

**Oldmans Township School District
Board of Education
Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2020**

OLDMANS TOWNSHIP SCHOOL DISTRICT

PEDRICKTOWN, NEW JERSEY 08067

**Oldmans Township School Board of Education
Pedricktown, New Jersey 08067**

**Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2020**

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

of the

**Oldmans Township School Board of Education
Pedricktown, New Jersey 08067**

For the Fiscal Year Ended June 30, 2020

Prepared by:

**Oldmans Township School
Board of Education Administration**

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INTRODUCTORY SECTION

Oldmans Township School District

ADMINISTRATIVE OFFICES
(856) 299-4240

10 FREED ROAD
(856) 299-4243

PEDRICKTOWN, NJ 08067
FAX: (856) 299-8182

Daniel P. Daly
Board President

Alicia Smith
Superintendent

Pamela Zook
School Business
Administrator

December 15, 2020

Honorable President and
Members of the Board of Education
Oldmans Township School District
10 Freed Road
Pedricktown, New Jersey 08067

Dear Board Members:

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

The comprehensive annual financial report is presented in four sections: introductory, financial, statistical, and single audit. The introductory section includes this transmittal letter, the District's organizational chart and a list of principal officials. The financial section includes the basic financial statements and schedules, as well as the auditor's report thereon. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act Amendments of 1996 and the *Uniform Administrative Requirements, Cost Principles, and Audit Requirements of Federal Awards and/or* reporting requirements under NJ OMB's Circular 15-08, *Audits of State, Local Governments, and Non-Profit Organizations, Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid Payments*. Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations, are included in the single audit section of this report.

1. Reporting Entity and its Services

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

The District provides a full range of educational services appropriate to grade levels K through 8. These include regular, vocational, as well as special education for handicapped youngsters. The District completed the 2019-2020 fiscal year with an enrollment of 285 students, which is a .4% change over the previous year's enrollment. The following details the changes in the student enrollment of the District over the last five years.

1. Reporting Entity and its Services (Continued)

<u>Fiscal Year</u>	<u>Enrollment</u>	<u>Percentage Change</u>
2019-2020	285	0.4%
2018-2019	284	-1.0%
2017-2018	287	5.9%
2016-2017	271	-5.6%
2015-2016	287	7.1%

2. Economic Condition and Outlook

Oldmans Township is a rural farming community with some general businesses and light industry. The Pedricktown Industrial Complex provides the largest source of employment in the community. Of the three residential developments that have gained local planning board approvals, one development of 49 homes is now 100% complete. The Gateway Industrial Park has nine commercial warehouses completed and operational. There is room for additional businesses.

3. Major Initiatives

Beginning the 2011-12 school year, Oldmans became a CHOICE district and had twenty-five (25) students from neighboring districts apply and be accepted. The estimated CHOICE students for 2020-21 school year will be 58, the capped amount.

All 9 curricular areas are current and adhere to the CCSS and/or NJSL. Oldmans School District will continue to implement all aspects of the Achieve NJ initiative including the evaluation process; utilizing the Danielson Framework and OnCourse platform for teacher evaluation; creating Student Growth Objectives (SGOs) and analyzing Student Growth Percentiles (SGPs).

Teachers will continue to use LinkIt as their online assessment tool, which now features a NJSLA prep component. For the 2020-21 school year we will have 1:1 computing in grades 2-8.

A new Tennis and Basketball Court were approved for construction in May 2012 and completed during the summer of 2012. A new Soccer Field was approved for construction in April 2013 and completed in late Fall 2013. Construction of additional parking to accommodate approximately 75 more vehicles along with addressing storm water drainage issues was approved and a contract awarded in June 2014. This project was completed by late Fall 2014. A new playground is being installed in Fall 2020.

In an effort to enhance security at the facility, a contract was awarded in May 2014 to renovate the Main Entrance to provide better control of the public into the facility through a series of lockdown zones and check in procedures before access to the school population is permitted.

In the 2015-16 school year, the District contracted to renovate the heating, ventilation, and air conditioning of the circular wing of the building for a project cost of approximately \$350,000.

With the enactment of S1701, in the 2005-06 school year, the Board of Education aggressively pursued to provide shared services agreements in many areas. In 2020-21, the District will be revisiting these initiatives to align with the needs of the various constituencies. At present, the District continues to share grounds maintenance services with the Township.

4. Internal Accounting Controls

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

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

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

5. Budgetary Controls

In addition to internal accounting controls, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the voters of the municipality. Annual appropriated budgets are adopted for the General Fund, the Special Revenue Fund, and the Debt Service Fund. Project-length budgets are approved for the capital improvements accounted for in the Capital Projects Fund. The final budget amount as amended for the fiscal year is reflected in the financial section.

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

6. Accounting System and Reports

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

7. Cash Management

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

8. Risk Management

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

9. Other Information

A) Independent Audit - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm Petroni & Associates LLC was selected by the Board. In addition to meeting the requirements set forth in State Statutes, the audit also was designed to meet the requirements of the Single Audit Act Amendments of 1996 the *Uniform Administrative Requirements, Cost Principles, and Audit Requirements of Federal Awards* and/or reporting requirements under NJ OMB's Circular 15-08. The auditor's report on the general-purpose financial statements and combining and individual fund statements and schedules is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section of this report.

B) Awards - The District will not apply to the Association of School Business Officials (ASBO) for its Certificate of Excellence in Financial Reporting by School Districts for its comprehensive annual financial report for the fiscal year ended June 30, 2020. This award certifies that the annual financial report substantially conforms to the principles and standards of financial reporting as recommended and adopted by the Association of School Business Officials.

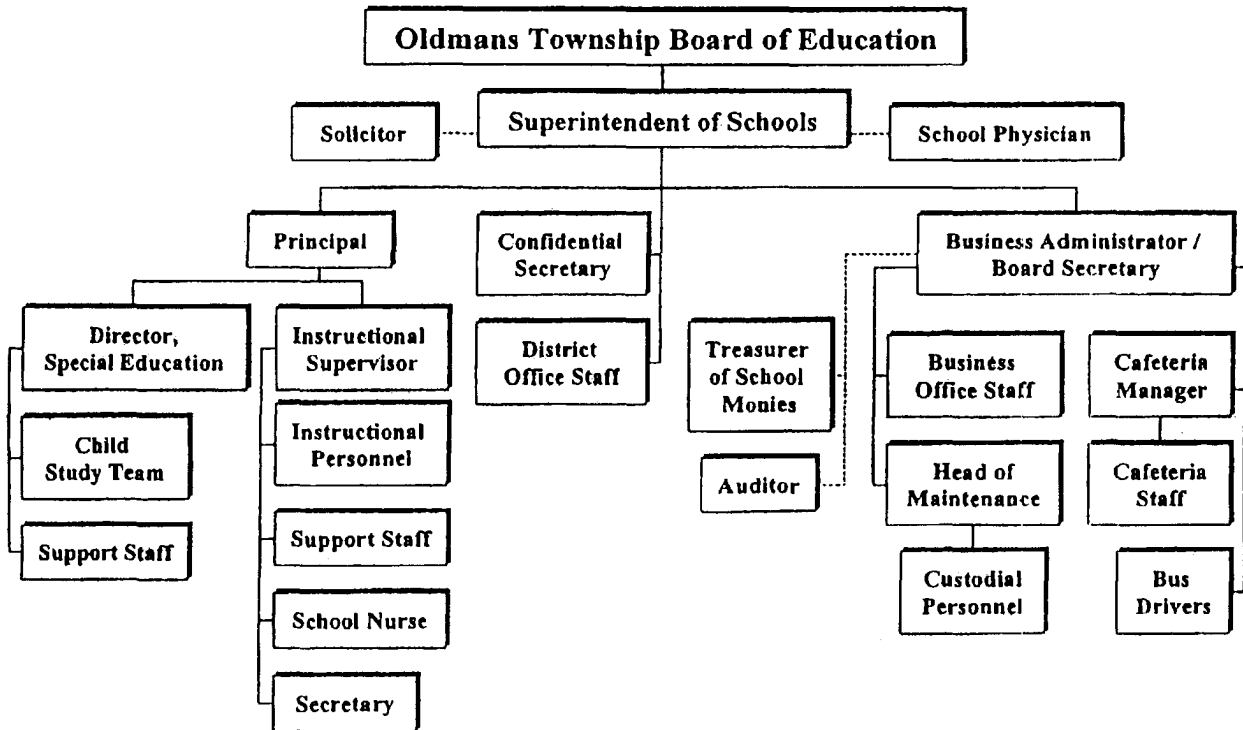
10. Acknowledgements

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

Respectfully submitted,

Alicia Smith
Alicia Smith
Superintendent

Pamela Zook
Pamela Zook
School Business Administrator



**OLDMANS TOWNSHIP BOARD OF EDUCATION
Pedricktown, New Jersey**

**ROSTER OF OFFICIALS
June 30, 2020**

Board of Education Members

<u>Board Member</u>	<u>Office Held</u>	<u>Term Date</u>
Daniel P. Daly	President	2021
Randall Tyler	Vice President	2020
Maria Calabrese	Board Member	2020
William H. Farrell	Board Member	2022
Patricia Gaskill	Board Member	2021
Lou Guardascione	Board Member	2021
Jeffrey Newman	Board Member	2022
Dawn Oliver	Board Member	2022
Cory Tanyer	Board Member	2020

OTHER OFFICIALS

Alicia Smith, Superintendent

Pamela Zook, School Business Administrator

Diane Bowman, Treasurer of School Monies

**OLDMANS TOWNSHIP BOARD OF EDUCATION
Pedricktown, New Jersey**

Consultants and Advisors

Auditor

Petroni & Associates LLC
102 West High Street, Suite 100
Glassboro, NJ 08028
Contact: Nick Petroni

Attorney and Labor Relations Consultant

Amy Houck Esquire
Cooper Levenson, Attorneys at Law
145 Marlton Pike East #205
Cherry Hill, NJ 08034

Architect

Radey Architects
100 Haddontowne Court
Cherry Hill, NJ 08034

Engineer

Tedesco Engineering
811 Landis Avenue
Bridgeton, NJ 08302

Depository

Pennsville National Bank
Mill & Railroad Avenue
Pedricktown, NJ 08067

AHERA Consultant

Environmental Remediation & Management, Inc.
200 Princeton South, Suite 160
Ewing, NJ 08628

Insurance Broker

GCSSD JIF
P.O. Box 449
Marlton, NJ 08053

FINANCIAL SECTION

PETRONI & ASSOCIATES LLC

Certified Public Accountants • Registered Municipal Accountants
102 West High Street, Suite 100 • P.O. Box 279 • Glassboro, NJ 08028
(856) 881-1600 • Fax (856) 881-6860

MEMBER: AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS

Nick L. Petroni, CPA, RMA

Mary A. Carey, RMA
Wendy G. Fama, CPA
Denise R. Nevico, CPA
Deanna L. Roller, CPA, RMA

INDEPENDENT AUDITOR'S REPORT

Honorable President and
Members of the Board of Education
Oldmans Township School District
10 Freed Road
Pedricktown, New Jersey 08067

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 Board of Education of the Oldmans Township School District, in the County of Salem, 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 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 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. 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 Board's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the

District's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe 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 Board of Education, Oldmans, 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 (MD&A) and budgetary comparison information identified 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 Oldmans Board of Education's basic financial statements. The combining and individual non-major fund financial statements and schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, Audit Requirements for Federal Awards (Uniform Guidance), and the schedule of state financial assistance as required by NJ OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid*, and the other information, such as introductory and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual non-major fund financial statements and schedule of expenditures of federal and state awards, is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements

themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual non-major fund financial statements, schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, Audit Requirements for Federal Awards (Uniform Guidance), and the schedule of state financial assistance as required by NJ OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid*, are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 15, 2020, on our consideration of the Oldmans Township School Board of Education's internal control over financial reporting and our test 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 the internal control over financial reporting or on compliance. That report is an integral part of our audit performed in accordance with *Government Auditing Standards* in considering Oldmans Township School Board of Education's internal control over financial reporting and compliance.

PETRONI & ASSOCIATES LLC



Nick L. Petroni
Certified Public Accountant
Licensed Public School Accountant #542
Glassboro, New Jersey

December 15, 2020

REQUIRED SUPPLEMENTARY INFORMATION – PART I

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

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

Financial Highlights

- General governmental revenues including transfers accounted for \$6,085,879 in revenue or 96.38% of total governmental revenues of \$6,232,018 (see Exhibit A-2).
- The Oldmans Township School District's total net position decreased by \$1,797 (see Exhibit A-2). This increase is not the result of any one specific occurrence, but a net result of multiple changes in the listed balance sheet items reported and capital assets and OPEB.
- Program specific revenues, in the form of charges for services and grants and contributions, accounted for \$228,455 or 3.6% of total revenues of \$6,314,334.
- As of the close of the current fiscal year, the Oldmans Township School District's Governmental Funds reported combined ending fund balances of \$3,269,322, an increase of \$1,229,043 in comparison with the prior year (see Exhibit B-2).
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$61,065, (see Exhibit B-1) an increase from that of the prior fiscal year of \$48,151, which was attributable in part to increased state aid payments.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Oldmans Township School District's basic financial statements. The Oldmans Township School District's basic financial statements comprise three components: (1) District-wide financial statements, (2) fund financial statements, and (3) notes to the basic financial statements themselves.

District-wide Financial Statements - The District-wide financial statements are designed to provide readers with a broad overview of the Oldmans Township School District's finances, in a manner similar to a private-sector business.

