Total Revenue</b>   | <b>130,829,650</b>         | <b>126,590,832</b>  | <b>122,930,783</b> | <b>120,434,644</b>  | <b>116,623,368</b>  | <b>113,489,992</b>  | <b>109,378,417</b>    | <b>109,917,358</b> | <b>109,330,388</b>  | <b>105,166,807</b>  |
| <b>Expenditures:</b>   |                            |                     |                    |                     |                     |                     |                       |                    |                     |                     |
| Instruction  |                            |                     |                    |                     |                     |                     |                       |                    |                     |                     |
| Regular Instruction  | 38,370,005                 | 36,654,531          | 36,173,540         | 36,057,164          | 34,842,859          | 34,558,348          | 34,440,363            | 33,172,708         | 34,079,062          | 32,487,319          |
| Special Education Instruction                                | 10,246,824                 | 10,668,511          | 10,305,795         | 10,074,220          | 10,046,573          | 9,927,724           | 9,693,153             | 9,300,264          | 9,238,521           | 8,724,619           |
| Other  | 430,118                    | 384,211             | 270,972            | 245,415             | 211,986             | 270,564             | 261,685               | 250,275            | 253,942             | 356,683             |
| School-Sponsored/Other Instructional                         | 1,780,274                  | 1,800,601           | 1,670,252          | 1,473,383           | 1,585,259           | 1,574,442           | 1,538,107             | 1,759,682          | 1,755,496           | 1,752,614           |
| Community Services   | 236                        | 1,640               |                    | 1,539               | 1,549               | 3,998               | 6,724                 | 3,596              | 6,000               | 6,000               |
| Support Services:  |                            |                     |                    |                     |                     |                     |                       |                    |                     |                     |
| Tuition  | 7,718,526                  | 7,547,367           | 6,628,797          | 5,960,812           | 5,412,746           | 5,511,133           | 5,396,982             | 4,914,497          | 4,002,479           | 3,434,398           |
| Student and Instruction Related Services                     | 10,073,075                 | 9,178,840           | 8,708,945          | 8,746,842           | 8,568,656           | 8,399,761           | 8,421,590             | 8,511,056          | 8,711,114           | 8,336,331           |
| School Administrative Services                               | 3,597,613                  | 3,606,794           | 3,665,813          | 3,524,318           | 3,321,983           | 3,340,311           | 3,299,183             | 3,095,497          | 3,156,084           | 3,169,321           |
| Other Administrative Services                                | 3,618,761                  | 3,176,843           | 3,359,470          | 3,220,014           | 3,121,721           | 3,047,584           | 3,073,636             | 2,897,356          | 3,021,415           | 3,134,785           |
| Plant Operations and Maintenance                             | 6,635,347                  | 6,732,147           | 6,614,358          | 6,848,097           | 6,668,791           | 6,958,959           | 7,229,358             | 5,894,593          | 6,046,479           | 6,336,519           |
| Pupil Transportation   | 4,127,675                  | 4,251,574           | 3,860,624          | 3,758,076           | 3,150,677           | 3,273,597           | 3,273,807             | 3,126,901          | 2,892,064           | 2,805,574           |
| Unallocated Benefits   | 34,763,312                 | 34,775,765          | 32,308,409         | 30,060,216          | 28,186,583          | 26,124,881          | 24,453,376            | 25,246,307         | 22,660,680          | 20,230,114          |
| Special Schools  |                            |                     |                    |                     |                     |                     |                       |                    |                     |                     |
| Transfer to Charter Schools                                  | 188,301                    | 1,429,434           | 1,383,089          | 1,485,113           | 1,600,693           | 1,499,077           | 1,383,870             | 1,273,339          | 1,088,627           | 45,965              |
| Debt Service:  |                            |                     |                    |                     |                     |                     |                       |                    |                     |                     |
| Principal  | 1,510,000                  | 965,000             | 3,175,000          | 3,180,000           | 3,130,000           | 3,035,000           | 3,015,790             | 3,540,789          | 3,285,789           | 3,060,789           |
| Interest and Other Charges                                   | 611,873                    | 164,600             | 212,188            | 272,032             | 368,164             | 432,955             | 484,589               | 825,738            | 1,004,806           | 1,194,791           |
| Capital Outlay   | 9,803,262                  | 9,317,005           | 1,094,633          | 1,858,736           | 1,345,341           | 2,748,941           | 1,596,547             | 1,791,628          | 1,225,300           | 1,578,257           |
| <b>Total Expenditures</b>                                    | <b>133,475,199</b>         | <b>130,654,863</b>  | <b>119,431,885</b> | <b>116,765,976</b>  | <b>111,563,579</b>  | <b>110,707,275</b>  | <b>107,568,760</b>    | <b>105,604,226</b> | <b>102,427,859</b>  | <b>96,654,081</b>   |
| Excess (Deficiency) of Revenues<br>Over (Under) Expenditures | (2,645,549)                | (4,064,031)         | 3,498,898          | 3,668,667           | 5,059,789           | 2,782,717           | 1,809,657             | 4,313,131          | 6,902,529           | 8,512,727           |
| <b>Other Financing Sources (Uses):</b>                       |                            |                     |                    |                     |                     |                     |                       |                    |                     |                     |
| Capital Leases (Non-budgeted)                                | 598,065                    | 680,720             |                    | 567,485             |                     |                     |                       |                    |                     |                     |
| Sale of Bonds  |                            | 9,385,000           |                    | 4,570,000           |                     |                     |                       | 7,430,000          | 4,175,000           |                     |
| Premium on Sale of Bonds                                     |                            | 526,207             |                    | 426,620             |                     |                     |                       | 189,532            | 171,551             |                     |
| Payment to Refunded Debt Escrow Agent                        |                            |                     |                    | (4,894,026)         |                     |                     |                       | (7,521,799)        | (4,265,026)         |                     |
| Costs of Issuance  |                            |                     |                    |                     |                     |                     |                       | (97,733)           | (81,524)            |                     |
| Accounts Receivable/Payable Canceled                         |                            |                     |                    |                     |                     |                     | (34,953)              |                    | (4,759)             |                     |
| Transfers In   | 6,092,757                  | 5,167,464           | 700,809            |                     |                     |                     |                       | 2,635,719          | 514,186             | 510,401             |
| Transfers Out  | (9,636,420)                | (8,622,343)         | (3,812,233)        | (3,263,838)         | (3,401,990)         | (3,256,823)         | (3,545,290)           | (6,126,265)        | (3,764,866)         | (3,572,221)         |
| <b>Total Other Financing Sources (Uses)</b>                  | <b>(2,945,598)</b>         | <b>7,137,048</b>    | <b>(3,111,424)</b> | <b>(2,593,759)</b>  | <b>(3,401,990)</b>  | <b>(3,256,823)</b>  | <b>(3,580,243)</b>    | <b>(3,490,547)</b> | <b>(3,255,439)</b>  | <b>(3,061,820)</b>  |
| <b>Net Change in Fund Balances</b>                           | <b>\$ (5,591,148)</b>      | <b>\$ 3,073,017</b> | <b>\$ 387,475</b>  | <b>\$ 1,074,909</b> | <b>\$ 1,657,799</b> | <b>\$ (474,105)</b> | <b>\$ (1,770,586)</b> | <b>\$ 822,585</b>  | <b>\$ 3,647,090</b> | <b>\$ 5,450,907</b> |
| Debt Service as a Percentage of<br>Noncapital Expenditures   | 1.7%                       | 0.9%                | 2.9%               | 3.0%                | 3.2%                | 3.2%                | 3.3%                  | 4.2%               | 4.2%                | 4.5%                |

Source: CAFR Exhibit B-2

**GLOUCESTER TOWNSHIP SCHOOL DISTRICT**  
 General Fund - Other Local Revenue by Source  
 Last Ten Fiscal Years (Modified Accrual Basis of Accounting)  
*Unaudited*

|   | <u>2020</u>            | <u>2019</u>            | <u>2018</u>          | <u>2017</u>            | <u>2016</u>            | <u>2015</u>          | <u>2014</u>            | <u>2013</u>          | <u>2012</u>          | <u>2011</u>          |
|---|------------------------|------------------------|----------------------|------------------------|------------------------|----------------------|------------------------|----------------------|----------------------|----------------------|
| Tuition/Tuition Adjustments                   | \$ 373,740.78          | \$ 576,032.07          | \$ 363,866.79        | \$ 529,375.32          | \$ 547,600.38          | \$ 303,021.27        | \$ 336,898.68          | \$ 232,042.18        | \$ 59,818.04         | \$ 261,858.58        |
| Elections                                     | 300.00                 | 400.00                 | 400.00               |                        |                        |                      |                        |                      |                      |                      |
| Township Reimbursements                       | 1,078.40               | 1,217.20               | 1,069.25             |                        |                        |                      |                        |                      |                      |                      |
| Sale of Surplus Items                         | 26,045.00              | 10,825.00              |                      | 6,979.50               | 4,462.43               | 11,691.61            | 12,635.23              | 10,626.28            | 1,630.25             | 512.57               |
| Scrap Proceeds                                | 3,285.30               | 4,655.25               |                      |                        |                        |                      |                        |                      |                      |                      |
| FEMA  |                        |                        |                      | 27,258.05              |                        |                      |                        | 6,795.62             |                      | 53,535.51            |
| Rentals                                       | 465,000.00             | 465,462.28             | 175,371.56           | 175,277.44             | 175,000.00             | 175,000.00           | 175,000.00             | 175,000.00           | 175,000.00           | 150,000.00           |
| Cancellation of Accounts Payable              |                        |                        |                      |                        |                        |                      | 5.00                   | 100.00               | 2,599.95             | 2,207.40             |
| Cancellation of Unexpended Grant Balances     |                        |                        |                      |                        |                        |                      |                        |                      | 2,980.00             |                      |
| Various Refunds                               | 141,740.67             | 185,539.40             | 93,853.35            | 28,269.37              | 13,591.77              | 45,050.50            | 38,811.23              | 31,110.23            | 5,974.41             | 17,090.79            |
| Refund of Prior Year Expenditures             | 99,679.46              |                        |                      | 33,864.39              | 6,565.50               | 22,126.00            | 243,629.33             | 95,438.28            | 184,987.50           | 75,157.01            |
| Administrative Fees                           | 3,337.39               | 3,165.40               | 3,284.22             | 558.50                 | 1,265.00               | 1,549.49             | 1,096.87               | 1,057.55             | 1,798.80             | 2,221.16             |
| Cancellation of Prior Year Outstanding Checks | 14,215.45              | 3,072.99               |                      | 17,923.95              |                        | 6,246.99             | 11,763.74              |                      |                      | 644.15               |
| Various Fines and Fees                        | 110.00                 | 172.00                 | 525.88               | 540.00                 | 1,058.94               | 631.85               | 4,883.04               | 513.46               | 1,441.65             | 2,202.15             |
| Summer School Fees                            |                        |                        |                      | 10,706.25              |                        |                      |                        | 4,918.75             | 7,050.00             | 13,300.00            |
| Excess Payroll Transfers                      | 91.99                  |                        | 768.95               |                        |                        |                      |                        |                      |                      |                      |
| Other Miscellaneous                           | 413.38                 |                        | 483.06               |                        |                        |                      |                        |                      |                      |                      |
| County Contributions                          |                        | 60,000.00              |                      |                        |                        |                      |                        |                      |                      |                      |
| E-Rate  |                        | 130,028.83             | 217,936.88           | 264,920.76             | 243,988.22             | 234,911.21           | 199,049.07             | 204,686.84           | 57,022.98            | 165,957.95           |
| ESIP/Energy Rebates                           | 332,196.15             |                        |                      |                        |                        |                      |                        |                      |                      |                      |
| Interest Earned on Capital Reserve Funds      | 38,440.76              | 65,264.11              | 11,370.48            | 4,765.37               | 3,070.23               | 1,244.21             | 3,447.93               | 10,786.75            | 31,764.93            | 47,708.20            |
| Interest Earned on Maintenance Reserve Funds  | 13,701.28              | 14,382.10              | 1,840.32             | 1,158.55               | 835.30                 | 622.24               | 996.62                 | 2,719.70             | 6,093.12             | 8,732.70             |
| Interest Earned on Emergency Reserve Funds    | 9,387.81               | 13,757.80              | 1,524.89             | 912.87                 | 646.60                 | 312.88               | 312.58                 | 645.23               | 2,509.66             | 4,046.01             |
| Interest Earned on Deposits                   | 274,516.16             | 220,365.85             | 28,001.79            | 15,455.21              | 13,813.01              | 16,183.26            | 13,926.40              | 28,206.91            | 93,848.51            | 103,867.15           |
| Total Miscellaneous Revenues                  | <u>\$ 1,797,279.98</u> | <u>\$ 1,754,340.28</u> | <u>\$ 900,297.42</u> | <u>\$ 1,117,965.53</u> | <u>\$ 1,011,897.38</u> | <u>\$ 818,591.51</u> | <u>\$ 1,042,455.72</u> | <u>\$ 804,647.78</u> | <u>\$ 634,519.80</u> | <u>\$ 909,041.33</u> |

Source: District Records

## Revenue Capacity Information

Revenue capacity information is intended to assist users in understanding and assessing the factors affecting the School District's ability to generate revenues. Please refer to the following exhibits for a historical view of these factors and how they relate to the School District's ability to generate revenues.



