

SCHOOL DISTRICT OF LOGAN TOWNSHIP

LOGAN BOARD OF EDUCATION

Logan Township, New Jersey

County of Gloucester

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

COMPREHENSIVE ANNUAL FINANCIAL REPORT

OF THE

LOGAN TOWNSHIP SCHOOL DISTRICT

LOGAN TOWNSHIP, NEW JERSEY

FOR THE FISCAL YEAR ENDED JUNE 30, 2020

Prepared by

**Logan Township School District
Business Office**

OUTLINE OF CAFR

	PAGE
INTRODUCTORY SECTION	
Letter of Transmittal	1
Organizational Chart	7
Roster of Officials	9
Consultants and Advisors	11
FINANCIAL SECTION	
Independent Auditors' Report	15
REQUIRED SUPPLEMENTARY INFORMATION - PART I	
Management's Discussion & Analysis	21
BASIC FINANCIAL STATEMENTS	
A. Government-Wide Financial Statements:	
A-1 Statement of Net Position	33
A-2 Statement of Activities	34
B. Fund Financial Statements:	
Governmental Funds:	
B-1 Balance Sheet	41
B-2 Statement of Revenues, Expenditures & Changes in Fund Balance	42
B-3 Reconciliation of the Statement of Revenues, Expenditures & Changes in Fund Balance of Governmental Funds to the Statement of Activities	43
Proprietary Funds:	
B-4 Statement of Net Position	47
B-5 Statement of Revenues, Expenditures & Changes in Fund Net Position	48
B-6 Statement of Cash Flows	49
Fiduciary Funds:	
B-7 Statement of Fiduciary Net Position	53
B-8 Statement of Changes in Fiduciary Net Position	54
Notes to Financial Statements	57
REQUIRED SUPPLEMENTARY INFORMATION - PART II	
C. Budgetary Comparison Schedules:	
C-1 Budgetary Comparison Schedule - General Fund	99
C-1a Combining Schedule of Revenues, Expenditures & Changes in Fund Balance - Budget & Actual	N/A
C-1b Community Development Block Grants - Budget & Actual	N/A
C-2 Budgetary Comparison Schedule - Special Revenue Fund	105
Notes to the Required Supplementary Information:	
C-3 Budget-to-GAAP Reconciliation	109
REQUIRED SUPPLEMENTARY INFORMATION - PART III	
L. Schedules Related to Accounting and Reporting for Pensions (GASB 68):	
L-1 Schedule of the District's Proportionate Share of the Net Pension Liability - Public Employees' Retirement System	115
L-2 Schedule of District Contributions - Public Employees' Retirement System	116
L-3 Schedule of the District's Proportionate Share of the Net Pension Liability - Teachers' Pension and Annuity Fund	117
L-4 Schedule of District Contributions - Teachers' Pension and Annuity Fund	118
M. Schedules Related to Accounting and Reporting for Other Post-Employment Benefits (GASB 75):	
M-1 Schedule of the Change in Net OPEB Liability and Related Ratios - OPEB	121
Notes to the Required Supplementary Information	122
D. School Based Budget Schedules Fund:	
D-1 Combining Balance Sheet	N/A

OUTLINE OF CAFR (Continued)

	PAGE
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 & Actual	N/A
E. Special Revenue Fund:	
E-1 Combining Schedule of Revenues & Expenditures - Special Revenue Fund - Budgetary Basis	129
E-2 Preschool Education Aid Schedule(s) of Expenditures - Budgetary Basis	131
F. Capital Projects Fund:	
F-1 Summary Schedule of Project Expenditures	135
F-2 Summary Schedule of Revenues, Expenditures and Changes in Fund Balance - Budgetary Basis	136
F-2a Schedule of Revenues, Expenditures, Project Balance & Project Status - Budgetary Basis - Various School Improvement Projects	137
G. Proprietary Funds:	
Enterprise Funds:	
G-1 Combining Schedule of Net Position	N/A
G-2 Combining Schedule of Revenues, Expenses & Changes in Fund Net Position	N/A
G-3 Combining Schedule of Cash Flows	N/A
Internal Service Funds:	
G-4 Combining Schedule of Net Position	N/A
G-5 Combining Schedule of Revenues, Expenses & Changes in Fund Net Position	N/A
G-6 Combining Schedule of Cash Flows	N/A
H. Fiduciary Funds:	
H-1 Combining Statement of Fiduciary Net Position	147
H-2 Combining Statement of Changes in Fiduciary Net Position	148
H-3 Student Activity Agency Fund Schedule of Receipts & Disbursements	149
H-4 Payroll Agency Fund Schedule of Receipts & Disbursements	149
I. Long-Term Debt:	
I-1 Schedule of Serial Bonds	153
I-2 Schedule of Obligations Under Capital Leases	N/A
I-3 Debt Service Fund Budgetary Comparison Schedule	154

OUTLINE OF CAFR (Continued)
STATISTICAL SECTION (unaudited)

	PAGE
Financial Trends:	
J-1 Net Position by Component	157
J-2 Changes in Net Position	158
J-3 Fund Balances - Governmental Funds	161
J-4 Changes in Fund Balance - Governmental Funds	162
J-5 Other Local Revenue by Source - General Fund	164
Revenue Capacity:	
J-6 Assessed Value & Estimated Actual Value of Taxable Property	165
J-7 Direct & Overlapping Property Tax Rates	166
J-8 Principal Property Taxpayers	167
J-9 Property Tax Levies & Collections	168
Debt Capacity:	
J-10 Ratios of Outstanding Debt by Type	169
J-11 Ratios of General Bonded Debt Outstanding	170
J-12 Direct & Overlapping Governmental Activities Debt	170
J-13 Legal Debt Margin Information	171
Demographic & Economic Information:	
J-14 Demographic & Economic Statistics	172
J-15 Principal Employers	173
Operating Information:	
J-16 Full-Time Equivalent District Employees by Function/Program	174
J-17 Operating Statistics	175
J-18 School Building Information	176
J-19 Schedule of Required Maintenance	177
J-20 Insurance Schedule	178

SINGLE AUDIT SECTION

K-1 Independent Auditors' Report on Compliance and on Internal Control Over Financial Reporting and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	181
K-2 Independent Auditors' Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by The Uniform Guidance and New Jersey OMB Circular 15-08	183
K-3 Schedule of Expenditures of Federal Awards (Not subjected to Single Audit)	187
K-4 Schedule of Expenditures of State Financial Assistance	188
K-5 Notes to Schedules of Awards and Financial Assistance	189
K-6 Schedule of Findings & Questioned Costs Section I	191
K-7 Summary Schedule of Prior Audit Findings	195

This page intentionally left blank

INTRODUCTORY SECTION

This page intentionally left blank.



Logan Township School District
110 School Lane
Logan Township, NJ 08085

Patricia L. Haney
Superintendent of Schools
phaney@logantownshipschools.org
856-467-5133 ext. 510
856-467-9012 Fax

Sarah J. Bell
School Business Administrator
sbell@logantownshipschools.org
856-467-5133 ext. 310
856-241-1426 Fax

January 12, 2021

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

Dear Board Members/Citizens:

The Comprehensive Annual Financial Report (CAFR) of the Logan 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 Logan Township School District. To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the district as of June 30, 2019, and the respective changes in financial position and cash flows, where applicable, thereof, for the year then ended in conformity with accounting principles generally accepted in the United States of America. All disclosures necessary to enable the reader to gain an understanding of the district's financial activities have been included.

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

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

Introductory Section:

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

Financial Section:

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

Statistical Section:

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

Single Audit Section:

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

contracts and grants, along with findings and questioned costs, if any, are included in the Single Audit Section of this report.

REPORTING ENTITY AND ITS SERVICES

The Logan Township School District is an independent reporting entity within the criteria adopted by the Governmental Accounting Standard Board (GASB) as established by NCGA Statement No. 3. All funds of the School District are included in this report. The School District has no component units.

The School District provides a full range of educational services appropriate to grade levels Pre-K through 6. These include regular as well as special education for children with special needs. The School District's enrollment, as of October 15th, and for the past nine fiscal years are detailed below.

<u>Fiscal Year</u>	<u>Student Enrollment</u>	<u>Percent Change</u>
2019-2020	836	-2.11%
2018-2019	854	2.28%
2017-2018	835	-0.95%
2016-2017	843	-0.82%
2015-2016	850	0.83%
2014-2015	843	0.48%
2013-2014	839	0.12%
2012-2013	838	-4.66%
2011-2012	879	0.57%
2010-2011	874	-3.21%

ECONOMIC CONDITION AND OUTLOOK

Three large industrial parks are located in Logan Township. The Logistic Center at Logan comprises 1,100 acres and the Pureland Industrial Complex covers 3,000 acres. The third industrial park, the Commodore Business Center, is located along the Rt. 322 industrial corridor partially in Logan Township and partially in adjacent Woolwich Township. Pureland Industrial Park is the largest industrial park in the state and has been hailed as the top "ultra-successful" business park in the U.S. according to Site Selection magazine. The Logan Township population has increased from 3,078 in 1980 to 5,944 in 2017.

The continuing increase in commercial and industrial ratables has softened the effect of taxes increases on residential property over the years.

- 2012 - \$ 614,301,549
- 2013 - \$1,048,963,089
- 2014 - \$1,045,919,769
- 2015 - \$1,033,308,512
- 2016 - \$1,052,335,560
- 2017 - \$1,064,176,460
- 2018 - \$1,384,277,890
- 2019 - \$1,422,687,640
- 2020 - \$1,456,775,440

MAJOR INITIATIVES

- Logan Township is an innovative school district, which places a priority on excellence, equity and student academic, social and emotional growth. The district is extremely proud of the academic achievement of our students as reflected by the ranking we have achieved when compared with other Gloucester County School Districts using the Spring 2019 New Jersey Student Assessments (NJSLA). (State Assessment

data was not available for Spring 2020 due to the Covid-19 pandemic.) The district's scores for all tested grades 3 to 8 have been one of the highest in the county and across the state. The Spring 2019 Math scores for grades 3, 4, 5, 7 and 8 were the highest (highest % of students who are meeting or exceeding grade level expectations) **of all districts in Gloucester County**. The Spring 2019 ELA scores also showed that the District's students rank among the top districts in the County in all grades with the percentage of 8th graders' ELA scores ranking the **highest** in all of Gloucester County. Meanwhile, the demographic group of African American 4th grade students had the greatest Mean in Math out of **all of the districts in the state of New Jersey**. All of this data points to the fact that the money that has been spent over the years in our district has been used wisely, namely it has been spent for teaching and learning so that all students' academic, social and emotional needs are met!

- The District strives to remain on the cutting edge in the area of technology in order that our students have the proper technological skills that are required in the 21st century workplace environment, which proved extremely beneficial, during the pandemic, when schools were forced to teach remotely. Logan Township School District has been committed to providing an infrastructure, which supports the ever-growing integration of technology to increase effectiveness and efficiency. Over the past seven years, with the addition of a full-time Technology Coach and a full-time Curriculum Supervisor to our staff, there is on-going communication and coordination in district to fully integrate technology into daily instruction and usage, thus mirroring tomorrow's work environment. Chromebooks are used on a daily basis, giving students the opportunity to compose on the computer on a regular basis as early as second grade. Over the past year, Chromebooks were purchased for the districts' youngest student (grades K and 1), thanks to Cares Act Funds. Hatch Tables are used in our Pre-K classes to have students develop language while using technology. Besides these resources, the district has dedicated 3 district staff members to provide support for the various technological needs (both in the classroom and in school and district offices) to maintain a 21st century technology-centric environment. This type of support has proven invaluable in the past year, as our students and teachers used the expertise of the Technology Department to successful teach and learn in a remote environment. Technology Education (S.T.E.M./Science, Technology, Engineering and Mathematics) is provided for many students in the elementary and middle schools.
- Logan Township School District continues to offer early morning classes to middle school students interested in advanced courses including: Italian I (partially funded through an Italian Consulate grant) and Spanish I. Two Pre-Engineering classes also provide challenging courses for those 7th and 8th graders who choose this option. Eighth grade students who meet district criteria have the opportunity to enroll in Algebra I & also Italian 1 or Spanish 1. For the past several years, team of administrators and teachers developed "CHOICE" classes for the eighth grade, which are offered for a full semester (when not in a pandemic year). Examples of CHOICE courses include: Coding, Film Studies, Advanced Art Studio, Pre-Engineering, Choir, Band, STEM, Italian 1 and Spanish 1 and Culture. All students in Kindergarten to 7th grade have weekly World Language (Spanish or Italian) instruction.
- The Arts continue to be integral to meet our community's expectations with concerts and a spring musical being important programs for the community (when not in a pandemic year). The district has offered after school programs and clubs, which has provided students the opportunity to participate in drama, choir, dance, art, board games, athletics, and many other extra-curricular areas. Performing Arts activities provide opportunities for students to share their particular talent. As our schools are centered in a culturally diverse community, our faculty is dedicated to ensuring equitable access to all students in each of these programs.
- The District continues to be a leader in pre-school education. A state grant (ELLI) had been used over the past ten years to serve the at-risk preschool population. In 2010, the District was able to utilize ARRA Federal Stimulus Funds to expand the pre-school program to provide a more inclusive educational environment. For the 2017-2018 school year, the district applied for and was fortunate enough to be awarded a PEEA grant in the amount of \$654,940, which allowed the District to open **four** full-day classrooms for the district's four year-old students. In the summer of 2018, the district applied for and was awarded the PEEA Expansion Grant for a total amount of \$982,410, which expanded full day services to 37 additional three year old students. Last year, the NJDOE approved our application to increase our full day PreK program to 9 classrooms. We continue to offer one PreSchool Disabled Class for students who are not able to be integrated into one of the 9 PreK classrooms.

- The District continues to be proactive in addressing building maintenance issues. Many components of the Five-Year Facility Maintenance Plan have been addressed. These include upgrades to the security cameras to include new placements in corridors and additional placements around the exterior of the Logan Schools building and Center Square School and various safety upgrades to the physical plant on both campuses. Energy-cost savings initiatives include changes to the lighting in several large group areas and hallways in both district buildings. Several years ago, the District was successful in their application for four R.O.D. (Regular Operating District) Grants which, include replacing Logan School's cooling tower, the addition of an HVAC cooling system to the gymnasium, replacing the boiler, and replacing exterior doors at the Logan Schools building. The District was able to completely pay down long term debt, which was accomplished in the 2018-2019 school year. This provided the District with the opportunity to ask the voters to support a \$7.8 million Bond Referendum (which was passed in January 2019 by a 81% majority vote) in order to take care of major capital projects that could never be paid for, while keeping the district's budget, within our budget cap. The referendum projects included a new roof on the larger of our two buildings, safety and security upgrades, lighting upgrades, HVAC projects, parking lot paving, new windows etc. The referendum reduced the strain from our capital/maintenance budgets during the time we are experiencing a significant reduction in state aid.
- District curricula are continually being revised by teams of teachers, under the direction of the District's full time Curriculum Supervisor, because the district is committed to maintaining alignment to the New Jersey Student Learning Standards (NJSLs) and to the Next Generation Science Standards (NGSS). A continuous upgrading of instructional resources and teacher training, provided as a result of the partnership of the Supervisor of Curriculum and the three schools' principals, succeed in focusing the teaching and learning on the State's Standards. Focus continues to be on implementing the Marzano Causal Framework for Teaching and Learning as the foundation for the successful implementation of the Marzano Teacher Evaluation System.
- Over the past several years, the District has partnered with Rowan University's Center for Access, Success and Equity (C.A.S.E.) in an effort to review the district curricula through a culturally responsive lens, which provides students and teachers to teach and learn from multiple perspectives. In the Fall of 2019, the district was notified that they were one of four districts and Rowan University, who were awarded participation in a four year grant, sponsored by the USDOE in the amount of \$2.4 million. All four districts are committed to equity and access for all students, families, communities and staff. The four districts value cultural, linguistic, economic and ability diversity, as well as all other forms, of the people in our schools, communities and world.
- Professional Learning Opportunities are carefully planned and executed. Training in the various elements of the Marzano Evaluation Model, on the ever-changing technology world, on development of assessments, which inform instruction and on the area of equity are the foci of professional learning opportunities. During the past few years, the District has been able to provide Personalized Professional Learning for teachers by allowing for flexibility in the various professional learning opportunities and the timing of various workshops. The professional staff has responded positively to this type of CHOICE professional learning opportunities. A comprehensive mentor plan outlines services and support provided to teachers new to the profession.

INTERNAL ACCOUNTING CONTROLS

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

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

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

BUDGETARY CONTROLS

In addition to internal accounting controls, the School District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the voters of the municipality. Annual appropriated budgets are adopted for the general fund, the special revenue fund, and the debt service fund. Project-length budgets are approved for the capital improvements accounted for in the capital projects fund. The final budget amount as amended for the fiscal year is reflected in the financial section. An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either cancelled or included as re-appropriations of fund balance in the subsequent year.

ACCOUNTING SYSTEM AND REPORTS

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

FINANCIAL POLICIES

The intent of the School Board is to ensure that the School District manages its budget and finance in a fiscally prudent and responsible way by establishing financial policies for the Budget, Fund Balance and the maintenance of adequate reserves. The government-wide 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 the liability is incurred. Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues except for certain grant revenues, are recognized when susceptible to accrual that is when they become measurable and available. Property taxes, interest and certain General Fund revenues are the significant revenue sources considered susceptible to accrual.

OTHER INFORMATION

INDEPENDENT AUDIT

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

ACKNOWLEDGEMENTS

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

Respectfully submitted,



Superintendent



School Business Administrator

This page intentionally left blank

LOGAN TOWNSHIP BOARD OF EDUCATION

SUPERINTENDENT

- Administrative Assistant
- Board Secretary
- District Secretary

- School Solicitor
- School Auditor
- Treasurer of School Moneys

BUSINESS ADMINISTRATOR

- Administrative Assistant
- Cafeteria Manager
- Cafeteria Staff

FACILITIES MANAGER

- Maintenance Supervisor
- Custodians
- Bus Coordinator

PRINCIPALS

- Counselors
- School Area Coordinators
- Instructional Aides
- One-on-One Aides
- Classroom Aides
- Cafeteria Playground Aides

SUPV. STUDENT SERVICES

- Child Study Team
- Speech
- Gifted & Talented
- E.L.L.
- Instructional Aides
- One-on-One Aides
- Secretary

- Basic Skills
- Information Technology Mgr.
- Assistant ITM
- Technology Coach
- School Physician
- Nurse(s) & Aide
- Secretaries
- District Secretary

Teachers

- Classroom Aides

This page intentionally left blank

LOGAN TOWNSHIP SCHOOL DISTRICT

110 School Lane

Logan Township, New Jersey 08085

ROSTER OF OFFICIALS

June 30, 2020

MEMBERS OF THE BOARD OF EDUCATION	TERM EXPIRES
Francis E. Donnelly, Preseident	2021
Carolyn W. Kegler, Vice President	2021
Kristen Lombardo	2021
John Russell	2022
LynNae Hill	2022
Kelley Mason	2022
Brian Bowen	2020
Nathan DeForest	2020
Kimberly Reid	2020

OTHER OFFICIALS

Patricia L. Haney, Superintendent

Sarah J. Bell, Business Administrator

Lisa Toff, Board Secretary

Joseph F. Betley, Esq., Solicitor

This page intentionally left blank

**LOGAN TOWNSHIP SCHOOL DISTRICT
LOGAN TOWNSHIP, NEW JERSEY**

CONSULTANTS AND ADVISORS

AUDIT FIRM

Michael Holt, CPA, PSA
Holt McNally & Associates, Inc.
618 Stokes Road
Medford, New Jersey 08055

ATTORNEY

Joseph F. Betley, Esq.
Capehart & Scatchard
9000 Midlantic Drive, Suite 300
P.O. Box 5054
Mount Laurel, New Jersey 08054-1539

FISCAL AGENT

US Bank
Corporate Trust Services
EP-MN-WS3W
60 Livingston Avenue
St. Paul, Minnesota 55107

OFFICIAL DEPOSITORY

Fulton Bank of NJ
22 Village Center Drive
Swedesboro, New Jersey 0805

FINANCIAL ADVISOR

Capital Financial Advisors, Inc.
Robbi Acampora
8000 Midlantic Drive, Suite 110S
Mt. Laurel, New Jersey 08054

This page intentionally left blank

FINANCIAL SECTION

This page intentionally left blank.

INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Logan Township School District, County of Gloucester, 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 *Governmental Auditing Standards*, issued by the Comptroller General of the United States; and audit requirements as prescribed by the, Office of School Finance, Department of Education, State of New Jersey. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

618 Stokes Road, Medford, NJ 08055

P: 609.953.0612 • **F:** 609.257.0008

www.hmacpainc.com

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 Logan Township School District, County of Gloucester, State of New Jersey, as of June 30, 2020, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Other Information

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

The accompanying combining statements and related major fund supporting statements and schedules, and the schedules of expenditures of federal awards and state financial assistance are the responsibility of management and were derived from and 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 other records

used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying combining statements and related major fund supporting statements and schedules and schedules of expenditures of federal awards and state financial assistance are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 12, 2021 on our consideration of the School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School District's internal control over financial reporting and compliance.

Respectfully Submitted,

HOLT MCNALLY & ASSOCIATES, INC.
Certified Public Accountants & Advisors

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

Medford, New Jersey
January 12, 2021

This page intentionally left blank

REQUIRED SUPPLEMENTARY INFORMATION - PART I

This page intentionally left blank.

LOGAN TOWNSHIP SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2020
(Unaudited)

As management of the Logan Township School District, New Jersey (School District), we offer readers of the School District's financial statements this narrative overview and analysis of the School District for the fiscal year ended June 30, 2019. We encourage readers to consider the information presented in conjunction with additional information that we have furnished in our letter of transmittal, which can be found in the introductory section of this report.

Overview of the Basic Financial Statements

This discussion and analysis is intended to serve as an introduction to the School District's basic financial statements. Comparison to the prior year's activity is provided in this document. The basic financial statements are comprised of three components:

- 1) Government-Wide financial statements, 2) Fund financial statements, and 3) Notes to the basic financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements

The *government-wide financial statements* are designed to provide the reader with a broad overview of the financial activities in a manner similar to a private-sector business. The government-wide financial statements include the statement of net position and the statement of net activities.

The *statement of net position* presents information about all of the School District's assets and liabilities. The difference between the assets plus deferred outflows or resources and liabilities plus deferred inflows of resources is reported as net position. Over time, changes in net position may serve as a useful indicator of whether the financial position of the School District is improving or deteriorating.

The *statement of activities* presents information showing how the net position of the School District changed during the current fiscal year. Changes in net position are recorded in the statement of activities when the underlying event occurs, regardless of the timing of related cash flows. Thus, revenues and expenditures are reported in this statement even though the resulting cash flows may be recorded in a future period.

Both of the government-wide financial statements distinguish functions of the School District that are supported from taxes and intergovernmental revenues (*governmental activities*) and other functions that are intended to recover most of their costs from user fees and charges (*business-type activities*). Governmental activities consolidate governmental funds including the General Fund, Special Revenue Fund, Capital Projects Fund, and Debt Service Fund. Business-type activities reflect the Food Service Fund.

Fund Financial Statements

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

LOGAN TOWNSHIP SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2020
(Unaudited) (Continued)

Overview of the Basic Financial Statements (continued)

Fund Financial Statements (continued)

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

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

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

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

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

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

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

Notes to the Basic Financial Statements

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

LOGAN TOWNSHIP SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2020
(Unaudited) (Continued)

Financial Analysis of the School District as a Whole

Table 1 provides a summary of the School Districts net position for the fiscal years 2020 compared to fiscal year 2019.