The Statement of Net Position presents information on all of the Oldmans Township School District's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Oldmans Township School District is improving or deteriorating.

The Statement of Activities presents information showing how the Oldmans Township School District's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., earned but unused sick leave).

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

Overview of the Financial Statements (Continued)

District-wide Financial Statements (Continued) - Both District-wide financial statements distinguish functions of the Oldmans Township School District that are principally supported by taxes and intergovernmental revenues (Governmental Activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (Business-type Activities). The Governmental Activities of the Oldmans Township School District include the education of students in grades K-8 at the Oldmans Township School District. The Business-type Activities of the Oldmans Township School District include a Food Service Program and a School Age Child Care Program.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Oldmans Township School District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Oldmans Township School District can be divided into three categories: Governmental Funds, Proprietary Funds, and Fiduciary Funds.

Governmental Funds - Most of the Oldmans Township School District's activities are reported in Governmental Funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in the future periods. These funds are reported using an accounting method called modified accrual basis of accounting, which measures cash and all other financial assets that can readily be converted to cash. The Governmental Fund statements provide a detailed short-term view of the Oldmans Township School District's general government operations and the basic services it provides. Governmental Fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance educational programs.

The Oldmans Township School District maintains four individual Governmental Funds. Information is presented separately in the Governmental Fund balance sheet and in the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances for the General Fund, Special Revenue Fund, Capital Projects Fund, and Debt Service Fund.

The relationship (or differences) between Governmental Activities (reported in the Statement of Net Position and the Statement of Activities) and Governmental Funds is reconciled in the financial statements.

Also, the Oldmans Township School District adopts an annual budget for its General Fund, Special Revenue Fund, and Debt Service Fund. Budgetary comparison schedules have been provided for both to demonstrate compliance with the budgets.

Proprietary Funds - The Oldmans Township School District maintains two different types of Proprietary Funds. Enterprise Funds, which are a proprietary fund type used to report an activity for which a fee is charged to external users for goods or services, are used to report the same functions presented as Business-type Activities in the District-wide financial statements. The Oldmans Township School District uses Enterprise Funds to account for its Food Service Program and its School Age Child Care Program.

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

Fund Financial Statements (Continued)

Proprietary Funds (Continued) - Proprietary Funds provide the same type of information as the District-wide financial statements, only in more detail. The Proprietary Fund financial statements provide separate information for the Food Service Program and the School Age Child Care Program.

Fiduciary Funds - Fiduciary Funds are used to account for resources held for the benefit of parties outside the government. Fiduciary Funds are not reflected in the District-wide financial statements because the resources of those funds are not available to support the Oldmans Township School District's own programs. The accounting used for Fiduciary Funds is much like that used for Proprietary Funds.

Notes to the Financial Statements - The notes provide additional information that is essential to a full understanding of the data provided in the District-wide and fund financial statements.

District-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Oldmans Township School District, assets of \$8,195,268 exceed liabilities of \$3,572,110 at the close of fiscal year 2019-2020 (see Exhibit A-1).

A large portion of the Oldmans Township School District's net position reflects its investment in capital assets (i.e., land, buildings, equipment); less any related debt used to acquire those assets that are still outstanding. The Oldmans Township School District uses these assets to provide educational services to students; consequently, these assets are not available for future spending. Although the Oldmans Township School District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the Oldmans Township School District's net position represents resources that are subject to external restrictions on how they may be used.

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

District-wide Financial Analysis (Continued)

	NET POSITION					
	Governmental Activities		Business-Type Activities		Total	
	FY 2020	FY 2019	FY 2020	FY 2019	FY 2020	FY 2019
ASSETS						
Current and other assets	\$ 3,403,375	\$ 1,287,974	\$ 4,712	\$ 31,869	\$ 3,408,087	\$ 1,319,843
Capital assets	4,787,016	4,706,918	165	495	4,787,181	4,707,413
Total assets	<u>8,190,391</u>	<u>5,994,892</u>	<u>4,877</u>	<u>32,364</u>	<u>8,195,268</u>	<u>6,027,256</u>
DEFERRED OUTFLOWS OF RESOURCES						
Loss on refunding bond issue		3,104			0	3,104
Deferred outflows related to pension	58,365	185,797			58,365	185,797
	<u>58,365</u>	<u>188,901</u>			<u>58,365</u>	<u>188,901</u>
LIABILITIES						
Non-current liabilities	2,357,811	286,328	11,776	1,422	2,369,587	287,750
Other liabilities	120,544	43,545	820	4,297	121,364	47,842
Net pension liability	1,081,159	1,325,385			1,081,159	1,325,385
Total liabilities	<u>3,559,514</u>	<u>1,655,258</u>	<u>12,596</u>	<u>5,719</u>	<u>3,572,110</u>	<u>1,660,977</u>
DEFERRED INFLOWS OF RESOURCES						
Deferred inflows related to pension	454,976	326,836			454,976	326,836
	<u>454,976</u>	<u>326,836</u>			<u>454,976</u>	<u>326,836</u>
NET POSITION						
Invested in capital assets, net of related debt	2,527,670	4,521,553	165	495	2,527,835	4,522,048
Restricted	3,208,257	1,180,892			3,208,257	1,180,892
Unrestricted	(1,501,661)	(1,500,746)	(7,884)	26,150	(1,509,545)	(1,474,596)
Total net position	<u>\$ 4,234,266</u>	<u>\$ 4,201,699</u>	<u>\$ (7,719)</u>	<u>\$ 26,645</u>	<u>\$ 4,226,547</u>	<u>\$ 4,228,344</u>

The District's combined net position was \$4,226,547 on June 30, 2020. This was a slight decrease from the prior year of \$4,228,344.

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

District-wide Financial Analysis (Continued)

CHANGES IN NET POSITION

	Governmental Activities		Business-Type Activities		Total	
	FY 2020	FY 2019	FY 2020	FY 2019	FY 2020	FY 2019
REVENUES:						
Program revenues:						
Charges for services			\$ 43,034	\$ 91,271	\$ 43,034	\$ 91,271
Operating grants and contributions	\$ 146,139	\$ 188,155	39,282	41,473	185,421	229,628
General revenues:						
Property taxes	3,143,776	3,087,890			3,143,776	3,087,890
Grants and contributions not restricted to specific programs	2,901,513	3,099,885			2,901,513	3,099,885
Other	40,590	32,469		1	40,590	32,470
Total revenues	6,232,018	6,408,399	82,316	132,745	6,314,334	6,541,144
EXPENSES:						
Instruction	1,986,519	1,914,703			1,986,519	1,914,703
Support services	3,917,419	4,303,379			3,917,419	4,303,379
Interest on long-term debt	14,231	19,842			14,231	19,842
Other	281,282	223,094			281,282	223,094
Food service			81,765	102,148	81,765	102,148
School age child care			34,915	39,344	34,915	39,344
Total expenses	6,199,451	6,461,018	116,680	141,492	6,316,131	6,602,510
Increase in net position before transfers	32,567	(52,619)	(34,364)	(8,747)	(1,797)	(61,366)
Transfers		(2,460)		2460		
Increase in net position	32,567	(55,079)	(34,364)	(6,287)	(1,797)	(61,366)
Net position, July 1	4,201,699	4,256,778	26,645	32,932	4,228,344	4,289,710
Net position, June 30	\$ 4,234,266	\$ 4,201,699	\$ (7,719)	\$ 26,645	\$ 4,226,547	\$ 4,228,344

Property taxes increased by \$55,886 or .85% during the year. This increase is the result of reductions in state aid and state-imposed budget caps.

The overall decrease in expenses of \$286,379 was attributable to a decrease in employee benefits of \$371,831 offset by an increase in instruction of \$71,816.

Business-Type Activities - Business-type activities decreased the Oldmans Township School District's net position by \$34,364. The key element of this decrease is as follows:

- Decrease in participants
- Decrease in funding
- Decrease in operational costs

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

District-wide Financial Analysis (Continued)
Financial Analysis of the Government's Funds

As stated earlier, the Oldmans Township School District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Fund - The focus of the Oldmans Township School District's Governmental Funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Oldmans Township School District's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the Oldmans Township School District's Governmental Funds reported combining ending fund balances of \$3,269,322, an increase of \$2,040,279 in comparison with the prior year.

Of the combined ending fund balances of \$3,269,322, 1.8% constitutes unassigned fund balance in the amount of \$61,065. The remainder of fund balance is restricted to indicate that it is not available for new spending because it has already been committed (1) to liquidate contracts and purchase orders of the prior period \$96,262, (2) to be appropriated in the following year's budget to reduce property tax \$74,902, (3) \$402,059 maintenance reserve, (4) \$200,287 capital reserve, and (5) excess surplus - current year of \$395,936, and (6) capital projects fund of \$2,038,811 or 62.4%.

The General Fund is the main operating fund of the Oldmans Township School District. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$61,065, while total fund balance was \$1,230,511.

The Debt Service Fund has a total fund balance of \$0.

Proprietary Funds - The Oldmans Township School District's Proprietary Funds provide the same type of information found in the District-wide financial statements, but in more detail.

Unrestricted net position consisted of the following: a balance of (\$59,963) for the Food Service Program and a balance of \$51,974 for the School Age Child Care Program. Other factors concerning the finances of these funds have already been addressed in the discussion of the Oldmans Township School District's Business-type Activities.

General Fund Budgetary Highlights

During the 2020 fiscal year, the Oldmans Township School District modified its General Fund budget numerous times. The net change in the total budget modification primarily resulted from the rollover of the prior year's encumbrances and the additional federal aid.

The final budgetary basis revenue appropriation estimate was \$5,164,191; fund balance budgeted of \$444,811; and prior year encumbrances were \$62,596. The property taxes (local tax levy) were \$3,000,577.

The Oldmans Township School District revenues and expenditures include \$140,779 in reimbursed TPAF Social Security Aid and \$511,962 in the TPAF Pension Contributions, respectively.

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

General Fund Budgetary Highlights (Continued)

The final budgetary basis expenditure estimate was \$5,671,598, including prior year's encumbrances of \$62,596.

Capital Asset and Debt Administration

Capital Assets - The Oldmans Township School District's investment in capital assets for its Governmental and Business-type Activities as of June 30, 2020, amounts to \$4,787,181 (net of accumulated depreciation). This investment in capital assets includes land, land improvements, buildings and improvements, and equipment. The total increase in the Oldmans Township School District's investment in capital assets for the current fiscal year was \$79,768.

CAPITAL ASSETS (NET OF ACCUMULATED DEPRECIATION)

	Governmental Activities		Business-Type Activities		Total	
	FY 2020	FY 2019	FY 2020	FY 2019	FY 2020	FY 2019
Land	\$ 38,000	\$ 38,000			\$ 38,000	\$ 38,000
Construction in progress	215,188				215,188	
Building improvements	4,142,535	4,316,173			4,142,535	4,316,173
Equipment	391,293	352,745	\$ 165	\$ 495	391,458	353,240
Total	\$ 4,787,016	\$ 4,706,918	\$ 165	\$ 495	\$ 4,787,181	\$ 4,707,413

Additional information on the Oldmans Township School District's capital assets can be found as Note 6 to the financial statements.

Long-Term Debt - At the end of the current fiscal year, the Oldmans Township School District had total bonded debt outstanding of \$2,254,000 for the 2020 Series Bonds. The entire Oldmans Township School District's bonded debt is governmental as opposed to business-type. The bonds will mature on April 1, 2040.

Economic Factors and Next Year's Budget

For the 2020-2021 school year, the Oldmans Township School District was able to sustain its budget through the township tax levy, federal aid, state aid, and miscellaneous revenue sources. Approximately 58% of total revenue is from local tax levy, while 40% is from federal, state, and local aid (restricted and not restricted). One of the most important factors affecting the Oldmans Township School District's budget is its enrollment.

The 2020-2021 adopted budget was based on the State's projected enrollment for the District on October 15, of 282 versus 296 for the 2019-2020 budget. The District has been a Choice District since FY 2012.

COVID-19 Pandemic

In March 2020, the World Health Organization characterized a novel strain of coronavirus, known as COVID-19, as a pandemic. Concerns related to the spread of COVID-19 and the related containment measures intended to mitigate its impact have created substantial disruption to the global economy. As part of our response to the COVID-19 pandemic, we are following business continuity processes led by our Administrative team. Our main priority is the health and safety of our students and staff. Our actions have been driven by government

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

COVID-19 Pandemic (Continued)

mandates and guidelines. In March 2020, schools were closed due to the coronavirus pandemic. Eventually, all New Jersey schools were closed for the balance of the school year and students completed their studies via remote online instruction. In preparation for the 2020-21 school year amidst the continuing pandemic, the NJ Department of Education provided school districts with guidance to prepare a restart and recovery plan. One of the requirements of this plan, per state guidance, is the provision of some degree of in-person instruction. A family opt-out provision allowing for full time remote instruction was later added to the guidance. In response, the District has developed its return to school plan for 2020-21. The plan requires the District to adequately provide reasonable accommodations for students and staff identified as being at a higher risk for severe illness from COVID-19. These accommodations will come mainly in the form of a full-virtual model for both teachers and students. The District will also rely heavily upon social distancing, mask wearing for students and staff, along with sanitation and cleaning procedures. The District expects the COVID-19 matter to impact its operating results. However, the related financial impact and duration cannot be reasonably estimated at this time.

Requests for Information

This financial report is designed to provide a general overview of the Oldmans Township School District's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Pamela Zook, School Business Administrator at Oldmans Township School District, 10 Freed Road, Pedricktown, New Jersey 08067, or via e-mail at: pzook@oldmans.org.