**GLOUCESTER TOWNSHIP SCHOOL DISTRICT**  
 Assessed Value and Actual Value of Taxable Property  
 Last Ten Fiscal Years  
*Unaudited*

| Year Ended<br>Dec. 31 | Vacant Land      | Residential         | Farm            | Commercial        | Industrial       | Apartment         | Total Assessed Value | Public Utilities (1) | Net Valuation Taxable | Taxable Value of Partial Exemptions and Abatements | Real Property Exempt from Taxation | Estimated Actual (County Equalized ) Value | Total Direct School Tax Rate (2) |
|-----------------------|------------------|---------------------|-----------------|-------------------|------------------|-------------------|----------------------|----------------------|-----------------------|--|------------------------------------|--|----------------------------------|
| 2020                  | \$ 43,409,100.00 | \$ 3,760,112,600.00 | \$ 6,273,900.00 | \$ 397,460,700.00 | \$ 51,239,000.00 | \$ 169,971,000.00 | \$ 4,428,466,300.00  | \$ 6,588,300.00      | \$ 4,435,054,600.00   | \$ 1,405,500.00                                    | \$ 721,958,700.00                  | \$ 4,544,881,200.00                        | \$ 1.174                         |
| 2019                  | 40,667,700.00    | 3,753,673,200.00    | 6,557,100.00    | 391,284,900.00    | 47,529,400.00    | 169,537,400.00    | 4,409,249,700.00     | 6,593,000.00         | 4,415,842,700.00      | 313,500.00   | 719,509,300.00                     | 4,528,900,385.00                           | 1.159                            |
| 2018                  | 42,479,100.00    | 3,749,847,700.00    | 7,058,800.00    | 380,617,300.00    | 47,616,500.00    | 159,657,900.00    | 4,387,277,300.00     | 6,527,000.00         | 4,393,804,300.00      | 401,800.00   | 719,256,600.00                     | 4,365,904,285.00                           | 1.147                            |
| 2017                  | 55,792,000.00    | 3,748,429,200.00    | 6,677,000.00    | 371,648,000.00    | 47,998,900.00    | 159,657,900.00    | 4,390,203,000.00     | 6,367,200.00         | 4,396,570,200.00      | 553,300.00   | 709,695,000.00                     | 4,259,203,585.00                           | 1.141                            |
| 2016                  | 55,182,400.00    | 3,762,790,300.00    | 6,675,400.00    | 373,582,200.00    | 47,981,100.00    | 159,262,700.00    | 4,405,474,100.00     | 6,402,300.00         | 4,411,876,400.00      | 693,400.00   | 696,449,100.00                     | 4,233,087,611.00                           | 1.102                            |
| 2015                  | 54,885,800.00    | 3,792,784,400.00    | 6,870,600.00    | 375,824,800.00    | 49,999,300.00    | 160,526,700.00    | 4,440,891,600.00     | 6,549,400.00         | 4,447,441,000.00      | 946,200.00   | 634,921,000.00                     | 4,111,264,808.00                           | 1.026                            |
| 2014                  | 43,112,300.00    | 3,798,043,600.00    | 6,969,100.00    | 337,565,300.00    | 53,742,100.00    | 160,579,500.00    | 4,400,011,900.00     | 6,371,300.00         | 4,406,383,200.00      | 1,488,200.00                                       | 703,718,500.00                     | 4,094,461,888.00                           | 1.040                            |
| 2013                  | 43,644,900.00    | 3,860,376,200.00    | 7,165,800.00    | 340,996,300.00    | 58,290,800.00    | 161,685,100.00    | 4,472,159,100.00     | 8,504,800.00         | 4,480,663,900.00      | 1,786,500.00                                       | 740,427,900.00                     | 4,224,341,056.00                           | 0.974                            |
| 2012                  | 42,470,400.00    | 3,912,957,500.00    | 7,189,600.00    | 333,418,200.00    | 57,339,900.00    | 160,651,000.00    | 4,514,026,600.00     | 10,169,900.00        | 4,524,196,500.00      | 2,243,800.00                                       | 754,018,000.00                     | 4,481,273,902.00                           | 0.956                            |
| 2011                  | 44,506,600.00    | 3,926,504,450.00    | 6,791,800.00    | 320,755,000.00    | 58,630,600.00    | 164,046,800.00    | 4,521,235,250.00     | 10,362,210.00        | 4,531,597,460.00      | 2,773,250.00                                       | 768,960,600.00                     | 4,488,606,317.00                           | 0.947                            |

(1) Taxable Value of Machinery, Implements and Equipment of Telephone, Telegraph and Messenger System Companies

(2) Tax Rates are per \$100.00 of Assessed Valuation

Source: Camden County Board of Taxation

**GLOUCESTER TOWNSHIP SCHOOL DISTRICT**

Direct and Overlapping Property Tax Rates

Last Ten Fiscal Years

(Rate per \$100 of Assessed Value)

*Unaudited*

| Year<br>Ended<br><u>Dec. 31</u> | <u>District Direct Rate</u> |  |   | <u>Overlapping Rates</u>                     |                                   |  |                          | <u>Total Direct<br/>and Overlapping<br/>Tax Rate</u> |
|---------------------------------|-----------------------------|--|---|--|-----------------------------------|--|--------------------------|--|
|                                 | <u>Basic Rate</u>           | <u>General<br/>Obligation Debt<br/>Service</u> | <u>Total Direct<br/>School<br/>Tax Rate</u> | <u>Regional<br/>High School<br/>District</u> | <u>Township of<br/>Gloucester</u> | <u>Township of<br/>Gloucester<br/>Fire Districts</u> | <u>Camden<br/>County</u> |  |
| 2020                            | \$1.161                     | \$0.014  | \$1.174                                     | \$0.630                                      | \$1.201                           | \$0.949  | \$0.885                  | \$4.839  |
| 2019                            | 1.144                       | 0.014  | 1.159                                       | 0.640  | 1.103                             | 0.934  | 0.902                    | 4.738  |
| 2018                            | 1.113                       | 0.034  | 1.147                                       | 0.637  | 1.108                             | 0.924  | 0.897                    | 4.713  |
| 2017                            | 1.087                       | 0.054  | 1.141                                       | 0.625  | 1.031                             | 0.885  | 0.869                    | 4.551  |
| 2016                            | 1.051                       | 0.052  | 1.102                                       | 0.604  | 1.028                             | 0.874  | 0.849                    | 4.457  |
| 2015                            | 0.980                       | 0.046  | 1.026                                       | 0.565  | 0.918                             | 0.835  | 0.813                    | 4.157  |
| 2014                            | 0.994                       | 0.046  | 1.040                                       | 0.542  | 0.925                             | 0.828  | 0.797                    | 4.132  |
| 2013                            | 0.922                       | 0.052  | 0.974                                       | 0.517  | 0.853                             | 0.778  | 0.791                    | 3.913  |
| 2012                            | 0.898                       | 0.058  | 0.956                                       | 0.509  | 0.845                             | 0.764  | 0.772                    | 3.846  |
| 2011                            | 0.888                       | 0.059  | 0.947                                       | 0.511  | 0.843                             | 0.734  | 0.736                    | 3.771  |

Source: Municipal Tax Collector

**GLOUCESTER TOWNSHIP SCHOOL DISTRICT**  
Principal Property Tax Payers  
Current Year and Nine Years Ago  
*Unaudited*

| <u>Taxpayer</u>                        | 2020                          |      |   | 2011                          |      |   |
|--|-------------------------------|------|---|-------------------------------|------|---|
|  | <u>Taxable Assessed Value</u> | Rank | <u>% of Total District Net Assessed Value</u> | <u>Taxable Assessed Value</u> | Rank | <u>% of Total District Net Assessed Value</u> |
| HP Altman Autumn Ridge LLC             | \$ 34,982,900.00              | 1    | 0.79%   | \$ 37,180,000.00              | 1    | 0.82%   |
| SDK Millbridge Gardens LLC             | 33,388,000.00                 | 2    | 0.75%   | 30,841,600.00                 | 3    | 0.68%   |
| Camden County Realty LLC               | 28,541,900.00                 | 3    | 0.64%   |                               |      |   |
| Korman Cherrywood Apartments           | 23,562,200.00                 | 5    | 0.53%   | 19,872,000.00                 | 4    | 0.44%   |
| Lakeview Reality Investment Assoc.     | 22,360,500.00                 | 4    | 0.50%   | 33,022,700.00                 | 2    | 0.73%   |
| East Coast Fairways Apartments         | 16,145,500.00                 | 6    | 0.36%   |                               |      |   |
| Jemstone Crosskeys LLC                 | 13,995,100.00                 | 7    | 0.32%   |                               |      |   |
| Paramount Realty SVCS, LLC             | 11,570,800.00                 | 8    | 0.26%   |                               |      |   |
| Cross Keys MZL LLC                     | 10,957,900.00                 | 9    | 0.25%   |                               |      |   |
| EIP Blackwood LLC                      | 10,935,000.00                 | 10   | 0.25%   |                               |      |   |
| Inland Western Gloucester Cross Keys   |                               |      |   | 18,165,200.00                 | 5    | 0.40%   |
| Chews Landing Investors (Market Place) |                               |      |   | 16,209,900.00                 | 6    | 0.36%   |
| Fairways Apartments                    |                               |      |   | 16,145,500.00                 | 7    | 0.36%   |
| Benderson Development                  |                               |      |   | 13,976,600.00                 | 8    | 0.31%   |
| Clinton Blackwood                      |                               |      |   | 11,193,300.00                 | 9    | 0.25%   |
| Bell Atlantic Tax Department           |                               |      |   | 10,441,210.00                 | 10   | 0.23%   |
| <b>Total</b>                           | <b>\$ 206,439,800.00</b>      |      | <b>4.65%</b>                                  | <b>\$ 207,048,010.00</b>      |      | <b>4.57%</b>                                  |

Source: Township of Gloucester

**GLOUCESTER TOWNSHIP SCHOOL DISTRICT**  
Property Tax Levies and Collections  
Last Ten Fiscal Years  
*Unaudited*

---

| <u>Fiscal Year<br/>Ended June 30,</u> | <u>School District<br/>Taxes Levied<br/>for the<br/>Fiscal Year</u> | <u>Collected within the Fiscal Year of the Levy (1)</u> |                               | <u>Collections in<br/>Subsequent<br/>Years</u> |
|---------------------------------------|---|---|-------------------------------|--|
|                                       |   | <u>Amount</u>   | <u>Percentage<br/>of Levy</u> |  |
| 2020                                  | \$ 52,060,873.00  | \$ 47,722,466.90  | 91.67%                        | \$ 4,338,406.10                                |
| 2019                                  | 50,264,381.00   | 50,264,381.00   | 100.00%                       | -  |
| 2018                                  | 50,568,937.00   | 46,354,858.88   | 91.67%                        | 4,214,078.12                                   |
| 2017                                  | 49,690,238.00   | 45,549,384.85   | 91.67%                        | 4,140,853.15                                   |
| 2016                                  | 47,583,252.00   | 43,617,980.52   | 91.67%                        | 3,965,271.48                                   |
| 2015                                  | 45,791,690.00   | 45,791,690.00   | 100.00%                       | -  |
| 2014                                  | 43,693,789.00   | 43,688,887.00   | 99.99%                        | 4,902.00                                       |
| 2013                                  | 43,512,893.00   | 43,507,991.00   | 99.99%                        | 4,902.00                                       |
| 2012                                  | 43,036,028.00   | 43,026,028.10   | 99.98%                        | 9,999.90                                       |
| 2011                                  | 42,724,666.00   | 42,714,666.10   | 99.98%                        | 9,999.90                                       |

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

Source: District Records

## Debt Capacity Information

Debt capacity information is intended to assist users in understanding and assessing the School District's debt burden and its ability to issue additional debt. Please refer to the following exhibits for a historical view of the School District's outstanding debt and its debt capacity.

**GLOUCESTER TOWNSHIP SCHOOL DISTRICT**

Ratios of Outstanding Debt by Type  
Last Ten Fiscal Years  
*Unaudited*

| Fiscal<br>Year Ended<br><u>June 30,</u> | <u>Governmental Activities</u>              |                           | <u>Total District</u> | Percentage of<br>Personal<br><u>Income (2)</u> | <u>Per Capita (3)</u> |
|---|---|---------------------------|-----------------------|--|-----------------------|
|   | <u>General<br/>Obligation<br/>Bonds (1)</u> | <u>Capital<br/>Leases</u> |                       |  |                       |
| 2020                                    | \$ 11,025,000.00                            | \$ 401,397.78             | \$ 11,426,397.78      | Unavailable                                    | \$ 178.81             |
| 2019                                    | 12,535,000.00                               | 1,102,789.46              | 13,637,789.46         | 0.40%  | 213.78                |
| 2018                                    | 4,115,000.00                                | 567,485.00                | 4,682,485.00          | 0.14%  | 73.56                 |
| 2017                                    | 7,290,000.00                                | 567,485.00                | 7,857,485.00          | 0.25%  | 123.55                |
| 2016                                    | 10,706,000.00                               | -                         | 10,706,000.00         | 0.34%  | 168.43                |
| 2015                                    | 13,836,000.00                               | 60,954.37                 | 13,896,954.37         | 0.47%  | 218.23                |
| 2014                                    | 16,871,000.00                               | 236,926.48                | 17,107,926.48         | 0.59%  | 267.53                |
| 2013                                    | 19,886,789.54                               | 230,914.83                | 20,117,704.37         | 0.70%  | 312.77                |
| 2012                                    | 23,372,579.01                               | 98,470.51                 | 23,471,049.52         | 0.83%  | 363.89                |
| 2011                                    | 26,577,368.48                               | 193,161.58                | 26,770,530.06         | 0.99%  | 414.33                |

Sources:

- (1) District Records
- (2) Personal income has been estimated based upon the municipal population and per capita personal income data provided by the NJ Dept of Labor and Workforce Development
- (3) Per Capita calculation based upon population information provided by the NJ Dept of Labor and Workforce Development