Table 1
Summary of Net Position

	June 30, <u>2020</u>	June 30, <u>2019</u>	Increase/ <u>(Decrease)</u>	Percentage <u>Change</u>
Current & Other Assets	\$ 6,650,042	\$ 11,877,517	\$ (5,227,475)	-44.0%
Capital Assets, Net	14,795,804	10,670,542	4,125,262	38.7%
Total Assets	<u>21,445,846</u>	<u>22,548,059</u>	<u>(1,102,213)</u>	-4.9%
Deferred Outflow of Resources	<u>1,002,789</u>	<u>1,043,075</u>	<u>(40,286)</u>	-3.9%
Current and other Liabilities	783,287	2,296,706	(1,513,419)	-65.9%
Noncurrent Liabilities	<u>11,257,087</u>	<u>10,684,342</u>	<u>572,745</u>	5.4%
Total Liabilities	<u>12,040,374</u>	<u>12,981,048</u>	<u>(940,674)</u>	-7.2%
Deferred Inflow of Resources	<u>1,285,234</u>	<u>1,222,292</u>	<u>62,942</u>	100.0%
Net Position:				
Net Investment in Capital Assets	8,423,108	9,110,357	(687,249)	-7.5%
Restricted	4,375,777	4,079,724	296,053	7.3%
Unrestricted (Deficit)	<u>(3,675,858)</u>	<u>(3,802,287)</u>	<u>126,429</u>	-3.3%
Total Net Position	<u>\$ 9,123,027</u>	<u>\$ 9,387,794</u>	<u>\$ (264,767)</u>	-2.8%

LOGAN TOWNSHIP SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2020
(Unaudited) (Continued)

Table 2 shows the changes in net position for fiscal year 2020 compared to fiscal year 2019.

Table 2
Summary of Changes in Net Position

	June 30, <u>2020</u>	June 30, <u>2019</u>	Increase/ <u>(Decrease)</u>	Percentage <u>Change</u>
Revenues:				
Program Revenues:				
Charges for Services	\$ 123,337	\$ 212,469	\$ (89,132)	-42.0%
Operating Grants & Contributions	5,037,137	5,675,502	(638,365)	-11.2%
General Revenues:				
Property Taxes	13,332,484	13,035,636	296,848	2.3%
Federal & State Aid	4,873,187	5,471,968	(598,781)	-10.9%
Other General Revenues	261,917	170,043	91,874	54.0%
Total Revenues	<u>23,628,062</u>	<u>24,565,618</u>	<u>(937,556)</u>	<u>-3.8%</u>
Function/Program Expenditures:				
Regular Instruction	5,503,258	5,879,855	(376,597)	-6.4%
Special Education Instruction	1,164,328	975,752	188,576	19.3%
Basic Skill/Remedial Instruction	519,399	460,242	59,157	12.9%
Other Instruction	32,852	53,625	(20,773)	-38.7%
Tuition	3,607,211	3,475,026	132,185	3.8%
Student & Instruction Related Services	2,169,411	2,172,117	(2,706)	-0.1%
General Administrative	685,299	681,886	3,413	0.5%
School Administrative Services	250,289	258,492	(8,203)	-3.2%
Plant Operations & Maintenance	1,388,851	1,531,972	(143,121)	-9.3%
Pupil Transportation	1,267,454	1,254,727	12,727	1.0%
Unallocated Benefits	5,999,793	6,746,219	(746,426)	-11.1%
Adjustment to Fixed Assets	287,305	(4,666)	291,971	-6257.4%
Interest & Other Charges	205,731	60,133	145,598	242.1%
Unallocated Depreciation	688,366	669,272	19,094	2.9%
Food Service	284,240	300,543	(16,303)	-5.4%
Total Expenditures	<u>24,053,787</u>	<u>24,515,195</u>	<u>(461,408)</u>	<u>-1.9%</u>
Change In Net Position	(425,725)	50,423	(476,148)	-944.3%
Net Position - Beginning, as previously stated	9,387,794	9,337,371	50,423	0.5%
Prior Period Adjustment	160,958	-	160,958	100.0%
Net Position - Beginning, as restated	9,548,752	9,337,371	211,381	2.3%
Net Position - Ending	<u>\$ 9,123,027</u>	<u>\$ 9,387,794</u>	<u>\$ (425,725)</u>	<u>-4.5%</u>

Governmental Activities

During the fiscal year 2020, the net position of governmental activities decreased by \$463,664 or 5.01%. The primary reason for the decrease was due to a \$477,317 decrease in State Aid to the District.

The assets and deferred outflows of the primary government activities exceeded liabilities and deferred inflows by \$8,784,703, with an unrestricted deficit balance of \$(3,828,165). The deficit in unrestricted net position is primarily due to accounting treatment for compensated absences payable, GASB 68 net pension liability, and the last two state aid payments. In addition, state statutes prohibit school districts from maintaining more than 2% of its adopted budget as unassigned fund balance.

LOGAN TOWNSHIP SCHOOL DISTRICT
Management’s Discussion and Analysis
For the Fiscal Year Ended June 30, 2020
(Unaudited) (Continued)

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

Table 3
GASB 68 Effect on Unrestricted Net Position

Unrestricted Net Position (With GASB 68)	\$	(3,828,165)
Add back: PERS Pension Liability		3,060,698
Less: Deferred Outflows related to pensions		(1,002,789)
Add back: Deferred Inflows related to pensions		<u>1,285,234</u>
Unrestricted Net Position (Without GASB 68)	<u>\$</u>	<u>(485,022)</u>

Business-type Activities

During the fiscal year 2020, the net position of business-type activities increased by \$37,939 or 12.6%.

The assets and deferred outflows of the business-type activities exceeded liabilities and deferred inflows by \$338,324.

General Fund Budgeting Highlights

Final budgeted revenues were \$17,865,326, which was the same as the original budget. Excluding nonbudgeted revenues, the School District’s actual revenues exceeded budgeted revenues by \$279,195.

Final budgeted appropriations were \$19,371,599, which was an increase of \$12,190 from the original budget. The increase is due to prior year reserve for encumbrances, which increase the budget appropriations in the subsequent fiscal year’s budget. Excluding nonbudgeted expenditures, the School District’s budget appropriations exceeded actual expenditures by \$563,342.

The School District’s general fund balance – budgetary basis (Exhibit C-1) was \$4,851,052 at June 30, 2020, an increase of \$381,561 from the prior year.

Governmental Funds

At the end of the current fiscal year, the School District’s governmental funds reported a combined ending fund balance of \$5,938,794, a decrease of \$4,312,207 from the prior year.

General fund - During the current fiscal year, the fund balance of the School District’s general fund increased by \$432,894 or 10.8% to \$4,428,237 at June 30, 2020, compared to an increase of \$50,935 in fund balance in the prior fiscal year.

Special revenue fund – During the current fiscal year, the fund balance of the School District’s special revenue fund decreased by \$(1,733) to \$(99,974) at June 30, 2020, compared to a decrease of \$(26,957) in fund balance in the prior fiscal year.

LOGAN TOWNSHIP SCHOOL DISTRICT
Management’s Discussion and Analysis
For the Fiscal Year Ended June 30, 2020
(Unaudited) (Continued)

Capital projects fund – During the current fiscal year, the fund balance of the School District’s capital projects fund decreased by \$(4,812,511) to \$1,497,304 at June 30, 2020 compared to an increase of \$6,309,815 in fund balance in the prior fiscal year. The primary factor for the decrease was related to the expenditures for the various capital projects of the District.

Debt service fund - During the current fiscal year, the fund balance of the School District’s debt service fund increased by \$69,143 to \$113,227 at June 30, 2020, compared to an increase of \$44,083 in fund balance in the prior fiscal year.

Proprietary Funds

Food service fund - During the current fiscal year, the net position of the School District’s food service fund increased by \$37,939 or 12.6% to \$338,324 at June 30, 2020, compared to a decrease of \$(30,051) in fund balance in the prior fiscal year.

Capital Assets

The School District’s capital assets for its governmental and business-type activities as of June 30, 2020, totaled \$14,795,804 (net of accumulated depreciation). Capital assets includes land, land improvements, buildings and improvements and equipment. The School Districts “Net Investment in Capital Assets” component of net position represents capital assets, net of accumulated depreciation less any outstanding debt associated with the capital assets. There was a net increase in the School District’s investment in capital assets for the current fiscal year for \$4,125,262. This increase is primarily due to the current year additions exceeding current year depreciation of capital assets. Table 4 shows fiscal 2020 balances compared to 2019.

Table 4
Summary of Capital Assets

<u>Capital Asset (Net of Depreciation):</u>	June 30, <u>2020</u>	June 30, <u>2019</u>	Increase/ <u>(Decrease)</u>	Percentage <u>Change</u>
Land	\$ 115,872	\$ 115,872	\$ -	0.0%
Construction in Progress	6,372,696	1,560,185	4,812,511	308.5%
Land Improvements	217,288	198,953	18,335	9.2%
Building and Improvements	7,535,286	8,131,886	(596,600)	-7.3%
Equipment	554,662	663,646	(108,984)	-16.4%
	<u>\$ 14,795,804</u>	<u>\$ 10,670,542</u>	<u>\$ 4,125,262</u>	38.7%

Depreciation expense for the year was \$704,608. Additional information on the School District’s capital assets can be found in the notes to the basic financial statements (Note 5) of this report.

LOGAN TOWNSHIP SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2020
(Unaudited) (Continued)

Debt Administration

Long-term debt – At the end of the current fiscal year, the School District had total bonded debt outstanding of \$7,870,000, which is no change from the prior year.

Additional information on the School District's long-term obligations can be found in the notes to the basic financial statements (Note 7) of this report.

Factors on the School District's Future

- The future of state aid is uncertain for New Jersey School Districts, especially those with declining enrollment (Logan Township is one of those districts). The District was notified in late June of 2017 of a loss in state aid in the amount of \$108,328 and then again in July of 2018 of another loss in state aid in the amount of \$232,800.
- The Logan Township School District is faced with financial challenges in the future years due to the projected reductions of state aid over the next five years as a result of the S2 legislation. Overall, the projected loss for the District is a reduction of our Equalization Aid by 100%. (Equalization Aid made up 77% of the total state aid Logan received.) Projections for continued state aid cuts in future years through 2025 (\$494,633 for the 2019-2020 school year, additional loss of \$758,074 for the 2020-2021 school year and a projected loss of \$939,023 in state aid in the 2021-2022 school year) provide us with a gloomy financial outlook through no fault of our own. Previous to the S2 legislation, we received \$5,215,466 in state aid. The state has notified us that we should project to have the district's state aid cut by a total of \$3,788,474 by the 2024- 2025 school year. Due to this continuous reduction in state aid, the district has been forced to reduce staff. Up to this point, most of this reduction in staff has been achieved through attrition, not through RIFs, but this will change in the coming years.
- Besides being on the receiving end of these catastrophic cuts, the district which receives 2/3 of our high school resident students (Kingsway Regional) plans on increasing the tuition payments we are set to make because they have received an increase in state aid (they were deemed to be "underfunded") and therefore they can spend more on their students. Couple those two factors (decrease in state aid and the projection of steady increases in high school tuition) with the fact that the district is still not able to exceed raising taxes by more than the 2% tax levy cap, the financial future does not look bright for this district.
- Meanwhile, the district's New Jersey State Learning Assessment (NJSLA) scores for all tested grades 3 to 8 remain one of the highest in the county and across the state. The Spring 2019 Math scores for grades 3, 4, 5, 7 and 8 were the highest (highest % of students who are meeting or exceeding grade level expectations) of all districts in Gloucester County. The Spring 2019 ELA scores also showed us ranking among the top districts in the County with the percentage of 8th graders' ELA scores ranking the highest in all of Gloucester County. Meanwhile, the demographic group of African American 4th grade students had the greatest Mean in Math out of all of the districts in the state of New Jersey. (Please note that State Assessment did not occur in the Spring 2020, due to the pandemic.) All of this data points to the fact that the money that has been spent over the years in our district has been put to good use, namely it has been spent for teaching and learning so that all students can achieve!

LOGAN TOWNSHIP SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2020
(Unaudited) (Continued)

- The District has been able to make deposits into capital and maintenance reserves, which has paid for improvements in facilities over the years.
- The District was able to completely pay down long term debt, which was accomplished in the 2018-2019 school year. This provided the District with the opportunity to present to the voters a \$7.8 million Bond Referendum (which was passed in January 2019 by a 81% majority vote) in order to take care of major capital projects that could never fall within our budget cap. The projects include a new roof on the larger of our two buildings, safety and security upgrades, lighting upgrades, HVAC projects, parking lot paving, and new windows, etc. The referendum has allowed the district to take some pressure off of our capital/maintenance budgets during the time we are experiencing a significant reduction in state aid.
- The District successfully negotiated a three year Collective Bargaining Agreement with the Logan Teacher Education Association (LTEA) in March 2020, which extends through June 2022. This process proved challenging due to the financial situation the District found itself in, due to the S2 legislation.
- The District is proud of its community support of the public schools. The Board of Education has supported innovative programs in the past and had hoped to continue their support in the future for such programs as the Arts (Music, Art and Drama) and Pre-Engineering/S.T.E.M. However, it seems unlikely that the BOE will be able to continue this support in the budget in the future. We are hopeful that various community organizations and parents, such as the Home and School League and a newly-formed Educational Foundation, might be able to assist the district in the future.
- The District expects limited growth in enrollment over the next few years. The current schools' capacity is sufficient to accommodate this growth. It may be many years before any proposal for housing development (which would have significant impact upon the district) takes hold. The district continues to approach this subject with the mayor at meetings we hold several times a year.

The Logan Township School District is very concerned about how they will meet the fiscal challenges described above, in the future.

Contacting the School Districts Financial Management

This financial report is designed to provide a general overview of the School District's finances for all those with an interest in the School District. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Office of the Business Administrator, Logan Township School District, 110 School Lane, Logan Township, NJ 08085. Please visit our website at www.logan.k12.nj.us.

BASIC FINANCIAL STATEMENTS

This page intentionally left blank.

A. Government-Wide Financial Statements

This page intentionally left blank

LOGAN TOWNSHIP SCHOOL DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2020

ASSETS	GOVERNMENTAL ACTIVITIES	BUSINESS- TYPE ACTIVITIES	TOTAL
Cash & Cash Equivalents	\$ 4,902,675	\$ 117,992	\$ 5,020,667
Receivables, Net (Note 4)	267,950	30,371	298,321
Inventory	-	11,524	11,524
Restricted Cash & Cash Equivalents	1,319,530	-	1,319,530
Capital Assets, Net (Note 5)			
Non-Depreciable	6,372,696	-	6,372,696
Depreciable	8,237,091	186,017	8,423,108
Total Assets	21,099,942	345,904	21,445,846
DEFERED OUTFLOWS OF RESOURCES			
Related to Pensions (Note 8)	1,002,789	-	1,002,789
Total Deferred Outflows of Resources	1,002,789	-	1,002,789
Total Assets and Deferred Outflows of Resources	22,102,731	345,904	22,448,635
LIABILITIES			
Accounts Payable	459,517	628	460,145
Accrued Interest on Debt	60,091	-	60,091
Unearned Revenue	91,844	6,952	98,796
Due to Other Governments	164,255	-	164,255
Noncurrent Liabilities (Note 7):			
Due Within One Year	485,000	-	485,000
Due Beyond One Year	10,772,087	-	10,772,087
Total Liabilities	12,032,794	7,580	12,040,374
DEFERED INFLOWS OF RESOURCES			
Related to Pensions (Note 8)	1,285,234	-	1,285,234
Total Deferred Inflows of Resources	1,285,234	-	1,285,234
Total Liabilities and Deferred Inflows of Resources	13,318,028	7,580	13,325,608
NET POSITION			
Net Investments in Capital Assets	8,237,091	186,017	8,423,108
Restricted For:			
Debt Service	113,227	-	113,227
Capital Reserve	507,557	-	507,557
Maintenance Reserve	511,973	-	511,973
Tuition Reserve	300,000	-	300,000
Excess Surplus	2,943,020	-	2,943,020
Unrestricted (Deficit)	(3,828,165)	152,307	(3,675,858)
Total Net Position	\$ 8,784,703	\$ 338,324	\$ 9,123,027

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

LOGAN TOWNSHIP SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2020

FUNCTIONS/PROGRAMS	NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION				BUSINESS- TYPE ACTIVITIES	TOTAL
	EXPENSES	CHARGES FOR SERVICES	PROGRAM REVENUES OPERATING GRANTS & CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES		
Governmental Activities:						
Instruction:						
Regular	\$ 5,503,258	\$ -	\$ 905,663	\$ (4,597,595)	\$ -	(4,597,595)
Special Education	1,164,328	-	-	(1,164,328)	-	(1,164,328)
Basic Skill/Remedial Instruction	519,399	-	-	(519,399)	-	(519,399)
Other Instruction	32,852	-	-	(32,852)	-	(32,852)
Support Services & Undistributed Costs:						
Tuition	3,607,211	-	-	(3,607,211)	-	(3,607,211)
Student & Instruction Related Services	2,169,411	-	397,400	(1,772,011)	-	(1,772,011)
School Administrative Services	250,289	-	-	(250,289)	-	(250,289)
General & Business Administrative Services	685,299	-	-	(685,299)	-	(685,299)
Plant Operations & Maintenance	1,388,851	-	-	(1,388,851)	-	(1,388,851)
Pupil Transportation	1,267,454	-	-	(1,267,454)	-	(1,267,454)
Unallocated Benefits	5,999,793	-	3,535,232	(2,464,561)	-	(2,464,561)
Interest and Charges on Long-Term Debt	205,731	-	-	(205,731)	-	(205,731)
Revaluation of Fixed Assets	287,305	-	-	(287,305)	-	(287,305)
Unallocated Depreciation	688,366	-	-	(688,366)	-	(688,366)
Total Governmental Activities	23,769,547	-	4,838,295	(18,931,252)	-	(18,931,252)

LOGAN TOWNSHIP SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2020

FUNCTIONS/PROGRAMS	NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION				TOTAL
	EXPENSES	PROGRAM REVENUES CHARGES FOR SERVICES	OPERATING GRANTS & CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	
Business-Type Activities:					
Food Service	284,240	123,337	198,842	-	37,939
Total Business - Type Activities	284,240	123,337	198,842	-	37,939
Total Primary Government	24,053,787	123,337	5,037,137	(18,931,252)	(18,893,313)
General Revenues:					
Taxes:					
Property Taxes, Levied for General Purposes				13,129,893	13,129,893
Taxes Levied for Debt Service				202,591	202,591
Federal & State Restricted				-	-
Federal & State Aid Not Restricted				4,873,187	4,873,187
Tuition Received				48,040	48,040
Miscellaneous Income				213,877	213,877
Total General Revenues & Transfers				18,467,588	18,467,588
Change In Net Position				(463,664)	(425,725)
Net Position - Beginning, as previously stated				9,248,367	9,387,794
Prior Period Adjustment				-	160,958
Net Position - Beginning, as re-stated				9,248,367	9,548,752
Net Position - Ending				8,784,703	9,123,027

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

This page intentionally left blank

B. Fund Financial Statements

This page intentionally left blank

Governmental Funds

This page intentionally left blank

**LOGAN TOWNSHIP SCHOOL DISTRICT
GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2020**

	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	DEBT SERVICE FUND	TOTAL	(M)
Assets:						
Cash & Cash Equivalents	\$ 3,241,107	\$ -	\$ 1,700,320	\$ 69,143	\$ 5,010,570	
Receivables:						
State	125,730	-	-	-	125,730	
Federal	-	115,330	-	-	115,330	
Other	18,113	8,777	-	-	26,890	
Due from Other Funds	2,068	-	-	44,084	46,152	
Restricted Cash & Cash Equivalents	1,319,530	-	-	-	1,319,530	
Total Assets	\$ 4,706,548	\$ 124,107	\$ 1,700,320	\$ 113,227	\$ 6,644,202	
Liabilities & Fund Balances:						
Liabilities:						
Cash Deficit	\$ -	\$ 107,895	\$ -	\$ -	\$ 107,895	
Accounts Payable	270,574	30,011	158,932	-	459,517	
Due to Other Funds	-	2,068	44,084	-	46,152	
Unearned Revenue	7,737	84,107	-	-	91,844	
Total Liabilities	278,311	224,081	203,016	-	705,408	
Fund Balances:						
Restricted for:						
Capital Reserve Account	507,557	-	-	-	507,557	
Maintenance Reserve	511,973	-	-	-	511,973	
Tuition Reserve	300,000	-	-	-	300,000	
Excess Surplus	1,507,133	-	-	-	1,507,133	
Excess Surplus Designated						
for Subsequent Year's Expenditures	1,435,887	-	-	-	1,435,887	
Capital Projects Fund	-	-	1,287,739	-	1,287,739	
Debt Service Fund	-	-	-	113,227	113,227	
Assigned to:						
Designated for Subsequent Year Expendit	34,693	-	-	-	34,693	
Other Purposes	76,348	-	209,565	-	285,913	
Unassigned Fund Balance:						
General Fund	54,646	-	-	-	54,646	
Special Revenue Fund	-	(99,974)	-	-	(99,974)	
Total Fund Balances	4,428,237	(99,974)	1,497,304	113,227	5,938,794	
Total Liabilities & Fund Balances	\$ 4,706,548	\$ 124,107	\$ 1,700,320	\$ 113,227		

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$30,508,850 and the accumulated depreciation is \$15,899,063.	14,609,787
Deferred outflows and inflows of resources related to pensions and deferred charges or credits on debt refunding are applicable to future reporting periods and therefore are not reported in the funds.	
Deferred Outflows related to pensions	1,002,789
Deferred Inflows related to pensions	(1,285,234)
Long-term liabilities, including net pension liability on bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds.	(11,257,087)
Accrued pension contributions for the June 30, 2020 plan year are not paid with current economic resources and are therefore not reported as a liability in the funds, but are included in accounts payable in the government-wide statement of net position.	(164,255)
Accrued interest on long-term debt is not due and payable in the current period and therefore is not reported as a liability in the funds.	(60,091)
Net position of Governmental Activities	<u>\$ 8,784,703</u>

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

**LOGAN TOWNSHIP SCHOOL DISTRICT
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2020**

	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	DEBT SERVICE FUND	TOTAL
Revenues:					
Local Sources:					
Local Tax Levy	\$ 13,129,893	\$ -	\$ -	\$ 202,591	\$ 13,332,484
Tuition Charges	48,040	-	-	-	48,040
Miscellaneous	123,553	21,181	69,143	-	213,877
Total Local Sources	13,301,486	21,181	69,143	202,591	13,594,401
State Sources	7,400,873	953,331	-	-	8,354,204
Federal Sources	-	328,551	-	-	328,551
Total Revenues	20,702,359	1,303,063	69,143	202,591	22,277,156
Expenditures:					
Current:					
Regular Instruction	4,595,862	907,396	-	-	5,503,258
Special Education Instruction	1,164,328	-	-	-	1,164,328
Basic Skills/Remedial - Instruction	519,399	-	-	-	519,399
Other Instruction	32,852	-	-	-	32,852
Support Services & Undistributed Costs:					
Tuition	3,607,211	-	-	-	3,607,211
Student & Instruction Related Services	1,772,011	397,400	-	-	2,169,411
School Administrative Services	250,289	-	-	-	250,289
General & Business Administrative Services	685,299	-	-	-	685,299
Plant Operations & Maintenance	1,388,851	-	-	-	1,388,851
Pupil Transportation	1,267,454	-	-	-	1,267,454
Unallocated Benefits	2,334,561	-	-	-	2,334,561
On Behalf TPAF Pension and Social Security Contributions	2,506,505	-	-	-	2,506,505
Capital Outlay	143,706	-	4,812,511	-	4,956,217
Debt Service:					
Interest & Other Charges	1,137	-	-	202,591	203,728
Total Expenditures	20,269,465	1,304,796	4,812,511	202,591	26,589,363
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures	432,894	(1,733)	(4,743,368)	-	(4,312,207)
Other Financing Sources/(Uses):					
Operating Transfer In	-	-	-	69,143	69,143
Operating Transfer Out	-	-	(69,143)	-	(69,143)
Total Other Financing Sources & Uses	-	-	(69,143)	69,143	-
Net Change in Fund Balances	432,894	(1,733)	(4,812,511)	69,143	(4,312,207)
Fund Balance - July 1	3,995,343	(98,241)	6,309,815	44,084	10,251,001
Fund Balance - June 30	\$ 4,428,237	\$ (99,974)	\$ 1,497,304	\$ 113,227	\$ 5,938,794

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

**LOGAN 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 YEAR ENDED JUNE 30, 2020**

Total Net Change in Fund Balances - Governmental Funds (From B-2) \$ (4,312,207)

Amounts reported for governmental activities in the statement of activities (A-2) are different because:

Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.