BASIC FINANCIAL STATEMENTS

DISTRICT-WIDE FINANCIAL STATEMENTS

OLDMANS TOWNSHIP SCHOOL DISTRICT
Statement of Net Position
June 30, 2020

	Governmental Activities	Business-type Activities	FY 2020
ASSETS			
Interfunds receivable	\$ 91,767		\$ 91,767
Receivables	580,517	\$ 2,739	583,256
Inventory		1,973	1,973
Restricted assets:			
Restricted cash and cash equivalents	2,731,091		2,731,091
Capital assets:			
Non-depreciable	253,188		253,188
Assets net of depreciation	4,533,828	165	4,533,993
	<u>8,190,391</u>	<u>4,877</u>	<u>8,195,268</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows related to pension	58,365		58,365
	<u>58,365</u>		<u>58,365</u>
LIABILITIES			
Cash overdraft	4,897	7,087	11,984
Interfunds payable	441		441
Accounts payable	96,693		96,693
Unearned revenue	13,167	4,689	17,856
Accrued interest	5,346		5,346
Noncurrent liabilities:			
Due within one year	75,000		75,000
Due beyond one year	2,282,811	820	2,283,631
Net pension liability	1,081,159		1,081,159
	<u>3,559,514</u>	<u>12,596</u>	<u>3,572,110</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows related to pension	454,976		454,976
	<u>454,976</u>		<u>454,976</u>
NET POSITION			
Invested in capital assets, net of related debt	2,527,670	165	2,527,835
Restricted for:			
Other purposes	3,208,257		3,208,257
Unrestricted	(1,501,661)	(7,884)	(1,509,545)
	<u>\$ 4,234,266</u>	<u>\$ (7,719)</u>	<u>\$ 4,226,547</u>

See accompanying notes to the basic financial statements.

OLDMANS TOWNSHIP SCHOOL DISTRICT
Statement of Activities
June 30, 2020

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position		Total
		Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-type Activities	
Governmental activities:						
Instruction:						
Regular	\$ 1,656,104			\$ (1,656,104)		\$ (1,656,104)
Special education	315,581		\$ 51,826	(263,755)		(263,755)
Other instruction	14,834			(14,834)		(14,834)
Support services:						
Student & instructional related services	1,349,633		92,277	(1,257,356)		(1,257,356)
General administrative services	187,500			(187,500)		(187,500)
School administrative services	47,542			(47,542)		(47,542)
Central services	169,281			(169,281)		(169,281)
Administrative information technology	3,386			(3,386)		(3,386)
Plant operations & maintenance	407,950			(407,950)		(407,950)
Pupil transportation	214,264			(214,264)		(214,264)
Employee benefits	1,537,863		2,036	(1,535,827)		(1,535,827)
Interest on long-term debt	14,231			(14,231)		(14,231)
Capital outlay	92,705			(92,705)		(92,705)
Unallocated depreciation	188,577			(188,577)		(188,577)
Total governmental activities	6,199,451		146,139	(6,053,312)		(6,053,312)
Business-type activities:						
Food service	81,765	\$ 20,175	39,282		\$ (22,308)	(22,308)
Other activities	34,915	22,859			(12,056)	(12,056)
Total business-type activities	116,680	43,034	39,282		(34,364)	(34,364)
Total primary government	\$ 6,316,131	\$ 43,034	\$ 185,421	\$ (6,053,312)	\$ (34,364)	\$ (6,087,676)
General revenues:						
Property taxes, levied for general purpose, net				\$ 3,000,577		\$ 3,000,577
Taxes levied for debt service				143,199		143,199
Federal and state aid not restricted				2,901,513		2,901,513
Transportation fees				20,020		20,020
Investment earnings				2,430		2,430
Miscellaneous income				46,808		46,808
Loss on disposal of fixed assets				(21,910)		(21,910)
Prior year receivable canceled				(6,758)		(6,758)
Total general revenues, special items, extraordinary items, and transfers				6,085,879		6,085,879
Change in net position				32,567	\$ (34,364)	(1,797)
Net position - beginning				4,201,699	26,645	4,228,344
Net position - end				\$ 4,234,266	\$ (7,719)	\$ 4,226,547

See accompanying notes to the basic financial statements.

FUND FINANCIAL STATEMENTS

OLDMANS TOWNSHIP SCHOOL DISTRICT
Balance Sheet
Governmental Funds
June 30, 2020

	General Fund	Special Revenue Fund	Capital Projects Fund	Totals FY 2020
ASSETS				
Cash and cash equivalents	\$ 16,696		\$ 2,128,745	\$ 2,145,441
Interfunds receivable	91,767			91,767
Receivables from other governments	525,816	\$ 54,701		580,517
Restricted cash and cash equivalents	602,346			602,346
Total assets	<u>\$ 1,236,625</u>	<u>\$ 54,701</u>	<u>\$ 2,128,745</u>	<u>3,420,071</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Cash overdraft		\$ 40,448		40,448
Interfunds payable	\$ 441			441
Accounts payable	5,673	1,086	\$ 89,934	96,693
Deferred revenue :				
Local grants		13,167		13,167
Total liabilities	<u>6,114</u>	<u>54,701</u>	<u>89,934</u>	<u>150,749</u>
Fund balances:				
Restricted for:				
Maintenance reserve	402,059			402,059
Capital reserve	200,287			200,287
Excess surplus - designated for subsequent year's expenditures	74,902			74,902
Excess surplus - current year	395,936			395,936
Capital projects			2,038,811	2,038,811
Assigned to:				
Other purposes	96,262			96,262
Unassigned:				
General fund	61,065			61,065
Total fund balances	<u>1,230,511</u>		<u>2,038,811</u>	<u>3,269,322</u>
Total liabilities and fund balances	<u>\$ 1,236,625</u>	<u>\$ 54,701</u>	<u>\$ 2,128,745</u>	

See accompanying notes to the basic financial statements.

OLDMANS TOWNSHIP SCHOOL DISTRICT
Balance Sheet
Governmental Funds
June 30, 2020

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, not reported in the funds. The costs of assets is \$8,525,452 and the accumulated depreciation is \$3,738,436 (See note 6).	\$ 4,787,016
Internal Service Funds are used by management to charge the costs of certain activities, such as business and custodial services to other districts. Assets and liabilities of the Internal Service Fund of \$18,855 are included in the Governmental Activities in the Statement of Net Position.	18,855
Net pension liability adjustment for GASB Statement No. 68 and 71	(1,477,770)
Interest on long-term debt in the Statement of Activities is accrued, regardless of when due.	(5,346)
Long-term liabilities, including bonds payable are not due and payable in the current period, and therefore, are not reported as liabilities in the funds (See note 7).	(2,357,811)
	<u>\$ 4,234,266</u>

See accompanying notes to the basic financial statements.

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

	General Fund	Special Revenue Fund	Debt Service Fund	Capital Projects Fund	FY 2020
REVENUES:					
Local tax levy	\$ 3,000,577		\$ 143,199		\$ 3,143,776
Transportation fees	20,020				20,020
Interest earned on investments	2,430				2,430
Miscellaneous	46,808	\$ 2,918			49,726
	3,069,835	2,918	143,199		3,215,952
State sources	2,807,169		51,051		2,858,220
Federal sources		143,221			143,221
Total revenues	5,877,004	146,139	194,250		6,217,393
EXPENDITURES:					
Current:					
Regular instruction	1,652,130				1,652,130
Special education instruction	261,917	51,826			313,743
Other instruction	14,174				14,174
Support services & undistributed costs:					
Student & instruction related services	1,256,819	92,277			1,349,096
General administrative services	187,500				187,500
School administrative services	47,014				47,014
Central services	169,474				169,474
Administrative information technology	3,386				3,386
Plant operations and maintenance	405,742				405,742
Pupil transportation	187,434				187,434
Employee benefits	1,481,188	2,036			1,483,224
Debt service:					
Principal			185,000		185,000
Interest and other charges			9,250		9,250
Capital outlay	202,000			\$ 215,189	417,189
Total expenditures	5,868,778	146,139	194,250	215,189	6,424,356
Excess (deficiency) of revenues over expenditures	8,226			(215,189)	(206,963)
OTHER FINANCING SOURCES (USES):					
Prior year receivable canceled	(6,758)				(6,758)
Bond proceeds				2,254,000	2,254,000
Total other financing sources and uses	(6,758)			2,254,000	2,247,242
Net change in fund balances	1,468			2,038,811	2,040,279
Fund balance - July 1	1,229,043				1,229,043
Fund balance - June 30	<u>\$ 1,230,511</u>			<u>\$ 2,038,811</u>	<u>\$ 3,269,322</u>

See accompanying notes to the basic financial statements.

OLDMANS 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)		\$ 2,040,279
<p>Amounts reported for Governmental Activities in the Statement of Activities (A-2) are different because:</p>		
<p>Capital outlays are reported in Governmental Funds as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the period.</p>		
Capital Outlay	\$ 324,484	
Depreciation expense	<u>(222,476)</u>	102,008
<p>In the Statement of Activities, only the gain or loss on the disposal of capital assets is reported, whereas in the Governmental Funds, the proceeds from disposal decrease financial resources. Thus the change in net position will differ from the change in fund balance by the cost of the asset removed.</p>		
		(21,910)
<p>Proceeds from debt issues are a financing source in the Governmental Funds. They are not revenue in the statement of activities; issuing debt increases long-term liabilities in the statement of net position.</p>		
Proceeds from issuance of long-term debt		(2,254,000)
<p>Repayment of debt principal is an expenditure in the Governmental Funds, but the repayment reduces long-term liabilities in the Statement of Net Position and is not reported in the Statement of Activities.</p>		
Bond principal payments		185,000
<p>Governmental Funds report the effect of issuance costs and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities. This amount is the net effect of the difference in the treatment of the long-term debt related items.</p>		
		(3,104)
<p>In the Statement of Activities, interest on long-term debt is accrued, regardless of when due. In the Governmental Funds, interest is reported when due. The accrued interest is an addition in the reconciliation.</p>		
		(1,877)
<p>Pension contributions are reported in Governmental Funds as expenditures. However, in the Statement of Activities, the contributions are adjusted for actuarial valuation adjustments.</p>		
		(11,346)
<p>In the Statement of Activities, certain operating expenses, e.g., compensated absences are measured by the amounts earned during the year. In the Governmental Funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is a reduction in the reconciliation; when the paid amount exceeds the earned amount the difference is an addition to the reconciliation.</p>		
		<u>(2,483)</u>
Change in net position of Governmental Activities		<u>\$ 32,567</u>

See accompanying notes to the basic financial statements.

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

	Business-type Activities - Enterprise Funds - Major Funds			Governmental Activities
	Food Service	Latchkey Program	Totals FY 2020	Internal Service Fund
ASSETS				
Current assets:				
Cash and cash equivalents		\$ 51,809	\$ 51,809	\$ 18,855
Accounts receivable	\$ 2,739		2,739	
Inventories	1,973		1,973	
Total current assets	4,712	51,809	56,521	18,855
Noncurrent assets:				
Furniture, machinery & equipment	134,400	6,600	141,000	
Less: accumulated depreciation	(134,400)	(6,435)	(140,835)	
Total noncurrent assets		165	165	
Total assets	4,712	51,974	56,686	
LIABILITIES				
Cash deficit	58,896		58,896	
Unearned revenue:				
Lunches	3,975		3,975	
USDA commodities	714		714	
Noncurrent liabilities:				
Compensated absences	820		820	
Total liabilities	64,405		64,405	
NET POSITION				
Invested in capital assets, net of related debt		165	165	
Unrestricted	(59,693)	51,809	(7,884)	18,855
Total net position	\$ (59,693)	\$ 51,974	\$ (7,719)	\$ 18,855

See accompanying notes to the basic financial statements.

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

	Business-type Activities Enterprise Funds - Major Funds			Governmental Activities Internal Service Fund
	Food Service	Latchkey Program	FY 2020	
OPERATING REVENUES:				
Local sources:				
Daily sales - reimbursable programs:	\$ 16,302		\$ 16,302	
Daily sales - non-reimbursable programs	3,873		3,873	
Tuition		\$ 22,859	22,859	
Total operating revenue	20,175	22,859	43,034	
OPERATING EXPENSES:				
Salaries	31,363	24,868	56,231	
Employee benefits	2,441	1,902	4,343	
Other purchased services (400-500 series)	12,344		12,344	
Purchased property services		6,905	6,905	
Supplies and materials	2,728	910	3,638	
Depreciation		330	330	
Cost of sales - reimbursable	31,315		31,315	
Cost of sales - non-reimbursable	1,574		1,574	
Total operating expenses	81,765	34,915	116,680	
Operating income (loss)	(61,590)	(12,056)	(73,646)	
NON-OPERATING REVENUES:				
State sources:				
National school lunch program - state	773		773	
Federal sources:				
National school lunch program	23,209		23,209	
School breakfast program	4,442		4,442	
National snack program	377		377	
Food distribution program	10,481		10,481	
Total non-operating revenues (expenses)	39,282		39,282	
Net income (loss) before transfers	(22,308)	(12,056)	(34,364)	
Board contribution				
Net income (loss)	(22,308)	(12,056)	(34,364)	
Total net position - beginning	(37,385)	64,030	26,645	\$ 18,855
Total net position - ending	\$ (59,693)	\$ 51,974	\$ (7,719)	\$ 18,855

See accompanying notes to the basic financial statements.