**GLOUCESTER TOWNSHIP SCHOOL DISTRICT**  
Ratios of Net General Bonded Debt Outstanding  
Last Ten Fiscal Years  
*Unaudited*

| Fiscal Year<br>Ended June 30. | General Bonded Debt Outstanding |            |   | Percentage of<br>Net Assessed<br>Valuation<br>Taxable (2) | Per Capita (3) |
|-------------------------------|---------------------------------|------------|---|---|----------------|
|                               | General<br>Obligation<br>Bonds  | Deductions | Net General<br>Bonded Debt<br>Outstanding (1) |   |                |
| 2020                          | \$ 11,025,000.00                | -          | \$ 11,025,000.00                              | 0.25%   | \$ 172.53      |
| 2019                          | 12,535,000.00                   | -          | 12,535,000.00                                 | 0.28%   | 196.49         |
| 2018                          | 4,115,000.00                    | -          | 4,115,000.00                                  | 0.09%   | 64.64          |
| 2017                          | 7,290,000.00                    | -          | 7,290,000.00                                  | 0.17%   | 114.63         |
| 2016                          | 10,706,000.00                   | -          | 10,706,000.00                                 | 0.24%   | 168.43         |
| 2015                          | 13,836,000.00                   | -          | 13,836,000.00                                 | 0.31%   | 217.27         |
| 2014                          | 16,871,000.00                   | -          | 16,871,000.00                                 | 0.38%   | 263.82         |
| 2013                          | 19,886,789.54                   | -          | 19,886,789.54                                 | 0.44%   | 309.18         |
| 2012                          | 23,372,579.01                   | -          | 23,372,579.01                                 | 0.52%   | 362.37         |
| 2011                          | 26,577,368.48                   | -          | 26,577,368.48                                 | 0.59%   | 411.34         |

**Sources:**

- (1) District Records
- (2) Net Assessed Valuation provided by Abstract of Ratables, County Board of Taxation
- (3) Per Capita calculation based upon population information provided by the NJ Dept of Labor and Workforce Development

**GLOUCESTER TOWNSHIP SCHOOL DISTRICT**  
 Direct and Overlapping Governmental Activities Debt  
 As of December 31, 2019  
*Unaudited*

|   | <u>Gross Debt</u>        | <u>Deductions</u>        | <u>Statutory<br/>Net<br/>Debt<br/>Outstanding</u> | <u>Net Debt<br/>Outstanding<br/>Allocated to<br/>Gloucester Township</u> | <u>Debt<br/>Authorized but<br/>not Issued</u> |
|---|--------------------------|--------------------------|---|--|---|
| Municipal Debt: (1)   |                          |                          |   |  |   |
| Gloucester Township School District (1)                         | \$ 12,035,000.00         | \$ 12,035,000.00         |   |  |   |
| Gloucester Township (3)   | 68,997,165.30            | 91,960.15                | \$ 68,905,205.15                                  | \$ 68,905,205.15   |   |
|   | <u>81,032,165.30</u>     | <u>12,126,960.15</u>     | <u>68,905,205.15</u>                              | <u>68,905,205.15</u>   |   |
| Overlapping Debt Apportioned to<br>the Municipality:            |                          |                          |   |  |   |
| County of Camden: (1)   |                          |                          |   |  |   |
| General:  |                          |                          |   |  |   |
| Bonds   | 40,475,000.00            | 17,734,529.00 (4)        | 22,740,471.00                                     | 2,681,101.53 (6)   | \$ 44,848,355.85                              |
| Notes   | 35,461,125.00            |                          | 35,461,125.00                                     | 4,180,866.64 (6)   |   |
| Loan Agreements   | 340,001,133.00           |                          | 340,001,133.00                                    | 40,086,133.58 (6)  |   |
| Bonds Issued by Other Public Bodies<br>Guaranteed by the County | 260,305,410.00           | 260,305,410.00 (5)       |   |  |   |
| Gloucester Township Municipal Utilities Authority(1)            | 5,843,582.81             |                          | 5,843,582.81                                      | 5,843,582.81   |   |
| Gloucester Township Fire Districts (1)                          | 300,000.00               |                          | 300,000.00  | 300,000.00   |   |
|   | <u>682,386,250.81</u>    | <u>278,039,939.00</u>    | <u>404,346,311.81</u>                             | <u>53,091,684.56</u>   | <u>44,848,355.85</u>                          |
|   | <u>\$ 763,418,416.11</u> | <u>\$ 290,166,899.15</u> | <u>\$ 473,251,516.96</u>                          | <u>\$ 121,996,889.71</u>   | <u>\$ 44,848,355.85</u>                       |

## Sources:

- (1) Entity's Audit Report
- (2) Allocated based on percentage of average equalized valuations
- (3) Township Audit Report
- (4) Includes Reserve for Payment of Bonds, Other Accounts Receivable and General Obligation Pension Refunding Bonds.
- (5) Deductible in accordance with N.J.S. 40:37A-80.
- (6) Such debt is allocated as a proportion of the Issuer's share of the total 2019 Net Valuation on which County taxes are apportioned, which is 11.79%.  
The source for this computation was the County of Camden 2019 Abstract of Ratables.



**GLOUCESTER TOWNSHIP SCHOOL DISTRICT**  
 Legal Debt Margin Information  
 Last Ten Fiscal Years  
*Unaudited*

**Legal Debt Margin Calculation for Fiscal Year 2020**

|   | <u>Equalized<br/>Valuation<br/>Basis (1)</u> |
|---|--|
| 2019  | \$ 4,518,599,816                             |
| 2018  | 4,499,771,590                                |
| 2017  | 4,362,284,380                                |
|   | <u>\$ 13,380,655,786</u>                     |
| Average equalized valuation of taxable property   | <u>\$ 4,460,218,595</u>                      |
| Debt limit (3% of average equalization value) (2) | \$ 133,806,558                               |
| Total Net Debt Applicable to Limit                | <u>11,025,000</u>                            |
| Legal Debt Margin                                 | <u>\$ 122,781,558</u>                        |

|   | Fiscal Year Ended June 30, |                          |                          |                          |                          |                          |                          |                          |                          |                          |
|---|----------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
|   | 2020                       | 2019                     | 2018                     | 2017                     | 2016                     | 2015                     | 2014                     | 2013                     | 2012                     | 2011                     |
| Debt limit  | \$ 133,806,557.86          | \$ 131,296,856.32        | \$ 128,905,794.93        | \$ 125,952,254.21        | \$ 124,827,189.59        | \$ 124,773,576.18        | \$ 128,886,714.17        | \$ 133,413,353.94        | \$ 137,690,127.16        | \$ 141,058,374.86        |
| Total net debt applicable to limit (3)                                  | <u>11,025,000.00</u>       | <u>12,535,000.00</u>     | <u>4,115,000.00</u>      | <u>7,290,000.00</u>      | <u>10,706,000.00</u>     | <u>13,836,000.00</u>     | <u>16,871,000.00</u>     | <u>19,886,789.54</u>     | <u>23,372,579.01</u>     | <u>26,577,368.48</u>     |
| Legal debt margin   | <u>\$ 122,781,557.86</u>   | <u>\$ 118,761,856.32</u> | <u>\$ 124,790,794.93</u> | <u>\$ 118,662,254.21</u> | <u>\$ 114,121,189.59</u> | <u>\$ 110,937,576.18</u> | <u>\$ 112,015,714.17</u> | <u>\$ 113,526,564.40</u> | <u>\$ 114,317,548.15</u> | <u>\$ 114,481,006.38</u> |
| Total net debt applicable to the limit<br>as a percentage of debt limit | 8.24%                      | 9.55%                    | 3.19%                    | 5.79%                    | 8.58%                    | 11.09%                   | 13.09%                   | 14.91%                   | 16.97%                   | 18.84%                   |

Sources:

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

## Demographic and Economic Information

Demographic and economic information is intended (1) to assist users in understanding the socioeconomic environment within which the School District operates and (2) to provide information that facilitates comparisons of financial statement information over time and among school districts. Please refer to the following exhibits for a historical view of the demographic and economic statistics and factors prevalent in the location in which the School District operates.

**GLOUCESTER TOWNSHIP SCHOOL DISTRICT**  
 Demographic and Economic Statistics  
 Last Ten Fiscal Years  
*Unaudited*

---

| <u>Year</u> | <u>Population (1)</u> | <u>Personal<br/>Income (2)</u> | County of<br>Camden<br><u>Per Capita<br/>Personal<br/>Income (3)</u> | <u>Unemployment<br/>Rate (4)</u> |
|-------------|-----------------------|--------------------------------|--|----------------------------------|
| 2019        | 63,903                | Unavailable                    | Unavailable  | 3.8%                             |
| 2018        | 63,794                | \$ 3,451,446,782.00            | \$ 54,103.00   | 4.2%                             |
| 2017        | 63,657                | 3,300,742,764.00               | 51,852.00  | 4.6%                             |
| 2016        | 63,596                | 3,190,229,744.00               | 50,164.00  | 5.0%                             |
| 2015        | 63,565                | 3,107,756,415.00               | 48,891.00  | 5.7%                             |
| 2014        | 63,681                | 2,986,957,305.00               | 46,905.00  | 7.1%                             |
| 2013        | 63,948                | 2,892,751,728.00               | 45,236.00  | 8.1%                             |
| 2012        | 64,322                | 2,868,246,624.00               | 44,592.00  | 9.4%                             |
| 2011        | 64,500                | 2,824,777,500.00               | 43,795.00  | 9.3%                             |
| 2010        | 64,611                | 2,703,647,295.00               | 41,845.00  | 9.6%                             |

Sources:

- (1) Population information provided by the NJ Dept of Labor and Workforce Development
- (2) Personal income has been estimated based upon the municipal population and per capita personal income presented
- (3) Per Capita Personal Income data provided by the NJ Dept of Labor and Workforce Development
- (4) Unemployment data provided by the NJ Dept of Labor and Workforce Development

**GLOUCESTER TOWNSHIP SCHOOL DISTRICT**  
Principal Non-Governmental Employers  
Current Year and Nine Years Ago  
*Unaudited*

| <u>Employer</u>               | <u>2020 (1)</u>  |             |   | <u>2011 (2)</u>  |             |   |
|-------------------------------|------------------|-------------|---|------------------|-------------|---|
|                               | <u>Employees</u> | <u>Rank</u> | <u>Percentage of Total Municipal Employment</u> | <u>Employees</u> | <u>Rank</u> | <u>Percentage of Total Municipal Employment</u> |
| Metrologic Corp.              |                  |             |   | 500              | 1           |   |
| U.S. Vision                   |                  |             |   | 350              | 2           |   |
| Zallie Supermarkets           |                  |             |   | 300              | 3           |   |
| Freeland Associates           |                  |             |   | 255              | 4           |   |
| Super G                       |                  |             |   | 225              | 5           |   |
| Blackwell North America       |                  |             |   | 180              | 6           |   |
| Wastequip/Accurate Industries |                  |             |   | 150              | 7           |   |
| K-Mart                        |                  |             |   | 100              | 8           |   |
| A.L. Hyde Company             |                  |             |   | 95               | 9           |   |
| Reliable Tire                 |                  |             |   | 77               | 10          |   |
|                               |                  |             |   | 2,232            |             |   |
|                               | -                |             | -   |                  |             | -   |

(1) Information not available

(2) Source: Township Official Statement

## Operating Information

Operating information is intended to provide contextual information about the School District's operations and resources to assist readers in using financial statement information to understand and assess the School District's economic condition. Please refer to the following exhibits for a historical view of the factors and statistics pertinent to the School District's operations.

**GLOUCESTER TOWNSHIP SCHOOL DISTRICT**  
 Full-time Equivalent District Employees by Function/Program  
 Last Ten Fiscal Years  
*Unaudited*

| <u>Function/Program</u>                   | Fiscal Year Ended June 30, |                |                |              |                |                |                |                |                |                |
|---|----------------------------|----------------|----------------|--------------|----------------|----------------|----------------|----------------|----------------|----------------|
|   | <u>2020</u>                | <u>2019</u>    | <u>2018</u>    | <u>2017</u>  | <u>2016</u>    | <u>2015</u>    | <u>2014</u>    | <u>2013</u>    | <u>2012</u>    | <u>2011</u>    |
| Instruction:                              |                            |                |                |              |                |                |                |                |                |                |
| Teachers                                  | 533.0                      | 600.0          | 575.0          | 545.0        | 534.5          | 534.5          | 533.0          | 534.0          | 526.0          | 528.0          |
| Classroom Aides                           | 69.0                       | 94.0           | 76.0           | 77.0         | 67.0           | 69.0           | 62.0           | 60.0           | 56.0           | 53.0           |
| Support Services:                         |                            |                |                |              |                |                |                |                |                |                |
| Attendance and Social Work services       | 7.0                        | 8.0            | 6.0            | 6.0          | 4.5            | 4.5            | 2.7            | 2.0            | 1.0            | 1.0            |
| Health Services                           | 22.0                       | 19.0           | 4.0            | 4.0          | 23.0           | 23.0           | 24.0           | 24.0           | 24.0           | 22.0           |
| Related Services                          | 19.0                       | 25.0           | 22.0           | 19.0         | 19.0           | 19.0           | 18.0           | 18.0           | 21.0           | 22.0           |
| Guidance Services                         | 17.0                       | 17.0           | 17.0           | 17.0         | 20.0           | 21.0           | 21.0           | 21.0           | 19.0           | 19.0           |
| Child Study Team Services                 | 20.0                       | 9.0            | 14.0           | 14.0         | 20.0           | 20.0           | 20.0           | 21.0           | 20.0           | 22.0           |
| Improvement of Instruction Services       | 11.0                       | 7.0            | 7.0            | 8.0          | 9.7            | 9.7            | 12.0           | 11.6           | 9.0            | 15.0           |
| Media/Library Services                    | 17.0                       | 6.0            | 23.0           | 18.0         | 18.0           | 18.0           | 18.0           | 18.0           | 18.0           | 11.0           |
| General Administrative Services           | 2.0                        | 2.0            | 2.0            | 2.0          | 2.0            | 2.0            | 2.0            | 2.0            | 2.0            | 2.0            |
| School Administrative Services            | 50.0                       | 21.0           | 25.0           | 22.0         | 50.0           | 50.0           | 50.0           | 50.0           | 49.0           | 51.0           |
| Central Services                          | 16.0                       | 15.0           | 14.0           | 11.0         | 15.0           | 15.0           | 17.0           | 17.0           | 16.5           | 16.0           |
| Administrative Information Technology     | 8.0                        | 9.0            | 8.0            | 8.0          | 9.3            | 9.3            | 7.3            | 7.3            | 9.0            | 9.0            |
| Plant Operations and Maintenance Services | 72.0                       | 69.0           | 69.0           | 58.0         | 68.0           | 70.0           | 68.0           | 69.0           | 71.0           | 69.0           |
| Student Transportation Services           | 14.0                       | 65.0           | 30.0           | 16.0         | 14.0           | 21.0           | 17.0           | 15.0           | 15.0           | 12.0           |
| Business and Other Support Services       |                            | 9.0            | 24.0           | 24.0         | -              | -              | -              | -              | -              | -              |
| Various Other Functions                   | 59.0                       | 2.0            | 27.0           | 59.0         | 69.0           | 67.0           | 77.0           | 79.0           | 72.0           | 81.0           |
| Food Service                              | 58.0                       | 38.0           | 58.0           | 57.0         | 58.0           | 61.0           | 60.0           | 59.0           | 59.0           | 62.0           |
| Latchkey                                  | 22.0                       | 23.0           | 32.0           | 21.0         | 20.3           | 24.3           | 33.6           | 33.6           | 36.0           | 36.0           |
| <b>Total</b>                              | <u>1,016.0</u>             | <u>1,038.0</u> | <u>1,033.0</u> | <u>986.0</u> | <u>1,021.3</u> | <u>1,038.3</u> | <u>1,042.6</u> | <u>1,041.5</u> | <u>1,023.5</u> | <u>1,031.0</u> |