When capital outlays and other adjustments exceed depreciation, the difference is an addition in the reconciliation (+); when depreciation and other adjustments exceed capital outlays the difference is a reduction to the reconciliation (-)

Depreciation Expense	\$	(688,366)	
Capital Asset Adjustment		(287,305)	
Capital Outlays		<u>4,956,217</u>	3,980,546

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.

(120,956)

In the statement of activities, 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. The accrued interest is an addition in the reconciliation (+).

(2,003)

In the statement of activities, certain operating expenses, e.g., compensated absences (vacations) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is reduction in the reconciliation (-); when the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+).

(9,044)

Change in Net Position of Governmental Activities

\$ (463,664)

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

This page intentionally left blank

Proprietary Funds

This page intentionally left blank

**LOGAN TOWNSHIP SCHOOL DISTRICT
 PROPRIETARY FUNDS
 STATEMENT OF NET POSITION
 JUNE 30, 2020**

ASSETS	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS <u>FOOD SERVICE</u>	TOTAL
Current Assets:		
Cash & Cash Equivalents	\$ 117,992	\$ 117,992
Accounts Receivable		
State	1,100	1,100
Federal	29,271	29,271
Inventories	11,524	11,524
Total Current Assets	159,887	159,887
Noncurrent Assets:		
Furniture, Machinery & Equipment	336,968	336,968
Less: Accumulated Depreciation	(150,951)	(150,951)
Total Noncurrent Assets	186,017	186,017
Total Assets	345,904	345,904
LIABILITIES		
Current Liabilities:		
Accounts Payable	628	628
Prepaid Lunches	6,952	6,952
Total Liabilities	7,580	7,580
NET POSITION		
Net Investments in Capital Assets	186,017	186,017
Unrestricted	152,307	152,307
Total Net Position	\$ 338,324	\$ 338,324

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

**LOGAN TOWNSHIP SCHOOL DISTRICT
 PROPRIETARY FUNDS
 COMBINING STATEMENT OF REVENUES, EXPENSES AND
 CHANGES IN NET POSITION
 AS OF JUNE 30, 2020**

	BUSINESS-TYPE ACTIVITIES - <u>ENTERPRISE FUNDS</u>	
	FOOD SERVICE	TOTAL
Operating Revenues:		
Charges for Services:		
Daily Sales - Reimbursable Programs	\$ 73,857	\$ 73,857
Daily Sales - Nonreimbursable Programs	49,480	49,480
Total Operating Revenues	123,337	123,337
Operating Expenses:		
Salaries & Benefits	111,884	111,884
Supplies & Materials	10,070	10,070
Cost of Sales - Reimbursable Programs	105,145	105,145
Cost of Sales - Non-Reimbursable Programs	14,813	14,813
Depreciation	16,242	16,242
Miscellaneous	26,086	26,086
Total Operating Expenses	284,240	284,240
Operating Income/(loss)	(160,903)	(160,903)
Nonoperating Revenues/(Expenses):		
State Sources:		
State School Lunch Program	3,886	3,886
Federal Sources:		
National School Lunch Program	121,533	121,533
National School Breakfast Program	44,275	44,275
Food Distribution Program	28,745	28,745
Interest & Investment Revenue	403	403
Total Nonoperating Revenues/(Expenses)	198,842	198,842
Income/(Loss) Before Contributions & Transfers	37,939	37,939
Change in Net Position	37,939	37,939
Total Net Position - Beginning, as previously stated	139,427	139,427
Prior Period Adjustment	160,958	160,958
Total Net Position, Beginning, as re-stated	300,385	300,385
Total Net Position - Ending	\$ 338,324	\$ 338,324

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

**LOGAN TOWNSHIP SCHOOL DISTRICT
PROPRIETARY FUNDS
COMBINING STATEMENT OF CASH FLOWS
AS OF JUNE 30, 2020**

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS	
	FOOD SERVICE	TOTAL
Cash Flows From Operating Activities:		
Receipts from Customers	\$ 84,823	\$ 84,823
Payments to Employees	(111,884)	(111,884)
Payments to Suppliers	(131,849)	(131,849)
	<hr/>	<hr/>
Net Cash Provided/(Used) by Operating Activities	(158,910)	(158,910)
Cash Flows From Noncapital Financing Activities:		
State & Federal Sources	169,694	169,694
	<hr/>	<hr/>
Net Cash Provided/(Used) by Noncapital Financing Activities	169,694	169,694
Cash Flows From Investing Activities:		
Net Cash Provided/(Used) by Investing Activities	403	403
	<hr/>	<hr/>
Net Cash Provided/(Used) by Investing Activities	403	403
Cash Flows from Capital Financing Activities:		
Purchase of Capital Assets	-	-
	<hr/>	<hr/>
Net Cash Used by Capital Financing Activities	-	-
Net Increase/(Decrease) in Cash & Cash Equivalents	11,187	11,187
Balances - Beginning of Year	106,805	106,805
	<hr/>	<hr/>
Balances - End of Year	\$ 117,992	\$ 117,992
	<hr/> <hr/>	<hr/> <hr/>

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

Operating Income/(Loss)	\$ (160,903)	\$ (160,903)
Adjustments to Reconcile Operating Income/(Loss) to Net Cash Provided/(Used) by Operating Activities:		
Depreciation & Net Amortization	16,242	16,242
Food Distribution Program	28,745	28,745
Changes in Assets & Liabilities:		
(Increase)/Decrease in Accounts Receivable	(25,318)	(25,318)
(Increase)/Decrease in Inventories	(4,480)	(4,480)
Increase/(Decrease) in Current Liabilities	(13,196)	(13,196)
	<hr/>	<hr/>
Total Adjustments	1,993	1,993
Net Cash Provided/(Used) by Operating Activities	\$ (158,910)	\$ (158,910)
	<hr/> <hr/>	<hr/> <hr/>

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

This page intentionally left blank

Fiduciary Fund

This page intentionally left blank

**LOGAN TOWNSHIP SCHOOL DISTRICT
FIDUCIARY FUNDS
COMBINING STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2020**

ASSETS	PRIVATE PURPOSE		AGENCY		TOTAL
	UNEMPLOYMENT	SCHOLARSHIP	STUDENT	PAYROLL	
	COMPENSATION		ACTIVITY		
	TRUST FUND				
Cash & Cash Equivalents	\$ 84,091	\$ 4,817	\$ 32,595	\$ 357,594	\$ 479,097
Total Assets	84,091	4,817	32,595	357,594	479,097
LIABILITIES					
Payroll Deductions & Withholdings	-	-	-	352,101	352,101
Due to Student Groups	-	-	32,595	-	32,595
Accounts Payable	3,069	-	-	-	3,069
Flexible Spending	-	-	-	5,493	5,493
Total Liabilities	3,069	-	32,595	357,594	393,258
NET POSITION					
Restricted for:					
Unemployment Claims	81,022	-	-	-	81,022
Scholarships	-	4,817	-	-	4,817
Total Net Position	\$ 81,022	\$ 4,817	\$ -	\$ -	\$ 85,839

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

**LOGAN TOWNSHIP SCHOOL DISTRICT
FIDUCIARY FUNDS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEAR ENDED JUNE 30, 2020**

ADDITIONS	PRIVATE PURPOSE		TOTAL
	SCHOLARSHIP	UNEMPLOYMENT COMPENSATION	
Local Sources:			
Contributions from Employees	\$ -	\$ 15,623	\$ 15,623
Investment Earnings:			
Interest	33	1,017	1,050
Total Additions	33	16,640	16,673
DEDUCTIONS			
Quarterly Contributions Reports	-	6,350	6,350
Scholarships Awarded	200	-	200
Total Deductions	200	6,350	6,550
Change in Net Position	(167)	10,290	10,123
Net Position - Beginning of the Year	4,984	70,732	75,716
Net Position - End of the Year	\$ 4,817	\$ 81,022	\$ 85,839

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

LOGAN TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020

This page intentionally left blank

**LOGAN TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

Note 1. Summary of Significant Accounting Policies

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

Reporting Entity

The Logan Township School District (hereafter referred to as the “District”) is a Type II School District located in the County of Gloucester, State of New Jersey. As a Type II School District, the School District functions independently through a Board of Education. The Board is comprised of nine members elected to three-year terms. These terms are staggered so that three members’ terms expire each year. The purpose of the School District is to educate students in grades kindergarten through eighth at its two schools. The School District has an approximate enrollment at June 30, 2020 of 839 students.

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

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

There were no additional entities required to be included in the reporting entity under the criteria as described above. Furthermore, the District is not includable in any other reporting entity on the basis of such criteria.

Component Units

GASB Statement No.14, The Financial Reporting Entity, provides guidance that all entities associated with a primary government are potential component units and should be evaluated for inclusion in the financial reporting entity. A primary government is financially accountable not only for the organizations that make up its legal entity but also for legally separate organizations that meet the criteria established by GASB Statement No. 14, as amended by GASB Statement No. 39, Determining Whether Certain Organizations are Component Units and GASB Statement No. 61, The Financial Reporting Entity: Omnibus - an amendment of GASB Statements No. 14 and No. 34. and GASB 80, Blending Requirements for certain component Units - an Amendment of GASB Statement No. 14. The School District had no component units as of for the year ended June 30, 2020.

Government-Wide Financial Statements

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

These statements are presented on an “economic resources” measurement focus and the accrual basis of accounting. Accordingly, all of the District’s assets, deferred outflows of resources, liabilities, and

**LOGAN TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

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

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

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

Governmental Fund Financial Statements

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

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

Proprietary Fund Financial Statements

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

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

**LOGAN TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

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

in the period in which they are earned while expenses are recognized in the period in which the liability is incurred, regardless of the timing of related cash flows.

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

Fiduciary Fund Financial Statements

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

Measurement Focus, Basis of Accounting and Financial Statement Presentation

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

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

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

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

Property taxes, charges for services, licenses, and interest on notes receivable associated with the current fiscal period are all considered to be susceptible to accrual and accordingly have been recognized as

**LOGAN TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

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

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

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

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

The District reports the following major governmental funds:

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

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

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

Special Revenue Fund - The Special Revenue Fund is used to account for the proceeds of specific revenue from State and Federal Government, (other than major capital projects, Debt

**LOGAN TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

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

Service or the Enterprise Funds) and local appropriations that are legally restricted to expenditures for specified purposes.

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

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

The District reports the following major proprietary funds:

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

Additionally, the District reports the following major fiduciary funds:

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

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

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

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

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

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as internal balances in the business-type activities column.

**LOGAN TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

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

Budgets/Budgetary Control

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue and debt service funds. The budgets are submitted to the county office. In accordance with P.L.2011 c.202, which became effective January 17, 2012, the District eliminated the April annual voter referendum on budgets which met the statutory tax levy cap limitations and the board of education members are elected at the November general election. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6A:23-2-2(f)1. Transfers of appropriations may be made by School Board resolution at any time during the fiscal year in accordance with N.J.A.C. 6A:23-2-11.

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

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

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

Exhibit C-3 presents a reconciliation of the general fund revenues and special revenue fund revenues and expenditures from the budgetary basis of accounts as presented in the General Fund Budgetary Comparison Schedules and the Special Revenue Fund Budgetary Comparison Schedule to the GAAP basis of accounting as presented in the Statement of Revenues, Expenditures and Changes in Fund Balance – Governmental Funds. Note that the District does not report encumbrances outstanding at fiscal year-end as expenditures in the general fund since the general fund budget follows modified accrual basis with the exception of the revenue recognition policy for the last state aid payments.

Encumbrances

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

Open encumbrances in the special revenue fund for which the District has received advances are reflected in the balance sheet as a reduction of the accounts receivables or as unearned revenue at fiscal year-end.

**LOGAN TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

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

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

Cash and Cash Equivalents

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

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

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

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

Tuition Payable/Receivable

Tuition rates for the fiscal year end June 30, 2020 were established by the receiving district based on estimated costs. The charges are subject to adjustment when the final costs have been determined.

Inventories

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

Interfund Receivables/Payables

Interfund receivables/payables represent amounts that are owed, other than charges for goods or services rendered to/from a particular fund in the District and that are due within one year. The amounts are eliminated in the governmental and business-type activities, which are presented as Internal Balances. Balances with fiduciary funds are not considered Internal Balances; therefore those balances are reported on the Statement of Net Position.

**LOGAN TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

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

Capital Assets

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

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

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

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

Compensated Absences

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

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

Unearned Revenue

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

Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities, and long-term obligations are reported in the government-wide financial statements, and all payables, accrued liabilities and long-term obligations payable from proprietary funds are reported on the proprietary fund financial statements. In general, government fund payables and 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

**LOGAN TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

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

from governmental funds, are reported as a liability in the fund financial statements only to the extent that they are normally expected to be paid with expendable available financial resources.

Accounting Estimates

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

Interfund Activity

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

Fund Balance

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

- Non-spendable – This classification includes amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact. Non-spendable items are not expected to be converted to cash or are not expected to be converted to cash within the next year.
- Restricted – This classification includes amounts for which constraints have been placed on the use of the resources either externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.
- Committed – This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Board of Education. These amounts cannot be used for any other purpose unless the Board of Education removes or changes the specified use by taking the same type of action (resolution) that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements. The School Board did not have any committed resources as of June 30, 2020.
- Assigned – This classification includes amounts that are constrained by the School District's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the Board of Education or through the Board of Education delegating this responsibility to the business administrator through the budgetary process. This classification also

**LOGAN TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

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

includes the remaining positive fund balance for all governmental funds except for the General Fund.

- Unassigned – This classification includes the residual fund balance for the General Fund. The Unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of Assigned fund balance amounts.

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

Net Position

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

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

Impact of Recently Issued Accounting Principles

Adopted Accounting Pronouncements

The following GASB Statements became effective for the fiscal year ended June 30, 2020:

Statement No. 95, Postponement of the Effective Dates of Certain Authoritative Guidance. The primary objective of this Statement is to provide temporary relief to governments and other stakeholders in light of the COVID-19 pandemic. That objective is accomplished by postponing the effective dates of certain provisions in Statements and Implementation Guides that first became effective or are scheduled to become effective for periods beginning after June 15, 2018, and later.

Bond Premiums, Discounts and Issuance Costs

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

**LOGAN TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

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

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

Deferred Loss on Refunding Debt

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

Deferred Outflows and Deferred Inflows of Resources

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

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

Pensions

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

Note 2. Cash Deposits and Investments

Cash Deposits

Custodial Credit Risk – Custodial credit risk is the risk that, in the event of a bank failure, the Board's deposits may not be recovered. Although the Board does not have a formal policy regarding custodial credit risk, NJSA 17:9-41 et seq. requires that the governmental units shall deposit public funds in public depositories protected from loss under the provisions of GUDPA. Under the Act, the first \$250,000.00 of governmental deposits in each insured depository is protected by FDIC. Public fund owned by the Board in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds such as salary withholdings, student activity may pass to the Board relative to the happening of a future condition. Such funds are shown as Uninsured and Uncollateralized in the schedule below. As of June 30, 2020, the District's bank balance of \$6,903,698 was exposed to custodial credit risk as follows:

**LOGAN TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

Note 2. Cash Deposits and Investments (continued):

Insured under FDIC and GUDPA	\$ 6,445,214
Uninsured and Uncollateralized	<u>458,484</u>
	<u><u>\$ 6,903,698</u></u>

Investments

The School District has no investments at June 30, 2020.

Note 3. Reserve Accounts

A. Capital Reserve

A capital reserve account was established by the School District by inclusion of \$150,000 in the 1995-1996 original capital budget, for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

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

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

Beginning Balance, July 1, 2019	\$ 499,907
Increased by:	
Interest Earnings	<u>7,650</u>
Ending Balance, June 30, 2020	<u><u>\$ 507,557</u></u>

The June 30, 2020 balance did not exceed the LRFP balance of local support costs of uncompleted capital projects.

Maintenance Reserve

The School District established a maintenance reserve account for the accumulation of funds for use as required maintenance of a facility in subsequent fiscal years.

**LOGAN TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

Note 3. Reserve Accounts (continued):

Funds placed in the maintenance reserve account are restricted to maintenance projects in the School District's approved Maintenance Plan (M-1). A School District may increase the balance in the maintenance reserve account by appropriating funds in the annual general fund budget certified for taxes or by transfer by Board resolution at year-end of any unanticipated revenue or unexpended line-item appropriation amounts, or both. The balance in the account cannot at any time exceed four percent of the replacement cost of the school district's school facilities for the current year.

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

Beginning Balance, July 1, 2019	\$ 405,763
Increased by:	
Interest Earnings	6,210
Board Approved Transfers	<u>100,000</u>
Ending Balance, June 30, 2020	<u>\$ 511,973</u>

Tuition Reserve

The School District established a tuition reserve account for the accumulation of funds for a foreseeable future tuition adjustment pursuant to N.J.A.C. 6A:23A-17.1(f)..

Funds placed in the tuition reserve account are restricted to future tuition payments in the School District's approved budget. A School District may increase the balance in the tuition reserve account by appropriating funds in the annual general fund budget certified for taxes or by transfer by Board resolution at year-end of any unanticipated revenue or unexpended line-item appropriation amounts, or both.

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

Beginning Balance, July 1, 2019	\$ 200,000
Increased by:	
Board Approved Transfers	<u>100,000</u>
Ending Balance, June 30, 2020	<u>\$ 300,000</u>

**LOGAN TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

Note 4. Accounts Receivable

Accounts receivable at June 30, 2020 consisted of accounts and intergovernmental grants. All state and federal receivables are considered collectible in full due to the stable condition of state programs and the current fiscal year guarantee of federal funds. Accounts receivable as of fiscal year end for the School District's individual major and fiduciary funds, in the aggregate, are as follows:

<u>Description</u>	<u>Governmental Funds</u>			<u>Proprietary Funds</u>	
	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Total Governmental Activities</u>	<u>Food Service Fund</u>	<u>Total Business-Type Activities</u>
Federal Awards	\$ -	\$ 115,330	\$ 115,330	\$ 29,271	\$ 29,271
State Awards	125,730	-	125,730	1,100	1,100
Other	18,113	8,777	26,890	-	-
Total	\$ 143,843	\$ 124,107	\$ 267,950	\$ 30,371	\$ 30,371

Note 5. Capital Assets

Capital assets activity for the year ended June 30, 2020 was as follows:

	<u>Balance July 1, 2019</u>	<u>Additions</u>	<u>Retirements and Transfers</u>	<u>Balance June 30, 2020</u>
Governmental Activities:				
Capital assets not being depreciated:				
Land	\$ 115,872	\$ -	\$ -	\$ 115,872
Construction in Progress	1,560,185	4,812,511	-	6,372,696
Total Capital Assets not being depreciated	1,676,057	4,812,511	-	6,488,568
Capital Assets being depreciated:				
Land Improvements	842,767	-	31,336	874,103
Buildings and Improvements	20,870,247	29,945	(87,926)	20,812,266
Equipment	2,078,489	113,761	141,663	2,333,913
Total Capital Assets being depreciated	23,791,503	143,706	85,073	24,020,282
Less: Accumulated Depreciation:				
Land Improvements	(643,814)	(21,344)	8,243	(656,915)
Buildings and Improvements	(12,738,361)	(532,501)	(6,018)	(13,276,880)
Equipment	(1,456,144)	(134,521)	(374,603)	(1,965,268)
Total Accumulated Depreciation	(14,838,319)	(688,366)	(372,378)	(15,899,063)
Total Capital Assets being depreciated, net	8,953,184	(544,660)	(287,305)	8,121,219
Total Governmental Activities Capital Assets, net	\$ 10,629,241	\$ 4,267,851	\$ (287,305)	\$ 14,609,787

**LOGAN TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

Note 5. Capital Assets (continued):

	Balance July 1, <u>2019</u>	<u>Additions</u>	Retirements and Transfers	Balance June 30, <u>2020</u>
Business-Type Activities:				
Equipment	\$ 201,758	\$ -	\$ 135,210	\$ 336,968
	<u>201,758</u>	<u>-</u>	<u>135,210</u>	<u>336,968</u>
Less: Accumulated Depreciation:				
Equipment	(160,457)	(16,242)	25,748	(150,951)
	<u>(160,457)</u>	<u>(16,242)</u>	<u>25,748</u>	<u>(150,951)</u>
Total Business-Type Activities Capital Assets, net	<u>\$ 41,301</u>	<u>\$ (16,242)</u>	<u>\$ 160,958</u>	<u>\$ 186,017</u>

Note 6. Interfund Receivables, Payables and Transfers

Individual fund receivables/payables balances at June 30, 2020 are as follows:

<u>Fund</u>	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
General Fund	\$ 2,068	\$ -
Special Revenue Fund	-	2,068
Capital Projects Fund	-	44,084
Debt Service Fund	<u>44,084</u>	<u>-</u>
	<u>\$ 46,152</u>	<u>\$ 46,152</u>

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

The summary of interfund transfers is as follows:

<u>Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>
Debt Service Fund	\$ 69,143	\$ -
Capital Projects Fund	<u>-</u>	<u>69,143</u>
	<u>\$ 69,143</u>	<u>\$ 69,143</u>

The purpose of interfund transfers were for the transfer for interest earned on capital project balances that were transferred to debt service to offset future debt payments.

**LOGAN TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

Note 7. Long-Term Obligations

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

	Balance <u>July 1, 2019</u>	<u>Additions</u>	<u>Reductions</u>	Balance <u>June 30, 2020</u>	Balance Due Within <u>One Year</u>
Governmental Activities:					
General Obligation Bonds	\$ 7,870,000	\$ -	\$ -	\$ 7,870,000	\$ 485,000
Compensated Absences	317,345	9,044	-	326,389	-
Net Pension Liability	3,041,997	18,701	-	3,060,698	-
	<u>\$ 11,229,342</u>	<u>\$ 27,745</u>	<u>\$ -</u>	<u>\$ 11,257,087</u>	<u>\$ 485,000</u>

For governmental activities, the bonds payable are liquidated from the District's debt service fund. Compensated absences and capital leases are liquidated by the general fund.

A. Bonds Payable:

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

On March 21, 2019, the School District issued \$7,870,000 of General Obligation Bonds. The General Obligation Bonds were issued at interest rates varying from 2.00% to 3.00% and mature on March 15, 2037.

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

Fiscal Year Ending <u>June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 485,000	\$ 206,025	\$ 691,025
2022	345,000	196,325	541,325
2023	365,000	189,425	554,425
2024	380,000	182,125	562,125
2025	395,000	174,525	569,525
2026-2030	2,155,000	739,375	2,894,375
2031-2035	2,575,000	412,650	2,987,650
2036-2037	1,170,000	53,100	1,223,100
	<u>\$ 7,870,000</u>	<u>\$ 2,153,550</u>	<u>\$ 10,023,550</u>

Bonds Authorized But Not Issued:

As of June 30, 2020, the District had no authorized but not issued bonds.

**LOGAN TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

Note 8. Pension Plans

A. Public Employees' Retirement System (PERS)

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

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

The following represents the membership tiers for PERS:

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

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

Contributions - The contribution policy for PERS is set by *N.J.S.A. 15A* and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid. For fiscal year 2019, the State's pension contribution was less than the actuarial determined amount.

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

**LOGAN TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

Note 8. Pension Plans (continued)

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

Pension Liability, Pension Expense and Deferred Outflows/Inflows of Resources - At June 30, 2020, the School District reported a liability of \$3,060,698 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2019. The total pension liability used to calculate the net pension liability was determined using update procedures to roll forward the total pension liability from an actuarial valuation as of July 1, 2018, to the measurement date of June 30, 2019. The School District's proportion of the net pension liability was based on the School District's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2019. The School District's proportion measured as of June 30, 2019, was 0.01699%, which was an increase of 0.00154% from its proportion measured as of June 30, 2018.