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

	Business-type Activities Enterprise Funds - Major Funds			Governmental Activities Internal Service Fund
	Food Service	Latchkey Program	FY 2020	
Cash flows from operating activities:				
Receipts from customers	\$ 21,984	\$ 22,859	\$ 44,843	
Payments to suppliers	(39,048)	(7,815)	(46,863)	
Payments to employees	(31,965)	(24,868)	(56,833)	
Payments for employee benefits	(2,441)	(1,902)	(4,343)	
Net cash provided (used) by operating activities	<u>(51,470)</u>	<u>(11,726)</u>	<u>(63,196)</u>	
Cash flows from non-capital financing activities:				
Cash received from state & federal reimbursements	<u>27,789</u>		<u>27,789</u>	
Net cash provided by non-capital financing activities	<u>27,789</u>		<u>27,789</u>	
Net increase in cash and cash equivalents	(23,681)	(11,726)	(35,407)	
Cash and cash equivalents - July 1	(35,215)	63,535	28,320	\$ 18,855
Cash and cash equivalents - June 30	<u>\$ (58,896)</u>	<u>\$ 51,809</u>	<u>\$ (7,087)</u>	<u>\$ 18,855</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:				
Operating income (loss)	\$ (61,590)	\$ (12,056)	\$ (73,646)	
Adjustments to reconcile operating income (loss) to cash provided (used) by operating activities:				
Depreciation		330	330	
Food distribution program	10,481		10,481	
Change in assets and liabilities:				
(Increase) decrease in accts. receivable	220		220	
(Increase) decrease in inventory	(371)		(371)	
Increase (decrease) in accounts payable	(1,398)		(1,398)	
Increase (decrease) in deferred revenue	1,790		1,790	
Increase in compensated absences	(602)		(602)	
	<u>\$ (51,470)</u>	<u>\$ (11,726)</u>	<u>\$ (63,196)</u>	

See accompanying notes to the basic financial statements.

OLDMANS TOWNSHIP SCHOOL DISTRICT
Statement of Fiduciary Net Position
Fiduciary Fund
June 30, 2020

	Scholarship Trust Fund	Unemployment Trust Fund	Agency Funds	Totals FY 2020
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 1,810	\$ 107,117	\$ 157,235	\$ 266,162
Interfund receivable:				
General fund			441	441
Payroll agency		14,877		14,877
Total assets	<u>\$ 1,810</u>	<u>\$ 121,994</u>	<u>157,676</u>	<u>281,480</u>
LIABILITIES				
Current liabilities:				
Payroll deductions and withholdings			16,109	16,109
Due to student groups			34,923	34,923
Interfund payable:				
Unemployment trust fund			14,877	14,877
General fund			91,767	91,767
Total current liabilities			<u>157,676</u>	<u>157,676</u>
NET POSITION				
Held in trust for:				
Scholarship awards	\$ 1,810			1,810
Unemployment claims		\$ 121,994		121,994
Total net position	<u>\$ 1,810</u>	<u>\$ 121,994</u>	<u>None</u>	<u>\$ 123,804</u>

See accompanying notes to the basic financial statements.

OLDMANS TOWNSHIP SCHOOL DISTRICT
Statement of Changes in Fiduciary Net Position
Fiduciary Fund
June 30, 2020

	Scholarship Trust Fund	Unemployment Trust Fund	FY 2020
ADDITIONS:			
Contributions:			
Employee payroll deductions		\$ 5,308	\$ 5,308
Other			
Total contributions		<u>5,308</u>	<u>5,308</u>
Investment earnings:			
Interest	\$ 2	1	3
Total investment earnings	<u>2</u>	<u>1</u>	<u>3</u>
Total additions	<u>2</u>	<u>5,309</u>	<u>5,311</u>
Change in net position	2	5,309	5,311
Net position - beginning of year	1,808	116,685	118,493
Net position - end of year	<u>\$ 1,810</u>	<u>\$ 121,994</u>	<u>\$ 123,804</u>

See accompanying notes to the basic financial statements.

NOTES TO THE FINANCIAL STATEMENTS

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Introduction

The Oldmans Township School District is an instrumentality of the State of New Jersey, established to function as an educational institution. The Board consists of elected officials who are responsible for the fiscal control of the District. A Superintendent is appointed by the Board and is responsible for the administrative control of the District.

The financial statements of the Board of Education of Oldmans Township School District have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. In its accounting and financial reporting, the District follows the pronouncements of the Governmental Accounting Standards Board (GASB). The more significant accounting policies established in (GAAP) and used by the District are discussed below.

A. Reporting Entity

The Oldmans Township School District is a Type II District located in the County of Salem, State of New Jersey. As a Type II District, the School District functions independently through a Board of Education. The Board is comprised of nine members elected to three-year terms each. The purpose of the District is to educate students in grades K-8.

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

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

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

B. Government-wide Statements

The School District's basic financial statements include both Government-wide (reporting the District as a whole) and fund financial statements (reporting the District's major funds.) Both the Government-wide and fund financial statements categorize primary activities as either Governmental or Business-type. The District's general, special revenue, capital projects and debt service are classified as Governmental Activities. The District's food service and childcare programs are classified as Business-type Activities.

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Government-wide Statements (Continued)

In the Government-wide Statement of Net Position, both the Governmental and Business-type Activities columns (a) are presented on a consolidated basis by column, (b) and are reported on a full accrual, economic resource basis which recognizes all long-term assets and receivables as well as long-term debt and obligations. The District's net position is reported in three parts: invested in capital assets, net of related debt; restricted net position; and unrestricted net position. The District first utilizes restricted resources to finance qualifying activities.

The Government-wide Statement of Activities reports both the gross and net costs of each of the District's functions and Business-type Activities (food service and childcare). The functions are also supported by general government revenues (property taxes, tuition, certain intergovernmental revenues, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenue, operating, and capital grants. Program revenues must be directly associated with the function (regular instruction, vocational programs, student, and instruction related services, etc.) or Business-type Activities. Operating grants include operating specific and discretionary (either operating or capital) grants while the capital grants column reflects capital specific grants.

The net costs (by function or Business-type Activity) are normally covered by general revenue (property taxes, tuition, interest income, etc.).

The District does not allocate indirect costs such as employee benefits, on-behalf Teacher's Pension and Annuity Fund (TPAF) Pension contributions, and TPAF Social Security Contributions.

The Government-wide focus is more on the sustainability of the District as an entity and the change in the District's net position resulting from the current year's activities. The Government-wide statements do not include fiduciary activity.

C. Fund Financial Statements

The financial transactions of the District are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, reserves, fund equity, revenues, and expenditures/expenses. The various funds are reported by generic classification within the financial statements.

The District reports the following Governmental Funds:

GOVERNMENTAL FUNDS

The focus of the Governmental Funds' measurement (in the fund statements) is upon determination of financial position and change in financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the Governmental Funds of the District.

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

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

General Fund (Continued) - As required by the New Jersey State Department of Education, the District included 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, District taxes, and appropriated fund balance. Expenditures are those that result in the acquisition of or additions to fixed assets for land, existing buildings, improvements of grounds, construction of buildings, additions to or remodeling of buildings, and the purchase of built-in equipment. These resources can be transferred from and to Current Expense by Board resolution.

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

Capital Projects Fund - The Capital Projects Fund is used to account for all financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by Proprietary Funds). The financial resources are derived from temporary notes or serial bonds that are specifically authorized by the voters as a separate question on the ballot either during the annual election or at a special election.

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

PROPRIETARY FUNDS

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

Enterprise Funds - The Enterprise Funds account for all revenues and expenses pertaining to the Board's operations that are financed and operated in a manner similar to private business enterprises. The stated intent is that the cost (i.e. expenses including depreciation and indirect costs) of providing goods or services on a continuing basis are financed or recovered primarily through user charges.

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

Internal Service Fund - The Internal Service Fund accounts for the financing of services provided by one department to other departments of the School District, or to other governments on a cost-reimbursement basis.

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

FIDUCIARY FUNDS

Fiduciary Funds are used to report assets held by the District in a trustee capacity or as an agent for individuals, private organizations, or other governments, and therefore, not available to support District programs. The reporting focus is on net position. Changes in net position are reported using accounting principles similar to Proprietary Funds.

The emphasis in fund financial statements is on the major funds in either the Governmental or Business-type Activities categories. Non-major funds by category are summarized into a single column. GASBS No. 34 sets forth minimum criteria (percentage of assets, liabilities, revenues or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds. The non-major funds are combined in a column in the fund financial statements.

The District's Fiduciary Funds are presented in the Fiduciary Fund financial statements by type. Since by definition these assets are being held for the benefit of a third party and cannot be used to address activities or obligations of the government, these funds are not incorporated into the Government-wide statements.

The Fiduciary Funds include Student Activity Fund, Scholarship Fund, Unemployment Fund, Payroll, and Payroll Agency Funds which are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

D. Basis of Accounting

Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported on the financial statements. It also related to the timing of the measurement made regardless of the measurement focus applied.

Both governmental and Business-type Activities in the Government-wide financial statements and the Proprietary and Fiduciary Fund financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

The Governmental Funds financial statements are reported on the modified accrual basis of accounting. Under this method, revenues are recorded when they become both susceptible to accrual; i.e. both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or within 60 days after year-end. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. The exception to this general rule is that principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. Proceeds of general obligation long-term debt, if any, is recognized when due.

The exception to this general rule is that principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. Proceeds of general obligation long-term debt, if any, is recognized when due.

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Basis of Accounting (Continued)

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 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.

E. Cash and Cash Equivalents

Cash and cash equivalents include petty cash, change funds, cash in banks, money market accounts, 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 agency obligations and certificates of deposit with maturities of one year or less when purchased are stated at cost. All other investments are stated at fair value.

For purposes of determining cash equivalents the District considers all investments with an original maturity of three months or less as cash equivalents.

New Jersey School Districts are limited to the types of investments and types of financial institutions they may invest in. (NJSA 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 Governmental Unit Deposit Protection Act (GUDPA). GUDPA was enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution in New Jersey.

NJSA 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 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 of at least 5% 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.

F. Inventories

Inventories in the General Fund consist of expendable supplies held for the District's use and are carried at cost using first-in first-out method. Inventories in the Enterprise Fund are valued at cost, which approximates market, using first-in first-out method. Inventory in the Food Service Fund at June 30, 2020, consisted of the following:

Food - commodities	\$	714
Food		1,259
	\$	<u>1,973</u>

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

F. Inventories (Continued)

The value of federal donated commodities as reflected in Schedule A (required by Single Audit Law of 1984) is the difference between market value and cost of the commodities at the date of purchase and has been included as an item of non-operating revenue in the financial statements.

G. Capital Assets

Capital assets purchased or acquired with an original cost of \$2,000 or more are reported at historical costs or estimated historical cost. Donated capital assets are valued at their estimated fair market value on the date received. Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is computed using the straight-line method over the estimated useful lives:

<u>Asset Class</u>	<u>Estimated Useful Lives</u>
Site improvements	15-20
Building & improvements	20-50
Machinery & equipment	5-20

H. Revenues

Substantially all Governmental Fund revenue is accrued. Property taxes are susceptible to accrual and under New Jersey State statute a municipality is required to remit to its school district the entire balance of taxes in the amount voted upon or certified, prior to the end of the school year. The District records the entire approved tax levy as revenue (accrued) at the start of the fiscal year, since the revenue is both measurable and available. The District is entitled to receive monies under the established payment schedule and the unpaid amount is considered to be an "accounts receivable." Subsidies and grants to Proprietary Funds, which finance either capital or current operations, are reported as non-operating revenue. In respect to grant revenues, the provider recognizes liabilities and expenses and recipient recognizes receivables and revenue when the applicable eligibility requirements, including requirements are met. Resources transmitted before eligibility requirements are met are reported as advances by the provider and deferred revenue by the recipient.

I. Expenditures

Expenses are recognized when the related fund liability is incurred. Inventory costs reported in the period when inventory items are used, rather than in the period purchased.

J. 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 in the period in which such services are rendered or in which such events take place.

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

J. Compensated Absences (Continued)

In Governmental Funds, compensated absences that are expected to be liquidated with expendable available financial resources are reported as expenditures and fund liability in the fund that will pay for the compensated absences. The remainder of the compensated absence liability is reported in the District-wide financial statements as a Governmental Activity.

In Proprietary and similar Trust Funds, compensated absences are recorded as an expense and liability of the fund that will pay for them.

K. Interfund Receivables/Payables

Transfers between Governmental and Business-type Activities on the District-wide statements are reported in the same manner as general revenues. 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 the Enterprise Fund. Repayment from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

On fund financial statements, short-term interfund loans are classified as interfund receivables/payables. These amounts are eliminated in the Statement of Net Position, except for amounts due between governmental and Business-type Activities or Governmental and Agency Funds, which are presented as internal balances.

L. Accrued Salaries and Wages

None of the School District's employees who provide services to the District over the ten month academic year, have the option to have their salaries evenly disbursed during the entire twelve month year.

M. 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 for approval and are approved as long as the District budget is within State mandated CAP's, there is no public vote on the budget. If the budget exceeds State mandated CAP's the voters have an opportunity to approve or reject the budget at the regular election in November. Budgets are prepared using the modified accrual basis of accounting, except for the Special Revenue Fund as described later. 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 NJAC 6:23-2(g). Budget amendments/transfers of appropriations must be made by School Board resolution at any time during the fiscal year and are subject to two-thirds majority vote by the School Board and under certain circumstances require approval by the County Superintendent of Schools. All budget amendments presented in the accompanying supplementary information reflect the original budget and the amended budget (which have been adjusted for legally authorized revisions of the annual budgets during the year).