Source: Annual School District Budget Statement Supporting Documentation

**GLOUCESTER TOWNSHIP SCHOOL DISTRICT**  
 Operating Statistics  
 Last Ten Fiscal Years  
*Unaudited*

| Fiscal<br>Year<br>Ended<br>June 30, | Enrollment | Operating<br>Expenditures | Cost Per<br>Pupil | Percentage<br>Change | Teaching<br>Staff | Pupil/Teacher Ratio |               | Average Daily<br>Enrollment<br>(ADE) | Average Daily<br>Attendance<br>(ADA) | % Change in<br>Average Daily<br>Enrollment | Student<br>Attendance<br>Percentage |
|-------------------------------------|------------|---------------------------|-------------------|----------------------|-------------------|---------------------|---------------|--------------------------------------|--------------------------------------|--|-------------------------------------|
|                                     |            |                           |                   |                      |                   | Elementary          | Middle School |                                      |                                      |  |                                     |
| 2020                                | 6,366      | \$ 121,550,063.91         | \$ 19,093.63      | -0.46%               | 578               | 11.4                | 10.3          | 6,395.96                             | 6,208.23                             | 2.40%                                      | 97.06%                              |
| 2019                                | 6,267      | 120,208,258.02            | 19,181.15         | 6.09%                | 599               | 10.8                | 10.1          | 6,246.35                             | 5,956.94                             | -1.23%                                     | 95.05%                              |
| 2018                                | 6,358      | 114,950,063.94            | 18,079.59         | 3.17%                | 543               | 12.0                | 9.9           | 6,324.19                             | 6,006.72                             | -0.56%                                     | 94.98%                              |
| 2017                                | 6,360      | 111,455,209.25            | 17,524.40         | 5.21%                | 545               | 9.7                 | 10.9          | 6,359.93                             | 6,049.84                             | -0.44%                                     | 95.12%                              |
| 2016                                | 6,407      | 106,720,075.00            | 16,656.79         | 3.84%                | 559               | 11.9                | 10.8          | 6,388.21                             | 6,079.83                             | -2.23%                                     | 95.17%                              |
| 2015                                | 6,514      | 104,490,378.81            | 16,040.89         | 5.98%                | 559               | 12.3                | 18.2          | 6,533.97                             | 6,227.24                             | -3.19%                                     | 95.31%                              |
| 2014                                | 6,770      | 102,471,834.00            | 15,136.16         | 5.72%                | 558               | 18.8                | 23.5          | 6,749.50                             | 6,433.29                             | -2.77%                                     | 95.32%                              |
| 2013                                | 6,946      | 99,446,071.36             | 14,317.03         | 4.12%                | 559               | 19.0                | 25.4          | 6,941.80                             | 6,596.10                             | -1.19%                                     | 95.00%                              |
| 2012                                | 7,048      | 96,911,962.89             | 13,750.28         | 11.43%               | 557               | 19.3                | 26.0          | 7,025.30                             | 6,708.10                             | -4.29%                                     | 95.50%                              |
| 2011                                | 7,360      | 90,820,243.71             | 12,339.71         | -3.57%               | 557               | 18.8                | 27.6          | 7,340.30                             | 6,998.80                             | -1.19%                                     | 95.30%                              |

Sources: District Records

**GLOUCESTER TOWNSHIP SCHOOL DISTRICT**  
 School Building Information  
 Last Ten Fiscal Years  
*Unaudited*

|                            | Fiscal Year Ended June 30, |        |        |        |        |        |        |        |        |        |
|----------------------------|----------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
|                            | 2020                       | 2019   | 2018   | 2017   | 2016   | 2015   | 2014   | 2013   | 2012   | 2011   |
| <b>District Buildings:</b> |                            |        |        |        |        |        |        |        |        |        |
| <b>Elementary Schools:</b> |                            |        |        |        |        |        |        |        |        |        |
| Blackwood (1958)           |                            |        |        |        |        |        |        |        |        |        |
| Square Feet                | 67,565                     | 67,565 | 67,565 | 67,565 | 67,565 | 67,565 | 67,565 | 67,565 | 67,565 | 67,565 |
| Capacity (students)        | 850                        | 850    | 850    | 850    | 850    | 850    | 850    | 850    | 850    | 850    |
| Enrollment                 | 643                        | 579    | 597    | 590    | 635    | 589    | 606    | 615    | 605    | 676    |
| Chews (1958)               |                            |        |        |        |        |        |        |        |        |        |
| Square Feet                | 76,676                     | 76,676 | 76,676 | 76,676 | 76,676 | 76,676 | 76,676 | 76,676 | 76,676 | 76,676 |
| Capacity (students)        | 925                        | 925    | 925    | 925    | 925    | 925    | 925    | 925    | 925    | 925    |
| Enrollment                 | 663                        | 673    | 667    | 664    | 678    | 701    | 729    | 745    | 748    | 820    |
| Erial (1961)               |                            |        |        |        |        |        |        |        |        |        |
| Square Feet                | 76,202                     | 76,202 | 76,202 | 76,202 | 76,202 | 76,202 | 76,202 | 76,202 | 76,202 | 76,202 |
| Capacity (students)        | 925                        | 925    | 925    | 925    | 925    | 925    | 925    | 925    | 925    | 925    |
| Enrollment                 | 665                        | 646    | 677    | 654    | 659    | 641    | 718    | 730    | 766    | 764    |
| Glendora (1922)            |                            |        |        |        |        |        |        |        |        |        |
| Square Feet                | 32,906                     | 32,906 | 32,906 | 32,906 | 32,906 | 32,906 | 32,906 | 32,906 | 32,906 | 32,906 |
| Capacity (students)        | 350                        | 350    | 350    | 350    | 350    | 350    | 350    | 350    | 350    | 350    |
| Enrollment                 | 226                        | 232    | 252    | 234    | 243    | 285    | 286    | 277    | 285    | 285    |
| Gloucester Township (1926) |                            |        |        |        |        |        |        |        |        |        |
| Square Feet                | 37,684                     | 37,684 | 37,684 | 37,684 | 37,684 | 37,684 | 37,684 | 37,684 | 37,684 | 37,684 |
| Capacity (students)        | 350                        | 350    | 350    | 350    | 350    | 350    | 350    | 350    | 350    | 350    |
| Enrollment                 | 257                        | 236    | 246    | 256    | 236    | 255    | 258    | 275    | 272    | 278    |
| J.W. Lilley (1986)         |                            |        |        |        |        |        |        |        |        |        |
| Square Feet                | 67,812                     | 67,812 | 67,812 | 67,812 | 67,812 | 67,812 | 67,812 | 67,812 | 67,812 | 67,812 |
| Capacity (students)        | 925                        | 925    | 925    | 925    | 925    | 925    | 925    | 925    | 925    | 925    |
| Enrollment                 | 530                        | 504    | 521    | 509    | 500    | 452    | 485    | 487    | 510    | 593    |
| Loring-Flemming (1976)     |                            |        |        |        |        |        |        |        |        |        |
| Square Feet                | 75,150                     | 75,150 | 75,150 | 75,150 | 75,150 | 75,150 | 75,150 | 75,150 | 75,150 | 75,150 |
| Capacity (students)        | 975                        | 975    | 975    | 975    | 975    | 975    | 975    | 975    | 975    | 975    |
| Enrollment                 | 665                        | 682    | 708    | 704    | 660    | 707    | 742    | 780    | 761    | 745    |
| Union Valley (2001)        |                            |        |        |        |        |        |        |        |        |        |
| Square Feet                | 88,841                     | 88,841 | 88,841 | 88,841 | 88,841 | 88,841 | 88,841 | 88,841 | 88,841 | 88,841 |
| Capacity (students)        | 925                        | 925    | 925    | 925    | 925    | 925    | 925    | 925    | 925    | 925    |
| Enrollment                 | 502                        | 467    | 441    | 458    | 481    | 509    | 523    | 543    | 561    | 607    |

(Continued)



**GLOUCESTER TOWNSHIP SCHOOL DISTRICT**  
 School Building Information  
 Last Ten Fiscal Years  
*Unaudited*

|  | Fiscal Year Ended June 30, |             |             |             |             |             |             |             |             |             |
|--|----------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
|  | <u>2020</u>                | <u>2019</u> | <u>2018</u> | <u>2017</u> | <u>2016</u> | <u>2015</u> | <u>2014</u> | <u>2013</u> | <u>2012</u> | <u>2011</u> |
| <b>District Buildings:</b>                 |                            |             |             |             |             |             |             |             |             |             |
| <b>Middle Schools:</b>                     |                            |             |             |             |             |             |             |             |             |             |
| C.W. Lewis (1964)                          |                            |             |             |             |             |             |             |             |             |             |
| Square Feet                                | 133,119                    | 133,119     | 133,119     | 133,119     | 133,119     | 133,119     | 133,119     | 133,119     | 133,119     | 133,119     |
| Capacity (students)                        | 1,100                      | 1,100       | 1,100       | 1,100       | 1,100       | 1,100       | 1,100       | 1,100       | 1,100       | 1,100       |
| Enrollment                                 | 674                        | 686         | 635         | 638         | 639         | 685         | 693         | 679         | 671         | 641         |
| Glen Landing (1971)                        |                            |             |             |             |             |             |             |             |             |             |
| Square Feet                                | 131,646                    | 131,646     | 131,646     | 131,646     | 131,646     | 131,646     | 131,646     | 131,646     | 131,646     | 131,646     |
| Capacity (students)                        | 1,100                      | 1,100       | 1,100       | 1,100       | 1,100       | 1,100       | 1,100       | 1,100       | 1,100       | 1,100       |
| Enrollment                                 | 704                        | 707         | 736         | 750         | 751         | 799         | 813         | 842         | 820         | 843         |
| Ann A. Mullen (1996)                       |                            |             |             |             |             |             |             |             |             |             |
| Square Feet                                | 173,342                    | 173,342     | 173,342     | 173,342     | 173,342     | 173,342     | 173,342     | 173,342     | 173,342     | 173,342     |
| Capacity (students)                        | 1,350                      | 1,350       | 1,350       | 1,350       | 1,350       | 1,350       | 1,350       | 1,350       | 1,350       | 1,350       |
| Enrollment                                 | 837                        | 855         | 878         | 903         | 925         | 891         | 917         | 973         | 1,049       | 1,108       |
| <b>Other:</b>                              |                            |             |             |             |             |             |             |             |             |             |
| Administration Office (1955)               |                            |             |             |             |             |             |             |             |             |             |
| Square Feet                                | 7,440                      | 7,440       | 7,440       | 7,440       | 7,440       | 7,440       | 7,440       | 7,440       | 7,440       | 7,440       |
| Mirenda Building (1923)                    |                            |             |             |             |             |             |             |             |             |             |
| Square Feet                                | 10,300                     | 10,300      | 10,300      | 10,300      | 10,300      | 10,300      | 10,300      | 10,300      | 10,300      | 10,300      |
| Maintenance/Transportation Building (1970) |                            |             |             |             |             |             |             |             |             |             |
| Square Feet                                | 18,716                     | 18,716      | 18,716      | 18,716      | 18,716      | 18,716      | 18,716      | 18,716      | 18,716      | 18,716      |
| Grenloch Building (1916)                   |                            |             |             |             |             |             |             |             |             |             |
| Square Feet                                | 9,492                      | 9,492       | 9,492       | 9,492       | 9,492       | 9,492       | 9,492       | 9,492       | 9,492       | 9,492       |
| Number of Schools at June 30, 2020         |                            |             |             |             |             |             |             |             |             |             |
| Elementary = 8                             |                            |             |             |             |             |             |             |             |             |             |
| Middle School = 3                          |                            |             |             |             |             |             |             |             |             |             |
| Other = 4                                  |                            |             |             |             |             |             |             |             |             |             |