For the year ended June 30, 2020, the School District recognized full accrual pension expense of \$270,135 in the government-wide financial statements. This pension expense was based on the pension plans June 30, 2019 measurement date. At June 30, 2020 the School District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between Expected and Actual Experience	\$ 54,936	\$ 13,521
Changes of Assumptions	305,622	1,062,359
Net Difference between Projected and Actual Earnings on Pension Plan Investments	-	48,314
Changes in Proportion and Differences between District Contributions and Proportionate Share of Contributions	477,976	161,040
School District Contributions Subsequent to Measurement Date	164,255	
	\$ 1,002,789	\$ 1,285,234

**LOGAN TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

Note 8. Pension Plans (continued)

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

\$164,255 reported as deferred outflows of resources resulting from school district contributions subsequent to the measurement date is based on the amount payable to the State due April 1, 2021 and will be recognized as a reduction of the net pension liability in the year ended 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:

Year Ending	
<u>Dec 31,</u>	<u>Amount</u>
2020	\$ (15,262)
2021	(95,021)
2022	(258,888)
2023	(79,220)
2024	<u>1,691</u>
	<u>\$ (446,700)</u>

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

**LOGAN TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

Note 8. Pension Plans (continued)

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

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

**LOGAN TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

Note 8. Pension Plans (continued)

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

Actuarial Assumptions – The collective total pension liability for the June 30, 2019 measurement date was determined by an actuarial valuation as of July 1, 2018, which was rolled forward to June 30, 2019. This actuarial valuation used the following assumptions:

Inflation	
Price	2.75%
Wage	3.25%
Salary Increases:	
Through 2026	2.00 - 6.00% Based on Years of Service
Thereafter	3.00 - 7.00% Based on Years of Service
Investment Rate of Return	7.00%
Mortality Rate Table	Pub-2010 General classification headcount weighted mortality with fully generational mortality improvement projections from the central year using Scale MP-2019
Period of Actuarial Experience	
Study upon which Actuarial Assumptions were Based	July 1, 2014 - June 30, 2018

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.

The actuarial assumptions used in the July 1, 2018 valuation were based on the results of an actuarial experience study for the period July 1, 2014 to June 30, 2018.

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2019) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2019 are summarized in the following table:

**LOGAN TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

Note 8. Pension Plans (continued)

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

<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%
	<u>100.00%</u>	

Discount Rate - The discount rate used to measure the total pension liability was 6.28% as of June 30, 2019. The single blended discount rate was based on long-term expected rate of return on pension plan investments of 7.00%, and a municipal bond rate of 3.50% as of June 30, 2019 based on the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipals bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on 70% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. 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.

Sensitivity of the School District's proportionate share of the Net Pension Liability to Changes in the Discount Rate - The following presents the School District's proportionate share of the net pension liability as of June 30, 2019, calculated using the 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-percentage point lower or 1-percentage point higher than the current rate:

	1% Decrease (5.28%)	Current Discount Rate (6.28%)	1% Increase (7.28%)
District's Proportionate Share of the Net Pension Liability	<u>\$ 3,893,055</u>	<u>\$ 3,060,698</u>	<u>\$ 2,398,554</u>

**LOGAN TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

Note 8. Pension Plans (continued)

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

Additional Information - The following is a summary of the collective balances of the local group at June 30, 2020 and 2019:

Balances at June 30, 2020 and June 30, 2019

	<u>6/30/2020</u>	<u>6/30/2019</u>
Actuarial valuation date (including roll forward)	June 30, 2019	June 30, 2018
Collective Deferred Outflows of Resources	\$ 3,149,522,616	\$ 4,684,852,302
Collective Deferred Inflows of Resources	7,645,087,574	7,646,736,226
Collective Net Pension Liability	18,143,832,135	19,689,501,539
District's portion of the Plan's total Net Pension Liability	0.01699%	0.01545%

B. Teachers' Pension and Annuity Fund (TPAF)

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

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

The following represents the membership tiers for TPAF:

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

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

**LOGAN TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

Note 8. Pension Plans (continued)

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

years of service credit, and tier 5 before age 65 with 30 or more years of service credit. Benefits are reduced by a fraction of a percent for each month that a member retires prior to the retirement age for his/her respective tier. Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for the respective tier.

Contributions - The contribution policy for TPAF is set by *N.J.S.A 18A:66* and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount, which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. For fiscal year 2019, the State's pension contribution was less than the actuarial determined amount.

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

Pension Liability and Pension Expense - The State's proportionate share of the TPAF net pension liability, attributable to the School District as of June 30, 2019 was \$40,507,423. The School District's proportionate share was \$-0-.

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, which was rolled forward to June 30, 2019. The State's proportionate share of the net pension liability associated with the District was based on projection of the State's long-term contributions to the pension plan associated with the District relative to the projected contributions by the State associated with all participating school districts, actuarially determined. At June 30, 2019, the State proportionate share of the TPAF net pension liability attributable to the School District was 0.06600%, which was an increase of .00200% from its proportion measured as of June 30, 2018.

For the fiscal year ended June 30, 2020, the School District recognized \$2,389,236 in on-behalf pension expense and revenue in the government-wide financial statements, for the State of New Jersey on-behalf TPAF pension contributions. This pension expense and revenue was based on the pension plans June 30, 2019 measurement date.

Actuarial Assumptions – The total pension liability for the June 30, 2019 measurement date was determined by an actuarial valuation as of July 1, 2018, which was rolled forward to June 30, 2019. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

**LOGAN TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

Note 8. Pension Plans (continued)

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

Inflation	
Price	2.75%
Wage	3.25%
Salary Increases:	
Through 2026	2.00 - 6.00% Based on Years of Service
Thereafter	3.00 - 7.00% Based on Years of Service
Investment Rate of Return	7.00%

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.

The actuarial assumptions used in the July 1, 2018 valuation were based on the results of an actuarial experience study for the period July 1, 2015 to June 30, 2018.

Long-Term Expected Rate of Return - In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2019) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in TPAF's target asset allocation as of June 30, 2019 are summarized in the following table:

**LOGAN TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

Note 8. Pension Plans (continued)

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
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%
	<u>100.00%</u>	

Discount Rate - The discount rate used to measure the total pension liability was 5.60% as of June 30, 2019. The single blended discount rate was based on long-term expected rate of return on pension plan investments of 7.00%, and a municipal bond rate of 3.50% as of June 30, 2019, based on the Bond Buyer Go 20-Bond Municipal Bond Index which includes tax-exempt general obligation municipals bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on the contribution rate in the most recent fiscal year. The State contributed 30% of the actuarially determined contributions. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 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.

Sensitivity of the School District's proportionate share of the Net Pension Liability to Changes in the Discount Rate – As previously mentioned, TPAF has a special funding situation where the State pays 100% of the School District's annual required contribution. The following represents the State's proportionate share of the net pension liability, attributable to the School District calculated using the discount rate of 5.60% as well as what the State's proportionate share of the net pension liability, attributable to the School District's would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

**LOGAN TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

Note 8. Pension Plans (continued)

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

	1% Decrease <u>(4.60%)</u>	Current Discount Rate <u>(5.60%)</u>	1% Increase <u>(6.60%)</u>
TPAF Employer Number - 7019 Proportionate Share of the Net Pension Liability	\$ -	\$ -	\$ -
State of New Jersey's Proportionate Share of Net Pension Liability associated with the TPAF Employer Number - 7019	<u>47,767,217</u>	<u>40,507,423</u>	<u>34,484,086</u>
	<u>\$ 47,767,217</u>	<u>\$ 40,507,423</u>	<u>\$ 34,484,086</u>

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

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

	<u>6/30/2020</u>	<u>6/30/2019</u>
Collective Deferred Outflows of Resources	\$ 10,129,162,237	\$ 12,675,037,111
Collective Deferred Inflows of Resources	17,736,240,054	16,381,811,884
Collective Net Pension Liability	61,519,112,443	63,806,350,446
School District's Portion	0.06600%	0.06482%

C. Defined Contribution Plan (DCRP)

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

Individuals eligible for membership in the DCRP include:

- State or local officials who are elected or appointed on or after July 1, 2007;
- Employees enrolled in the Public Employees' Retirement System (PERS) or Teachers' Pension and Annuity Fund (TPAF) on or after July 1, 2007, who earn salary in excess of established "maximum compensation" limits;
- Employees enrolled in the Police and Firemen's Retirement System (PFRS) or State Police Retirement System (SPRS) after May 21, 2010, who earn salary in excess of established "maximum compensation" limits;

**LOGAN TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

Note 8. Pension Plans (continued)

C. Defined Contribution Plan (DCRP) (continued)

- Employees otherwise eligible to enroll in the PERS or TPAF on or after November 2, 2008, who do not earn the minimum annual salary for PERS or TPAF Tier 3 enrollment but who earn salary of at least \$5,000 annually. The minimum salary in 2020 is \$8,300 and is subject to adjustment in future years.
- Employees otherwise eligible to enroll in the PERS or TPAF after May 21, 2010, who do not work the minimum number of hours per week required for PERS or TPAF Tier 4 or Tier 5 enrollment but who earn salary of at least \$5,000 annually. The minimum number is 35 hours per week for State employees, or 32 hours per week for local government or local education employees

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

For the year ended June 30, 2020, employee contributions totaled \$2,404, and the School District recognized an expense for payments made to the Defined Contribution Retirement program in the amount of \$17,899.

Note 9. Other Post-Retirement Benefits

General Information about the OPEB Plan

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

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

**LOGAN TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

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

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

Basis of Presentation

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

Total Nonemployer OPEB Liability

The total nonemployer OPEB liability as of June 30, 2019 was determined by an actuarial valuation as of June 30, 2018, which was rolled forward to June 30, 2019. The total nonemployer OPEB liability as of June 30, 2018 was determined by an actuarial valuation as of June 30, 2017. The actuarial assumptions vary for each plan member depending on the pension plan the member is enrolled in. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement.

Inflation Rate: 2.5%

	TPAF/ABP	PERS	PFRS
Salary Increases:			
Through 2026	1.55 - 3.05% based on years of service	2.00 - 6.00% based on years of service	3.25 - 15.25% based on years of service
Thereafter	1.55 - 3.05% based on years of service	3.00 - 7.00% based on years of service	Applied to all future years

Preretirement mortality rates were based on the Pub-2010 Healthy “Teachers” (TPAF/ABP), “General” (PERS), and “Safety” (PFRS) classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2019. Postretirement mortality rates were based on the Pub-2010 “General” classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2019. Disability mortality was based on the Pub-2010 “General” classification headcount-weighted disabled mortality table with fully generational mortality improvement projections from the central year using Scale MP-2019.

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.

**LOGAN TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

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

OPEB Obligation and OPEB Expense - The State's proportionate share of the total Other Post Employment Benefits Obligations, attributable to the School District as of June 30, 2019 was \$28,402,075. The School District's proportionate share was \$0.

The OPEB Obligation was measured as of June 30, 2019, and the total OPEB Obligation used to calculate the OPEB Obligation was determined by an actuarial valuation as of July 1, 2018, which was rolled forward to June 30, 2019. The State's proportionate share of the OPEB Obligation associated with the District was based on projection of the State's long-term contributions to the OPEB plan associated with the District relative to the projected contributions by the State associated with all participating school districts, actuarially determined. At June 30, 2019, the State proportionate share of the OPEB Obligation attributable to the School District was 0.06806%, which was an increase of 0.00005% from its proportion measured as of June 30, 2018.

For the fiscal year ended June 30, 2020, the State of New Jersey recognized an OPEB expense in the amount of \$619,396 for the State's proportionate share of the OPEB expense attributable to the School District. This OPEB expense was based on the OPEB plans June 30, 2019 measurement date.

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%.

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.

Sensitivity of Total Nonemployer OPEB Liability to changes in discount rate

The following presents the total nonemployer OPEB liability as of June 30, 2019, calculated using the discount rate as disclosed above as well as what the total nonemployer OPEB liability would be if it was calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	June 30, 2019		
	At 1% Decrease (2.50%)	At Discount Rate (3.50%)	At 1% Increase (4.50%)
State of New Jersey's Proportionate Share of Total OPEB Obligations Associated with the School District	\$ 33,554,074	\$ 28,402,075	\$ 24,309,609
State of New Jersey's Total Non- employer Liability	\$ 49,298,534,898	\$ 41,729,081,045	\$ 35,716,321,820

**LOGAN TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

9. Other Post-Retirement Benefits (continued):

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

The following presents the total nonemployer OPEB liability as of June 30, 2019, calculated using the healthcare trend rate as disclosed above as well as what the total nonemployer OPEB liability would be if it was calculated using a healthcare trend rate that is 1- percentage point lower or 1-percentage point higher than the current rate:

	June 30, 2019		
	1% Decrease	Healthcare Cost Trend Rate *	1% Increase
State of New Jersey's Proportionate Share of Total OPEB Obligations Associated with the School District	\$ 23,402,044	\$ 28,402,075	\$ 35,021,090
State of New Jersey's Total Nonemployer OPEB Liability	\$ 34,382,902,820	\$ 41,729,081,045	\$ 51,453,912,586

* See Healthcare Cost Trend Assumptions for details of rates.

Additional Information

Collective balances of the Local Group at June 30, 2019 are as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Change in Proportion Differences between Expected & Actual Experience	\$ 1,921,145,183	\$ (1,921,146,183)
Change in Assumptions	-	(10,484,965,300)
Contributions Made in Fiscal Year Year Ending 2020 After June 30, 2019 Measurement Date **	TBD	-
	<u>\$ 1,921,145,183</u>	<u>\$ (20,887,640,826)</u>

** Employer Contributions made after June 30, 2019 are reported as a deferred outflow of resources, but are not amortized in expense.

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

**LOGAN TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

9. Other Post-Retirement Benefits (continued):

Fiscal Year Ending June 30,		
2020	\$	(2,546,527,182)
2021		(2,546,527,182)
2022		(2,546,527,182)
2023		(2,546,527,182)
2024		(2,546,527,182)
Thereafter		(6,233,858,733)
	<u>\$</u>	<u>(18,966,494,643)</u>

Plan Membership

At June 30, 2018, the Program membership consisted of the following:

	June 30, 2018
Active Plan Members	216,892
Inactive Plan Members or Beneficiaries	
Currently Receiving Benefits	148,051
	364,943

Changes in the Total OPEB Liability

The change in the State's Total OPEB liability for the fiscal year ended June 30, 2020 (measurement date June 30, 2019) is as follows:

Total OPEB Liability

Service Cost	\$ 1,734,404,850
Interest Cost	1,827,787,206
Difference Between Expected & Actual Experience	(7,323,140,818)
Changes of Assumptions	622,184,027
Contributions: Member	37,971,171
Gross Benefit Payments	(1,280,958,373)
Net Change in Total OPEB Liability	(4,381,751,937)
Total OPEB Liability (Beginning)	46,110,832,982
Total OPEB Liability (Ending)	\$ 41,729,081,045
Total Covered Employee Payroll	\$ 13,929,083,479
Net OPEB Liability as a Percentage of Payroll	300%

**LOGAN TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

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

As previously mentioned, the School District receives on-behalf payments from the State of New Jersey for normal costs and post-retirement medical costs related to the Teachers’ Pension and Annuity Fund (TPAF) pension plan. The School District is not legally responsible for these contributions. The on-behalf payments are recorded as revenues and expenditures in the government-wide and general fund financial statements. For the fiscal year ended June 30, 2020, the on-behalf payments for pension, social security, post-retirement medical costs, and long-term disability were \$1,454,996, \$510,393, \$539,777 and \$1,339, respectively.

Note 11. Risk Management

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

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

<u>Fiscal Year</u>	<u>Employee Contributions</u>	<u>Interest Earnings</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2019-2020	\$ 15,623	\$ 1,017	\$ 6,350	\$ 81,022
2018-2019	14,000	1,275	1,893	70,732
2017-2018	16,134	543	1,827	57,350

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

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

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

**LOGAN TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

Note 12. Contingencies

State and Federal Grantor Agencies - The District participates in numerous state and federal grant programs, which are governed by various rules and regulations of the grantor agencies; therefore, to the extent that the District has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectability of any related receivable at June 30, 2020 may be impaired. In the opinion of the District, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provisions have been recorded in the accompanying combined financial statements for such contingencies.

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

Note 13. Economic Dependency

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

Note 14. Deferred Compensation

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

AXA Equitable
ING Financial Services

Note 15. Compensated Absences

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

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

The liability for vested compensated absences of the governmental fund types is recorded in the statement of net position under governmental activities. The current portion of the compensated absence balance is not considered material to the applicable funds total liabilities, and is therefore not shown separately from the long-term liability balance of compensated absences. The amount at June 30, 2020 is \$326,389.

**LOGAN TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

Note 16. Tax Abatements

As defined by the Governmental Accounting Standards Board (GASB) Statement No. 77, a tax abatement is an agreement between a government and an individual or entity in which the government promises to forgo tax revenues and the individual or entity promises to subsequently take a specific action that contributes to economic development or otherwise benefits the government or its citizens. School districts are not authorized by New Jersey statute to enter into tax abatement agreements. However, the county or municipality in which the school district is situated may have entered into tax abatement agreements, and that potential must be disclosed in these financial statements. If the county or municipality entered into tax abatement agreements, those agreements will not directly affect the school district's local tax revenue because N.J.S.A. 54:4-75 and N.J.S.A. 54:4-76 require that amounts so forgiven must effectively be recouped from other taxpayers and remitted to the school district.

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

Note 17. Calculation of Excess Surplus

The designation for Restricted Fund Balance – Excess Surplus is a required calculation pursuant to N.J.S.A.18A:7F-7. New Jersey school districts are required to reserve General Fund fund balance at the fiscal year-end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2020 was \$1,507,133.

Note 18. Fund Balance

General Fund – Of the \$4,428,237 General Fund fund balance at June 30, 2020, \$507,557 has been reserved in the Capital Reserve Account; \$511,973 has been reserved in the Maintenance Reserve Account; \$300,000 has been reserved in the Tuition Reserve account \$1,507,133 is restricted for current year excess surplus; \$1,435,887 is restricted for excess surplus – designated for subsequent year's expenditures; \$76,348 has been assigned to other purposes; \$34,693 has been assigned as designated for subsequent year's expenditures and \$54,646 is unassigned.

Capital Projects Fund – Of the \$1,497,304 Capital Projects Fund fund balance at June 30, 2020, \$1,497,304 is restricted for capital projects of the District.

Debt Service Fund – Of the \$113,227 Debt Service Fund fund balance at June 30, 2020, \$113,227 is restricted for future debt service payments.

**LOGAN TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

Note 19. Deficit Fund Balances

The School District has a deficit fund balance of \$(99,974) 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, districts must record the delayed one or more June state aid payments as revenue, for budget purposes only, in the current school budget year. The bill provides legal authority for school districts to recognize this revenue in the current budget year. For intergovernmental transactions, GASB Statement No. 33 requires that recognition (revenue, expenditure, asset, liability) should be in symmetry, i.e., if one government recognizes an asset, the other government recognizes a liability. Since the State is recording the June state aid payment(s) in the subsequent fiscal year, the school district cannot recognize the June state aid payment(s) (on the GAAP financial statements) until the year the State records the payable. Due to the timing difference of recording the June state aid payment(s), the Special Revenue Fund balance deficit does not alone indicate that the district is facing financial difficulties.

Pursuant to N.J.S.A. 18A:22-44.2 any negative unassigned fund balance that is reported as a direct result from a delay in the June payment(s) of state aid until the following fiscal year, is not considered in violation of New Jersey statute and regulation nor in need of corrective action. The School District deficit in the fund statements (modified accrual basis) of \$99,749 is less than the last state aid payment.

Note 20. Deficit in Net Position

Unrestricted Net Position – The School District had a deficit in unrestricted net position in the amount of \$(3,828,165) at June 30, 2020. The primary causes of the deficit are the School District not recognizing the receivable for the last two state aid payments and the recording of the net pension liability for the Public Employees’ Retirement System (PERS) as of June 30, 2020. This deficit in unrestricted net position for governmental activities does not indicate that the School District is facing financial difficulties.

Note 21. Prior Period Adjustment

Correction of an Error - In the fiscal year ended June 30, 2020, the School District determined that the capital asset balance recorded in the Food Service Fund in the prior period was not accurate. The District had a new appraisal performed for all assets and an adjustment of the prior year balances is required per new appraisal balances. The District’s Food Service Fund net position was determined to be understated by \$160,958 as of June 30, 2019, resulting in an understatement of capital assets, and net investment in capital assets for the same amount. The District has corrected this by restating the balances for the fiscal year ended June 30, 2020 as follows:

	Original Balance	Net Adjustment	Restated Balance
Capital Assets, Net	\$ 41,301	\$ 160,958	\$ 202,259
Net Investment in Capital Assets	41,301	160,958	202,259
Net Position	139,427	160,958	300,385

**LOGAN TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

Note 22. Subsequent Events

Management has reviewed and evaluated all events and transactions that occurred between June 30, 2020 and January 12, 2021, the date that the financial statements were available for issuance, for possible disclosure and recognition in the financial statements, and no items other than the below have come to the attention of the School District that would require disclosure.

COVID – 19 – has caused considerable economic damage to the New Jersey economy. As a result, Governor Murphy decreased the originally appropriated school state aid by over \$335 million state wide for the 2020-2021 school year. The Logan Township School District’s state aid was not reduced from the original amount awarded.

As the COVID-19 pandemic remains a fluid situation, outside of the reduction in state aid, it is not currently known what further economic challenges are ahead for local school districts.