Appropriations, except remaining project appropriations, encumbrances, and unexpended grant appropriations, lapse at the end of each fiscal year. The Capital Projects Fund presents the remaining project appropriations compared to current year expenditures.

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

M. Budgets/Budgetary Control (Continued)

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 grants 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.

N. 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 Special Revenue Fund, are reported as reservations of fund balances at fiscal year-end as they do not constitute expenditures or liabilities but rather commitments related to unperformed contracts for goods and services.

Open encumbrances in the Special Revenue Fund, for which the District has received advances are reflected in the balance sheet as deferred revenues at fiscal year-end.

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

O. Deferred Revenue

Deferred revenue arises when assets are recognized before revenue recognition criteria have been satisfied. Grants and entitlements received before the eligibility requirements are met are also recorded as deferred revenue.

P. Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities, and long-term obligations are reported on the District-wide financial statements. In general, Governmental Fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full, from current financial resources, are reported as obligations of the funds. However, contractually required pension contributions and compensated absences that are paid from Governmental Funds are reported as liabilities on the fund financial statements only to the extent that they are due for payment during the current year. Bonds are recognized as a liability on the fund financial statements when due.

Q. Allocation of Indirect Expenses

The District reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Indirect expenses are allocated to functions but are reported separately in the Statement of Activities. Employee benefits, including the employer's share of social security, worker's compensation, and medical and

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Q. Allocation of Indirect Expenses (Continued)

dental benefits were allocated based on salaries of that program. Depreciation expense, where practicable, is specifically identified by function and is included in the indirect expense column of the Statement of Activities. Depreciation expense that could not be attributed to a specific function is considered an indirect expense and is reported separately on the Statement of Activities. Interest on long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

R. Extraordinary and Special Items

Extraordinary items are transactions or events that are unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of management and are either unusual in nature or infrequent in occurrence. Neither of these types of transactions occurred during the fiscal year.

S. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Accordingly, actual results could differ from those estimates.

T. Net Position

Net position represents the difference between assets and liabilities. Net positions invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any borrowing used for the acquisition, construction, or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the School District or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The School District's policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position funds are available.

U. Fund Balance Reserves

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

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

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

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

U. Fund Balance Reserves (Continued)

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

Assigned - The assigned fund balance classification includes amounts that are constrained by the School District's *intent* to be used for specific purposes but are neither restricted nor committed. *Intent* is expressed by either the Board of Education or by the Business Administrator, to which the Board of Education has delegated the authority to assign amounts to be used for specific purposes.

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

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balances are available, the District considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balance are available, the School District considers amounts to have been spent first out of Committed Funds, then Assigned Funds, and finally Unassigned Funds, as needed.

V. Recent Accounting Pronouncements Adopted

In November 2016, the Governmental Accounting Standards Board (GASB) issued Statement No. 83, "Certain Asset Retirement Obligations." This Statement addresses accounting and financial reporting for certain asset retirement obligations (ARO's). This Statement, originally effective for period's beginning after June 15, 2018, is postponed until June 15, 2019.

In April 2018, the Governmental Accounting Standards Board (GASB) issued Statement No. 88, "Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements." This Statement, originally effective for periods beginning after June 15, 2018, is postponed until June 15, 2019.

W. Recent Effective Accounting Pronouncements Postponed by Statement 95

In May 2020, the Governmental Accounting Standards Board (GASB) issued 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. As a result of GASB 95, the effective dates of the following statements are postponed by one year:

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**W. Recent Effective Accounting Pronouncements Postponed by Statement 95
(Continued)**

In January 2017, the Governmental Accounting Standards Board (GASB) issued Statement No. 84, "Fiduciary Activities." The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. This Statement originally effective for periods beginning after December 31, 2018, is postponed until December 15, 2019. Management has not yet determined the impact of this Statement on the financial statements.

In August 2018, the Governmental Accounting Standards Board (GASB) issued Statement No. 90, "Majority Equity Interests – an Amendment of GASB Statements No. 14 and No. 61." This Statement, originally effective for periods beginning after December 15, 2018, is postponed until December 15, 2019, and will not have any effect on financial reporting.

In January 2020, the Governmental Accounting Standards Board (GASB) issued Statement No. 92, "Omnibus 2020." This Statement, originally effective for periods beginning after December 15, 2020, is postponed until December 15, 2021. Management has not yet determined the impact of this Statement on the financial Statements.

In March 2020, the Governmental Accounting Standards Board (GASB) issued Statement No. 93, "Replacement of Interbank Offered Rate." This Statement, except for paragraph 11b originally effective for periods beginning after June 15, 2020, is postponed until June 15, 2021. The requirement in paragraph 11b originally effective for periods beginning after December 31, 2021, is postponed until December 31, 2022. Management has not yet determined the impact of this Statement on the financial statements.

X. Recent Accounting Pronouncements Not Yet Effective

In June 2017, the Governmental Accounting Standards Board (GASB) issued Statement No. 87, "Leases." The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement, originally effective for periods beginning after December 15, 2019, is postponed until June 15, 2021, due to the issuance of Statement No. 95. Management expects this Statement will have an impact on the financial statements.

In June 2018, the Governmental Accounting Standards Board (GASB) issued Statement No. 89, "Accounting for Interest Costs Incurred Before the End of a Construction Period." The objectives of this Statement are to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and to simplify accounting for interest cost incurred before the end of a construction period. This Statement, originally effective for periods beginning after December 15, 2019, is postponed until December 15, 2020, due to the issuance of Statement No. 95. Management does not expect this Statement will have an impact on the financial statements.

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

X. Recent Accounting Pronouncements Not Yet Effective (Continued)

In May 2019, the Governmental Accounting Standards Board (GASB) issued Statement No. 91, "Conduit Debt Obligations." The objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with commitments extended by issuers, arrangements associated with conduit debt obligations, and related note disclosures. This Statement, originally effective for periods beginning after December 15, 2020, is postponed until December 15, 2021, due to the issuance of Statement No. 95. Management does not expect this Statement will have an impact on the financial statements.

In March 2020, the Governmental Accounting Standards Board (GASB) issued Statement No. 94, "Public-Private and Public-Public Partnerships and Availability Payment Arrangements." The objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). This Statement is effective for periods beginning after June 15, 2022. Management does not expect this Statement will have an impact on the financial statements.

In May 2020, the Governmental Accounting Standards Board (GASB) issued Statement No. 96, "Subscription-Based Information Technology Arrangements." This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement is effective for periods beginning after June 15, 2022. Management does not expect this Statement will have an impact on the financial statements.

In June 2020, the Governmental Accounting Standards Board (GASB) issued Statement No. 97, "Certain Component Unit Criteria and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans - an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32." This Statement provides guidance on the accounting and financial reporting related to the reporting of fiduciary component units. This Statement is effective for periods beginning after June 15, 2021. Management does not expect this Statement will have a significant impact on the financial statements.

NOTE 2: CASH AND CASH EQUIVALENTS

Custodial Credit Risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District's policy is based on New Jersey statutes requiring cash to be deposited only in New Jersey banking institutions that participate in the New Jersey Governmental Unit Deposit Protection Act (GUDPA) or in qualified investments established in NJSA 18A:20-37 that are treated as cash equivalents. The carrying amount of the District's cash and cash equivalents as of June 30, 2020 and 2019, was \$2,985,269 and \$1,417,008. As of June 30, 2020 and 2019, \$0 of the District's bank balance of \$3,125,052 and \$1,598,854, respectively, was exposed to Custodial Credit Risk.

NOTE 3: INVESTMENTS

As of June 30, 2020 and 2019, the District did not have any investments.

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

NOTE 3: INVESTMENTS (CONTINUED)

Interest Rate Risk - The District does not have a formal policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. However, NJSA 18A:20-37 limits the length of time for most investments to 397 days.

Credit Risk - NJSA 18A:20-37 limits District investments to those specified in the Statutes. The type of allowable investments are: Bonds of the United States of America or of the District or the local units in which the District is located; obligations of Federal agencies not exceeding 397 days; Government money market mutual funds; the State of New Jersey Cash Management Plan; local Government investment pools; or repurchase of fully collateralized securities.

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

NOTE 4: RECEIVABLES

Receivables as of June 30, 2020, (see Exhibit B-1 and B-4) consisted of intergovernmental and property taxes receivable. All receivables are considered collectible in full. A summary of the principal items of the intergovernmental receivables are as follows:

	Governmental Activities	Business- Type Activities
State aid	\$ 15,709	\$ 216
Township of Oldmans	500,097	
Other	59	
Other LEA's	10,010	228
Federal aid	54,642	2,295
	<u>\$ 580,517</u>	<u>\$ 2,739</u>

NOTE 5: INTERFUND RECEIVABLE AND PAYABLE

The following interfund balances remain on the balance sheet at June 30, 2020:

	Receivable	Payable
General Fund	\$ 91,767	\$ 441
Unemployment Trust	14,877	
Agency Fund	441	106,644
	<u>\$ 107,085</u>	<u>\$ 107,085</u>

The General Fund interfund is a result of interest earned during the year, state health benefits, and section 125 forfeitures. The Unemployment Trust interfund is a result of employee withholding not transferred.

NOTE 6: CAPITAL ASSETS

Activity for capital assets capitalized by the District group is summarized below for the fiscal year ended June 30, 2020.

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

NOTE 6: CAPITAL ASSETS (CONTINUED)

	Balance July 1, 2019	Additions	Disposals/ Adjustments	Balance June 30, 2020
Governmental activities:				
Capital assets not being depreciated:				
Construction in progress		\$ 215,188		215,188
Sites (land)	\$ 38,000			\$ 38,000
Total capital assets not being depreciated	38,000	215,188		253,188
Land improvements	429,912			429,912
Building & building improvements	6,957,522			6,957,522
Machinery & equipment	848,684	109,296	\$ 73,150	884,830
Totals at historical cost	8,236,118	109,296	73,150	8,272,264
Less: accumulated depreciation				
Land improvements	(126,525)	(21,646)		(148,171)
Building & building improvements	(2,944,736)	(151,992)		(3,096,728)
Machinery & equipment	(495,939)	(48,838)	51,240	(493,537)
Total accumulated depreciation	(3,567,200)	(222,476)	51,240	(3,738,436)
Governmental activities capital assets, net	\$ 4,706,918	\$ (113,180)	\$ 124,390	\$ 4,787,016
Food service				
Machinery & equipment	\$ 134,400			\$ 134,400
Less: accumulated depreciation	(134,400)			(134,400)
Business-type capital assets, net	None	None	None	None
Childcare				
Machinery & equipment	\$ 6,600			\$ 6,600
Less: accumulated depreciation	(6,105)	\$ (330)		(6,435)
Total	\$ 495	\$ (330)	None	\$ 165

Depreciation was charged to the following governmental programs:

Instruction	\$ 4,068
Support administration	212
Operation and maintenance	1,073
Transportation	28,546
Unallocated	188,577
Total	<u>\$ 222,476</u>

NOTE 7: GENERAL LONG-TERM DEBT

Bonds are authorized in accordance with State law by the voters of the municipality through referendums. All bonds are retired in serial installments within the statutory period of usefulness. Bonds issued by the Board are General Obligation Bonds.

Permanently funded debt as of June 30, 2020, consisted of the following:

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

NOTE 7: GENERAL LONG-TERM DEBT (CONTINUED)

On May 20, 2020, the District issued School Bonds in the amount of \$2,254,000, to undertake renovations, alterations, and improvements. The bonds are payable in annual installments through April 4, 2040. Interest is paid semi-annually at an interest rate of 2.75%. The remaining balance as of June 30, 2020, was \$2,254,000.

Long-Term Obligation Activity

Changes in long-term obligations for the fiscal year ended June 30, 2020, are as follows:

	Balance July 1, 2019	Additions	Deductions	Balance June 30, 2020	Due Within One Year
Compensated absences	\$ 101,328	\$ 4,486	\$ 2,003	\$ 103,811	
Bonds payable	185,000	2,254,000	185,000	2,254,000	\$ 75,000
	<u>\$ 286,328</u>	<u>\$ 2,258,486</u>	<u>\$ 187,003</u>	<u>\$ 2,357,811</u>	<u>\$ 75,000</u>

Bonds Payable

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

Year Ended June 30,	Principal	Interest	Total
2021	\$ 75,000	\$ 53,548	\$ 128,548
2022	149,000	59,923	208,923
2023	90,000	55,825	145,825
2024	90,000	53,350	143,350
2025	95,000	50,875	145,875
2026-2030	510,000	214,225	724,225
2031-2035	590,000	139,700	729,700
2036-2040	655,000	54,725	709,725
	<u>\$ 2,254,000</u>	<u>\$ 682,171</u>	<u>\$ 2,936,171</u>

Bonds Authorized but Not Issued

As of June 30, 2020, the Board has \$0 of bonds authorized but not issued.

Other

Interest paid on debt issued by the District is exempt from federal income tax. Because of this, bond holders are willing to accept a lower interest rate than they would on taxable debt. The District temporarily reinvests the proceeds of such debt in higher-yielding taxable securities, especially during construction projects. The federal tax code refers to this as arbitrage.

Earnings in excess of the yield on the debt issue are rebated to the federal government based on the requirements in the Internal Revenue Code. Arbitrage rebate payable represents amounts due to the Internal Revenue Service for interest earned on unspent bond proceeds that exceeds legally allowable returns.

Rebatable arbitrage liabilities related to District debt are not recorded in Governmental Funds. There is no recognition in the balance sheet or income statement until rebatable amounts are due and payable to the Federal Government. Thus, rebatable arbitrage liabilities related to

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

NOTE 7: GENERAL LONG-TERM DEBT (CONTINUED)

Other (Continued) governmental debt will be accrued as incurred at least annually (at fiscal year-end) on the District-wide financial statements.