Source: District Records

**GLOUCESTER TOWNSHIP SCHOOL DISTRICT**  
 Schedule of Required Maintenance  
 Last Ten Fiscal Years  
*Unaudited*

**UNDISTRIBUTED EXPENDITURES - REQUIRED MAINTENANCE FOR SCHOOL FACILITIES (11-000-261-XXX)**

| School Facilities                     | Project # (s) | Fiscal Year Ended June 30, |                      |                      |                      |                      |                      |                      |                      |                      |                      |
|---------------------------------------|---------------|----------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
|                                       |               | 2020                       | 2019                 | 2018                 | 2017                 | 2016                 | 2015                 | 2014                 | 2013                 | 2012                 | 2011                 |
| Blackwood Elementary School           | N/A           | \$ 54,426.14               | \$ 55,707.00         | \$ 55,398.00         | \$ 63,630.00         | \$ 61,146.90         | \$ 68,841.19         | \$ 69,502.67         | \$ 37,987.46         | \$ 26,170.31         | \$ 27,533.69         |
| C.W. Lewis Middle School              | N/A           | 107,300.81                 | 109,826.00           | 109,218.00           | 125,445.00           | 120,550.73           | 135,720.01           | 134,880.40           | 74,892.49            | 44,217.69            | 46,521.28            |
| Chews Elementary School               | N/A           | 61,765.39                  | 63,219.00            | 62,869.00            | 72,210.00            | 69,392.44            | 78,124.29            | 78,961.01            | 43,110.36            | 34,171.36            | 35,951.57            |
| Erial Elementary School               | N/A           | 61,383.56                  | 62,828.00            | 62,480.00            | 71,763.00            | 68,963.46            | 77,641.33            | 77,857.35            | 42,843.38            | 28,050.09            | 29,511.40            |
| Glen Landing Middle School            | N/A           | 94,760.20                  | 96,991.00            | 96,453.00            | 110,784.00           | 106,461.57           | 119,857.95           | 120,818.14           | 66,139.25            | 68,502.39            | 72,071.13            |
| Glendora Elementary School            | N/A           | 27,043.50                  | 27,680.00            | 27,527.00            | 31,617.00            | 30,382.95            | 34,206.12            | 34,793.64            | 18,875.23            | 11,680.73            | 12,289.26            |
| Gloucester Township Elementary School | N/A           | 28,179.31                  | 28,843.00            | 28,683.00            | 32,944.00            | 31,659.01            | 35,642.75            | 35,928.92            | 19,668.43            | 14,287.47            | 15,031.80            |
| J.W. Lilley Elementary School         | N/A           | 54,625.10                  | 55,911.00            | 55,601.00            | 63,862.00            | 61,370.44            | 69,092.86            | 41,343.21            | 38,126.75            | 24,826.81            | 26,120.20            |
| Loring-Flemming Elementary School     | N/A           | 60,536.14                  | 61,961.00            | 61,618.00            | 70,773.00            | 68,011.39            | 76,569.46            | 75,634.72            | 42,252.35            | 44,213.43            | 46,516.80            |
| Ann A. Mullen Middle School           | N/A           | 139,633.47                 | 142,920.00           | 142,127.38           | 163,245.00           | 156,875.99           | 176,616.15           | 176,962.68           | 97,459.97            | 94,472.90            | 67,834.03            |
| Union Valley Elementary School        | N/A           | 71,274.76                  | 72,952.00            | 72,548.00            | 83,327.00            | 80,076.14            | 90,152.26            | 89,985.08            | 49,748.08            | 40,964.88            | 43,099.01            |
| <b>Total School Facilities</b>        |               | <u>760,928.36</u>          | <u>774,522.38</u>    | <u>889,600.00</u>    | <u>854,891.02</u>    | <u>962,464.39</u>    | <u>936,667.82</u>    | <u>936,667.82</u>    | <u>531,103.76</u>    | <u>431,558.07</u>    | <u>422,480.17</u>    |
| Other Facilities                      |               | 21,069.28                  | 21,566.00            | 21,446.00            | 24,632.00            | -                    | -                    | -                    | 2,978.85             | 32,694.18            | 34,155.98            |
| <b>Grand Total</b>                    |               | <u>\$ 781,997.64</u>       | <u>\$ 795,968.38</u> | <u>\$ 914,232.00</u> | <u>\$ 854,891.02</u> | <u>\$ 962,464.39</u> | <u>\$ 936,667.82</u> | <u>\$ 936,667.82</u> | <u>\$ 534,082.61</u> | <u>\$ 464,252.25</u> | <u>\$ 456,636.15</u> |

Source: District Records

**GLOUCESTER TOWNSHIP SCHOOL DISTRICT**

Insurance Schedule

June 30, 2020

*Unaudited*

---

|  | <u>Coverage</u>   | <u>Deductible</u> |
|--|-------------------|-------------------|
| School Package Policy  |                   |                   |
| Property   |                   |                   |
| Blanket Building & Contents (including Boiler and Machinery)           | \$ 220,915,709.00 | \$ 1,000.00       |
| Earthquake   | 5,000,000.00      | 25,000.00         |
| Flood  | 5,015,000.00      | 25,000.00         |
| Equipment  |                   |                   |
| Audio Visual   | 908,930.00        | 250.00            |
| Lab/Science/Engineer   | 132,357.00        | 250.00            |
| Data Processing  | 5,428,995.00      | 250.00            |
| Communications   | 150,000.00        | 250.00            |
| Cyber Suite  | 1,000,000.00      | 10,000.00         |
| Employee Dishonesty /Faithful Performance - Per Loss                   | 100,000.00        | 500.00            |
| Comprehensive General Liability  |                   |                   |
| General  | 2,000,000.00      | -                 |
| Products and Completed Operations                                      | 1,000,000.00      | -                 |
| Personal and Advertising Injury  | 1,000,000.00      | -                 |
| Employee Benefits - Each Loss Limit                                    | 1,000,000.00      | 1,000.00          |
| Employee Benefits - Aggregate Limit                                    | 3,000,000.00      | -                 |
| Sexual Abuse and Molestation - Each Loss Limit                         | 1,000,000.00      | -                 |
| Sexual Abuse and Molestation - Each Loss Limit                         | 3,000,000.00      | -                 |
| School District and Educators Legal Liability Policy - Each Loss Limit | 1,000,000.00      | 5,000.00          |
| School District and Educators Legal Liability Policy - Aggregate Limit | 2,000,000.00      | -                 |
| Comprehensive Automobile Liability                                     | 1,000,000.00      | 10,000.00         |
| Umbrella Liability   |                   |                   |
| Umbrella Policy  | 15,000,000.00     | 10,000.00         |
| Excess Workers Compensation & Employer's Liability                     |                   |                   |
| Employers' Liability - Per Occurrence / Aggregate                      | 1,000,000.00      | -                 |
| Self-Insured Retention – Per Occurrence                                |                   | 500,000.00        |
| Student Accident   | 25,000.00         | -                 |
| Catastrophic Student Accident  | 1,000,000.00      | 25,000.00         |

Source: District Insurance Broker

SINGLE AUDIT SECTION

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

**INDEPENDENT AUDITOR'S REPORT**

The Honorable President and  
Members of the Board of Education  
Gloucester Township School District  
County of Camden

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

We have audited the Gloucester Township School District's, in the County of Camden, State of New Jersey, compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and the *New Jersey State Grant Compliance Supplement* that could have a direct and material effect on each of the School District's major federal and state programs for the fiscal year ended June 30, 2020. The School District's major federal and state programs are identified in the *Summary of Auditor's Results* section of the accompanying *Schedule of Findings and Questioned Costs*.

***Management's Responsibility***

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

***Auditor's Responsibility***

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

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal and state program. However, our audit does not provide a legal determination of the Gloucester Township School District's, in the County of Camden, State of New Jersey, compliance.

***Opinion on Each Major Federal and State Program***

In our opinion, the Gloucester Township School District, in the County of Camden, State of New Jersey, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the fiscal year ended June 30, 2020.

### Report on Internal Control over Compliance

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

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

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

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

Respectfully submitted,



BOWMAN & COMPANY LLP  
Certified Public Accountants  
& Consultants



Todd R. Saler  
Certified Public Accountant  
Public School Accountant No. CS 02195

Voorhees, New Jersey  
February 1, 2021

**GLOUCESTER TOWNSHIP SCHOOL DISTRICT**  
 Schedule of Expenditures of Federal Awards  
 For the Fiscal Year Ended June 30, 2020

| Federal Grantor/<br>Pass-through Grantor/<br>Program or Cluster Title     | CFDA<br>Number | Federal<br>FAIN<br>Number | Pass-Through Entity<br>Identifying Number | Award<br>Amount | Grant Period |         | Balance<br>June 30, 2019 |
|---|----------------|---------------------------|---|-----------------|--------------|---------|--------------------------|
|   |                |                           |   |                 | From         | To      |                          |
| <b>General Fund:</b>  |                |                           |   |                 |              |         |                          |
| U.S. Department of Health and Human Services:                             |                |                           |   |                 |              |         |                          |
| Passed-through the State Department of Education:                         |                |                           |   |                 |              |         |                          |
| Medicaid Cluster:   |                |                           |   |                 |              |         |                          |
| Medical Assistance Program (Special Education Medicaid Initiative)        | 93.778         | 2005NJ5MAP                | 100-054-7540-211                          | \$ 261,470.23   | 7-1-19       | 6-30-20 |                          |
| Total Medicaid Cluster  |                |                           |   |                 |              |         | -                        |
| Total General Fund  |                |                           |   |                 |              |         | -                        |
| <b>Special Revenue Fund:</b>  |                |                           |   |                 |              |         |                          |
| U.S. Department of Education:   |                |                           |   |                 |              |         |                          |
| Passed-through State Department of Education:                             |                |                           |   |                 |              |         |                          |
| E.S.S.A.:   |                |                           |   |                 |              |         |                          |
| Title I - Grants to Local Educational Agencies                            | 84.010         | S010A190030               | 100-034-5064-194                          | 1,076,874.00    | 7-1-19       | 9-30-20 |                          |
| Title I - Grants to Local Educational Agencies                            | 84.010         | S010A180030               | 100-034-5064-194                          | 1,091,411.00    | 7-1-18       | 6-30-19 | \$ (409,011.00)          |
| Title I Reallocated - Grants to Local Educational Agencies                | 84.010A        | S010A200030               | 100-034-5064-194                          | 67,691.00       | 7-1-19       | 9-30-20 |                          |
| Title I Reallocated - Grants to Local Educational Agencies                | 84.010A        | Unavailable               | 100-034-5064-194                          | 108,640.00      | 2-1-19       | 9-30-19 | (45,002.00)              |
| Title I - School Improvement Grants                                       | 84.010         | S010A170030               | 100-034-5064-194                          | 52,931.00       | 7-1-18       | 6-30-19 | (4,402.00)               |
| Title I - School Improvement Grants                                       | 84.010         | S010A190030               | 100-034-5064-194                          | 37,933.00       | 7-1-19       | 9-30-20 |                          |
| Total Title I   |                |                           |   |                 |              |         | (458,415.00)             |
| Title II - Supporting Effective Instruction Grants                        | 84.367         | S367A190029               | 100-034-5063-290                          | 303,121.00      | 7-1-19       | 9-30-20 |                          |
| Title II - Supporting Effective Instruction Grants                        | 84.367         | S367A170029               | 100-034-5063-290                          | 288,894.00      | 7-1-18       | 6-30-19 | (77,272.00)              |
| Total Title II  |                |                           |   |                 |              |         | (77,272.00)              |
| Title III Immigrant - English Language Acquisition Grants                 | 84.365         | S365A190030               | 100-034-5063-187                          | 5,316.00        | 7-1-19       | 9-30-20 |                          |
| Title III - English Language Acquisition State Grants                     | 84.365         | S365A190030               | 100-034-5063-187                          | 35,705.00       | 7-1-19       | 9-30-20 |                          |
| Title III Immigrant - English Language Acquisition Grants                 | 84.365         | S011A180030               | 100-034-5063-187                          | 5,016.00        | 7-1-18       | 6-30-19 | (1,041.00)               |
| Title III - English Language Acquisition State Grants                     | 84.365         | S365A170030               | 100-034-5063-187                          | 33,061.00       | 7-1-18       | 6-30-19 | (1,203.00)               |
| Total Title III   |                |                           |   |                 |              |         | (2,244.00)               |
| Title IV - Student Support and Academic Enrichment Program                | 84.424         | S424A190031               | 100-034-5063-348                          | 69,140.00       | 7-1-19       | 9-30-20 |                          |
| Title IV - Student Support and Academic Enrichment Program                | 84.424         | S424A170031               | 100-034-5063-348                          | 43,628.00       | 7-1-18       | 6-30-19 | (13,464.00)              |
| Total Title IV  |                |                           |   |                 |              |         | (13,464.00)              |
| <b>IDEA Special Education Cluster:</b>                                    |                |                           |   |                 |              |         |                          |
| IDEA, Part B Basic - Special Education-Grants to States                   | 84.027         | H027A190100               | 100-034-5065-187                          | 1,830,457.00    | 7-1-19       | 9-30-20 |                          |
| IDEA, Part B Basic - Special Education-Grants to States                   | 84.027         | H027A180100               | 100-034-5065-187                          | 1,808,505.00    | 7-1-18       | 6-30-19 | (328,006.00)             |
| IDEA Preschool - Special Education-Preschool Grants                       | 84.173         | H173A190114               | 100-034-5065-020                          | 71,066.00       | 7-1-19       | 9-30-20 |                          |
| IDEA Preschool - Special Education-Preschool Grants                       | 84.173         | H173A180114               | 100-034-5065-020                          | 80,685.00       | 7-1-18       | 6-30-19 | (66,773.00)              |
| Total IDEA Special Education Cluster                                      |                |                           |   |                 |              |         | (394,779.00)             |
| <b>Coronavirus Aid Relief and Economic Security Act 2020 - CARES Act:</b> |                |                           |   |                 |              |         |                          |
| Elementary and Secondary School Emergency Relief Fund (ESSER)             | 84.425         | S425D200027               | Unavailable                               | 750,747.00      | 3-13-2020    | 9-30-22 |                          |
| Total Coronavirus Aid Relief and Economic Security Act 2020 - CARES Act   |                |                           |   |                 |              |         | -                        |
| Total Special Revenue Fund  |                |                           |   |                 |              |         | (946,174.00)             |
| <b>Enterprise Fund:</b>   |                |                           |   |                 |              |         |                          |
| U.S. Department of Agriculture:   |                |                           |   |                 |              |         |                          |
| Passed-through State Department of Agriculture:                           |                |                           |   |                 |              |         |                          |
| Child Nutrition Cluster:  |                |                           |   |                 |              |         |                          |
| Non-Cash Assistance (Food Distribution):                                  |                |                           |   |                 |              |         |                          |
| National School Lunch Program   | 10.555         | 201NJ304N1099             | Unavailable                               | 113,799.51      | 7-1-19       | 6-30-20 |                          |
| Cash Assistance:  |                |                           |   |                 |              |         |                          |
| School Breakfast Program  | 10.553         | 201NJ304N1099             | 100-010-3350-028                          | 327,765.18      | 7-1-19       | 6-30-20 |                          |
| School Breakfast Program - CARES Act                                      | 10.553         | 201NJ304N1099             | 100-010-3350-100                          | 81,738.80       | 7-1-19       | 6-30-20 |                          |
| School Breakfast Program  | 10.553         | 1911NJ304N1099            | 100-010-3350-028                          | 311,294.74      | 7-1-18       | 6-30-19 | (20,413.62)              |
| Special Milk Program  | 10.556         | 201NJ304N1099             | 100-010-3350-027                          | 65.12           | 7-1-19       | 6-30-20 |                          |
| Special Milk Program  | 10.556         | 1911NJ304N1099            | 100-010-3350-027                          | 291.07          | 7-1-18       | 6-30-19 | (6.76)                   |
| After School Snack Program  | 10.555         | 201NJ304N1099             | 100-010-3350-026                          | 10,986.28       | 7-1-19       | 6-30-20 |                          |
| After School Snack Program  | 10.555         | 1911NJ304N1099            | 100-010-3350-026                          | 8,809.50        | 7-1-18       | 6-30-19 | (684.99)                 |
| National School Lunch Program   | 10.555         | 201NJ304N1099             | 100-010-3350-026                          | 983,443.30      | 7-1-19       | 6-30-20 |                          |
| National School Lunch Program - CARES Act                                 | 10.555         | 201NJ304N1099             | 100-010-3350-098                          | 130,039.00      | 7-1-19       | 6-30-20 |                          |
| National School Lunch Program   | 10.555         | 1911NJ304N1099            | 100-010-3350-026                          | 1,141,720.84    | 7-1-18       | 6-30-19 | (63,645.13)              |
| Total Child Nutrition Cluster   |                |                           |   |                 |              |         | (84,750.50)              |
| Total Enterprise Fund   |                |                           |   |                 |              |         | (84,750.50)              |
| Total Federal Financial Assistance  |                |                           |   |                 |              |         | \$ (1,030,924.50)        |