This page intentionally left blank

REQUIRED SUPPLEMENTARY INFORMATION - PART II

This page intentionally left blank

C. Budgetary Comparison Schedules

This page intentionally left blank

**LOGAN TOWNSHIP SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	ACCOUNT NUMBERS	JUNE 30, 2020				VARIANCE FINAL TO ACTUAL FAVORABLE/ (UNFAVORABLE)
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
Revenues:						
Local Sources:						
Local Tax Levy	10-1210-000-000	\$ 13,129,893	\$ -	\$ 13,129,893	\$ 13,129,893	\$ -
Tuition from Individuals	10-1310-000-000	-	-	-	11,000	11,000
Tuition from Other Sources	10-1340-000-000	-	-	-	37,040	37,040
Interest Earned on Capital Reserve	10-1000-000-000	500	-	500	7,650	7,150
Interest Earned on Maintenance Reserve	10-1000-000-000	800	-	800	6,210	5,410
Miscellaneous	10-1000-000-000	13,300	-	13,300	109,693	96,393
Total Local Sources		13,144,493	-	13,144,493	13,301,486	156,993
State Sources:						
Extraordinary Aid	10-3000-000-000	-	-	-	122,202	122,202
School Choice Aid	10-3116-000-000	10,139	-	10,139	10,139	-
Categorical Special Education Aid	10-3132-000-000	768,262	-	768,262	768,262	-
Equalization Aid	10-3176-000-000	3,498,448	-	3,498,448	3,498,448	-
Categorical Security Aid	10-3177-000-000	129,058	-	129,058	129,058	-
Categorical Transportation Aid	10-3121-000-000	314,926	-	314,926	314,926	-
Nonbudgeted:						
On-Behalf TPAF Pension Contributions		-	-	-	1,454,996	1,454,996
On-Behalf TPAF Medical Contributions		-	-	-	539,777	539,777
On-Behalf TPAF Long-Term Disability Insurance		-	-	-	1,339	1,339
Reimbursed TPAF Social Contributions		-	-	-	510,393	510,393
Total State Sources		4,720,833	-	4,720,833	7,349,540	2,628,707
Total Revenues		17,865,326	-	17,865,326	20,651,026	2,785,700
Expenditures:						
Current Expense:						
Instruction - Regular Programs:						
Salaries of Teachers:						
Preschool	11-105-100-101	6,493	-	6,493	475	6,018
Local Contribution - Transfer to Special Reven	11-105-100-936	115,252	(115,252)	-	-	-
Kindergarten	11-110-100-101	431,610	(40,508)	391,102	311,906	79,196
Grades 1 - 5	11-120-100-101	2,086,221	112,650	2,198,871	2,192,460	6,411
Grades 6 - 8	11-130-100-101	1,743,509	(116,853)	1,626,656	1,479,000	147,656
Home Instruction:						
Salaries of Teachers	11-150-100-101	2,743	(674)	2,069	351	1,718
Purchased Professional - Educational Services	11-150-100-320	6,000	29,335	35,335	35,335	-
Other Purchased Services	11-150-100-500	200	(161)	39	-	39
Regular Programs - Undistributed Instruction:						
Other Salaries for Instruction	11-190-100-106	147,093	7,630	154,723	154,723	-
Purchased Professional - Educational Services	11-190-100-320	124,100	(3,945)	120,155	64,177	55,978
Purchased Technical Services	11-190-100-340	44,369	31,800	76,169	76,116	53
Other Purchased Services	11-190-100-500	234,587	(2,800)	231,787	207,009	24,778
General Supplies	11-190-100-610	146,227	4,899	151,126	62,173	88,953
Textbooks	11-190-100-640	8,370	1,143	9,513	3,985	5,528
Other Objects	11-190-100-800	11,944	50	11,994	8,152	3,842
Total Regular Programs - Instruction		5,108,718	(92,686)	5,016,032	4,595,862	420,170
Special Education:						
Learning & Language Disabilities:						
Salaries of Teachers	11-204-100-101	116,009	84,003	200,012	200,012	-
Other Salaries for Instruction	11-204-100-106	-	38,226	38,226	37,755	471
Purchased Professional - Educational Services	11-204-100-320	2,500	-	2,500	1,376	1,124
General Supplies	11-204-100-610	900	-	900	546	354
Total Learning & Language Disabilities		119,409	122,229	241,638	239,689	1,949

**LOGAN TOWNSHIP SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

ACCOUNT NUMBERS	JUNE 30, 2020				VARIANCE FINAL TO ACTUAL FAVORABLE/ (UNFAVORABLE)	
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		
Multiple Disabilities:						
Salaries of Teachers	11-212-100-101	90,649	(32,423)	58,226	58,226	-
Other Salaries for Instruction	11-212-100-106	69,768	(40,853)	28,915	21,492	7,423
Purchased Professional - Educational Services	11-212-100-320	2,500	-	2,500	1,688	812
General Supplies	11-212-100-610	3,350	217	3,567	2,573	994
Total Multiple Disabilities		166,267	(73,059)	93,208	83,979	9,229
Resource Room/Resource Center:						
Salaries of Teachers	11-213-100-101	607,839	(42,252)	565,587	565,587	-
Other Salaries for Instruction	11-213-100-106	24,351	42,129	66,480	66,480	-
Purchased Professional - Educational Services	11-213-100-320	5,000	(2,312)	2,688	267	2,421
General Supplies	11-213-100-610	9,050	-	9,050	7,942	1,108
Total Resource Room/Resource Center		646,240	(2,435)	643,805	640,276	3,529
Preschool Disabilities - Part-Time:						
Salaries of Teachers	11-215-100-101	-	124,743	124,743	124,743	-
Other Salaries for Instruction	11-215-100-106	-	73,980	73,980	73,980	-
Purchased Professional - Educational Services	11-215-100-320	-	1,000	1,000	732	268
General Supplies	11-215-100-610	-	1,000	1,000	929	71
Total Preschool Disabilities - Part-Time		-	200,723	200,723	200,384	339
Total Special Education		931,916	247,458	1,179,374	1,164,328	15,046
Basic Skills/Remedial:						
Salaries of Teachers	11-230-100-101	548,946	(29,136)	519,810	517,262	2,548
Purchased Professional - Educational Services	11-230-100-320	3,500	-	3,500	971	2,529
General Supplies	11-230-100-610	2,050	-	2,050	1,042	1,008
Total Basic Skills/Remedial		554,496	(29,136)	525,360	519,275	6,085
Bilingual Education - Instruction:						
General Supplies	11-240-100-610	600	-	600	124	476
Total Bilingual Education - Instruction		600	-	600	124	476
School Sponsored Cocurricular Activities:						
Salaries	11-401-100-100	37,260	-	37,260	18,333	18,927
Purchased Services	11-401-100-500	1,000	-	1,000	-	1,000
Supplies and Materials	11-401-100-600	14,150	-	14,150	2,207	11,943
Total School Sponsored Cocurricular Activities		52,410	-	52,410	20,540	31,870
Other Instructional Programs - Instruction:						
Salaries	11-403-100-100	5,000	-	5,000	4,620	380
Purchased Services	11-403-100-500	4,000	-	4,000	3,700	300
Supplies and Materials	11-403-100-600	1,000	-	1,000	-	1,000
Total Other Instructional Programs - Instruction		10,000	-	10,000	8,320	1,680
Before/After School Programs - Instruction:						
Salaries	11-421-100-101	2,000	-	2,000	-	2,000
Total Before/After School Programs - Instruction		2,000	-	2,000	-	2,000
Summer School - Instruction:						
Salaries	11-422-100-101	11,600	-	11,600	3,865	7,735
Other Salaries of Instruction	11-422-100-106	2,000	-	2,000	20	1,980
General Supplies	11-422-100-610	1,250	-	1,250	107	1,143
Total Summer School - Instruction		14,850	-	14,850	3,992	10,858
Summer School - Support Services:						
Salaries	11-422-200-101	2,700	-	2,700	-	2,700
Total Summer School - Support Services		2,700	-	2,700	-	2,700
Total Instruction		6,677,690	125,636	6,803,326	6,312,441	490,885

**LOGAN TOWNSHIP SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	ACCOUNT NUMBERS	JUNE 30, 2020			ACTUAL	VARIANCE FINAL TO ACTUAL FAVORABLE/ (UNFAVORABLE)
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET		
Undistributed Expenditures:						
Instruction:						
Tuition to Other LEA's -State Regular	11-000-100-561	2,344,465	(11,344)	2,333,121	2,333,121	-
Tuition to Other LEA's - State Special	11-000-100-562	228,365	(44,054)	184,311	184,311	-
Tuition to County Vocational Regular	11-100-100-563	188,496	7,233	195,729	193,637	2,092
Tuition to County Vocational Special	11-100-100-564	27,560	2,782	30,342	30,342	-
Tuition to County Special Services & Day Schools	11-000-100-565	717,860	(182,654)	535,206	535,206	-
Tuition to Private Schools for the Handicapped - Si	11-100-100-566	353,439	(21,637)	331,802	330,594	1,208
Total Undistributed Expenditures - Instruction		3,860,185	(249,674)	3,610,511	3,607,211	3,300
Attendance & Social Work Services:						
Salaries of Teachers	11-000-211-100	33,532	-	33,532	31,258	2,274
Total Attendance & Social Work Services		33,532	-	33,532	31,258	2,274
Health Services:						
Salaries	11-000-213-100	172,430	-	172,430	134,657	37,773
Purchased Professional & Technical Services	11-000-213-300	5,600	-	5,600	4,600	1,000
Other Purchased Services	11-000-213-500	7,850	-	7,850	6,111	1,739
Supplies and Materials	11-000-213-600	3,591	-	3,591	1,640	1,951
Other Objects	11-000-213-800	3,335	-	3,335	50	3,285
Total Health Services		192,806	-	192,806	147,058	45,748
Other Support Services - Students - Related Services:						
Salaries	11-000-216-100	115,957	-	115,957	115,873	84
Purchased Professional - Educational Services	11-000-216-320	73,920	15,064	88,984	77,436	11,548
Supplies and Materials	11-000-216-600	8,525	(1,519)	7,006	3,307	3,699
Total Other Support Services - Students - Related Services		198,402	13,545	211,947	196,616	15,331
Other Support Services - Special Education - Extraordinary Services:						
Salaries	11-000-217-100	133,224	(118,484)	14,740	52	14,688
Purchased Professional - Educational Services	11-000-217-320	10,000	251,500	261,500	250,002	11,498
Total Other Support Services - Special Education - Extraordinary Services		143,224	133,016	276,240	250,054	26,186
Other Support Services - Students - Regular:						
Salaries of Other Professional Staff	11-000-218-104	181,935	-	181,935	176,614	5,321
Supplies and Materials	11-000-218-600	1,254	(50)	1,204	449	755
Other Objects	11-000-218-800	-	50	50	50	-
Total Other Support Services - Students- Regular		183,189	-	183,189	177,113	6,076
Other Support Services - Students - Special Services:						
Salaries of Other Professional Staff	11-000-219-104	291,155	(2,765)	288,390	274,940	13,450
Salaries of Secretarial & Clerical Assistants	11-000-219-105	37,295	366	37,661	37,661	-
Purchased Professional - Technical Services	11-000-219-390	10,900	-	10,900	1,996	8,904
Other Purchased Services	11-000-219-500	4,051	-	4,051	1,704	2,347
Supplies and Materials	11-000-219-600	2,200	-	2,200	864	1,336
Total Other Support Services - Students Special Services		345,601	(2,399)	343,202	317,165	26,037
Improvement of Instruction Services/Other Support Services - Instruction Staff:						
Salaries of Supervisors of Instruction	11-000-221-102	281,115	-	281,115	272,181	8,934
Salaries of Other Professional Staff	11-000-221-104	38,000	625	38,625	35,125	3,500
Salaries of Secretarial & Clerical Assistants	11-000-221-105	37,295	(624)	36,671	20,858	15,813

**LOGAN TOWNSHIP SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

ACCOUNT NUMBERS	JUNE 30, 2020			ACTUAL	VARIANCE FINAL TO ACTUAL FAVORABLE/(UNFAVORABLE)	
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET			
Improvement of Instruction Services/Other Support Services - Instruction Staff (continued):						
Purchased Professional - Educational Services	11-000-221-320	5,350	-	5,350	-	5,350
Other Purchased Services	11-000-221-500	1,384	-	1,384	845	539
Supplies and Materials	11-000-221-600	300	-	300	6	294
Other Objects	11-000-221-800	33,628	(32,004)	1,624	289	1,335
Total Improvement of Instruction Services/Other Support Services Instructional Staff		397,072	(32,003)	365,069	329,304	35,765
Educational Media Services/School Library:						
Salaries	11-000-222-100	122,350	17,199	139,549	139,549	-
Salaries of Technology Coordinators	11-000-222-177	146,683	1,439	148,122	148,122	-
Other Purchased Services	11-000-222-500	18,800	(1,154)	17,646	17,380	266
Supplies and Materials	11-000-222-600	19,418	(1,000)	18,418	17,815	603
Total Educational Media Services/Library		307,251	16,484	323,735	322,866	869
Instructional Staff Training Services:						
Purchased Professional - Educational Services	11-000-223-320	21,690	-	21,690	-	21,690
Other Purchased Services	11-000-223-500	20,278	-	20,278	577	19,701
Total Instructional Staff Training Services		41,968	-	41,968	577	41,391
Support Services General Administration:						
Salaries	11-000-230-100	218,922	-	218,922	210,347	8,575
Legal Services	11-000-230-331	60,000	-	60,000	47,264	12,736
Audit Fees	11-000-230-332	26,500	-	26,500	26,500	-
Other Purchased Professional Services	11-000-230-339	15,000	-	15,000	2,827	12,173
Purchased Technical Services	11-000-230-340	6,150	-	6,150	4,850	1,300
Communications/Telephone	11-000-230-530	26,767	(1)	26,766	18,102	8,664
BOE Other Purchased Services	11-000-230-585	4,000	-	4,000	2,300	1,700
Other Purchased Services	11-000-230-590	43,550	-	43,550	35,405	8,145
General Supplies	11-000-230-610	3,650	(44)	3,606	1,148	2,458
BOE In-House Training/Meeting Supplies	11-000-230-630	1,000	-	1,000	651	349
Miscellaneous Expenditures	11-000-230-890	3,476	43	3,519	3,519	-
BOE Membership Dues & Fees	11-000-230-895	12,000	-	12,000	9,384	2,616
Total Support Services General Administration		421,015	(2)	421,013	362,297	58,716
Support Services School Administration:						
Salaries of Principals & Assistant Principals	11-000-240-103	135,862	-	135,862	132,514	3,348
Salaries of Secretarial & Clerical Assistants	11-000-240-105	114,991	-	114,991	113,381	1,610
Other Purchased Services	11-000-240-500	7,293	-	7,293	2,320	4,973
Supplies and Materials	11-000-240-600	4,100	-	4,100	2,074	2,026
Total Support Services School Administration		262,246	-	262,246	250,289	11,957
Central Services:						
Salaries	11-000-251-100	215,802	-	215,802	208,275	7,527
Purchased Professional Services	11-000-251-330	13,460	300	13,760	13,462	298
Purchased Technical Services	11-000-251-340	5,250	(300)	4,950	3,486	1,464
Miscellaneous Purchased Services	11-000-251-592	4,350	-	4,350	1,627	2,723
Supplies and Materials	11-000-251-600	4,570	-	4,570	4,298	272
Miscellaneous Expenditures	11-000-251-890	1,430	-	1,430	1,090	340
Total Central Services		244,862	-	244,862	232,238	12,624
Administrative Information Technology:						
Salaries	11-000-252-100	45,741	1,236	46,977	46,977	-
Purchased Technical Services	11-000-252-340	78,300	(18,236)	60,064	43,787	16,277
Other Purchased Services	11-000-252-500	2,355	-	2,355	-	2,355
Total Administrative Information Technology		126,396	(17,000)	109,396	90,764	18,632
Allowable Maintenance for School Facilities:						
Salaries	11-000-261-100	123,645	4,342	127,987	127,987	-
Cleaning, Repair & Maintenance Services	11-000-261-420	51,820	(375)	51,445	40,431	11,014
Lead Testing of Drinking Water	11-000-261-421	500	-	500	-	500
General Supplies	11-000-261-610	36,350	4,841	41,191	29,577	11,614
Total Allowable Maintenance for School Facilities		212,315	8,808	221,123	197,995	23,128

**LOGAN TOWNSHIP SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

ACCOUNT NUMBERS	JUNE 30, 2020			ACTUAL	VARIANCE FINAL TO ACTUAL FAVORABLE/ (UNFAVORABLE)	
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET			
Operation & Maintenance of Plant Services & School Facilities:						
Salaries	11-000-262-100	50,364	(1,155)	49,209	47,680	1,529
Salaries of Noninstructional Aides	11-000-262-107	54,145	(517)	53,628	44,514	9,114
Purchased Professional & Technical Services	11-000-262-300	1,000	-	1,000	808	192
Cleaning, Repair & Maintenance Services	11-000-262-420	748,531	-	748,531	694,562	53,969
Other Purchased Property Services	11-000-262-490	53,499	-	53,499	51,869	1,630
Insurance	11-000-262-520	59,780	-	59,780	59,482	298
Miscellaneous Purchased Services	11-000-262-590	400	-	400	-	400
General Supplies	11-000-262-610	35,700	-	35,700	19,632	16,068
Energy (Natural Gas)	11-000-262-621	80,000	-	80,000	43,406	36,594
Energy (Electricity)	11-000-262-622	321,600	-	321,600	189,240	132,360
Other Objects	11-000-262-800	1,080	-	1,080	938	142
Total Operation & Maintenance of Plant Services & School Facilities		1,406,099	(1,672)	1,404,427	1,152,131	252,296
Care & Upkeep of Grounds:						
Other Purchased Professional Technical Services	11-000-263-300	51,890	450	52,340	13,816	38,524
General Supplies	11-000-263-610	7,600	-	7,600	1,170	6,430
Total Care & Upkeep of Grounds		59,490	450	59,940	14,986	44,954
Security:						
Other Purchased Professional Technical Services	11-000-266-300	5,000	-	5,000	4,834	166
Cleaning, Repair & Maintenance Services	11-000-266-420	7,500	-	7,500	7,411	89
General Supplies	11-000-266-610	12,200	-	12,200	11,494	706
Total Security		24,700	-	24,700	23,739	961
Student Transportation Services:						
Salaries of Noninstructional Aides	11-000-270-107	7,101	-	7,101	61	7,040
Salaries for Pupil Transportation (Between Home & School) - Regular	11-000-270-160	29,738	-	29,738	29,374	364
Other Purchased Professional Technical Services	11-000-270-390	500	-	500	-	500
Contracted Services (Between Home & School) - Vendors	11-000-270-511	692,994	(13,038)	679,956	666,929	13,027
Contracted Services (Other Than Between Home & School) - Vendors	11-000-270-512	50,643	(12,000)	38,643	21,034	17,609
Contracted Services (Between Home & School) - Joint Agreements	11-000-270-515	494,898	25,038	519,936	508,571	11,365
Contracted Service - Aid in Lieu of Payments	11-000-270-503	49,000	-	49,000	41,151	7,849
Misc. Purchased Svc.- Transp.	11-000-270-593	836	-	836	-	836
General Supplies	11-000-270-610	500	-	500	134	366
Miscellaneous Expenditures	11-000-270-800	200	-	200	200	-
Total Student Transportation Services		1,326,410	-	1,326,410	1,267,454	58,956
Unallocated Benefits - Employee Benefits:						
Social Security Contributions	11-000-291-220	145,500	5,889	151,389	151,385	4
Other Retirement Contribution - PERS	11-000-291-241	167,292	(171)	167,121	167,121	-
Other Retirement Contribution - Regular	11-000-291-249	24,286	(1,215)	23,071	17,899	5,172
Unemployment Compensation	11-000-291-250	35,000	-	35,000	-	35,000
Workmen's Compensation	11-000-291-260	80,161	-	80,161	69,242	10,919
Health Benefits	11-000-291-270	2,111,905	(4,502)	2,107,403	1,863,084	244,319
Tuition Reimbursements	11-000-291-280	52,000	-	52,000	16,219	35,781
Other Employee Benefits	11-000-291-290	67,512	-	67,512	49,611	17,901
Total Unallocated Benefits - Employee Benefits		2,683,656	1	2,683,657	2,334,561	349,096

**LOGAN TOWNSHIP SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

ACCOUNT NUMBERS	JUNE 30, 2020			ACTUAL	VARIANCE FINAL TO ACTUAL FAVORABLE/ (UNFAVORABLE)
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET		
Nonbudgeted:					
On-Behalf TPAF Pension Contributions	-	-	-	1,454,996	(1,454,996)
On-Behalf TPAF Medical Contributions	-	-	-	539,777	(539,777)
On-Behalf TPAF Long-Term Disability	-	-	-	1,339	(1,339)
Reimbursed TPAF Social Security Contributions	-	-	-	510,393	(510,393)
Total Undistributed Expenditures	12,470,419	(130,446)	12,339,973	13,812,181	(1,472,208)
Total Expenditures - Current Expense	19,148,109	(4,810)	19,143,299	20,124,622	(981,323)
Capital Outlay:					
Interest Deposit to Capital Reserve	10-604-000-000	500	-	500	500
Interest Deposit to Maintenance Reserve	10-606-000-000	800	-	800	800
Equipment:					
Undistributed Expenditures:					
Instruction	12-000-100-730	167,000	17,000	184,000	70,239
Facilities Acquisition & Construction Services:					
Other Purchased Professional & Construction Services					
Assessment for Debt Service on SDA Funding	12-000-400-450	30,863	-	30,863	918
	12-000-400-896	1,137	-	1,137	-
Total Capital Outlay		200,300	17,000	217,300	72,457
Total Expenditures		19,348,409	12,190	19,360,599	20,269,465
Excess/(Deficiency) of Revenues Over/(Under) Expenditures Before Other Financing Sources/(Uses)		(1,483,083)	(12,190)	(1,495,273)	381,561
Other Financing Sources/(Uses):					
Transfer to Cover Deficit (Enterprise Funds)	11-000-310-930	(11,000)	-	(11,000)	11,000
Total Other Financing Sources/(Uses)		(11,000)	-	(11,000)	11,000
Excess/(Deficiency) of Revenues Over/(Under) Expenditures After Other Financing Sources/(Uses)		(1,494,083)	(12,190)	(1,506,273)	381,561
Fund Balances, July 1		4,469,491	-	4,469,491	-
Fund Balances, June 30		\$ 2,975,408	\$ (12,190)	\$ 2,963,218	\$ 4,851,052

RECAPITULATION OF BUDGET TRANSFERS:

Prior Year Encumbrances	\$ 12,190
Total	\$ 12,190

RECAPITULATION OF FUND BALANCE

Restricted Fund Balance:	
Capital Reserve	507,557
Maintenance Reserve	511,973
Tuition Reserve	300,000
Excess Surplus - Designated for Subsequent Year	1,435,887
Excess Surplus	1,507,133
Assigned Fund Balance:	
Designated for Subsequent Year Expenditures	34,693
Year End Encumbrances	76,348
Unassigned Fund Balance	477,461
Subtotal	4,851,052
Reconciliation to Governmental Fund Statements (GAAP):	
Last State Aid Payment Not Recognized on GAAP Basis	(422,815)
Fund Balance per Governmental Funds (GAAP)	\$ 4,428,237

**LOGAN TOWNSHIP BOARD OF EDUCATION
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR FISCAL YEAR ENDED JUNE 30, 2020**

	JUNE 30, 2020				VARIANCE POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
REVENUES:					
State Sources	\$ 1,082,410	\$ (41,518)	\$ 1,040,892	\$ 955,064	\$ (85,828)
Federal Sources	252,427	152,788	405,215	372,180	(33,035)
Local Sources	13,000	12,187	25,187	21,181	(4,006)
Total Revenues	1,347,837	123,457	1,471,294	1,348,425	(122,869)
EXPENDITURES:					
Instruction:					
Salaries of Teachers	511,911	(45,391)	466,520	453,558	12,962
Salaries of Aides	173,204	(3,062)	170,142	143,982	26,160
Purchased Professional Educational Services	20,346	42,575	62,921	61,675	1,246
General Supplies	21,500	45,180	66,680	54,513	12,167
Tuition	156,565	37,103	193,668	193,668	-
Total Instruction	883,526	76,405	959,931	907,396	52,535
Support Services:					
Salaries of Supervisors of Instruction	11,870	(1,762)	10,108	8,711	1,397
Salaries of Principals	34,218	21,748	55,966	55,966	-
Salaries of Other Professional Staff	73,877	7,740	81,617	81,617	-
Salaries of Secretarial and Clerical Assistants	17,888	2,206	20,094	20,094	-
Employee Benefits	125,260	23,580	148,840	137,917	10,923
Purchased Professional Services	13,850	11,599	25,449	16,169	9,280
Cleaning, Repair & Maintenance	-	506	506	-	506
Other Purchased Services	144,506	(17,426)	127,080	109,926	17,154
Miscellaneous Purchased Services	15,042	(12,305)	2,737	1,056	1,681
General Supplies	22,800	11,166	33,966	9,573	24,393
Total Support Services	459,311	47,052	506,363	441,029	65,334
Facilities Acquisition & Construction Services:					
Instructional Equipment	5,000	-	5,000	-	5,000
Total Facilities Acquisition & Construction Services	5,000	-	5,000	-	5,000
Total Expenditures	1,347,837	123,457	1,471,294	1,348,425	122,869
Total Outflows	1,347,837	123,457	1,471,294	1,348,425	122,869
Excess/(Deficiency) of Revenues Over/(Under) Expenditures & Other Financing Sources/ (Uses)	\$ -	\$ -	\$ -	\$ -	\$ -

This page intentionally left blank

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PART II

This page intentionally left blank

**LOGAN TOWNSHIP SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
NOTE TO RSI
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

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

	GENERAL FUND	SPECIAL REVENUE FUND
Sources/Inflows of Resources:		
Actual Amounts (Budgetary Basis) "Revenue"		
From the Budgetary Comparison Schedule (C-Series)	\$ 20,651,026	\$ 1,348,425
Difference - Budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.	-	(43,629)
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes	474,148	98,241
State aid payment recognized for budgetary purposes, not recognized for GAAP Statements until the subsequent year	(422,815)	(99,974)
	\$ 20,702,359	\$ 1,303,063
Uses/outflows of resources:		
Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule	\$ 20,269,465	\$ 1,348,425
Differences - budget to GAAP		
Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for <i>budgetary</i> purposes, but in the year the supplies are received for <i>financial reporting</i> purposes.	-	(43,629)
	\$ 20,269,465	\$ 1,304,796
Total Revenue as reported on the statement of revenues, expenditures and changes in fund balances – governmental funds		
Total Expenditures as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds (B-2)		

This page intentionally left blank

REQUIRED SUPPLEMENTARY INFORMATION - PART III

This page intentionally left blank

L. Schedules Related to Accounting and Reporting for Pensions (GASB 68)

This page intentionally left blank

**LOGAN TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF THE SCHOOL DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
PUBLIC EMPLOYEES' RETIREMENT SYSTEM (PERS)
LAST SEVEN FISCAL YEARS***