For the year ended June 30, 2020, it is not necessary for the Board to establish a liability for arbitrage rebate.

Compensated absences are recorded as long-term liabilities due in more than one year.

NOTE 8: PENSION FUNDS

Description of Plans - All eligible employees of the District are covered by the Public Employees' Retirement System, (PERS), or Teachers' Pension and Annuity Fund (TPAF) a cost-sharing, multiple-employer defined benefit pension plan which has been established by state statute and is administered by the New Jersey Division of Pension and Benefits (Division). According to the State of New Jersey Administrative Code, all obligations of the System will be assumed by the State of New Jersey should the Systems terminate. The Division issues a publicly available financial report that includes the financial statements and required supplementary information for the Public Employees' Retirement System and the Teachers' Pension and Annuity Fund. The reports may be obtained by writing to the Division of Pensions and Benefits, P.O. Box 295, Trenton, New Jersey 08625-0295 or can be accessed on the internet at: <http://www.state.nj.us/treasury/pensions/financial-reports.shtml>.

Teachers' Pension and Annuity Fund (TPAF) - The Teachers' Pension and Annuity Fund was established as of January 1, 1955, under the provisions of NJSA 18A:66 to provide retirement benefits, death, disability, and medical benefits to certain qualified members. The Teachers' Pension and Annuity Fund is considered a cost-sharing, multiple-employer plan with a special funding situation, as under current statute, all employer contributions are made by the State of New Jersey on behalf of the District and the system's other related non-contributing employers. Membership is mandatory for substantially all teachers or members of the professional staff certified by the State Board of Examiners and employees of the Department of Education who have titles that are unclassified, professional, and certified.

Public Employees' Retirement System (PERS) - The Public Employees' Retirement System (PERS) was established as of January 1, 1955, under the provisions of NJSA 43:15A to provide retirement, death, disability and medical benefits to certain qualified members. The Public Employees' Retirement System is a cost-sharing, multiple-employer plan. Membership is generally required for substantially all full-time employees of the State or any county, municipality, school district or public agency provided the employee is not a member of another state-administered retirement system or other state or local jurisdiction.

Funding Policy - The contribution policy is set by NJSA 43:15A, Chapter 62, P.L. of 1994, Chapter 115, P.L. of 1997, and NJSA 18:66 and requires contributions by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. The TPAF and PERS provide for employee contributions of 7.5% of employees' annual compensation, as defined. Employers are required to contribute at an actuarially determined rate in the PERS. The actuarially determined contribution includes funding for, cost-of-living adjustments, non-contributory death benefits, and post-retirement medical premiums.

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

NOTE 8: PENSION FUNDS (CONTINUED)

Funding Policy (Continued)

The District's contributions to the PERS for the years ending June 30, 2020, 2019, and 2018, were \$58,745, \$67,507, and \$59,870, respectively, equal to the required contributions for each year. The School District's share of the TPAF on-behalf for the years ending June 30, 2020, 2019, and 2018, was \$511,962, \$474,998, and \$347,302, respectively, paid by the State of New Jersey on behalf of the Board, which equaled the required contributions for each year.

Also, in accordance with NJSA 18A:66-66 the State of New Jersey reimbursed the District for the years ending June 30, 2020, 2019, and 2018; \$140,779, \$131,576, and \$126,040, for the employer's share of Social Security contributions for the TPAF members, as calculated on their base salaries. This amount has been included in the financial statements and the combining and individual fund and account group statements and schedules as a revenue and expenditure in accordance with GASB 27.

The Board's total payroll for the years ending June 30, 2020, 2019, and 2018, was \$2,828,560, \$2,774,613, and \$2,685,953; covered payroll was \$2,015,143, \$1,895,092, and \$1,800,373, for the TPAF and \$446,869, \$462,874, and \$470,169, for the PERS.

For the year ended June 30, 2020, the District recognized pension expense of \$69,711. As of June 30, 2020, the District reported deferred outflows of resources and deferred inflows of resources related to the PERS from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumptions		\$ 327,960
Net difference between expected and actual experience		10,203
Net difference between projected and actual earnings on pension plan investments		27,312
Changes in proportion and differences between District contributions and proportionate share of contributions		89,501
District contributions subsequent to the measurement date	\$ 58,365	
	\$ 58,365	\$ 454,976

\$58,365, reported as deferred outflows of resources related to pensions resulting from School District contributions subsequent to the measurement date (i.e. for the school year ending June 30, 2020, the plan measurement date is June 30, 2019) will be recognized as a reduction of the net pension liability in the year ended June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

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

NOTE 8: PENSION FUNDS (CONTINUED)

Funding Policy (Continued)

Year Ended	Amount
June 30,	
2021	\$ (80,789)
2022	(153,521)
2023	(127,825)
2024	(80,845)
2025	(11,996)
Thereafter	None
	<u>\$ (454,976)</u>

Additional information – Collective balances at June 30, 2019 and 2018, are as follows:

	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	<u>18,018,482,972</u>	<u>19,689,501,539</u>
District's proportion	0.0060002749%	0.0067314300%

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

The contribution requirements of plan members are determined by State statute. In accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members are required to contribute 5.5% of their annual covered salary. The State Treasurer has the right under the current law to make temporary reductions in member rates based on the existence of surplus pension assets in the retirement system; however, state statute also requires the return to the normal rate when such surplus pension assets no longer exist. In addition to the employee contributions, the School District's contributes amounts for each pay period to Prudential Financial not later than the fifth business day after the date on which the employee is paid for that pay period. The School District's contributions for the years ending June 30, 2020, 2019, and 2018, were \$4,499, \$5,214, and \$5,216, for covered employees.

NOTE 9: POSTEMPLOYMENT BENEFITS

The State of New Jersey Provides employer-paid coverage to members of the TPAF who retire from a board of education or county college with 25 year of service or on a disability retirement. Under the provision of Chapter 126, P.L. 1992, the State also provides employer-paid coverage to members of PERS and Alternate Benefits Program (ABP) who retire from a board of education or county college with 25 years of service or on a disability retirement if the member's

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

NOTE 9: POSTEMPLOYMENT BENEFITS (CONTINUED)

employer does not provide this coverage. Certain local participating employers also provide post-retirement medical coverage to their employees. Retirees who are not eligible for employer paid health coverage at retirement can continue in the program if their employer participates in this program or if they are participating in the health benefits plan of their former employer and are enrolled in Medicare Parts A and B by paying the cost of the insurance for themselves and their covered dependents. In Fiscal Year 2019, the State paid PRM benefits for 153,893 State and local retirees.

The State funds post-retirement medical benefits on a “pay-as-you-go” basis, which means that the State does not pre-fund, or otherwise establish a reserve or other pool of assets against the PRM expenses that the State may incur in future years. For Fiscal Year 2019, the State contributed \$1.908 billion to pay for pay-as-you-go PRM benefit costs incurred by covered retirees. The State’s “pay-as-you-go” contributions have remained consistent with Fiscal Year 2018 amounts. The State has appropriated \$1.612 billion in Fiscal Year 2020 as the State’s contribution to fund pay-as-you-go PRM costs.

In accordance with the provisions of GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions, the State is required to quantify and disclose its obligations to pay Other Postemployment Benefits (OPEB) to retired plan members. This new standard supersedes the previously issued guidance, GASB Statement No. 45, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions, effective for Fiscal Year 2018. The State is now required to accrue a liability in all instances where statutory language names the State as the legal obligor for benefit payments. The Fiscal Year 2019 total State OPEB liability to provide these benefits is \$76.0 billion, a decrease of \$14.5 billion or 16 percent from the \$90.5 billion liability recorded in Fiscal Year 2018.

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

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

Total Non-Employer OPEB Liability

The State of New Jersey, a nonemployer contributing entity, is the only entity that has a legal obligation to make employer contributions to OPEB for qualified retired PERS and TPAF participants. The School District’s proportionate share percentage determined under paragraphs 193 and 203 through 205 of GASBS No. 75 is zero percent. Accordingly, the School District did not recognize any portion of the collective net OPEB liability on the Statement of Net Position. Accordingly, the following OPEB liability note information is reported at the State’s level and is not specific to the Board of Education/Board of Trustees. The State’s proportionate share of the net OPEB liability associated with the School District as of June 30, 2020, was \$9,200,201. Since the OPEB liability associated with the School District is 100% attributable to the State, the OPEB liability will be referred to as the total non-employer OPEB liability. Note that actual numbers will be published in the NJ State’s CAFR at: <https://www.state.nj.us/treasury/pensions/gasb-notices.shtml>.

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

NOTE 9: POSTEMPLOYMENT BENEFITS (CONTINUED)

Total Non-Employer OPEB Liability (Continued)

Actuarial assumptions and other imputes. The total OPEB liability in the June 30, 2020, actuarial valuation reported by the State in the State's most recently issued CAFR was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified.

Inflation	2.50%
Salary increases	Differs by pension group (e.g. - PERS, TPAF) See Actuarial Assumptions in the Notes to Required Supplementary Information - Note 4
Discount rate	3.50%

The discount rate was based on the Bond Buyer General Obligation 20-Bond Municipal Bond index.

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 and PERS, respectively.

The below table summarizes the changes in the Total OPEB liability reported by the State of New Jersey:

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

NOTE 9: POSTEMPLOYMENT BENEFITS (CONTINUED)

Total Non-Employer OPEB Liability (Continued)

	Total OPEB Liability	
	June 30, 2018	June 30, 2019
Balance at beginning of measurement period	\$ 53,639,841,858	\$ 46,110,832,982
Changes for the year:		
Service cost	1,984,642,729	1,734,404,850
Interest	1,970,236,232	1,827,787,206
Changes of benefit terms	-	-
Differences between expected and actual experience	(5,002,065,740)	(7,323,140,818)
Changes in assumptions or other inputs	(5,291,448,855)	622,184,027
Contributions - Member	42,614,005	37,971,171
Benefit payments	(1,232,987,247)	(1,280,958,373)
Net changes	<u>(7,529,008,876)</u>	<u>(4,381,751,937)</u>
Balance at end of measurement period	<u>\$ 46,110,832,982</u>	<u>\$ 41,729,081,045</u>

There were no changes in benefit terms from 2017 to 2018 and 2019.

Changes in assumptions and other inputs reflect a change in the discount rate from 3.58% in 2017 to 3.87% in 2018 to 3.50% in 2019.

Sensitivity of the Total Non-Employer OPEB Liability to Changes in the Discount Rate -

The State's proportionate share of the total non-employer OPEB liability as of June 30, 2019, associated with the School District using a discount rate of 3.5%, as well as using a discount rate that is 1-percent-point lower or 1-percent-point higher than the current discount rate.

	1% Decrease 2.50%	Current Rate 3.50%	1% Increase 4.50%
Total OPEB Liability (School Retirees)	\$ 9,200,201	\$ 7,787,573	\$ 6,665,459

Sensitivity of the Total Non-Employer OPEB Liability to Changes in Healthcare Cost

Trend Rates - The State's proportionate share of the total non-employer OPEB liability as of June 30, 2019, associated with the School District, using a healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates.

	Healthcare Cost		
	1% Decrease	Trend Rate	1% Increase
Total OPEB Liability (School Retirees)	\$ 6,416,613	\$ 7,787,573	\$ 9,602,442

Additional information – Collective balances as of June 30, 2019 and 2018, are as follows:

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

NOTE 9: POSTEMPLOYMENT BENEFITS (CONTINUED)

Sensitivity of the Total Non-Employer OPEB Liability to Changes in Healthcare Cost Trend Rates (Continued)

	June 30, 2019	June 30, 2018
Collective deferred outflows of resources	\$ 1,921,145,183	\$ 1,377,313,892
Collective deferred inflows of resources	20,887,639,826	16,189,378,926
Collective OPEB Expense	<u>1,015,664,874</u>	<u>2,129,660,368</u>
District's proportion	0.02%	0.02%

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the fiscal year ended June 30, 2020, the Board of Education recognized \$43,293 in OPEB expense and revenue, in the government-wide financial statements, for the State's proportionate share of the OPEB Plan's OPEB expense associated with the School District. This expense and revenue were based on the OPEB Plan's June 30, 2019, measurement date.

In accordance with GASBS No. 75, the School District's proportionate share of the OPEB liability is zero. As such, there is no recognition of the allocation of proportionate share of deferred outflows of resources and deferred inflows of resources. As of June 30, 2020, the State reported deferred outflows of resources and deferred inflows of resources related to retired school employee's OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience		\$ (10,484,965,300)
Changes of assumptions or other inputs		<u>(8,481,529,343)</u>
Total	<u>None</u>	<u>\$ (18,966,494,643)</u>

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

<u>Year Ended June 30,</u>	
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	<u>(6,233,858,733)</u>
	<u>\$ (18,966,494,643)</u>

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

NOTE 10: COMPENSATED ABSENCES

The District accounts for compensated absences using the termination method (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 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.

District employees are granted varying amounts of vacation and sick leave in accordance with the District's personnel policies. The District's policy permits Association employees to accumulate 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 if the employee has a minimum of 100 days in accordance with District's agreements with the various employee unions. The District uses the vesting method to record the liability.

For the District-wide *Statement of Net Position* the liabilities whose average maturities are greater than one year should be reported in two components - the amount due within one year and the amount due in more than one year. The liability for compensated absences in the Governmental Fund as of June 30, 2020, is \$103,811. The liability for compensated absences in the Food Service Fund as of June 30, 2020, is \$820.