(A) See Note 6 to the Schedules of Expenditures of Federal Awards and State Financial Assistance

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

| Carryover Amount                                 | Cash Received  | Adjustments (A)  | Budgetary Expenditures                                      |              |   | Passed-Through to Subrecipients | Repayment of Prior Years' Balances | Balance at June 30, 2020 |                  |                |
|--|--|------------------|---|--------------|---|---------------------------------|------------------------------------|--------------------------|------------------|----------------|
|  |  |                  | Pass-Through Funds  | Direct Funds | Total Budgetary Expenditures                                |                                 |                                    | Accounts Receivable      | Unearned Revenue | Due to Grantor |
|  | \$ 261,470.23  |                  | \$ 261,470.23   |              | \$ 261,470.23   |                                 |                                    |                          |                  |                |
| -  | 261,470.23   | -                | 261,470.23  | -            | 261,470.23  | -                               | -                                  | -                        | -                | -              |
| -  | 261,470.23   | -                | 261,470.23  | -            | 261,470.23  | -                               | -                                  | -                        | -                | -              |
| \$ 119,846.00<br>(119,846.00)                    | 636,252.00<br>528,857.00   | \$ (0.46)        | 993,510.54  |              | 993,510.54  |                                 |                                    | \$ (237,413.00)          |                  |                |
|  | 22,854.04<br>96,356.96   | (0.26)<br>(0.38) | 25,224.78<br>51,354.58                                      |              | 25,224.78<br>51,354.58                                      |                                 |                                    | (2,371.00)               |                  |                |
|  | 4,402.00<br>1,779.00   |                  | 23,958.00   |              | 23,958.00   |                                 |                                    | (22,179.00)              |                  |                |
| -  | 1,290,501.00   | (1.10)           | 1,094,047.90  | -            | 1,094,047.90  | -                               | -                                  | (261,963.00)             | -                | -              |
| 97,461.00<br>(97,461.00)                         | 12,398.00<br>174,733.00  | 0.18             | 131,025.18  |              | 131,025.18  |                                 |                                    | (21,166.00)              |                  |                |
| -  | 187,131.00   | 0.18             | 131,025.18  | -            | 131,025.18  | -                               | -                                  | (21,166.00)              | -                | -              |
| 794.00<br>7,264.00<br>(794.00)<br>(7,264.00)     | 832.00<br>13,082.00<br>1,835.00<br>8,467.00  | 0.49<br>(0.15)   | 1,626.49<br>20,429.85                                       |              | 1,626.49<br>20,429.85                                       |                                 |                                    | (84.00)                  |                  |                |
| -  | 24,216.00  | 0.34             | 22,056.34   | -            | 22,056.34   | -                               | -                                  | (84.00)                  | -                | -              |
| 14,262.00<br>(14,262.00)                         | 17,284.00<br>27,726.00   | 0.10             | 51,546.10   |              | 51,546.10   |                                 |                                    | (20,000.00)              |                  |                |
| -  | 45,010.00  | 0.10             | 51,546.10   | -            | 51,546.10   | -                               | -                                  | (20,000.00)              | -                | -              |
| 118,959.00<br>(118,959.00)<br>568.00<br>(568.00) | 1,464,246.00<br>446,965.00<br>70,037.00<br>67,341.00   |                  | 1,737,919.58<br>70,605.00                                   |              | 1,737,919.58<br>70,605.00                                   |                                 |                                    | (154,714.58)             |                  |                |
| -  | 2,048,589.00   |                  | 1,808,524.58  | -            | 1,808,524.58  | -                               | -                                  | (154,714.58)             | -                | -              |
|  |  | (0.24)           | 107,037.76  |              | 107,037.76  |                                 |                                    | (107,038.00)             |                  |                |
| -  | -  | (0.24)           | 107,037.76  | -            | 107,037.76  | -                               | -                                  | (107,038.00)             | -                | -              |
|  | 3,595,447.00   | (0.72)           | 3,214,237.86  | -            | 3,214,237.86  | -                               | -                                  | (564,965.58)             | -                | -              |
|  | 113,799.51   |                  | 113,799.51  |              | 113,799.51  |                                 |                                    |                          |                  |                |
|  | 327,765.18<br>55,385.00<br>20,413.62<br>65.12<br>6.76<br>10,986.28<br>684.99<br>983,443.30<br>88,112.50<br>63,645.13 |                  | 81,738.80<br>65.12<br>10,986.28<br>983,443.30<br>130,039.00 |              | 81,738.80<br>65.12<br>10,986.28<br>983,443.30<br>130,039.00 |                                 |                                    | (26,353.80)              |                  |                |
| -  | 1,664,307.39   | -                | 1,647,837.19  | -            | 1,647,837.19  | -                               | -                                  | (68,280.30)              | -                | -              |
| -  | 1,664,307.39   | -                | 1,647,837.19  | -            | 1,647,837.19  | -                               | -                                  | (68,280.30)              | -                | -              |
| \$ -   | \$ 5,521,224.62  | \$ (0.72)        | \$ 5,123,545.28   | \$ -         | \$ 5,123,545.28   | \$ -                            | \$ -                               | \$ (633,245.88)          | \$ -             | \$ -           |



**GLOUCESTER TOWNSHIP SCHOOL DISTRICT**  
 Schedule of Expenditures of State Financial Assistance  
 For the Fiscal Year Ended June 30, 2020

| State Grantor/<br>Program Title   | State Project<br>Number | Award<br>Amount  | Local<br>Share | Grant Period |         | Balance at June 30, 2019                       |                   |
|---|-------------------------|------------------|----------------|--------------|---------|--|-------------------|
|   |                         |                  |                | From         | To      | Unearned<br>Revenue/<br>Accounts<br>Receivable | Due to<br>Grantor |
| <b>General Fund:</b>  |                         |                  |                |              |         |  |                   |
| New Jersey Department of Education:   |                         |                  |                |              |         |  |                   |
| Current Expense:  |                         |                  |                |              |         |  |                   |
| State Aid - Public:   |                         |                  |                |              |         |  |                   |
| Equalization Aid  | 19-495-034-5120-078     | \$ 45,803,377.00 | N/A            | 7-1-18       | 6-30-19 | \$ (4,365,597.00)                              |                   |
| Equalization Aid  | 20-495-034-5120-078     | 46,375,401.00    | N/A            | 7-1-19       | 6-30-20 |  |                   |
| Special Education Categorical Aid   | 19-495-034-5120-089     | 3,992,445.00     | N/A            | 7-1-18       | 6-30-19 | (380,527.00)                                   |                   |
| Special Education Categorical Aid   | 20-495-034-5120-089     | 3,992,445.00     | N/A            | 7-1-19       | 6-30-20 |  |                   |
| Security Aid  | 19-495-034-5120-084     | 487,009.00       | N/A            | 7-1-18       | 6-30-19 | (46,418.00)                                    |                   |
| Security Aid  | 20-495-034-5120-084     | 487,009.00       | N/A            | 7-1-19       | 6-30-20 |  |                   |
| <b>Total State Aid - Public</b>   |                         |                  |                |              |         | <b>(4,792,542.00)</b>                          | <b>-</b>          |
| Transportation Aid:   |                         |                  |                |              |         |  |                   |
| Transportation Aid  | 19-495-034-5120-014     | 1,634,840.00     | N/A            | 7-1-18       | 6-30-19 | (155,819.00)                                   |                   |
| Transportation Aid  | 20-495-034-5120-014     | 1,634,840.00     | N/A            | 7-1-19       | 6-30-20 |  |                   |
| Nonpublic School Transportation Aid   | 19-495-034-5120-014     | 83,191.00        | N/A            | 7-1-18       | 6-30-19 | (83,191.00)                                    |                   |
| Nonpublic School Transportation Aid   | 20-495-034-5120-014     | 17,052.00        | N/A            | 7-1-19       | 6-30-20 |  |                   |
| <b>Total Transportation Aid</b>   |                         |                  |                |              |         | <b>(239,010.00)</b>                            | <b>-</b>          |
| Extraordinary Special Education Aid   |                         |                  |                |              |         |  |                   |
| Extraordinary Special Education Aid   | 19-495-034-5120-044     | 1,214,532.00     | N/A            | 7-1-18       | 6-30-19 | (1,214,532.00)                                 |                   |
| Extraordinary Special Education Aid   | 20-495-034-5120-044     | 1,420,231.00     | N/A            | 7-1-19       | 6-30-20 |  |                   |
| <b>Total Extraordinary Special Education Aid</b>                                    |                         |                  |                |              |         | <b>(1,214,532.00)</b>                          | <b>-</b>          |
| Payment for Institutionalized Children - Unknown District of Residence              |                         |                  |                |              |         |  |                   |
| Payment for Institutionalized Children - Unknown District of Residence              | 19-495-034-5120-005     | 142,032.57       | N/A            | 7-1-18       | 6-30-19 | (77,461.00)                                    |                   |
| Payment for Institutionalized Children - Unknown District of Residence              | 20-495-034-5120-005     | 149,672.50       | N/A            | 7-1-19       | 6-30-20 |  |                   |
| <b>Total Payment for Institutionalized Children - Unknown District of Residence</b> |                         |                  |                |              |         | <b>(77,461.00)</b>                             | <b>-</b>          |
| Reimbursed TPAF Social Security Contributions                                       |                         |                  |                |              |         |  |                   |
| Reimbursed TPAF Social Security Contributions                                       | 19-495-034-5094-003     | 3,568,641.31     | N/A            | 7-1-18       | 6-30-19 | (174,671.41)                                   |                   |
| Reimbursed TPAF Social Security Contributions                                       | 20-495-034-5094-003     | 3,634,793.43     | N/A            | 7-1-19       | 6-30-20 |  |                   |
| <b>Total Reimbursed TPAF Social Security Contributions</b>                          |                         |                  |                |              |         | <b>(174,671.41)</b>                            | <b>-</b>          |
| On-behalf T.P.A.F. Pension Contributions - Normal Cost                              |                         |                  |                |              |         |  |                   |
| On-behalf T.P.A.F. Pension Contributions - Normal Cost                              | 20-495-034-5094-002     | 9,956,225.00     | N/A            | 7-1-19       | 6-30-20 |  |                   |
| On-behalf T.P.A.F. Pension Contributions - Non-contributory Insurance               | 20-495-034-5094-004     | 178,454.00       | N/A            | 7-1-19       | 6-30-20 |  |                   |
| On-behalf T.P.A.F. Pension Contributions - Long Term Disability                     | 20-495-034-5094-004     | 5,458.00         | N/A            | 7-1-19       | 6-30-20 |  |                   |
| On-behalf T.P.A.F. Pension Contributions - Post Retirement Medical                  | 20-495-034-5094-001     | 3,759,780.00     | N/A            | 7-1-19       | 6-30-20 |  |                   |
| <b>Total On-Behalf TPAF Pension Contributions</b>                                   |                         |                  |                |              |         | <b>-</b>                                       | <b>-</b>          |
| <b>Total General Fund</b>   |                         |                  |                |              |         | <b>(6,498,216.41)</b>                          | <b>-</b>          |
| <b>Special Revenue Fund:</b>  |                         |                  |                |              |         |  |                   |
| New Jersey Department of Education:   |                         |                  |                |              |         |  |                   |
| Nonpublic Aid:  |                         |                  |                |              |         |  |                   |
| Technology Aid  | 19-100-034-5120-373     | 17,136.00        | N/A            | 7-1-18       | 6-30-19 |  | \$ 601.00         |
| Technology Aid  | 20-100-034-5120-373     | 16,704.00        | N/A            | 7-1-19       | 6-30-20 |  |                   |
| <b>Total Technology Aid</b>   |                         |                  |                |              |         | <b>-</b>                                       | <b>601.00</b>     |
| Nursing Services  |                         |                  |                |              |         |  |                   |
| Nursing Services  | 19-100-034-5120-070     | 46,172.00        | N/A            | 7-1-18       | 6-30-19 |  | 29.00             |
| Nursing Services  | 20-100-034-5120-070     | 45,008.00        | N/A            | 7-1-19       | 9-30-20 |  |                   |
| <b>Total Nursing Services</b>   |                         |                  |                |              |         | <b>-</b>                                       | <b>29.00</b>      |
| Textbook Aid (Ch. 194, L. 1977)   |                         |                  |                |              |         |  |                   |
| Textbook Aid (Ch. 194, L. 1977)   | 19-100-034-5120-064     | 25,419.00        | N/A            | 7-1-18       | 6-30-19 |  | 98.00             |
| Textbook Aid (Ch. 194, L. 1977)   | 20-100-034-5120-064     | 24,458.00        | N/A            | 7-1-19       | 9-30-20 |  |                   |
| <b>Total Textbook Aid (Ch. 194, L. 1977)</b>  |                         |                  |                |              |         | <b>-</b>                                       | <b>98.00</b>      |
| Security Aid  |                         |                  |                |              |         |  |                   |
| Security Aid  | 19-100-034-5120-509     | 71,400.00        | N/A            | 7-1-18       | 6-30-19 |  | 32,023.00         |
| Security Aid  | 20-100-034-5120-509     | 69,600.00        | N/A            | 7-1-19       | 6-30-20 |  |                   |
| <b>Total Security Aid</b>   |                         |                  |                |              |         | <b>-</b>                                       | <b>32,023.00</b>  |
| Auxiliary Services (Ch. 192, L. 1977)   |                         |                  |                |              |         |  |                   |
| Compensatory Education  | 19-100-034-5120-067     | 206,431.00       | N/A            | 7-1-18       | 6-30-19 |  | 33,086.00         |
| English as a Second Language  |                         | 12,942.00        | N/A            | 7-1-18       | 6-30-19 |  | 5,264.00          |
| Transportation  |                         | 27,123.00        | N/A            | 7-1-18       | 6-30-19 |  | 14,004.00         |
| Home Instruction  |                         | 5,496.00         | N/A            | 7-1-18       | 6-30-19 | (5,496.00)                                     |                   |
| Auxiliary Services (Ch. 192, L. 1977)   | 20-100-034-5120-067     | 185,763.00       | N/A            | 7-1-19       | 6-30-20 |  |                   |
| Compensatory Education  |                         | 11,664.00        | N/A            | 7-1-19       | 6-30-20 |  |                   |
| English as a Second Language  |                         | 87,613.00        | N/A            | 7-1-19       | 6-30-20 |  |                   |
| Home Instruction  |                         | 1,994.00         | N/A            | 7-1-19       | 6-30-20 |  |                   |
| <b>Total Auxiliary Services (Ch. 192, L. 1977)</b>                                  |                         |                  |                |              |         | <b>(5,496.00)</b>                              | <b>52,354.00</b>  |
| Handicapped Services (Ch. 193, L. 1977)   |                         |                  |                |              |         |  |                   |
| Corrective Speech   | 19-100-034-5120-066     | 55,354.00        | N/A            | 7-1-18       | 6-30-19 |  | 21,606.00         |
| Examination and Classification  |                         | 34,762.00        | N/A            | 7-1-18       | 6-30-19 |  | 5,101.00          |
| Supplementary Instruction   |                         | 30,927.00        | N/A            | 7-1-18       | 6-30-19 |  | 8,884.00          |
| Handicapped Services (Ch. 193, L. 1977)   | 20-100-034-5120-066     | 37,918.00        | N/A            | 7-1-19       | 6-30-20 |  |                   |
| Examination and Classification  |                         | 65,165.00        | N/A            | 7-1-19       | 6-30-20 |  |                   |
| Supplementary Instruction   |                         | 35,617.00        | N/A            | 7-1-19       | 6-30-20 |  |                   |
| <b>Total Handicapped Services (Ch. 193, L. 1977)</b>                                |                         |                  |                |              |         | <b>-</b>                                       | <b>35,591.00</b>  |
| Preschool Education Expansion Aid   |                         |                  |                |              |         |  |                   |
| Preschool Education Expansion Aid   | 20-495-034-5120-086     | 1,451,363.00     | 598,000.00     | 10-1-19      | 6-30-20 |  |                   |
| <b>Total New Jersey Department of Education</b>                                     |                         |                  |                |              |         | <b>(5,496.00)</b>                              | <b>120,696.00</b> |
| New Jersey Department of Treasury:  |                         |                  |                |              |         |  |                   |
| Municipal Drug Alliance Grant   | 2000-475-995120-60      | 12,000.00        | N/A            | (B) 7-1-18   | 6-30-19 | 8,149.80                                       |                   |
| Municipal Drug Alliance Grant   | 2000-475-995120-60      | 12,000.00        | N/A            | (B) 7-1-19   | 6-30-20 |  |                   |
| <b>Total Municipal Drug Alliance Grant</b>  |                         |                  |                |              |         | <b>8,149.80</b>                                | <b>-</b>          |
| <b>Total New Jersey Department of Treasury</b>                                      |                         |                  |                |              |         | <b>8,149.80</b>                                | <b>-</b>          |
| <b>Total Special Revenue Fund</b>   |                         |                  |                |              |         | <b>2,653.80</b>                                | <b>120,696.00</b> |