	2020	2019	2018	2017	2016	2015	2014
School District's proportion of the net pension liability	0.01699%	0.01545%	0.01656%	0.01502%	0.01494%	0.01334%	0.01321%
School District's proportionate share of the net pension liability	\$ 3,060,698	\$ 3,041,997	\$ 3,854,257	\$ 4,449,442	\$ 3,352,766	\$ 2,496,772	\$ 2,523,941
School District's covered payroll	\$ 955,298	\$ 1,092,836	\$ 1,120,331	\$ 998,410	\$ 978,010	\$ 965,149	N/A
School District's proportionate share of the net pension liability as a percentage of its covered payroll	320.39%	278.36%	344.03%	445.65%	342.82%	258.69%	N/A
Plan fiduciary net position as a percentage of the total pension liability	56.27%	53.60%	48.10%	40.14%	56.31%	62.41%	58.70%

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

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

**LOGAN TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF SCHOOL DISTRICT CONTRIBUTIONS
PUBLIC EMPLOYEES' RETIREMENT SYSTEM (PERS)
LAST SEVEN FISCAL YEARS**

	2020	2019	2018	2017	2016	2015	2014
Contractually required contribution	\$ 165,228	\$ 153,676	\$ 153,385	\$ 133,464	\$ 128,407	\$ 109,936	\$ 99,505
Contributions in relation to the contractually required contribution	(165,228)	(153,676)	(153,385)	(133,464)	(128,407)	(109,936)	(99,505)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered-employee payroll	\$ 955,298	\$ 1,092,836	\$ 1,120,331	\$ 998,410	\$ 978,010	\$ 965,149	N/A
Contributions as a percentage of covered-employee payroll	17.30%	14.06%	14.04%	11.91%	13.13%	11.24%	N/A

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

**LOGAN TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
TEACHERS' PENSION AND ANNUITY FUND (TPAF)
LAST SEVEN FISCAL YEARS***

	2020	2019	2018	2017	2016	2015	2014
School District's proportion of the net pension liability	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
School District's proportionate share of the net pension liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's proportionate share of the net pension liability associated with the School District	\$ 40,507,423	\$ 41,239,247	\$ 41,316,959	\$ 45,887,248	\$ 38,498,334	\$ 32,915,040	\$ 30,082,270
School District's covered payroll	\$ 40,507,423	\$ 41,239,247	\$ 41,316,959	\$ 45,887,248	\$ 38,498,334	\$ 32,915,040	\$ 30,082,270
School District's proportionate share of the net pension liability as a percentage of its covered payroll	\$ 7,024,865	\$ 7,393,677	\$ 6,793,445	\$ 6,795,426	\$ 6,556,090	\$ 6,240,874	\$ 5,923,128
Plan fiduciary net position as a percentage of the total pension liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	26.95%	26.49%	25.41%	22.33%	28.71%	33.64%	33.76%

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

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

**LOGAN TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF SCHOOL DISTRICT CONTRIBUTIONS
TEACHERS' PENSION AND ANNUITY FUND (TPAF)
LAST TEN FISCAL YEARS**

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

M. Schedules Related to Accounting and Reporting for Other Post-Employment Benefits (GASB 75)

This page intentionally left blank

LOGAN TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF THE CHANGE IN NET OPEB LIABILITY AND RELATED RATIOS
STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES PLAN (OPEB)
LAST THREE FISCAL YEARS*

	2020	2019	2018
Total OPEB Liability Associated with the District			
Service Cost	1,114,379	1,231,167	1,491,132
Interest Cost	1,240,560	1,334,274	1,155,012
Differences Between Expected and Actual	(4,890,747)	(3,236,952)	-
Changes of Assumptions	423,477	(3,598,765)	(4,832,147)
Contributions: Member	25,844	28,982	31,079
Gross Benefit Payments	(871,859)	(838,566)	(844,034)
Net Change in Total OPEB Liability Associated with the District	(2,958,346)	(5,079,860)	(2,998,958)
Total OPEB Liability Associated with the District (Beginning)	31,360,421	36,440,281	39,439,239
Total OPEB Liability Associated with the District (Ending)	28,402,075	31,360,421	36,440,281
District's Covered Employee Payroll	7,980,163	8,486,513	7,913,776
Net OPEB Liability Associated with the District as a Percentage of Payroll	355.91%	369.53%	460.47%

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

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

**LOGAN 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 from 4.86% as of June 30, 2018, to 6.28% as of June 30, 2019.

Public Employees' Retirement System (PERS)

Changes in Benefit Terms - None.

Changes in Assumptions - The discount rate changed from 5.66% as of June 30, 2018, to 5.60% as of June 30, 2019.

State Health Benefit Local Education Retired Employees Plan (OPEB)

Changes in Benefit Terms - None.

Changes in Assumptions - The discount rate changed from 3.58% as of June 30, 2018, to 3.50% as of June 30, 2019.

OTHER SUPPLEMENTARY INFORMATION

This page intentionally left blank

D. School Based Budget Schedules

Not Applicable

This page intentionally left blank

E. Special Revenue Fund

This page intentionally left blank

**LOGAN TOWNSHIP SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUES
AND EXPENDITURES - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	I.D.E.A. - PART B		NO CHILD LEFT BEHIND			
	BASIC REGULAR PROGRAM	PRESCHOOL INCENTIVE PROGRAM	TITLE I	TITLE II PART A	TITLE III	TITLE IV
Revenues:						
Federal Sources	\$ 211,345	\$ 7,248	\$ 83,050	\$ 12,704	\$ 3,849	\$ 10,355
Total Revenues	<u>\$ 211,345</u>	<u>\$ 7,248</u>	<u>\$ 83,050</u>	<u>\$ 12,704</u>	<u>\$ 3,849</u>	<u>\$ 10,355</u>
Expenditures:						
Instruction:						
Salaries of Teachers	\$ 10,688	\$ 3,318	\$ 61,519	\$ -	\$ 3,404	\$ 7,407
Salaries of Aides	6,989	3,930	-	-	-	-
Tuition	193,668	-	-	-	-	-
General Supplies	-	-	-	-	184	-
Total Instruction	<u>211,345</u>	<u>7,248</u>	<u>61,519</u>	<u>-</u>	<u>3,588</u>	<u>7,407</u>
Support Services:						
Employee Benefits	-	-	21,531	-	261	2,948
Purchase Professional & Technical Services	-	-	-	12,704	-	-
Total Support Services	<u>-</u>	<u>-</u>	<u>21,531</u>	<u>12,704</u>	<u>261</u>	<u>2,948</u>
Total Expenditures	<u>\$ 211,345</u>	<u>\$ 7,248</u>	<u>\$ 83,050</u>	<u>\$ 12,704</u>	<u>\$ 3,849</u>	<u>\$ 10,355</u>

**LOGAN TOWNSHIP SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUES
AND EXPENDITURES - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	ITALIAN GRANT	PRESCHOOL EDUCATION EXPANSION AID	SCTG	CARES	TOTAL
Revenues:					
Federal Sources	\$ -	\$ -	\$ -	\$ 43,629	\$ 372,180
State Sources	-	955,064	-	-	955,064
Local Sources	12,495	-	8,686	-	21,181
Total Revenues	12,495	955,064	8,686	43,629	1,348,425
Expenditures:					
Instruction:					
Salaries of Teachers	\$ 10,000	\$ 357,222	\$ -	\$ -	\$ 453,558
Salaries of Aides	-	133,063	-	-	143,982
Purchased Professional Educational Services	-	61,675	-	-	61,675
Tuition	-	-	-	-	193,668
General Supplies	2,495	15,580	-	36,254	54,513
Total Instruction	12,495	567,540	-	36,254	907,396
Support Services:					
Salaries of Supervisors of Instruction	-	8,711	-	-	8,711
Salaries of Principals	-	51,626	4,340	-	55,966
Salaries of Other Professional Staff	-	79,727	1,890	-	81,617
Salaries of Secretarial and Clerical Assistants	-	20,094	-	-	20,094
Employee Benefits	-	112,827	350	-	137,917
Purchased Professional Educational Services	-	3,342	123	-	16,169
Other Purchased Services	-	108,846	1,080	-	109,926
Miscellaneous Purchased Services	-	319	737	-	1,056
General Supplies	-	2,032	166	7,375	9,573
Total Support Services	-	387,524	8,686	7,375	441,029
Total Expenditures	\$ 12,495	\$ 955,064	\$ 8,686	\$ 43,629	\$ 1,348,425

**LOGAN TOWNSHIP SCHOOL DISTRICT
SPECIAL REVENUE FUND
SCHEDULE OF PRESCHOOL EDUCATION EXPANSION AID
STATEMENT OF EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	2020		
	BUDGETED	ACTUAL	VARIANCE
Expenditures:			
Instruction:			
Salaries of Teachers	\$ 360,166	\$ 357,222	\$ 2,944
Salaries of Aides	158,852	133,063	25,789
Purchased Professional Educational Services	62,921	61,675	1,246
Supplies	17,500	15,580	1,920
Total Instruction	<u>599,439</u>	<u>567,540</u>	<u>31,899</u>
Support Services:			
Salaries of Supervisors of Instruction	10,108	8,711	1,397
Salaries of Principals	51,626	51,626	-
Salaries of Other Professional Staff	79,727	79,727	-
Salaries of Secretarial and Clerical Assistants	20,094	20,094	-
Employee Benefits	119,742	112,827	6,915
Purchased Professional Educational Services	3,850	3,342	508
Cleaning, Repair and Maintenance	506	-	506
Other Purchased Services	126,000	108,846	17,154
Miscellaneous Purchased Services	2,000	319	1,681
General Supplies	22,800	2,032	20,768
Total Support Services	<u>436,453</u>	<u>387,524</u>	<u>48,929</u>
Facilities Acquisition & Construction Services:			
Instructional Equipment	5,000	-	5,000
Total Facilities Acquisition & Construction Services	<u>5,000</u>	<u>-</u>	<u>5,000</u>
Total Expenditures	<u>\$ 1,040,892</u>	<u>\$ 955,064</u>	<u>\$ 85,828</u>

CALCULATION OF BUDGET AND CARRYOVER

Total Revised 2019-2020 Preschool Education Expansion Aid Allocation	\$ 999,726
Add: Actual Preschool Education Expansion Aid Carryover June 30, 2019	<u>41,166</u>
Total Preschool Education Expansion Aid Funds Available for 2019-2020 Budget	1,040,892
Less: 2019-2020 Budgeted Preschool Education Expansion Aid (Prior Year Budget Carryover)	<u>(1,040,892)</u>
Available & Unbudgeted Preschool Education Expansion Aid Funds June 30, 2020	-
Add: June 30, 2020 Unexpended Preschool Education Expansion Aid	<u>85,828</u>
Total Actual Preschool Education Expansion Aid Carryover	<u>\$ 85,828</u>
2019-2020 Preschool Education Expansion Aid Carryover Budgeted in 2020-2021	<u>\$ 50,000</u>

This page intentionally left blank

F. Capital Projects Fund

This page intentionally left blank

**LOGAN TOWNSHIP SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY STATEMENT OF PROJECT EXPENDITURES
FOR THE YEAR ENDED JUNE 30, 2020**

PROJECT	DATE	APPROPRIATION	EXPENDITURES TO DATE		UNEXPENDED
			PRIOR	CURRENT	
Various School Improvement Projects	3/21/2019	\$ 7,870,000	\$ 1,560,185	\$ 4,812,511	\$ 1,497,304
	Total	\$	\$ 1,560,185	\$ 4,812,511	\$ 1,497,304

**LOGAN TOWNSHIP SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE-BUDGETARY BASIS
FOR THE YEAR ENDED JUNE 30, 2020**

Revenues & Other Financing Sources:	
Bond Proceeds	\$ <u> -</u>
Total Revenues	<u> -</u>
Expenditures & Other Financing Uses:	
Purchased Professional & Technical Services	197,724
Construction Services	<u>4,614,787</u>
Total Expenditures	<u>4,812,511</u>
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	(4,812,511)
Fund Balance - Beginning	<u>6,309,815</u>
Fund Balance - Ending	<u><u>\$ 1,497,304</u></u>

**LOGAN TOWNSHIP SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, PROJECT BALANCE AND
PROJECT STATUS - BUDGETARY BASIS
VARIOUS SCHOOL IMPROVEMENT PROJECTS
FOR THE YEAR ENDED JUNE 30, 2020**

	PRIOR PERIODS	CURRENT YEAR	TOTALS	REVISED AUTHORIZED COST
Revenues & Other Financing Sources:				
Bond Proceeds	\$7,870,000	\$ -	\$7,870,000	\$ 7,870,000
Total Revenues	<u>7,870,000</u>	<u>-</u>	<u>7,870,000</u>	<u>7,870,000</u>
Expenditures & Other Financing Uses:				
Purchased Professional & Technical Services	509,831	197,724	707,555	943,740
Construction Services	1,050,354	4,614,787	5,665,141	6,926,260
Total Expenditures	<u>1,560,185</u>	<u>4,812,511</u>	<u>6,372,696</u>	<u>7,870,000</u>
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures	<u>\$6,309,815</u>	<u>\$(4,812,511)</u>	<u>\$1,497,304</u>	<u>\$ -</u>

ADDITIONAL PROJECT INFORMATION

Project Number	
Grant Date	N/A
Bond Authorization Date	3/21/2019
Bonds Authorized	7,870,000
Bonds Issued	7,870,000
Original Authorized Cost	7,870,000
Revised Authorized Cost	7,870,000
Percentage Increase Over Original Authorized Cost	0%

This page intentionally left blank

G. Proprietary Funds

This page intentionally left blank

Enterprise Funds

This section has been included on Exhibit B-4, B-5 & B-6

This page intentionally left blank

Internal Service Fund

Not Applicable

This page intentionally left blank

H. Fiduciary Fund

This page intentionally left blank

**LOGAN TOWNSHIP SCHOOL DISTRICT
FIDUCIARY FUNDS
COMPARATIVE COMBINING STATEMENT OF FIDUCIARY NET POSITION
FOR THE YEAR ENDED JUNE 30, 2020**

ASSETS	PRIVATE PURPOSE TRUST FUNDS		AGENCY FUNDS		TOTAL
	UNEMPLOYMENT COMPENSATION TRUST	SCHOLARSHIP	STUDENT ACTIVITY	PAYROLL	
	Cash & Cash Equivalents	\$ 84,091	\$ 4,817	\$ 32,595	
Total Assets	84,091	4,817	32,595	357,594	479,097
LIABILITIES					
Payroll Deductions & Withholdings	-	-	-	352,101	352,101
Flexible Spending	-	-	-	5,493	5,493
Accounts Payable	3,069	-	-	-	3,069
Due to Student Groups	-	-	32,595	-	32,595
Total Liabilities	3,069	-	32,595	357,594	393,258
NET POSITION					
Held in Trust For:					
Unemployment Claims	81,022	-	-	-	81,022
Scholarships	-	4,817	-	-	4,817
Total Net Position	\$ 81,022	\$ 4,817	\$ -	\$ -	\$ 85,839

**LOGAN TOWNSHIP SCHOOL DISTRICT
FIDUCIARY FUNDS
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEAR ENDED JUNE 30, 2020**

ADDITIONS	<u>PRIVATE PURPOSE TRUST FUNDS</u>		
	UNEMPLOYMENT COMPENSATION	SCHOLARSHIP	TOTAL
Local Sources:			
Contributions from Employees	\$ 15,623	\$ -	\$ 15,623
Investment Earnings:			
Interest	1,017	33	1,050
Total Additions	<u>16,640</u>	<u>33</u>	<u>16,673</u>
 DEDUCTIONS			
Quarterly Unemployment			
Contribution Reports	6,350	-	6,350
Scholarship Payments	-	200	200
Total Deductions	<u>6,350</u>	<u>200</u>	<u>6,550</u>
Change in Net Position	10,290	(167)	10,123
Net Position - Beginning of the Year	<u>70,732</u>	<u>4,984</u>	<u>75,716</u>
Net Position - End of the Year	<u>\$ 81,022</u>	<u>\$ 4,817</u>	<u>\$ 85,839</u>

**LOGAN TOWNSHIP SCHOOL DISTRICT
FIDUCIARY FUNDS
SCHEDULE OF STUDENT ACTIVITY RECEIPTS AND DISBURSEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	BALANCE JULY 1, 2019	CASH RECEIPTS	CASH DISBURSEMENTS	BALANCE JUNE 30, 2020
Student Activity	\$ 28,468	\$ 25,921	\$ 21,794	\$ 32,595
Total Student Activity	<u>\$ 28,468</u>	<u>\$ 25,921</u>	<u>\$ 21,794</u>	<u>\$ 32,595</u>

**SCHEDULE OF CHANGES IN PAYROLL AGENCY ASSETS & LIABILITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	BALANCE JULY 1, 2019	ADDITIONS	DELETIONS	BALANCE JUNE 30, 2020
ASSETS				
Cash & Cash Equivalents	\$ 336,504	\$ 10,032,853	\$ 10,011,763	\$ 357,594
Total Assets	<u>\$ 336,504</u>	<u>\$ 10,032,853</u>	<u>\$ 10,011,763</u>	<u>\$ 357,594</u>
LIABILITIES				
Payroll Deductions & Withholding	\$ 335,569	\$ 4,648,158	\$ 4,631,626	\$ 352,101
Net Payroll	-	5,342,815	5,342,815	-
Flexible Spending	935	41,880	37,322	5,493
Total Liabilities	<u>\$ 336,504</u>	<u>\$ 10,032,853</u>	<u>\$ 10,011,763</u>	<u>\$ 357,594</u>

This page intentionally left blank

I. Long-Term Debt

This page intentionally left blank

**LOGAN TOWNSHIP SCHOOL DISTRICT
LONG-TERM DEBT
SCHEDULE OF SERIAL BONDS
JUNE 30, 2020**

ISSUE	DATE OF ISSUE	AMOUNT OF ISSUE	ANNUAL MATURITIES DATE	AMOUNT	INTEREST RATE	BALANCE JULY 1, 2019	ISSUED	RETIRED	BALANCE JUNE 30, 2020
School Bonds - Series 2019	3/21/2019	7,870,000	3/15/2021	485,000	2.00%	\$ 7,870,000	\$ -	\$ -	\$ 7,870,000
			3/15/2022	345,000	2.00%				
			3/15/2023	365,000	2.00%				
			3/15/2024	380,000	2.00%				
			3/15/2025	395,000	2.00%				
			3/15/2026	400,000	2.00%				
			3/15/2027	415,000	2.25%				
			3/15/2028	430,000	2.50%				
			3/15/2029	445,000	2.75%				
			3/15/2030	465,000	3.00%				
			3/15/2031	480,000	3.00%				
			3/15/2032	495,000	3.00%				
			3/15/2033	515,000	3.00%				
			3/15/2034	535,000	3.00%				
			3/15/2035	550,000	3.00%				
			3/15/2036	570,000	3.00%				
			3/15/2037	600,000	3.00%				
Total						\$ 7,870,000	\$ -	\$ -	\$ 7,870,000

**LOGAN TOWNSHIP SCHOOL DISTRICT
DEBT SERVICE FUND
BUDGETARY COMPARISON SCHEDULE
FOR FISCAL YEAR ENDED JUNE 30, 2020**

	ACCOUNT NUMBERS	JUNE 30, 2020			ACTUAL	VARIANCE POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET		
Revenues:						
Local Sources:						
Local Tax Levy	40-1210	\$ 202,591	\$ -	\$ 202,591	\$ 202,591	\$ -
State Sources:						
Debt Service Aid Type II	40-3160	-	-	-	-	-
Total Revenues		<u>202,591</u>	<u>-</u>	<u>202,591</u>	<u>202,591</u>	<u>-</u>
Expenditures:						
Regular Debt Service:						
Interest	40-701-510-834	<u>202,591</u>	<u>-</u>	<u>202,591</u>	<u>202,591</u>	<u>-</u>
Total Expenditures		<u>202,591</u>	<u>-</u>	<u>202,591</u>	<u>202,591</u>	<u>-</u>
Other Financing Sources/(Uses):						
Transfers from Capital Projects Fund -						
Transfer of Interest		<u>-</u>	<u>-</u>	<u>-</u>	<u>69,143</u>	<u>(69,143)</u>
Total Other Financing Sources/(Uses)		<u>-</u>	<u>-</u>	<u>-</u>	<u>69,143</u>	<u>(69,143)</u>
Excess/(Deficiency) of Revenues						
Over/(Under) Expenditures		<u>-</u>	<u>-</u>	<u>-</u>	<u>69,143</u>	<u>(69,143)</u>
Fund Balance, July 1		<u>44,084</u>		<u>44,084</u>	<u>44,084</u>	<u>-</u>
Fund Balance, June 30		<u>\$ 44,084</u>	<u>\$ -</u>	<u>\$ 44,084</u>	<u>\$ 113,227</u>	<u>\$ (69,143)</u>

STATISTICAL SECTION (Unaudited)

This page intentionally left blank

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

	FISCAL YEAR ENDING JUNE 30,									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Governmental Activities:										
Net Investment in Capital Assets	\$ 8,237,091	\$ 9,069,056	\$ 8,971,393	\$ 8,767,296	\$ 8,758,023	\$ 8,300,838	\$ 7,359,389	\$ 6,377,078	\$ 6,053,975	\$ 5,234,131
Restricted	4,375,777	4,079,724	4,013,485	3,834,205	3,478,095	3,716,891	3,455,685	3,666,374	3,103,881	1,964,263
Unrestricted	(3,828,165)	(3,900,413)	(3,756,883)	(3,447,653)	(3,002,291)	(2,901,683)	(259,289)	(293,140)	(274,214)	(259,094)
Total Governmental Activities	\$ 8,784,703	\$ 9,248,367	\$ 9,227,995	\$ 9,153,848	\$ 9,233,827	\$ 9,116,046	\$ 10,555,785	\$ 9,750,312	\$ 8,883,642	\$ 6,939,300
Business-Type Activities:										
Net Investment in Capital Assets	\$ 186,017	\$ 41,301	\$ 44,507	\$ 31,805	\$ 7,271	\$ 12,291	\$ 17,311	\$ 22,331	\$ 27,351	\$ 32,371
Unrestricted	152,307	98,126	64,869	85,755	119,594	91,147	90,125	86,368	72,203	68,996
Total Business-Type Activities	\$ 338,324	\$ 139,427	\$ 109,376	\$ 117,560	\$ 126,865	\$ 103,438	\$ 107,436	\$ 108,699	\$ 99,554	\$ 101,367
Government-Wide:										
Net Investment in Capital Assets	\$ 8,423,108	\$ 9,110,357	\$ 9,015,900	\$ 8,799,101	\$ 8,765,294	\$ 8,313,129	\$ 7,376,700	\$ 6,399,409	\$ 6,081,326	\$ 5,266,502
Restricted	4,375,777	4,079,724	4,013,485	3,834,204	3,478,095	3,716,891	3,455,685	3,666,374	3,103,881	1,964,263
Unrestricted	(3,675,858)	(3,802,287)	(3,692,014)	(3,361,897)	(2,882,697)	(2,810,536)	(169,164)	(206,772)	(202,011)	(190,098)
Total Government-Wide Net Position	\$ 9,123,027	\$ 9,387,794	\$ 9,337,371	\$ 9,271,408	\$ 9,360,692	\$ 9,219,484	\$ 10,663,221	\$ 9,859,011	\$ 8,983,196	\$ 7,040,667