NOTE 11: DEFERRED COMPENSATION

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

ING
Lincoln Investment Planning, Inc.

NOTE 12: LABOR CONTRACTS

As of June 30, 2020, the District's teachers, school nurses, LDT-C, social workers, guidance counselors, and psychologists are organized in the Oldmans Education Association collective bargaining unit, which expired on June 30, 2020.

NOTE 13: OTHER EMPLOYEE BENEFITS PLAN

The District established and maintains a cafeteria plan for health benefits required by NJSA 18A:16-19.1 as amended by P.L. 2011, c.78, s.51. Effective January 1, 2000, Oldmans Township School District entered into a pre-tax benefits plan with Flex One. The purpose of the plan is to provide eligible employees with the opportunity to choose from among the fringe benefits under the plan. The plan is intended to qualify as a cafeteria plan under the provisions of Internal Revenue Code Section 125. The Dependent Care Expense Reimbursement Plan is intended to qualify as Internal Revenue Code Section 129 dependent care assistance plan, and the Medical Care Expense Reimbursement Plan it intended to qualify as Internal Revenue Code Section 105 medical reimbursement plan. The maximum amount, which a participant may

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

NOTE 13: OTHER EMPLOYEE BENEFITS PLAN (CONTINUED)

make as contributions, shall be \$2,000 for medical care expenses and \$5,000 for dependent childcare expenses.

NOTE 14: RISK MANAGEMENT

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

Property and Liability Insurance:

The District maintains commercial insurance coverage for property, liability, and surety bonds. A complete schedule of insurance coverage can be found in the Statistical Section (Exhibit J-20) of this Comprehensive Annual Financial Report. During the fiscal year ended the District did not incur claims in excess of their coverage amounts.

The District is a member of the Gloucester, Cumberland, Salem School Districts Joint Insurance Fund (GCSSD). The purpose of this is to permit member Boards of Education to make use of their powers and resources by cooperating on a basis that will be of mutual advantage and to provide a procedure for development, administration, and provision of Risk Management Programs, a Joint Self Insurance Fund, Joint Insurance Purchases, and related services for members and their employees for the following:

Property and Liability Insurance Continued):

- Workers Compensation and Employers Liability
- Automobile and Equipment Liability
- General Liability and Property Damage
- School Board Legal Liability
- Boiler and Machinery

New Jersey Unemployment Compensation Insurance:

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

Fiscal Year	Interest Contributions	Employee Contributions	Amount Reimbursed	Ending Balance
2019-2020	\$ 1	\$ 5,308		\$ 121,994
2018-2019	1	5,110		116,685
2017-2018	1	5,182		111,574

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

NOTE 15: OPERATING LEASES

The District had a commitment to lease copy machines under non-cancelable operating leases for 60 months, which expires in December 2020. The monthly payment is \$463 a month. Total lease payments made during the year ended June 30, 2020, amounted to \$5,550.

Year Ended June 30,	Amount
2021	\$ 2,313
	\$ 2,313

NOTE 16: CAPITAL RESERVE ACCOUNT

A capital reserve account was established by the Board of Education, 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 District's approved Long-Range Facilities Plan (LRFP). Upon submission of the LRFP to the department, a 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 of any unanticipated revenue or unexpended line-item appropriation amounts, or both. A district may also appropriate additional amounts when the express approval of the voters has been obtained either by a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to NJSA 19:60-2. Pursuant to NJAC 6A:23A-14.1(g), the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

The June 30, 2020, LRFP balance does not exceed the capital reserve balance.

Beginning balance, July 1, 2019	\$ 200,000	
Interest earnings	287	
Ending balance, June 30, 2020	\$ 200,287	

NOTE 17: MAINTENANCE RESERVE FUND

New Jersey Administrative Code 6A:23A-14.2 permits school districts to establish a maintenance reserve account for the required maintenance of the District's facilities, in accordance with the Commissioner approved plan. The District can increase the balance in this reserve account by appropriating funds in the annual general fund budget certified for taxes or by deposit of any unanticipated revenue or unexpended line-item appropriation by Board resolution at year-end.

The maintenance reserve activity for June 30, 2020, was as follows:

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

NOTE 17: MAINTENANCE RESERVE FUND (CONTINUED)

Beginning balance, July 1, 2019	\$ 401,483
Interest earnings	<u>576</u>
Ending balance, June 30, 2020	<u><u>\$ 402,059</u></u>

NOTE 18: FUND BALANCE APPROPRIATED

Restrictions of fund balances of Governmental Funds are established to either (1) satisfy legal covenants that require a portion of the fund balance to be segregated or (2) identify the portion of the fund balance that is not appropriate for future expenditures.

The District uses restricted/committed amounts to be spent first when both restricted and unrestricted fund balance is available unless there are legal documents/contracts that prohibit doing this, such as a grant agreement requiring dollar for dollar spending. Additionally, the District does not have a formal fund balance spending policy therefore, the default spending order requires committed, assigned, and then unassigned to be used/spent first when expenditures are made.

The District follows the State of New Jersey's minimum fund balance policy for New Jersey Public School Districts (NJSA 18A:7F-7). Pursuant to that policy, an undesignated fund balance of 2% of the general fund budget or \$250,000, whichever is greater may be maintained.

Specific classifications of fund balance are summarized below:

Non-Spendable Fund Balance - The District had no non-spendable fund balance as of June 30, 2020.

Restricted Fund Balance:

Capital Reserve Account - The District has a \$200,287 capital reserve account as of June 30, 2020.

Maintenance Reserve Account - The balance in the maintenance reserve account as of June 30, 2020, was \$402,059. These funds are restricted for required maintenance of school facilities in accordance with the Educational Facilities Construction and Financing Act (EFCFA), (NJSA 18A:7G-9) as amended by P.L. 2004, c.73 (S1701).

Excess Surplus - At June 30, 2020, excess surplus created in FY 2019 of \$74,902 will be utilized for expenditures in the 2020-2021 budget, while excess surplus created in FY 2020 of \$395,936 is restricted and will be utilized for budget expenditures in 2021-2022.

Debt Service Fund - As of June 30, 2020, there was \$0 fund balance.

Committed Fund Balance - The District had no committed fund balance as of June 30, 2020.

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

NOTE 18: FUND BALANCE APPROPRIATED (CONTINUED)

Assigned Fund Balance - As of June 30, 2020, the Board has assigned \$0 of General Fund balance to expenditures in the 2020-2021 budget. \$96,262 was assigned for other purposes as of the year end. This represents encumbrances resulting from issuing purchase orders as a result of normal purchasing activities approved by District officials.

Unassigned Fund Balance - As of June 30, 2020, the District has \$61,065 of unassigned fund balance in the General Fund.

NOTE 19: CALCULATION OF EXCESS SURPLUS

The designation of Reserve Fund Balance - Excess surplus is a required calculation pursuant NJSA 18A:7F-7, as amended. 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 as of June 30, 2020, is \$403,838.

NOTE 20: ECONOMIC DEPENDENCY

The District is heavily reliant on state aid and local tax levy to fund the District operations. State and federal sources funded approximately 48.3% and taxes funded 50.6% of the District's 2019-2020 governmental operations excluding capital projects.

NOTE 21: TAX ABATEMENTS

As defined by the Governmental Accounting Standards Board (GASB), a tax abatement is an agreement between a government and an individual or entity in which the government promises to forgo tax revenues and the individual or entity promises to subsequently take a specific action that contributes to economic development or otherwise benefits the government or its citizens. School districts are not authorized by New Jersey statute to enter into tax abatement agreements. However, the county or municipality in which the school district is situated may have entered into tax abatement agreements, and that potential must be disclosed in these financial statements. If the county or municipality entered into tax abatement agreements, those agreements will not directly affect the school district's local tax revenue because NJSA 54:4-75 and NJSA 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 NJSA 18A:7F-5(b), the loss of revenue resulting from the municipality or county having entered into a tax abatement agreement is indeterminate due to the complex nature of the calculation of required local share performed by the New Jersey Department of Education based upon district property value and wealth.

The Township of Oldmans did not have any tax abatements for the year ended December 31, 2019. However, the Township audit does not provide the note disclosure information.

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

NOTE 22: COMMITMENTS AND CONTINGENCIES

The School District participates in federal and state assisted grant programs. These programs are subject to program compliance audits by the grantors or their representatives. The School District is potentially liable for expenditures which may be disallowed pursuant to the terms of these grant programs. Management is not aware of any material items of non-compliance which would result in the disallowance of program expenditures.

It is the opinion of the administration and legal counsels, that there exists no litigation or contingent liability that may be pending against the Oldmans Township School District that would have a material or adverse effect on the Board or the financial position of the District.

NOTE 23: SUBSEQUENT EVENTS

Management has reviewed and evaluated all events and transactions that occurred between June 30, 2020 and December 15, 2020, the date that the financial statements were issued. As a result of the spread of the COVID-19 coronavirus, economic uncertainties have arisen which are likely to negatively impact the collection of certain anticipated revenues, such as interest, food service revenues, and child-care fees. Other financial impact could occur though such potential impact is unknown at this time.

REQUIRED SUPPLEMENTARY INFORMATION - PART II

BUDGETARY COMPARISON SCHEDULES

OLDMANS TOWNSHIP SCHOOL DISTRICT
 Budgetary Comparison Schedule -
 General Fund
 For the Fiscal Year Ended June 30, 2020

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES:					
Local sources:					
Local tax levy	\$ 3,000,577		\$ 3,000,577	\$ 3,000,577	
Transportation fees	20,000		20,000	20,020	\$ 20
Interest on investments	5,000		5,000	2,430	(2,570)
Miscellaneous				46,808	46,808
Total - local sources	<u>3,025,577</u>		<u>3,025,577</u>	<u>3,069,835</u>	<u>44,258</u>
State sources:					
Transportation aid	136,526		136,526	136,526	
Equalization aid	993,810		993,810	993,810	
Special education categorical aid	159,315		159,315	159,315	
Security aid	44,735		44,735	44,735	
Adjustment aid	201,840		201,840	201,840	
School choice aid	602,388		602,388	602,388	
Extraordinary aid				15,122	15,122
Teachers' pension and annuity fund (on-behalf non-budgeted)				372,960	372,960
TPAF post-retirement (on-behalf non-budgeted)				138,362	138,362
TPAF long-term disability insurance (on-behalf non-budgeted)				640	640
Reimbursed TPAF social security contributions (non-budgeted)				140,779	140,779
Total - state sources	<u>2,138,614</u>		<u>2,138,614</u>	<u>2,806,477</u>	<u>667,863</u>
Total revenues	<u>\$ 5,164,191</u>		<u>\$ 5,164,191</u>	<u>\$ 5,876,312</u>	<u>\$ 712,121</u>

OLDMANS TOWNSHIP SCHOOL DISTRICT
Budgetary Comparison Schedule -
General Fund
For the Fiscal Year Ended June 30, 2020

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES:					
Current expense:					
Regular programs - instruction:					
Salaries of teachers:					
Preschool	\$ 33,958	\$ 2,756	\$ 36,714	\$ 35,572	\$ 1,142
Kindergarten	170,371		170,371	168,655	1,716
Grades 1-5	829,735	15,316	845,051	845,050	1
Grades 6-8	438,602	(5,509)	433,093	422,870	10,223
Regular programs - home instruction:					
Salaries of teachers	1,001		1,001		1,001
Regular programs - undistributed instruction:					
Other salaries for instruction	1,000	12,364	13,364	13,364	
Purchased professional - education services		85	85	85	
Purchased technical services	500		500	101	399
Other purchased services (400-500 series)	50,000	(16,237)	33,763	28,119	5,644
General supplies	142,097	(42,832)	99,265	95,965	3,300
Textbooks	30,000	12,367	42,367	42,349	18
Other objects	500		500		500
Total regular programs	1,697,764	(21,690)	1,676,074	1,652,130	23,944
Multiple disabilities:					
Salaries of teachers		60,300	60,300	60,300	
Other salaries for instruction		23,640	23,640	15,033	8,607
Total multiple disabilities		83,940	83,940	75,333	8,607
Resource room:					
Salaries of teachers	157,417		157,417	155,738	1,679
Other salaries for instruction	79,063	(15,033)	64,030	30,846	33,184
General supplies	1,000		1,000		1,000
Textbooks	1,000	(1,000)			
Total resource room	238,480	(16,033)	222,447	186,584	35,863
Total special education	238,480	67,907	306,387	261,917	44,470
School sponsored co-curricular activities:					
Salaries	15,201		15,201	9,360	5,841
General supplies	240		240		240
Total school sponsored co-curricular activities	15,441		15,441	9,360	6,081
School sponsored athletics - instruction:					
Salaries	4,900		4,900	4,339	561
Purchased services (300-500 series)	500		500	475	25
General supplies	1,300		1,300		1,300
Total school sponsored athletics - instruction	6,700		6,700	4,814	1,886
Total other instructional programs	22,141		22,141	14,174	7,967
Total - instruction	1,958,385	46,217	2,004,602	1,928,221	76,381

OLDMANS TOWNSHIP SCHOOL DISTRICT
Budgetary Comparison Schedule -
General Fund
For the Fiscal Year Ended June 30, 2020