| Carryover/<br>Walkover<br>Amount |                  |                 |                           |  |  | Balance at June 30, 2020 |                     |                   | Memo                                     |                                     |
|----------------------------------|------------------|-----------------|---------------------------|--|--|--------------------------|---------------------|-------------------|--|-------------------------------------|
|                                  | Cash<br>Received | Adjustments (A) | Budgetary<br>Expenditures | Passed-<br>Through to<br>Subrecipients | Repayment of<br>Prior Years'<br>Balances | Accounts<br>Receivable   | Unearned<br>Revenue | Due to<br>Grantor | Budgetary<br>Receivable<br>June 30, 2020 | Cumulative<br>Total<br>Expenditures |
|                                  | \$ 4,365,597.00  |                 | \$ 46,375,401.00          |  |  | \$ (4,436,021.00)        |                     |                   | \$ (4,436,021.00)                        | \$ 46,375,401.00                    |
|                                  | 41,939,380.00    |                 |                           |  |  |                          |                     |                   |  |                                     |
|                                  | 380,527.00       |                 |                           |  |  |                          |                     |                   |  |                                     |
|                                  | 3,610,549.00     |                 | 3,992,445.00              |  |  | (381,896.00)             |                     |                   | (381,896.00)                             | 3,992,445.00                        |
|                                  | 46,418.00        |                 |                           |  |  |                          |                     |                   |  |                                     |
|                                  | 440,424.00       |                 | 487,009.00                |  |  | (46,585.00)              |                     |                   | (46,585.00)                              | 487,009.00                          |
| -                                | 50,782,895.00    | -               | 50,854,855.00             | -                                      | -  | (4,864,502.00)           | -                   | -                 | (4,864,502.00)                           | 50,854,855.00                       |
|                                  | 155,819.00       |                 |                           |  |  |                          |                     |                   |  |                                     |
|                                  | 1,478,460.00     |                 | 1,634,840.00              |  |  | (156,380.00)             |                     |                   | (156,380.00)                             | 1,634,840.00                        |
|                                  | 83,191.00        |                 |                           |  |  |                          |                     |                   |  |                                     |
|                                  |                  |                 | 17,052.00                 |  |  | (17,052.00)              |                     |                   |  | 17,052.00                           |
| -                                | 1,717,470.00     | -               | 1,651,892.00              | -                                      | -  | (173,432.00)             | -                   | -                 | (156,380.00)                             | 1,651,892.00                        |
|                                  | 1,214,532.00     |                 |                           |  |  |                          |                     |                   |  |                                     |
|                                  |                  |                 | 1,290,927.00              |  |  | (1,290,927.00)           |                     |                   |  | 1,290,927.00                        |
| -                                | 1,214,532.00     | -               | 1,290,927.00              | -                                      | -  | (1,290,927.00)           | -                   | -                 | -  | 1,290,927.00                        |
|                                  | 77,461.00        |                 |                           |  |  |                          |                     |                   |  |                                     |
|                                  | 105,122.50       |                 | 149,672.50                |  |  | (44,550.00)              |                     |                   |  | 149,672.50                          |
| -                                | 182,583.50       | -               | 149,672.50                | -                                      | -  | (44,550.00)              | -                   | -                 | -  | 149,672.50                          |
|                                  | 174,671.41       |                 |                           |  |  |                          |                     |                   |  |                                     |
|                                  | 3,454,608.32     |                 | 3,634,793.43              |  |  | (180,185.11)             |                     |                   |  | 3,634,793.43                        |
| -                                | 3,629,279.73     | -               | 3,634,793.43              | -                                      | -  | (180,185.11)             | -                   | -                 | -  | 3,634,793.43                        |
|                                  | 9,956,225.00     |                 | 9,956,225.00              |  |  |                          |                     |                   |  | 9,956,225.00                        |
|                                  | 178,454.00       |                 | 178,454.00                |  |  |                          |                     |                   |  | 178,454.00                          |
|                                  | 5,458.00         |                 | 5,458.00                  |  |  |                          |                     |                   |  | 5,458.00                            |
|                                  | 3,759,780.00     |                 | 3,759,780.00              |  |  |                          |                     |                   |  | 3,759,780.00                        |
| -                                | 13,899,917.00    | -               | 13,899,917.00             | -                                      | -  | -                        | -                   | -                 | -  | 13,899,917.00                       |
| -                                | 71,426,677.23    | -               | 71,482,056.93             | -                                      | -  | (6,553,596.11)           | -                   | -                 | (5,020,882.00)                           | 71,482,056.93                       |
|                                  | 16,704.00        | \$ (0.12)       | 16,671.88                 |  | \$ 601.00                                |                          |                     | \$ 32.00          |  | 16,671.88                           |
| -                                | 16,704.00        | (0.12)          | 16,671.88                 | -                                      | 601.00                                   | -                        | -                   | 32.00             | -  | 16,671.88                           |
|                                  | 45,008.00        | (0.23)          | 36,731.78                 |  | 29.00                                    |                          | \$ 3,121.99         | 5,154.00          |  | 36,731.78                           |
| -                                | 45,008.00        | (0.23)          | 36,731.78                 | -                                      | 29.00                                    | -                        | 3,121.99            | 5,154.00          | -  | 36,731.78                           |
|                                  | 24,458.00        | 15.08           | 24,454.08                 |  | 98.00                                    |                          |                     | 19.00             |  | 24,454.08                           |
| -                                | 24,458.00        | 15.08           | 24,454.08                 | -                                      | 98.00                                    | -                        | -                   | 19.00             | -  | 24,454.08                           |
|                                  | 69,600.00        | -0.02           | 68,488.98                 |  | 32,023.00                                |                          |                     | 1,111.00          |  | 68,488.98                           |
| -                                | 69,600.00        | (0.02)          | 68,488.98                 | -                                      | 32,023.00                                | -                        | -                   | 1,111.00          | -  | 68,488.98                           |
|                                  | 5,496.00         |                 |                           |  | 33,086.00                                |                          |                     |                   |  |                                     |
|                                  | 166,557.00       | 0.48            | 158,508.48 (C)            |  | 5,264.00                                 | (19,206.00)              |                     | 27,255.00         |  | 158,508.48                          |
|                                  | 10,458.00        | 0.40            | 7,858.40 (C)              |  | 14,004.00                                | (1,206.00)               |                     | 3,806.00          |  | 7,858.40                            |
|                                  | 78,555.00        | 0.50            | 85,224.50 (C)             |  |  | (9,058.00)               |                     | 2,389.00          |  | 85,224.50                           |
|                                  |                  |                 | 1,994.00 (C)              |  |  | (1,994.00)               |                     |                   |  | 1,994.00                            |
| -                                | 261,066.00       | 1.38            | 253,585.38                | -                                      | 52,354.00                                | (31,464.00)              | -                   | 33,450.00         | -  | 253,585.38                          |
|                                  |                  | (1.00)          |                           |  | 21,606.00                                |                          |                     |                   |  |                                     |
|                                  | 32,931.00        | 0.25            | 21,379.25 (C)             |  | 5,101.00                                 | (4,987.00)               |                     | 16,539.00         |  | 21,379.25                           |
|                                  | 56,595.00        | 0.34            | 30,167.34 (C)             |  | 8,883.00                                 | (8,570.00)               |                     | 34,998.00         |  | 30,167.34                           |
|                                  | 30,933.00        | 0.15            | 25,661.15 (C)             |  |  | (4,684.00)               |                     | 9,956.00          |  | 25,661.15                           |
| -                                | 120,459.00       | (0.26)          | 77,207.74                 | -                                      | 35,590.00                                | (18,241.00)              | -                   | 61,493.00         | -  | 77,207.74                           |
| -                                | 1,888,110.00     | -               | 2,038,766.60              | -                                      | -  | (161,253.00)             | 10,596.40           | -                 | (161,253.00)                             | 2,038,766.60                        |
| -                                | 2,425,405.00     | 15.83           | 2,515,906.44              | -                                      | 120,695.00                               | (210,958.00)             | 13,718.39           | 101,259.00        | (161,253.00)                             | 2,515,906.44                        |
|                                  | 15,200.00        |                 | 8,149.80                  |  |  |                          |                     |                   |  | 8,149.80                            |
|                                  |                  |                 | 3,850.20                  |  |  |                          |                     | 11,349.80         |  | 3,850.20                            |
| -                                | 15,200.00        | -               | 12,000.00                 | -                                      | -  | -                        | 11,349.80           | -                 | -  | 12,000.00                           |
| -                                | 15,200.00        | -               | 12,000.00                 | -                                      | -  | -                        | 11,349.80           | -                 | -  | 12,000.00                           |
| -                                | 2,440,605.00     | 15.83           | 2,527,906.44              | -                                      | 120,695.00                               | (210,958.00)             | 25,068.19           | 101,259.00        | (161,253.00)                             | 2,527,906.44                        |