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

	FISCAL YEAR ENDING JUNE 30,									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Expenses:										
Governmental Activities:										
Instruction:										
Regular	\$ 5,503,258	\$ 5,879,855	\$ 5,641,950	\$ 5,422,319	\$ 5,471,789	\$ 5,303,490	\$ 5,297,351	\$ 5,183,958	\$ 5,144,823	\$ 5,092,056
Special Education	1,164,328	975,752	946,170	891,712	839,769	774,977	687,144	573,746	611,867	533,494
Basic Skill/Remedial Instruction	519,399	460,242	392,723	389,862	390,573	246,716	222,126	386,526	323,731	240,767
Other Instruction	32,852	53,625	52,729	44,692	47,786	65,471	57,919	63,143	50,335	32,280
Support Services:										
Tuition	3,607,211	3,475,026	3,549,861	3,309,968	3,496,071	3,838,861	4,011,053	3,579,020	3,231,290	3,584,333
Student & Instruction Related Services	2,169,411	2,172,117	2,043,561	1,839,235	1,686,687	1,524,815	1,480,940	1,321,244	1,241,427	1,128,319
School Administrative Services	250,289	258,492	238,444	268,207	261,465	314,592	319,580	374,501	360,831	347,943
General & Business Administrative Services	685,299	681,886	668,669	627,322	628,382	575,297	575,252	533,675	530,397	520,965
Plant Operations & Maintenance	1,388,851	1,531,972	1,496,258	1,512,407	1,546,971	1,466,792	1,431,213	1,335,059	1,360,706	1,344,578
Pupil Transportation	1,267,454	1,254,727	1,121,657	1,115,518	1,040,754	1,024,612	918,076	910,312	972,839	871,551
Allocated Benefits										
Unallocated Benefits	5,999,793	6,746,219	8,020,338	2,576,126	5,579,733	4,602,430	3,010,602	3,231,394	2,797,928	2,739,236
On-Behalf TPAF Pension and Social Security Contributions	-	-	-	1,759,928	-	-	-	-	-	-
Interest on Long-Term Debt	205,731	60,133	23,837	45,388	65,858	85,896	108,861	158,690	209,311	259,683
Revaluation of Fixed Assets	287,305	(4,666)	(147,241)	166,999	-	-	647,073	-	-	-
Unallocated Depreciation	688,366	669,272	669,272	633,880	629,466	595,871	619,354	587,816	763,459	695,911
Total Governmental Activities Expenses	23,769,547	24,214,652	24,718,228	20,603,563	21,685,304	20,419,820	18,739,471	18,886,157	17,598,944	17,391,116
Business-Type Activities:										
Food Service	284,240	300,543	304,051	318,075	283,058	311,501	191,758	328,623	343,046	331,553
Total Business-Type Activities Expense	284,240	300,543	304,051	318,075	283,058	311,501	191,758	328,623	343,046	331,553
Total District Expenses	\$ 24,053,787	\$ 24,515,195	\$ 25,022,279	\$ 20,921,638	\$ 21,968,362	\$ 20,731,321	\$ 18,931,229	\$ 19,214,780	\$ 17,941,990	\$ 17,722,669

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

	FISCAL YEAR ENDING JUNE 30,									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Program Revenues:										
Operating Grants & Contributions	\$ 4,838,295	\$ 5,557,377	\$ 6,362,060	\$ 2,135,115	\$ 3,763,201	\$ 3,104,705	\$ 422,307	\$ 390,877	\$ 437,280	\$ 508,917
Total Governmental Activities Program Revenues	4,838,295	5,557,377	6,362,060	2,135,115	3,763,201	3,104,705	422,307	390,877	437,280	508,917
Business-Type Activities:										
Charges for Services:										
Food Service	123,337	212,469	182,515	192,778	202,096	191,758	185,429	213,016	224,536	240,049
Operating Grants & Contributions	198,842	118,125	113,352	115,992	104,389	115,745	120,374	124,752	100,546	102,391
Total Business Type Activities Program Revenues	322,179	330,594	295,867	308,770	306,485	307,503	305,803	337,768	325,082	342,440
Total District Program Revenues	\$ 5,160,474	\$ 5,887,971	\$ 6,657,927	\$ 2,443,885	\$ 4,069,686	\$ 3,412,208	\$ 728,110	\$ 728,645	\$ 762,362	\$ 851,357
Net (Expense)/Revenue:										
Governmental Activities	\$ (18,931,252)	\$ (18,657,275)	\$ (18,356,168)	\$ (22,583,113)	\$ (16,840,362)	\$ (17,315,115)	\$ (18,317,164)	\$ (18,495,280)	\$ (17,161,664)	\$ (16,882,199)
Business-Type Activities	37,939	30,051	(8,184)	4,719	(11,590)	(3,998)	(1,263)	9,145	(17,964)	10,887
Total District-Wide Net Expense	\$ (18,893,313)	\$ (18,627,224)	\$ (18,364,352)	\$ (22,578,394)	\$ (16,851,952)	\$ (17,319,113)	\$ (18,318,427)	\$ (18,486,135)	\$ (17,179,628)	\$ (16,871,312)

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

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
FISCAL YEAR ENDING JUNE 30.										
General Revenues & Other Changes in Net Position:										
Governmental Activities:										
Property Taxes Levied for General Purposes, Net	\$ 13,129,893	\$ 12,656,365	\$ 12,408,202	\$ 12,164,903	\$ 11,679,639	\$ 11,563,999	\$ 11,337,254	\$ 11,114,955	\$ 10,953,584	\$ 11,023,468
Taxes Levied for Debt Service	202,591	379,271	390,666	408,417	412,388	416,411	880,086	917,936	952,328	980,678
Unrestricted Grants & Contributions	4,873,187	5,295,340	5,371,279	5,466,234	5,648,602	5,627,066	6,918,957	7,074,009	6,991,984	6,448,730
Restricted Grants	-	176,628	181,934	190,201	109,467	324,116	31,103	-	-	-
Tuition	48,040	63,758	40,257	117,489	179,302	191,492	231,505	187,404	192,567	214,851
Investment Earnings	36,574	33,174	18,166	10,145	7,804	7,141	401	235	-	-
Miscellaneous Income	177,303	73,111	19,811	31,080	15,349	23,781	22,876	67,411	15,543	5,069
Net Increase in Capital Assets	-	-	-	-	(12,667)	(54,234)	-	-	-	-
Total Governmental Activities	18,467,588	18,677,647	18,430,315	18,388,469	18,039,884	18,099,772	19,422,182	19,361,950	19,106,006	18,672,796
Business-Type Activities:										
Investment Earnings	-	-	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-	-	-
Total Business-Type Activities	-	-	-	-	-	-	-	-	-	-
Total District-Wide	\$ 18,467,588	\$ 18,677,647	\$ 18,430,315	\$ 18,388,469	\$ 18,039,884	\$ 18,099,772	\$ 19,422,182	\$ 19,361,950	\$ 19,106,006	\$ 18,672,796
Change in Net Position:										
Governmental Activities	\$ (463,664)	\$ 20,372	\$ 74,147	\$ 32,301	\$ (4,543,229)	\$ 784,657	\$ 1,105,018	\$ 866,670	\$ 1,944,342	\$ 1,790,597
Business-Type Activities	37,939	30,051	(8,184)	(8,184)	4,719	(3,998)	(1,263)	9,145	(17,964)	10,887
Total District	\$ (425,725)	\$ 50,423	\$ 65,963	\$ 24,117	\$ (4,538,510)	\$ 780,659	\$ 1,103,755	\$ 875,815	\$ 1,926,378	\$ 1,801,484

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

	FISCAL YEAR ENDING JUNE 30,									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
General Fund:										
Reserved	\$ 4,262,550	\$ 4,047,830	\$ 4,013,484	\$ 3,556,327	\$ 3,229,476	\$ 3,316,185	\$ 3,504,100	\$ 3,737,743	\$ 3,198,504	\$ 1,692,832
Assigned	111,041	-	-	-	-	-	-	-	-	-
Unreserved	54,646	(52,487)	(69,076)	(72,803)	(39,181)	(106,297)	1,821	(45,157)	(134,474)	262,970
Total General Fund	\$ 4,428,237	\$ 3,995,343	\$ 3,944,408	\$ 3,483,524	\$ 3,190,295	\$ 3,209,888	\$ 3,505,921	\$ 3,692,586	\$ 3,064,030	\$ 1,955,802
All Other Governmental Funds:										
Reserved	\$ 1,400,966	\$ 1,846,586	\$ 1	\$ 277,878	\$ 277,878	\$ 439,682	\$ 299,547	\$ 2	\$ -	\$ -
Assigned	209,565	4,507,313	-	-	-	-	-	-	-	-
Unreserved, Reported in:										
Special Revenue Fund	(99,974)	(98,241)	(71,287)	(2,696)	(3,630)	(3,630)	(3,630)	(3,630)	(3,630)	(3,630)
Debt Service Fund	-	-	-	-	-	-	-	-	-	1,072
Total All Other Governmental Funds	\$ 1,510,557	\$ 6,255,658	\$ (71,286)	\$ 275,182	\$ 274,248	\$ 436,052	\$ 295,917	\$ (3,628)	\$ (3,630)	\$ (2,558)

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

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Revenues:										
Tax Levy	\$ 13,332,484	\$ 13,035,636	\$ 12,798,868	\$ 12,573,320	\$ 12,092,027	\$ 11,980,410	\$ 12,217,340	\$ 12,032,891	\$ 12,004,146	\$ 12,146,909
Tuition Charges	48,040	63,758	40,257	117,489	179,302	191,492	231,505	187,404	214,851	124,076
Miscellaneous	213,877	106,285	37,977	41,225	35,372	49,237	38,277	73,646	5,069	37,468
State Sources	8,554,204	8,896,120	8,201,620	7,464,051	7,295,173	7,268,185	6,986,360	7,110,309	6,458,976	5,931,624
Federal Sources	328,551	335,005	333,719	327,499	330,232	327,556	371,007	348,577	498,671	1,378,380
Total Revenue	22,277,156	22,436,804	21,412,441	20,523,584	19,932,106	19,816,880	19,844,489	19,752,827	19,181,713	19,618,457
Expenditures:										
Instruction:										
Regular Instruction	5,503,258	5,879,855	5,641,950	5,422,319	5,471,789	5,303,490	5,297,351	5,183,958	5,092,056	5,100,450
Special Education Instruction	1,164,328	975,752	946,170	891,712	839,769	774,977	687,144	573,746	533,494	548,382
Basic Skill/Remedial Instruction	519,399	460,242	392,723	389,862	390,573	246,716	222,126	386,526	240,767	370,020
Bilingual Education										
Other Instruction	32,852	53,625	52,729	44,692	47,786	65,471	57,919	63,143	32,280	63,582
Support Services:										
Tuition	3,607,211	3,475,026	3,549,861	3,309,968	3,496,071	3,838,861	4,011,053	3,579,020	3,584,333	4,441,648
Student & Instruction Related Services	2,169,411	2,172,117	2,046,587	1,862,723	1,742,579	1,642,549	1,604,494	1,509,922	1,309,254	1,514,038
School Administrative Services	250,289	258,492	238,444	268,207	261,465	314,592	319,580	374,501	347,943	385,887
General & Business Administration										
Services	685,299	681,886	668,669	627,322	628,382	575,297	575,252	533,675	520,965	518,127
Plant Operations & Maintenance	1,388,851	1,531,972	1,496,258	1,512,407	1,546,971	1,466,792	1,431,213	1,335,059	1,341,378	1,333,638
Pupil Transportation	1,267,454	1,254,727	1,121,657	1,115,518	1,040,754	1,024,612	918,076	910,312	871,551	1,250,299
Allocated Benefits										
Unallocated Benefits	2,334,561	2,392,787	2,284,224	2,184,153	3,527,554	3,150,264	2,997,475	3,123,151	2,770,024	2,745,392
On Behalf TPAF Pension and Social										
Security Contributions	2,506,505	2,457,953	2,101,914	1,759,928	-	-	-	-	-	-
Special Schools										
Capital Outlay	4,956,217	1,777,454	183,102	241,664	514,563	958,820	398,762	309,181	216,153	407,016
Debt Service:										
Principal	-	545,000	540,000	545,000	530,000	515,000	1,160,000	1,165,000	1,160,000	1,150,000
Interest & Other Charges	203,728	12,037	33,737	54,755	74,438	95,337	130,678	181,204	282,180	336,280
Total Expenditures	26,589,363	23,928,925	21,298,025	20,230,230	20,112,694	19,972,778	19,811,123	19,228,398	18,302,378	20,195,588

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

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Excess (Deficiency) of Revenues Over/(Under) Expenditures	(4,312,207)	(1,492,121)	114,416	293,354	(180,588)	(155,898)	33,366	524,429	879,335	(577,131)
Other Financing Sources/(Uses):										
Capital Leases	-	-	-	-	-	-	79,514	104,129	288,578	-
Transfers In	69,143	44,084	277,877	-	26,983	626,310	346,200	-	-	1,600
Transfers Out	(69,143)	(44,084)	(277,877)	-	(26,983)	(626,310)	(346,200)	-	-	(1,600)
Bond Proceeds	-	7,870,000	-	-	-	-	-	-	-	-
Total Other Financing Sources/(Uses)	-	7,870,000	-	-	-	-	79,514	104,129	288,578	-
Net Change in Fund Balances	\$ (4,312,207)	\$ 6,377,879	\$ 114,416	\$ 293,354	\$ (180,588)	\$ (155,898)	\$ 112,880	\$ 628,558	\$ 1,167,913	\$ (577,131)
Debt Service as a Percentage of Noncapital Expenditures	0.9%	2.5%	2.7%	3.0%	3.1%	3.2%	6.6%	7.1%	8.0%	7.5%

Source: District records

Note: Noncapital expenditures are total expenditures less capital outlay

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

FISCAL YEAR ENDING JUNE 30,	TUITION	INTEREST ON INVESTMENTS	CONTRIBUTIONS FROM PRIVATE SOURCES	SHARED SERVICES	PRIOR YEAR'S REFUNDS	MISCELLANEOUS	TOTAL
2020	\$ 48,040	\$ 36,574	\$ -	\$ 19,372	\$ 6,552	\$ 61,055	\$ 171,593
2019	63,758	33,174	-	-	3,392	16,635	116,959
2018	40,257	18,166	-	-	8,439	2,372	69,234
2017	115,728	10,145	-	-	18,141	2,503	146,517
2016	179,302	7,804	-	-	9,451	18,117	214,674
2015	191,492	7,141	-	-	19,291	22,805	240,729
2014	231,505	401	-	-	-	37,876	269,782
2013	187,404	235	18,315	-	-	67,411	273,365
2012	192,567	-	-	-	-	15,543	208,110
2011	214,851	-	18,315	-	-	5,069	238,235

Source: District records

LOGAN TOWNSHIP SCHOOL DISTRICT
 ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY,
 LAST TEN FISCAL YEARS

FISCAL YEAR ENDED JUNE 30,	VACANT LAND	RESIDENTIAL	FARM REG.	QFARM	COMMERCIAL	INDUSTRIAL	APARTMENT	TOTAL ASSESSED VALUE	LESS: TAX EXEMPT PROPERTY	PUBLIC UTILITIES	NET VALUATION TAXABLE	TOTAL DIRECT SCHOOL TAX RATE	ESTIMATED ACTUAL (COUNTY EQUALIZED) VALUE
2020	\$ 20,486,500	\$ 450,137,900	\$ 7,322,300	\$ 1,780,800	\$ 148,441,500	\$ 826,240,740	\$ -	\$ 1,454,409,740	\$ 63,917,100	\$ -	\$ 1,454,409,740	0.945	\$ 1,494,163,873
2019	23,990,200	451,093,900	7,094,900	1,818,200	114,394,500	822,754,240	-	1,421,145,940	63,435,100	-	1,421,145,940	0.938	1,499,361,538
2018	22,908,900	450,445,500	7,520,200	2,204,700	115,192,800	786,005,790	-	1,384,277,890	63,211,200	-	1,384,277,890	0.941	1,294,201,468
2017	25,965,400	400,704,200	8,604,500	2,444,200	125,684,800	500,773,360	-	1,064,176,460	73,751,200	-	1,064,176,460	1.202	1,064,176,460
2016	19,925,100	399,501,400	8,452,700	2,406,800	119,935,500	502,114,060	-	1,052,335,560	77,345,800	-	1,052,335,560	1.194	1,140,372,302
2015	22,293,100	398,884,100	8,670,900	2,381,400	99,747,800	499,349,300	-	1,031,326,600	54,150,700	1,981,912	1,033,308,512	1.170	1,132,703,569
2014	25,939,500	398,969,100	7,496,200	2,411,800	101,380,300	507,829,381	-	1,044,026,281	54,256,900	1,893,488	1,045,919,769	1.145	1,154,257,912
2013	26,653,300	394,150,700	9,144,600	2,570,400	115,569,200	498,306,200	-	1,046,394,400	53,894,900	2,598,689	1,048,993,089	1.165	1,172,134,424
2012	17,647,900	227,011,800	4,700,000	2,829,700	64,805,410	295,799,517	-	612,794,327	20,734,600	1,507,222	614,301,549	1.959	1,135,014,497
2011	14,829,100	225,073,700	4,684,100	2,950,700	57,188,010	308,151,890	127,200	613,004,700	20,435,100	1,507,288	614,511,988	1.937	1,133,785,956

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

Reassessment occurs when ordered by the County Board of Taxation

- a. Taxable Value of Machinery, Implements and Equipment of Telephone, Telegraph and Messenger System Companies
- b. Tax rates are per \$100

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

FISCAL YEAR ENDED JUNE 30,	SCHOOL DISTRICT DIRECT RATE		OVERLAPPING RATES					TOTAL DIRECT & OVERLAPPING TAX RATE
	LOCAL SCHOOL	TOTAL DIRECT	LOGAN TOWNSHIP	GLOUCESTER COUNTY	COUNTY LIBRARY	COUNTY OPEN SPACE		
2020	0.945	0.945	0.467	0.675	0.047	0.041	2.175	
2019	0.938	0.938	0.467	0.677	0.048	0.042	2.172	
2018	0.941	0.941	0.478	0.600	0.045	0.048	2.112	
2017	1.202	1.202	0.488	0.717	0.054	0.046	2.507	
2016	1.194	1.194	0.478	0.686	0.053	0.055	2.466	
2015	1.170	1.170	0.228	0.679	0.051	0.052	2.180	
2014	1.145	1.145	0.228	0.639	0.051	0.045	2.108	
2013	1.165	1.165	0.208	0.631	0.049	0.052	2.105	
2012	1.959	1.959	0.345	0.948	0.078	0.075	3.405	
2011	1.937	1.937	0.345	1.006	0.082	0.080	3.450	

Source: District Records and Municipal Tax Collector

**LOGAN TOWNSHIP SCHOOL DISTRICT
PRINCIPAL PROPERTY TAX PAYERS,
CURRENT YEAR AND NINE YEARS AGO**

TAXPAYER	2020		% OF TOTAL DISTRICT NET ASSESSED VALUE
	TAXABLE ASSESSED VALUE	RANK	
Liberty Venture I LP	\$142,485,080	1	9.797%
SVF Oldmans Creek Logan LLC	\$58,380,000	2	4.014%
MEPT 1150 Commerce	31,620,000	3	2.174%
RAR2 395 Pedricktown Rd- Ryan, LLC	28,900,000	4	1.987%
TR Birch Creek LLC	26,190,000	5	1.801%
DP Partners Logan X A2 LLC	22,703,300	6	1.561%
Cabot Industrial Core Fund Operating	22,616,600	7	1.555%
Tech Data Corp	19,660,000	8	1.352%
Liberty Property LTD Partnership	19,558,400	9	1.345%
Columbia Gas Transmission Corp	18,751,400	10	1.289%
Total	<u>\$390,864,780</u>		<u>17.998%</u>

TAXPAYER	2011		% OF TOTAL DISTRICT NET ASSESSED VALUE
	TAXABLE ASSESSED VALUE	RANK	
Liberty Ventures I, LLP	\$77,345,000	1	12.481%
Mid-Atlantic Ind. LLC	27,891,700	2	4.501%
Pureland VI Limited Partnership	14,832,900	3	2.394%
US Industrial REIT II	13,475,000	4	2.174%
Sun East Equity Funding	12,289,100	5	1.983%
Baker-Properties, LP	12,065,700	6	1.947%
Wachovia Development Corp	10,000,000	7	1.614%
Liberty Property LTD Partnership	8,036,400	8	1.297%
Allen Commercial Realty	7,502,800	9	1.211%
Cardinal Health 200, Inc	7,162,100	10	1.156%
Total	<u>\$190,600,700</u>		<u>30.758%</u>

Source: Municipal Tax Assessor

**LOGAN TOWNSHIP SCHOOL DISTRICT
SCHOOL PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS**

FISCAL YEAR ENDED JUNE 30,	TAXES LEVIED FOR THE FISCAL YEAR	COLLECTED WITHIN THE FISCAL YEAR OF THE LEVY		COLLECTIONS IN SUBSEQUENT YEARS
		AMOUNT	PERCENTAGE OF LEVY	
2020	\$ 13,332,484	\$ 13,332,484	100.00%	-
2019	13,035,636	13,035,636	100.00%	-
2018	12,798,868	12,798,868	100.00%	-
2017	12,573,320	12,573,320	100.00%	-
2016	12,092,027	12,092,027	100.00%	-
2015	11,980,410	11,980,410	100.00%	-
2014	12,217,340	12,217,340	100.00%	-
2013	12,032,891	12,032,891	100.00%	-
2012	11,905,912	11,905,912	100.00%	-
2011	12,004,146	12,004,146	100.00%	-
2010	12,146,909	12,146,909	100.00%	-

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

**LOGAN TOWNSHIP SCHOOL DISTRICT
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS**

FISCAL YEAR ENDED JUNE 30,	GOVERNMENTAL ACTIVITIES			TOTAL DISTRICT	PER CAPITA
	GENERAL OBLIGATION BONDS	CERTIFICATES OF PARTICIPATION	CAPITAL LEASES		
2020	\$ 7,870,000	\$ -	\$ -	\$ 7,870,000	N/A
2019	7,870,000	-	-	7,870,000	1,340
2018	545,000	-	-	545,000	92
2017	1,085,000	-	3,026	1,088,026	184
2016	1,630,000	-	26,514	1,656,514	279
2015	2,160,000	-	82,406	2,242,406	376
2014	2,675,000	-	200,140	2,875,140	481
2013	5,000,000	-	235,050	5,235,050	873
2012	5,000,000	-	319,599	5,319,599	883
2011	6,165,000	-	301,735	6,466,735	1,069.94

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

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

FISCAL YEAR ENDED JUNE 30,	GENERAL BONDED DEBT OUTSTANDING		NET GENERAL BONDED DEBT OUTSTANDING	PERCENTAGE OF ACTUAL TAXABLE VALUE OF PROPERTY	PER CAPITA
	GENERAL OBLIGATION BONDS	DEDUCTIONS			
2020	\$ 7,870,000	\$ -	\$ 7,870,000	0.54%	N/A
2019	7,870,000	-	7,870,000	0.55%	1,340
2018	545,000	-	545,000	0.04%	92
2017	1,085,000	-	1,085,000	0.10%	183
2016	1,630,000	-	1,630,000	0.15%	275
2015	2,160,000	-	2,160,000	0.21%	362
2014	2,675,000	-	2,675,000	0.26%	447
2013	5,000,000	-	5,000,000	0.48%	834
2012	6,165,000	-	6,165,000	1.00%	1,024
2011	7,325,000	-	7,325,000	1.18%	1,212

**RATIOS OF OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF DECEMBER 31, 2019**

GOVERNMENTAL UNIT	DEBT OUTSTANDING	ESTIMATED PERCENTAGE APPLICABLE	SHARE OF OVERLAPPING DEBT
Debt Repaid With Property Taxes:			
Township of Logan	\$ 7,476,500	100.00%	\$ 7,476,500
County of Gloucester General Obligation Debt	239,997,881	4.90%	<u>11,759,896</u>
Subtotal, Overlapping Debt			19,236,396
Logan Township School District Direct Debt			<u>7,870,000</u>
Total Direct & Overlapping Debt			<u><u>\$ 27,106,396</u></u>

Sources: Assessed value data used to estimate applicable percentages provided by the Logan Township or Gloucester County Board of Taxation.