**GLOUCESTER TOWNSHIP SCHOOL DISTRICT**  
 Schedule of Expenditures of State Financial Assistance  
 For the Fiscal Year Ended June 30, 2020

| State Grantor/<br>Program Title  | State Project<br>Number | Award<br>Amount | Local<br>Share | Grant Period |         | Balance at June 30, 2019                       |                      |
|--|-------------------------|-----------------|----------------|--------------|---------|--|----------------------|
|  |                         |                 |                | From         | To      | Unearned<br>Revenue/<br>Accounts<br>Receivable | Due to<br>Grantor    |
| <b>Debt Service Fund:</b>  |                         |                 |                |              |         |  |                      |
| <b>State Department of Education:</b>  |                         |                 |                |              |         |  |                      |
| State Support  | 20-495-034-5120 -075    | \$ 509,000.00   | N/A            | 7-1-19       | 6-30-20 | -  | -                    |
| <b>Enterprise Fund:</b>  |                         |                 |                |              |         |  |                      |
| <b>New Jersey Department of Agriculture:</b>   |                         |                 |                |              |         |  |                      |
| State School Lunch Aid   | 19-100-010-3350 -023    | 28,084.70       | N/A            | 7-1-18       | 6-30-19 | \$ (1,906.16)                                  |                      |
| State School Lunch Aid   | 20-100-010-3350 -023    | 29,583.56       | N/A            | 7-1-19       | 6-30-20 |  |                      |
| Total State School Lunch Aid   |                         |                 |                |              |         | (1,906.16)                                     | -                    |
| Total Enterprise Fund  |                         |                 |                |              |         | (1,906.16)                                     | -                    |
| Total State Financial Assistance   |                         |                 |                |              |         | <u>\$ (6,497,468.77)</u>                       | <u>\$ 120,696.00</u> |
| <b>Less: State Financial Assistance not subject to Calculation for Major Program Determination for State Single Audit:</b> |                         |                 |                |              |         |  |                      |
| <b>General Fund (Non-Cash Assistance):</b>   |                         |                 |                |              |         |  |                      |
| <b>New Jersey Department of Education:</b>   |                         |                 |                |              |         |  |                      |
| On-behalf T.P.A.F. Pension Contributions - Normal Cost   | 20-495-034-5094-002     | 9,956,225.00    | N/A            | 7-1-19       | 6-30-20 |  |                      |
| On-behalf T.P.A.F. Pension Contributions - Non-contributory Insurance  | 20-495-034-5094-004     | 178,454.00      | N/A            | 7-1-19       | 6-30-20 |  |                      |
| On-behalf T.P.A.F. Pension Contributions - Long Term Disability  | 20-495-034-5094-004     | 5,458.00        | N/A            | 7-1-19       | 6-30-20 |  |                      |
| On-behalf T.P.A.F. Pension Contributions - Post Retirement Medical   | 20-495-034-5094-001     | 3,759,780.00    | N/A            | 7-1-19       | 6-30-20 |  |                      |
| Total General Fund (Non-Cash Assistance)   |                         |                 |                |              |         |  |                      |

Total State Financial Assistance subject to Major Program Determination for State Single Audit

- (A) See Note 6 to the Schedules of Expenditures of Federal Awards and State Financial Assistance
- (B) Passed through the Township of Gloucester
- (C) Passed through to Camden County Educational Services Commission

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

| Carryover/<br>Walkover<br>Amount | Cash<br>Received      | Adjustments (A) | Budgetary<br>Expenditures | Passed-<br>Through to<br>Subrecipients | Repayment of<br>Prior Years'<br>Balances | Balance at June 30, 2020 |                     |                   | Memo                                     |                                     |
|----------------------------------|-----------------------|-----------------|---------------------------|--|--|--------------------------|---------------------|-------------------|--|-------------------------------------|
|                                  |                       |                 |                           |  |  | Accounts<br>Receivable   | Unearned<br>Revenue | Due to<br>Grantor | Budgetary<br>Receivable<br>June 30, 2020 | Cumulative<br>Total<br>Expenditures |
| -                                | \$ 509,000.00         | -               | \$ 509,000.00             | -                                      | -  | -                        | -                   | -                 | -  | \$ 509,000.00                       |
|                                  | 1,906.16<br>21,883.79 |                 | 29,583.56                 |  |  | \$ (7,699.77)            |                     |                   |  | 29,583.56                           |
| -                                | 23,789.95             | -               | 29,583.56                 | -                                      | -  | (7,699.77)               | -                   | -                 | -  | 29,583.56                           |
| -                                | 23,789.95             | -               | 29,583.56                 | -                                      | -  | (7,699.77)               | -                   | -                 | -  | 29,583.56                           |
| \$ -                             | \$ 74,400,072.18      | \$ 15.83        | 74,548,546.93             | \$ -                                   | \$ 120,695.00                            | \$ (6,772,253.88)        | \$ 25,068.19        | \$ 101,259.00     | \$ (5,182,135.00)                        | \$ 74,548,546.93                    |
|                                  |                       |                 | (9,956,225.00)            |  |  |                          |                     |                   |  |                                     |
|                                  |                       |                 | (178,454.00)              |  |  |                          |                     |                   |  |                                     |
|                                  |                       |                 | (5,458.00)                |  |  |                          |                     |                   |  |                                     |
|                                  |                       |                 | (3,759,780.00)            |  |  |                          |                     |                   |  |                                     |
|                                  |                       |                 | (13,899,917.00)           |  |  |                          |                     |                   |  |                                     |
|                                  |                       |                 | \$ 60,648,629.93          |  |  |                          |                     |                   |  |                                     |

**GLOUCESTER TOWNSHIP SCHOOL DISTRICT**  
Notes to Schedules of Expenditures of Federal Awards and State Financial Assistance  
For the Fiscal Year Ended June 30, 2020

---

**Note 1: BASIS OF PRESENTATION**

The accompanying schedules of expenditures of federal awards and state financial assistance (“the schedules”) include federal and state award activity of the Gloucester Township School District (hereafter referred to as the “School District”). The School District is defined in note 1 to the School District’s basic financial statements. The information in these schedules is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and State of New Jersey Circular 15-08-OMB, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. All federal and state awards received directly from federal and state agencies, as well as federal awards and state financial assistance passed through other government agencies, are included on the schedules. Because these schedules present only a selected portion of the operations of the School District, it is not intended to and does not present the financial position and changes in operations of the School District.

**Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accompanying schedules are presented using the budgetary basis of accounting, with the following exception: programs recorded in the enterprise funds are presented using the accrual basis of accounting. These bases of accounting are described in note 1 to the School District’s basic financial statements. Such expenditures are recognized following the cost principles contained in Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and State of New Jersey Circular 15-08-OMB, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, wherein certain types of expenditures are not allowed or are limited as to reimbursement.

**Note 3: INDIRECT COST RATE**

The School District has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

**Note 4: RELATIONSHIP TO BASIC FINANCIAL STATEMENTS**

The basic financial statements present the general fund, special revenue fund and proprietary fund (enterprise fund - food service) 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 payments in the current budget year, which is mandated pursuant to N.J.S.A. 18A:22-44.2. For GAAP purposes, payments are not recognized until the subsequent budget year due to the State deferral and recording of the one or more June state aid payments in the subsequent year. The special revenue fund is presented in the accompanying schedules on the budgetary basis which recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not. The proprietary fund (enterprise fund - food service) is presented in the accompanying schedules on the GAAP basis.

**Note 4: RELATIONSHIP TO BASIC FINANCIAL STATEMENTS (CONT'D)**

The net adjustment to reconcile revenues from the budgetary basis to the GAAP basis is (\$72,521.00) for the general fund and (\$1,070,410.80) for the special revenue fund. See exhibit C-3, notes to required supplementary information, for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds.

Awards and financial assistance revenues reported in the School District's basic financial statements on a GAAP basis with a reconciliation to the budgetary basis reported on the schedule of expenditures of federal awards and schedule of expenditures of state financial assistance are presented as follows:

| <u>Fund</u>                                    | <u>Federal</u>         | <u>State</u>            | <u>Total</u>            |
|--|------------------------|-------------------------|-------------------------|
| General  | \$ 261,470.23          | \$ 71,409,535.93        | \$ 71,671,006.16        |
| Special Revenue                                | 3,102,198.36           | 1,569,535.14            | 4,671,733.50            |
| Debt Service                                   |                        | 509,000.00              | 509,000.00              |
| Food Service                                   | 1,647,837.19           | 29,583.56               | 1,677,420.75            |
|  | <u>5,011,505.78</u>    | <u>73,517,654.63</u>    | <u>78,529,160.41</u>    |
| GAAP Basis Revenues                            |                        |                         |                         |
| GAAP Adjustments:                              |                        |                         |                         |
| State Aid Payments                             |                        | 233,774.00              | 233,774.00              |
| Encumbrances                                   | 112,039.50             | 199,118.30              | 311,157.80              |
| Preschool Education Aid - Local Share          |                        | 598,000.00              | 598,000.00              |
|  | <u>112,039.50</u>      | <u>1,030,892.30</u>     | <u>1,142,931.80</u>     |
| Total Awards and Financial Assistance Expended | <u>\$ 5,123,545.28</u> | <u>\$ 74,548,546.93</u> | <u>\$ 79,672,092.21</u> |

**Note 5: 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 6: ADJUSTMENTS**

Amounts reported in the column entitled "adjustments" represent the following:

| <u>Adjustment</u>            | <u>Federal</u>   | <u>State</u>    | <u>Total</u>    |
|------------------------------|------------------|-----------------|-----------------|
| Rounding Adjustments         | \$ (0.72)        | \$ 0.63         | \$ (0.09)       |
| Prior Year Order Adjustments |                  | 15.20           | 15.20           |
| Total Adjustments            | <u>\$ (0.72)</u> | <u>\$ 15.83</u> | <u>\$ 15.11</u> |

**Note 7: REIMBURSED AND ON-BEHALF PAYMENTS**

During the fiscal year ended June 30, 2020, the School District was the recipient of federal and state assistance that represented either a reimbursement to the School District or payments made on-behalf of the School District. Revenues and expenditures reported under the federal food distribution program represent the current year value received and the current year distribution, respectively, of American-grown United States Department of Agriculture foods utilized in the School District's food service program. 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 fiscal year. Lastly, the School District has recognized as revenues and expenditures on-behalf payments made by the State for normal costs, non-contributory insurance, post-retirement medical costs, and long-term disability insurance related to TPAF members.

**Note 8: MAJOR PROGRAMS**

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

GLOUCESTER TOWNSHIP SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2020

Section 1- Summary of Auditor's Results

Financial Statements

Type of auditor's report issued Unmodified
Internal control over financial reporting:
Material weakness(es) identified? yes X no
Significant deficiency(ies) identified? yes X none reported
Noncompliance material to financial statements noted? yes X no

Federal Awards

Internal control over major programs:
Material weakness(es) identified? yes X no
Significant deficiency(ies) identified? yes X none reported
Type of auditor's report issued on compliance for major programs Unmodified
Any audit findings disclosed that are required to be reported in accordance with Section 516 of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)? yes X no

Identification of major programs:

Table with 3 columns: CFDA Number(s), FAIN Number(s), Name of Federal Program or Cluster. Rows include Medicaid Cluster, Special Education Medicaid Initiative, and Title I - Grants to Local Educational Agencies.

Dollar threshold used to distinguish between type A and type B programs: \$750,000
Auditee qualified as low-risk auditee? X yes no



GLOUCESTER TOWNSHIP SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2020

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

State Financial Assistance

Internal control over major programs:

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

Significant deficiency(ies) identified? \_\_\_ yes \_\_\_ X \_\_\_ none reported

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

Any audit findings disclosed that are required to be reported in accordance with New Jersey Circular 15-08-OMB? \_\_\_ yes \_\_\_ X \_\_\_ no

Identification of major programs:

GMIS Number(s)

Name of State Program

Table with 2 columns: GMIS Number(s) and Name of State Program. Rows include: 495-034-5120-078 Equalization Aid, 495-034-5120-089 Special Education Categorical Aid, 495-034-5120-084 Security Aid, 495-034-5120-086 Preschool Education Expansion Aid, 495-034-5120-075 Debt Service Aid.

Dollar threshold used to distinguish between type A and type B programs: \$1,819,459

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

**GLOUCESTER TOWNSHIP SCHOOL DISTRICT**  
Schedule of Findings and Questioned Costs  
For the Fiscal Year Ended June 30, 2020

---

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

This section identifies the significant deficiencies, material weaknesses, fraud, noncompliance with provisions of laws, regulations, contracts, and grant agreements related to financial statements for which *Government Auditing Standards* and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, requires.

None.

**GLOUCESTER TOWNSHIP SCHOOL DISTRICT**  
Schedule of Findings and Questioned Costs  
For the Fiscal Year Ended June 30, 2020

---

***Section 3- Schedule of Federal Award Findings and Questioned Costs***

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

None.

**GLOUCESTER TOWNSHIP SCHOOL DISTRICT**  
Schedule of Findings and Questioned Costs  
For the Fiscal Year Ended June 30, 2020

---

***Section 4- Schedule of State Financial Assistance Findings and Questioned Costs***

This section identifies the significant deficiencies, material weaknesses, material instances of noncompliance, including questioned costs, and significant instances of abuse related to the audit of major State programs, as required by State of New Jersey Circular 15-08-OMB.

None.

**GLOUCESTER TOWNSHIP SCHOOL DISTRICT**  
Summary Schedule of Prior Year Audit Findings  
and Questioned Costs as Prepared by Management

---

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

**FINANCIAL STATEMENT FINDINGS**

None.

**FEDERAL AWARDS**

None.

**STATE FINANCIAL ASSISTANCE PROGRAMS**

None.