**LOGAN TOWNSHIP SCHOOL DISTRICT
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS**

	FISCAL YEAR									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Debt Limit	\$ 41,720,472	\$ 38,617,654	\$ 35,217,762	\$ 34,713,892	\$ 34,601,417	\$ 34,905,264	\$ 35,063,710	\$ 35,488,312	\$ 34,501,243	\$ 32,190,631
Total Net Debt Applicable to Limit	7,870,000	7,870,000	545,000	2,160,000	2,675,000	3,835,000	5,000,000	6,165,000	7,325,000	8,475,000
Legal Debt Margin	\$ 33,850,472	\$ 30,747,654	\$ 34,672,762	\$ 32,553,892	\$ 31,926,417	\$ 31,070,264	\$ 30,063,710	\$ 29,323,312	\$ 27,176,243	\$ 23,715,631
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	18.86%	20.38%	1.55%	6.22%	7.73%	10.99%	14.26%	17.37%	21.23%	26.33%

Legal Debt Margin Calculation for Fiscal Year 2020

	Equalized Valuation Basis
2019	\$ 1,499,361,538
2018	1,457,594,914
2017	1,215,090,728
	<u>\$ 4,172,047,180</u>
	<u>\$ 1,390,682,393</u>
Average Equalized Valuation of Taxable Property	
Debt Limit (3 % of Average Equalization Value)	41,720,472
Net Bonded School Debt	<u>7,870,000</u>
Legal Debt Margin	<u>\$ 33,850,472</u>

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

a Limit set by NJSA 18A:24-19 for a K through 8 district; other % limits would be applicable for other district:

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

YEAR	POPULATION	PER CAPITA PERSONAL INCOME	UNEMPLOYMENT RATE
2020	N/A	N/A	N/A
2019	5,874	N/A	2.7%
2018	5,899	54,745	3.2%
2017	5,915	52,455	4.2%
2016	5,934	50,747	3.8%
2015	5,965	49,665	4.8%
2014	5,983	47,392	5.4%
2013	5,997	45,900	8.6%
2012	6,023	44,940	4.3%
2011	6,044	43,791	4.2%

Source: State of New Jersey, Department of Labor and Workforce Development, Labor Planning and Analysis.

**LOGAN TOWNSHIP SCHOOL DISTRICT
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO**

	2020		
	(1) EMPLOYEES	RANK	PERCENTAGE OF TOTAL EMPLOYMENT
Amazon	4,500	1	N/A
Rowan University	3,500	2	N/A
Inspira Health	2,051	3	N/A
Jefferson Health	2,015	4	N/A
Washington Township School District	1,550	5	N/A
Shop Rite	1,300	6	N/A
County of Gloucester	1,200	7	N/A
U.S. Food Services	1,014	8	N/A
Monroe Township School District	805	9	N/A
Walmart - Turnersville	800	10	N/A
	<u>11,491</u>		<u>N/A</u>

2011

N/A

This exhibit reflects principal employers for Gloucester County.

Source: (1) Gloucester County Office of Economic Development for company and employee data.

(2) New Jersey Department of Labor and Workforce Development for the total employment data.

**LOGAN TOWNSHIP SCHOOL DISTRICT
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEAR**

Function/Program	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Instruction:											
Regular	63	67	67	66	63	64	63	63	63	69	73
Special Education	20	18	15	15	14	13	12	9	10	9	9
Other Special Education	7	8	7	7	7	4	4	5	5	4	3
Support Services:											
Student & Instruction Related Services	34	43	30	29	26	27	26	29	25	23	20
General & Business Administrative Services	2	2	2	2	2	2	2	2	2	2	2
School Administrative Services	4	4	4	4	4	4	3	3	3	5	6
Central Services	3	3	3	3	3	2	2	2	2	3	3
Administrative Information Technology	1	1	1	1	1	1	1	1	1	1	3
Plant Operations & Maintenance	6	6	6	6	6	5	5	5	5	5	6
Pupil Transportation	1	1	1	1	1	1	1	1	1	1	1
Food Service	-	-	-	-	-	-			1	2	2
Total	141	153	136	134	127	123	119	120	118	124	128

Source: School District Records.

**LOGAN TOWNSHIP SCHOOL DISTRICT
OPERATING STATISTICS
LAST TEN FISCAL YEARS**

FISCAL YEAR	ENROLLMENT	OPERATING EXPENDITURES (a)	COST PER PUPIL	PERCENTAGE CHANGE	TEACHING STAFF (b)	PUPIL/TEACHER RATIO	AVERAGE DAILY ENROLLMENT (ADA) (c)	AVERAGE DAILY ATTENDANCE (ADA) (c)	% CHANGE IN AVERAGE DAILY ENROLLMENT	STUDENT ATTENDANCE PERCENTAGE
2020	839	\$ 21,429,418	25,542	3.83%	90	9.3:1	839.7	811.8	0.94%	96.68%
2019	854	21,594,434	25,286	9.94%	90	10.3:1	885.3	849.0	5.23%	95.90%
2018	835	20,541,186	24,600	12.68%	85	9.8:1	831.9	800.2	-2.06%	96.19%
2017	843	19,388,811	23,000	5.35%	84	10.2:1	841.3	811.3	1.01%	96.43%
2016	850	18,403,621	21,831	4.08%	83	10.2:1	849.4	817.6	1.25%	96.26%
2015	843	18,403,621	21,831	4.08%	79	10.7:1	832.9	800.9	-0.63%	96.16%
2014	839	18,121,683	21,599	2.97%	80	10.5:2	838.9	805.6	0.08%	96.03%
2013	838	17,577,304	20,975	9.16%	80	9.6:1	838.2	799.3	-4.64%	95.36%
2012	879	16,890,270	19,215	0.90%	81	10.8:1	879.0	846.1	0.56%	96.26%
2011	874	16,644,045	19,044	-4.04%	83	10.5:1	874.1	840.5	-3.23%	96.16%

Sources: District records

**LOGAN TOWNSHIP SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEAR
REVISED**

DISTRICT BUILDINGS	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Elementary Schools:										
Logan Township (1991):										
Square Feet	131,068	131,068	131,068	131,068	131,068	131,068	131,068	131,068	131,068	131,068
Capacity (Students)	877	877	877	877	877	877	877	877	877	877
Enrollment	629	608	606	617	613	615	605	610	657	650
Center Square (2001):										
Square Feet	39,135	39,135	39,135	39,135	39,135	39,135	39,135	39,135	39,135	39,135
Capacity (Students)	266	266	266	266	266	266	266	266	266	266
Enrollment (a)	210	246	229	226	237	228	234	228	222	224

Number of Buildings at June 30, 2019:

- Elementary = 2
- Middle = 0
- High School = 0
- Other = 0

Source: District Facilities Office, Long Range Facility Plan - FES and District Capacity report.

**LOGAN TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF REQUIRED MAINTENANCE
LAST TEN FISCAL YEARS**

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

	LOGAN TOWNSHIP ELEMENTARY	CENTER SQUARE ELEMENTARY	TOTAL
2020	\$ 149,389	\$ 48,606	\$ 197,995
2019	172,789	52,967	225,756
2018	150,369	58,442	208,811
2017	152,748	53,466	195,256
2016	159,622	35,634	168,352
2015	133,803	34,549	168,110
2014	116,326	51,784	169,188
2013	115,606	53,582	142,365
2012	98,680	43,685	115,688
2011	95,490	31,141	115,688

Total School Facilities

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

Source: District records

**LOGAN TOWNSHIP BOARD OF EDUCATION
INSURANCE SCHEDULE
JUNE 30, 2020**

	COVERAGE	DEDUCTIBLE
School Package Policy:		
Property:		
Blanket Building & Contents	\$ 48,473,055	\$ 2,500
Environmental Impairment Liability	1,000,000	10,000
Blanket Dishonesty-Crime Coverage		
Per Loss	500,000	1,000
Automobile Comprehensive & Collision Coverage	-	1,000
School Board Legal Liability	5,000,000	5,000
Workers Compensation Including Supplemental	5,000,000	-
Excess Liability-Auto, General Liability,		
Workers Compensation & School Board Legal	15,000,000	-
Excess Liability - Cyber Enhancement	2,000,000	-
General Liability & Automobile	5,000,000	-
Student Accident		
Maximum Benefit Per Injury	1,000,000	-
Surety Bonds:		
Business Administrator	250,000	-

Source: District records - SAIF Risk Mgmt Plan

SINGLE AUDIT SECTION

This page intentionally left blank

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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Logan Township School District, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the Logan Township School District basic financial statements, and have issued our report thereon dated January 12, 2021.

Internal Control Over Financial Reporting

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

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

deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Logan 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 determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*, and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey.

Purpose of this Report

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

Respectfully Submitted,

HOLT MCNALLY & ASSOCIATES, INC.
Certified Public Accountants & Advisors

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

Medford, New Jersey
January 12, 2021

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY NEW JERSEY OMB
CIRCULAR 15-08**

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

Report on Compliance for Each Major State Program

We have audited the Logan Township School District's compliance with the types of compliance requirements described in the *New Jersey State Aid/Grant Compliance Supplement* that could have a direct and material effect on each of the School District's major state programs for the fiscal year ended June 30, 2020. The Logan Township School District's major 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 state statutes, regulations, and the terms and conditions of its state awards applicable to its state programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Logan Township School District's major 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; New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*; and the audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey. Those standards and New Jersey OMB's Circular 15-08 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major 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 state program. However, our audit does not provide a legal determination of the School District's compliance.

Opinion on Each Major State Program

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

Report on Internal Control Over Compliance

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

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a 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 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 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 New Jersey OMB's Circular 15-08. Accordingly, this report is not suitable for any other purpose.

Respectfully Submitted,

HOLT MCNALLY & ASSOCIATES, INC.

Certified Public Accountants & Advisors

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

Medford, New Jersey
January 12, 2021

This page intentionally left blank

LOGAN TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

FEDERAL GRANTOR PASS-THROUGH GRANTOR GRANTOR/PROGRAM TITLE	FEDERAL CFDA NUMBER	FEDERAL AWARD IDENTIFICATION NUMBER	PASST THROUGH ENTITY IDENTIFYING NUMBER	AWARD AMOUNT	GRANT PERIOD	BALANCE AT JUNE 30, 2019	CASH RECEIVED	BUDGETARY EXPENDITURES	REPAYMENT OF PRIOR YEARS' BALANCES	SUBRECEIPT EXPENDITURES	(ACCOUNTS RECEIVABLE) AT JUNE 30, 2020	UNEARNED REVENUE AT JUNE 30, 2020	DUE TO GRANTOR JUNE 30, 2020
U.S. DEPARTMENT OF AGRICULTURE PASSED-THROUGH													
Enterprise Fund:													
Child Nutrition Cluster													
Noncash Assistance	10.555	20INJ304N1099	Unavailable	28,745	7/1/19-6/30/20	\$ -	\$ 28,745	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Food Distribution Program	10.555	20INJ304N1099	100-010-3350-026	58,564	7/1/19-6/30/20	-	58,564	(58,564)	-	-	-	-	-
Cash Assistance	10.555	19INJ304N1099	100-010-3350-098	58,870	3/13/20-6/30/20	-	40,108	(58,870)	-	(18,762)	-	-	-
National School Lunch Program	10.555	19INJ304N1099	100-010-3350-026	76,107	7/1/19-6/30/19	(3,973)	3,973	-	-	-	-	-	-
COVID-19 National School Lunch Program	10.555	20INJ304N1099	100-010-3350-026	2,891	7/1/19-6/30/20	-	2,891	(2,891)	-	-	-	-	-
National School Lunch Program	10.555	20INJ304N1099	100-010-3350-098	1,208	3/13/20-6/30/20	-	823	(1,208)	-	(385)	-	-	-
Healthy Hunger-Free Kids Act	10.555	19INJ304N1099	100-010-3350-026	3,937	7/1/19-6/30/19	(200)	200	-	-	-	-	-	-
COVID-19 Healthy Hunger-Free Kids Act	10.555	20INJ304N1099	100-010-3350-028	12,509	7/1/19-6/30/20	-	12,509	(12,509)	-	-	-	-	-
National School Breakfast Program	10.553	20INJ304N1099	100-010-3350-100	31,766	3/13/20-6/30/20	-	21,642	(31,766)	-	(10,124)	-	-	-
COVID-19 National School Breakfast Program	10.553	19INJ304N1099	100-010-3350-028	15,945	7/1/18-6/30/19	(707)	707	-	-	-	-	-	-
National School Breakfast Program													
Total Child Nutrition Cluster				(4,880)		170,162		(194,553)		(29,271)			
Total Enterprise Fund				(4,880)		170,162		(194,553)		(29,271)			
U.S. DEPARTMENT OF EDUCATION PASSED-THROUGH													
STATE DEPARTMENT OF EDUCATION:													
Special Revenue Fund:													
N.C.L.B.													
Title I	84.010	S010A180030	100-034-5064-194	88,963	7/1/18-6/30/19	(41,425)	41,425	-	-	-	-	-	-
Title I	84.010	S010A190030	100-034-5064-194	83,050	7/1/19-9/30/20	-	37,984	(83,050)	-	(45,066)	-	-	-
Subtotal				(41,425)		79,409		(83,050)		(45,066)			
Title II - Part A	84.367	S367A180029	100-034-5063-290	20,056	7/1/18-6/30/19	(8,323)	8,323	-	-	-	-	-	-
Title II - Part A	84.367	S367A190029	100-034-5063-290	21,479	7/1/19-9/30/20	-	11,799	(12,704)	-	(905)	-	-	-
Subtotal				(8,323)		20,122		(12,704)		(905)			
Title III	84.365	S365A180030	unknown	481	7/1/18-6/30/19	212	-	(212)	-	-	-	-	-
Title III	84.365	S365A170030	unknown	3,637	7/1/19-9/30/20	-	2,743	(3,637)	-	(894)	-	-	-
Subtotal				212		2,743		(3,849)		(894)			
Title IV	84.424	S424A190031	100-034-5063-348	10,000	7/1/19-9/30/20	-	-	(10,355)	-	(10,355)	-	-	-
Subtotal				-		-	-	(10,355)	-	(10,355)	-	-	-
CARES Emergency Relief Grant	84.423D	S425D200027	100-034-5120-513	66,124	3/13/20-9/30/22	-	-	(43,629)	-	(43,629)	-	-	-
Subtotal				-		-	-	(43,629)	-	(43,629)	-	-	-
Special Education Cluster:													
I.D.E.A. B -Basic	84.027	H027A180100	100-034-5065-016	208,754	7/1/18-6/30/19	(79,918)	79,918	-	-	-	-	-	-
I.D.E.A. B -Basic	84.027	H027A190100	100-034-5065-016	210,534	7/1/19-9/30/20	-	153,234	(211,345)	-	(58,111)	-	-	-
Subtotal				(79,918)		233,152		(211,345)		(58,111)			
I.D.E.A. - Preschool	84.173	H173A180114	100-034-5065-020	8,414	7/1/18-6/30/19	(101)	101	-	-	-	-	-	-
I.D.E.A. - Preschool	84.173	H173A190114	100-034-5065-020	8,520	7/1/19-9/30/20	-	7,248	(7,248)	-	-	-	-	-
Subtotal				(101)		7,349		(7,248)		-			
Total Special Education Cluster				(80,019)		240,501		(218,593)		(58,111)			
Total Special Revenue Fund				(129,555)		342,775		(372,180)		(158,960)			
Total Federal Financial Assistance				(\$ 134,435)		\$ 512,937		(\$ 666,733)		(\$ 188,231)			

LOGAN TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

STATE GRANTOR/PROGRAM TITLE	GRANT OR STATE PROJECT NUMBER	AWARD AMOUNT	GRANT PERIOD	BALANCE AT		CASH RECEIVED	BUDGETARY EXPENDITURES	SUBRECEIPT EXPENDITURES	(ACCOUNTS RECEIVABLE) AT JUNE 30, 2020	UNEARNED REVENUE AT JUNE 30, 2020	DUE TO GRANTOR JUNE 30, 2020	MEMO	
				JUNE 30, 2019	JUNE 30, 2020							BUDGETARY RECEIVABLE	CUMULATIVE TOTAL EXPENDITURES
State Department of Education													
General Fund:													
State Aid Public:													
Equalization Aid	495-034-5120-078	\$ 3,498,448	7/1/19-6/30/20	\$ -	\$ 3,498,448	\$ (3,498,448)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 313,334	\$ 3,498,448
Special Education Categorical Aid	495-034-5120-089	768,262	7/1/19-6/30/20	-	768,262	(768,262)	-	-	-	-	-	68,808	768,262
Security Aid	495-034-5120-084	129,058	7/1/19-6/30/20	-	129,058	(129,058)	-	-	-	-	-	11,559	129,058
School Choice Aid	495-034-5120-068	10,139	7/1/19-6/30/20	-	10,139	(10,139)	-	-	-	-	-	908	10,139
Total State Aid Public				-	4,405,907	(4,405,907)	-	-	-	-	-	394,609	4,405,907
Transportation Aid	495-034-5120-014	314,926	7/1/18-6/30/19	-	314,926	(314,926)	-	-	-	-	-	28,206	314,926
Extraordinary Aid	495-034-5120-044	111,076	7/1/19-6/30/20	-	-	(122,202)	-	(122,202)	-	-	-	-	122,202
Extraordinary Aid	495-034-5120-044	49,236	7/1/18-6/30/19	(49,236)	-	-	-	-	-	-	-	-	-
Additional Non Public Transportation Aid	495-034-5120-014	11,890	7/1/18-6/30/19	(11,890)	-	-	-	-	-	-	-	-	-
On-Behalf TPAF Social Security Reimbursement	495-034-5094-003	510,393	7/1/19-6/30/20	(2,367)	510,393	(510,393)	-	-	-	-	-	-	510,393
On-Behalf TPAF Social Security Reimbursement	495-034-5094-003	530,033	7/1/18-6/30/19	(2,367)	530,033	(530,033)	-	-	-	-	-	-	530,033
TPAF Pension Contribution (Noncash Assistance)	495-034-5094-002	1,454,996	7/1/19-6/30/20	-	1,454,996	(1,454,996)	-	-	-	-	-	-	1,454,996
TPAF Post-Retirement Medical (Noncash Assistance)	495-034-5094-001	539,777	7/1/19-6/30/20	-	539,777	(539,777)	-	-	-	-	-	-	539,777
TPAF Long-Term Disability Insurance (Noncash Assistance)	495-034-5094-004	1,339	7/1/19-6/30/20	-	1,339	(1,339)	-	-	-	-	-	-	1,339
Total General Fund				(63,493)	7,290,831	(7,349,540)	-	(122,202)	-	-	-	422,815	7,349,540
Special Revenue Fund:													
Preschool Education Aid	495-034-5120-086	999,726	7/1/19-6/30/20	-	855,090	(955,064)	-	(99,974)	-	-	-	-	955,064
Preschool Education Aid	495-034-5120-086	982,410	7/1/18-6/30/19	(99,984)	99,984	-	-	-	-	-	-	-	-
Total Special Revenue Fund				(99,984)	955,074	(955,064)	-	(99,974)	-	-	-	-	955,064
Enterprise Fund:													
National School Lunch Program	100-010-3360-067	3,886	7/1/19-6/30/20	-	2,786	(3,886)	-	(1,100)	-	-	-	-	3,886
National School Lunch Program	100-010-3360-067	3,376	7/1/18-6/30/19	(172)	172	-	-	-	-	-	-	-	-
Total Enterprise Fund				(172)	2,958	(3,886)	-	(1,100)	-	-	-	-	3,886
Total State Financial Assistance				\$ (163,649)	\$ 8,248,863	\$ (8,308,490)	\$ -	\$ (223,276)	\$ -	\$ -	\$ -	\$ 422,815	\$ 8,308,490
Less: Grants Not Subject to Type A/B Threshold Calculation:													
On-Behalf TPAF Pension Contributions	495-034-5094-002	1,454,996	7/1/19-6/30/20			1,454,996							
On-Behalf TPAF Post-Retirement Medical	495-034-5094-001	539,777	7/1/19-6/30/20			539,777							
On-Behalf Long-Term Disability Insurance	495-034-5094-004	1,339	7/1/19-6/30/20			1,339							
Total State Financial Assistance subject to Major Program Determination						\$ (6,312,378)							

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

Note 2. Summary of Significant Accounting Policies

The accompanying schedules of expenditures of federal awards and state financial assistance are presented using the budgetary basis of accounting with the following exception: programs recorded in the enterprise fund are presented using the accrual basis of accounting and programs recorded in the capital projects fund are presented using the modified accrual basis of accounting. These bases of accounting are described in Note 1 to the School District's basic financial statements. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

The School District did not elect the 10-percent de minimis indirect cost rate as discussed in 2 CFR 200.414.

Revenues and expenditures reported under the Food Distribution Program represent current year value received and current year distributions respectively. The amount reported as TPAF Pension Contributions represents the amount paid by the state on behalf of the School District for the year ended June 30, 2020. TPAF Social Security Contributions represents the amount reimbursed by the state for the employer's share of social security contributions for TPAF members for the year ended June 30, 2020.

Note 3. Relationship to Basic Financial Statements

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

**LOGAN TOWNSHIP SCHOOL DISTRICT
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS AND STATE
FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

Note 3. Relationship to Basic Financial Statements (continued)

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$51,333 for the general fund and (\$45,362) for the special revenue fund. See Exhibit C-3 Note A of the basic financial statements, for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance expenditures reported in the School District's basic financial statements on a GAAP basis are presented as follows:

<u>Fund</u>	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ -	\$ 7,400,873	\$ 7,400,873
Special Revenue Fund	328,551	953,331	1,281,882
Food Service Fund	<u>194,553</u>	<u>3,886</u>	<u>198,439</u>
Total Awards & Financial Assistance	<u>\$ 523,104</u>	<u>\$ 8,358,090</u>	<u>\$ 8,881,194</u>

Note 4. Relationship to Federal and State Financial Reports

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

Note 5. Federal and State Loans Outstanding

The Logan Township School District had no loan balances outstanding at June 30, 2020.

**LOGAN TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued Unmodified

Internal control over financial reporting:

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

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

Noncompliance material to financial statements noted? yes x no

Federal Awards

SECTION IS N/A - NOT REQUIRED

Internal control over major programs:

1) Material weakness(es) identified? yes no

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

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

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

Identification of major programs:

<u>CFDA Number(s)</u>	<u>FAIN Number(s)</u>	<u>Name of Federal Program or Cluster</u>
<u>_____</u>	<u>_____</u>	<u>_____</u>
<u>_____</u>	<u>_____</u>	<u>_____</u>
<u>_____</u>	<u>_____</u>	<u>_____</u>
<u>_____</u>	<u>_____</u>	<u>_____</u>
<u>_____</u>	<u>_____</u>	<u>_____</u>

Dollar threshold used to determine Type A programs _____

Auditee qualified as low-risk auditee? yes no

**LOGAN TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

Section I - Summary of Auditor's Results (continued)

State Financial Assistance

Dollar threshold used to determine Type A programs \$750,000.00

Auditee qualified as low-risk auditee? x yes no

Internal control over major programs:

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

 2) Significant deficiency(ies) identified? yes x no

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

Any audit findings disclosed that are required to be reported
in accordance with New Jersey OMB's Circular 15-08? yes x no

Identification of major programs:

State Grant/Project Number(s)

Name of State Program

<u>495-034-5120-078</u>	<u>State Aid Public:</u>
<u>495-034-5120-084</u>	<u>Equalization Aid</u>
<u>495-034-5120-089</u>	<u>Security Aid</u>
<u>495-034-5120-068</u>	<u>Special Education Categorical Aid</u>
<u> </u>	<u>School Choice Aid</u>
<u> </u>	<u> </u>
<u> </u>	<u> </u>

**LOGAN TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF FINDINGS & QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

Section II – Financial Statement Findings

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

None.

**LOGAN TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF FINDINGS & QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

Section III – Federal Awards & State Financial Assistance Findings & Questioned Costs

This section identifies the significant deficiencies, material weaknesses and instances of noncompliance, including questioned costs, related to the audit of major federal and state programs, as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and New Jersey OMB's Circular 15-08.

FEDERAL AWARDS

N/A – Federal single audit not required

STATE FINANCIAL ASSISTANCE

None

**LOGAN TOWNSHIP SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
AND QUESTIONED COSTS AS PREPARED BY MANAGEMENT
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

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

Financial Statement Findings

No Prior Year Findings.

Federal Awards

N/A – No Federal Single Audit in prior year.

State Financial Assistance

No Prior Year Findings.