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undistributed expenditures:					
Instruction:					
Tuition to Other LEA's within state - regular	250,690	35,587	286,277	286,276	1
Tuition to Other LEA's within state - special	41,050	54,358	95,408	95,408	
Tuition to county voc. school district - regular	259,200	30,218	289,418	289,417	1
Tuition to county special services district/ regional day schools	180,210	(90,628)	89,582	89,582	
Total undistributed expenditures - instruction	731,150	29,535	760,685	760,683	2
Attendance & social work					
Salaries	25,619	(518)	25,101	12,812	12,289
Total attendance & social work	25,619	(518)	25,101	12,812	12,289
Health services:					
Salaries	70,185		70,185	69,306	879
Purchased professional - technical services	5,500	(1,167)	4,333	2,370	1,963
Other purchased services (400-500 series)	675		675		675
Supplies and materials	2,000		2,000	1,855	145
Total health services	78,360	(1,167)	77,193	73,531	3,662
Related services:					
Salaries of other professional staff	40,191		40,191	40,191	
Purchased professional - education services	600	1,890	2,490	2,490	
General supplies	750	128	878	878	
Total related services	41,541	2,018	43,559	43,559	
Extraordinary services:					
Salaries other professional staff	58,557	(13,615)	44,942	30,732	14,210
Purchased professional - education services	52,981	42,519	95,500	65,838	29,662
Total extraordinary services	111,538	28,904	140,442	96,570	43,872
Guidance services:					
Salaries of other professional staff	68,755		68,755	68,485	270
Purchased services (400-500 series)	420		420		420
Supplies and materials	1,120	(600)	520	317	203
Total guidance services	70,295	(600)	69,695	68,802	893
Child study team:					
Purchased professional - educational services	14,414	1,169	15,583	15,582	1
Total child study team	14,414	1,169	15,583	15,582	1
Improvement of instructional services:					
Salary of supervisor of instruction	94,797	2,471	97,268	97,267	1
Salaries of secretarial and clerical assistants	14,549	(2,476)	12,073	9,033	3,040
Purchased professional - educational services	5,000	(4,534)	466		466
Purchased services (400-500 series)	4,192		4,192	1,670	2,522
Total improvement of instructional services	118,538	(4,539)	113,999	107,970	6,029

OLDMANS TOWNSHIP SCHOOL DISTRICT
Budgetary Comparison Schedule -
General Fund
For the Fiscal Year Ended June 30, 2020

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Educational media services/school library:					
Salaries	71,838		71,838	68,704	3,134
Purchased professional - technical services	7,400		7,400		7,400
Supplies and materials	5,115		5,115	3,689	1,426
Total educational media services/school library	84,353		84,353	72,393	11,960
Instructional staff training:					
Purchased professional - educational services	7,000	(1,720)	5,280	1,483	3,797
Purchased services (400-500 series)	3,500	250	3,750	3,434	316
Supplies and materials	2,000	(805)	1,195		1,195
Total instructional staff training	12,500	(2,275)	10,225	4,917	5,308
Support services general administration:					
Salaries	109,700		109,700	109,700	
Legal services	14,832	5,277	20,109	19,734	375
Audit Fees	16,000	2,124	18,124	18,124	
Other purchased professional services	4,000	3,500	7,500	7,500	
Communications/telephone	19,000	(4,903)	14,097	14,083	14
BOE other purchased services	1,300	300	1,600	1,600	
Other purchased services (400-500 series)	9,313	2,840	12,153	9,597	2,556
Supplies and materials	1,700	515	2,215	2,214	1
Miscellaneous expenditures	400	1,150	1,550	1,550	
BOE Member dues/fees	6,000	(2,601)	3,399	3,398	1
Total support services general administration	182,245	8,202	190,447	187,500	2,947
Support services school administration:					
Salaries of principals/assistant principals	37,242	9,154	46,396	46,362	34
Other purchased services (400-500 series)	2,000	(2,000)			
Supplies and materials	2,900	(2,065)	835	652	183
Total support services school administration	42,142	5,089	47,231	47,014	217
Central services:					
Salaries	140,290	(850)	139,440	138,959	481
Purchased professional services		11,100	11,100	11,100	
Other purchased services (400-500 series)	13,600	2,894	16,494	16,489	5
Supplies and materials	1,555	(550)	1,005	996	9
Other objects	1,200	730	1,930	1,930	
Total central services	156,645	13,324	169,969	169,474	495
Administrative information technology					
Purchased technical services		3,391	3,391	3,386	5
Total administrative information technology		3,391	3,391	3,386	5
Required maintenance:					
Cleaning, repair, and maintenance services	104,366	(62,448)	41,918	31,715	10,203
General supplies	9,907		9,907	1,910	7,997
Total required maintenance	114,273	(62,448)	51,825	33,625	18,200

OLDMANS TOWNSHIP SCHOOL DISTRICT
Budgetary Comparison Schedule -
General Fund
For the Fiscal Year Ended June 30, 2020

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Custodial services					
Other salaries	122,443		122,443	119,476	2,967
Salaries of non-instructional aides	33,376	15,646	49,022	49,021	1
Purchased professional - technical services	22,000	(19,743)	2,257		2,257
Cleaning, repair and maintenance services	58,136	(5,599)	52,537	39,229	13,308
Other purchased property services	4,000		4,000	2,373	1,627
Insurance	13,500		13,500	13,500	
Miscellaneous other purchased services	9,050	(9,050)			
General supplies	27,061		27,061	24,440	2,621
Energy (heat and electricity)	131,000		131,000	124,078	6,922
Total custodial services	420,566	(18,746)	401,820	372,117	29,703
Total operation & maintenance of plant services	534,839	(81,194)	453,645	405,742	47,903
Student transportation services:					
Salaries transportation aides	12,939		12,939		12,939
Salaries for pupil transportation - between home and school - regular	69,118		69,118	60,095	9,023
Salaries for pupil transportation - between home and school - special	4,193		4,193	677	3,516
Salaries for pupil transportation - other than between home and school	5,639		5,639	1,470	4,169
Cleaning, repair and maintenance services	32,993		32,993	13,757	19,236
Aid in lieu - nonpublic	15,500	(615)	14,885	4,335	10,550
Contracted services (between home and school) - vendors		37,671	37,671	16,767	20,904
Contracted services (other than between home and school) - vendors	2,000	(275)	1,725	345	1,380
Contracted services (special students) ESC's and CTSA	72,018	34,883	106,901	58,373	48,528
Miscellaneous purchased service - transportation	6,100	3,550	9,650	9,650	
Supplies and materials	30,000	(1,260)	28,740	21,965	6,775
Total student transportation services	250,500	73,954	324,454	187,434	137,020
Regular programs - instructional - employee benefits:					
Health benefits	1		1		1
Other employee benefits	38,593	19,581	58,174	58,172	2
Total regular programs instructional - employee benefits	38,594	19,581	58,175	58,172	3

OLDMANS TOWNSHIP SCHOOL DISTRICT
Budgetary Comparison Schedule -
General Fund
For the Fiscal Year Ended June 30, 2020

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Total allocated benefits	38,594	19,581	58,175	58,172	3
Unallocated benefits:					
Social security contributions	55,510	24,302	79,812	54,286	25,526
Other retirement - PERS	67,069		67,069	63,244	3,825
Unemployment compensation	5,000		5,000		5,000
Workmen's compensation	23,215		23,215	18,379	4,836
Health benefits	874,983	(223,063)	651,920	620,346	31,574
Tuition reimbursement	14,500	(1,500)	13,000	10,000	3,000
Other employee benefits	10,793	25,587	36,380	4,020	32,360
Total unallocated benefits	1,051,070	(174,674)	876,396	770,275	106,121
Teachers' Pension and Annuity Fund (on-behalf non-budgeted)				372,960	(372,960)
TPAF post-retirement (on-behalf non-budgeted)				138,362	(138,362)
TPAF long-term disability insurance (on-behalf non-budgeted)				640	(640)
Reimbursed TPAF social security contributions (non-budgeted)				140,779	(140,779)
Total non-budgeted				652,741	(652,741)
Total personal services - employee benefits	1,089,664	(155,093)	934,571	1,481,188	(546,617)
Total undistributed expenditures	3,544,343	(79,800)	3,464,543	3,738,557	(274,014)
Total expenditures - current expense	5,502,728	(33,583)	5,469,145	5,666,778	(197,633)

OLDMANS TOWNSHIP SCHOOL DISTRICT
Budgetary Comparison Schedule -
General Fund
For the Fiscal Year Ended June 30, 2020

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
CAPITAL OUTLAY:					
Equipment: - undistributed expenditures:					
Instruction	20,000	4,571	24,571	24,563	8
Administrative information technology		17,790	17,790	17,771	19
Required maintenance		426	426		426
School buses - regular	100,000	6,871	106,871	106,871	
Total equipment	120,000	29,658	149,658	149,205	453
Facilities acquisition and construction services:					
Legal services		2,000	2,000	2,000	
Architect and engineering	20,000	1,925	21,925	21,925	
Construction services	28,870		28,870	28,870	
Total facilities acquisition and construction services	48,870	3,925	52,795	52,795	
Total capital outlay	168,870	33,583	202,453	202,000	453
Total expenditures	<u>\$ 5,671,598</u>		<u>\$ 5,671,598</u>	<u>\$ 5,868,778</u>	<u>\$ (197,180)</u>
Excess (deficiency) of revenues over (under) expenditures			<u>\$ 507,407</u>	<u>\$ 7,534</u>	<u>\$ 514,941</u>
Other financing sources (uses):					
Prior year receivables canceled				(6,758)	6,758
Total other financing sources (uses)				<u>(6,758)</u>	<u>6,758</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses			<u>507,407</u>	<u>776</u>	<u>521,699</u>
Fund balances - July 1	1,433,792		1,433,792	1,433,792	
Fund balances - June 30	<u>\$ 926,384</u>		<u>\$ 1,941,199</u>	<u>\$ 1,434,568</u>	<u>\$ 521,699</u>

OLDMANS TOWNSHIP SCHOOL DISTRICT
Budgetary Comparison Schedule -
General Fund
For the Fiscal Year Ended June 30, 2020

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Recapitulation:					
Restricted Fund Balance:					
Maintenance reserve				\$ 402,059	
Capital reserve				200,287	
Excess surplus - designated for subsequent year's expenditures				74,902	
Excess surplus - current year				395,936	
Assigned Fund Balance:					
Year-end encumbrances				96,262	
Unassigned Fund Balance				265,122	
				<u>1,434,568</u>	
Reconciliation to Governmental Fund Statements (GAAP):					
Last state aid payment not recognized on GAAP Basis				(204,057)	
Fund balance per Governmental Funds (GAAP)				<u>\$ 1,230,511</u>	

OLDMANS TOWNSHIP SCHOOL DISTRICT
 Budgetary Comparison Schedule -
 Special Revenue Fund
 For the Fiscal Year Ended June 30, 2020

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES:					
Federal sources	\$ 130,543	\$ 134,740	\$ 265,283	\$ 145,427	\$ 119,856
Local sources		4,971	4,971	2,978	1,993
Total revenues	\$ 130,543	\$ 139,711	\$ 270,254	\$ 148,405	\$ 121,849
EXPENDITURES:					
Instruction:					
Salaries of teachers	\$ 35,477	\$ (19,165)	\$ 16,312	\$ 11,660	\$ 4,652
Other salaries for instruction		42,756	42,756	13,599	29,157
General supplies	28,880	65,174	94,054	25,881	68,173
Other objects		1,755	1,755	745	1,010
Total Instruction	64,357	90,520	154,877	51,885	102,992
Support services:					
Other salaries		6,606	6,606		6,606
Personal services - employee benefits		5,049	5,049	2,036	3,013
Purchased professional - educational services	66,186	24,001	90,187	90,187	
General supplies		13,535	13,535	4,297	9,238
Total support services	66,186	49,191	115,377	96,520	18,857
Total expenditures	\$ 130,543	\$ 139,711	\$ 270,254	\$ 148,405	\$ 121,849

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION - PART II

OLDMANS TOWNSHIP SCHOOL DISTRICT
 Required Supplementary Information
 Budget-to-GAAP Reconciliation
 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.	\$ 5,876,312	[C-2]	\$ 148,405
Difference - budget to GAAP			
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures and the related revenue is recognized.			(2,266)
State aid payment recognized for budgetary purposes, not recognized for GAAP statements.	(204,057)		
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes.	204,749		
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - Governmental Funds	[B-2] \$ 5,877,004	[B-2]	\$ 146,139
Uses/outflows of resources:			
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule.	[C-1] \$ 5,868,778	[C-2]	\$ 148,405
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.			(2,266)
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - Governmental Funds	[B-2] \$ 5,868,778	[B-2]	\$ 146,139

REQUIRED SUPPLEMENTARY INFORMATION - PART III

SCHEDULES RELATED TO ACCOUNTING AND REPORTING FOR PENSIONS (GASB 68)

OLDMANS TOWNSHIP SCHOOL DISTRICT
 Schedule of the District's Proportionate Share of the Net Pension Liability - PERS
 Last Seven Fiscal Years

	Fiscal Year Ended						
	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
District's proportion of the net pension liability (asset)	0.0060002749%	0.0067314300%	0.0062977578%	0.0057834113%	0.0060636352%	0.0055017945%	0.0056961066%
District's proportionate share of the net pension liability (asset)	\$ 1,081,159	\$ 1,325,385	\$ 1,466,017	\$ 1,712,881	\$ 1,361,165	\$ 1,030,086	\$ 1,088,639
District's covered-employee payroll	462,874	470,169	468,219	432,732	423,865	372,589	379,031
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	233.58%	281.90%	313.10%	395.83%	321.13%	276.47%	287.22%
Plan fiduciary net position as a percentage of the total pension liability	56.27%	53.59%	48.10%	40.13%	47.92%	52.08%	48.72%
Measurement date	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014	June 30, 2013

OLDMANS TOWNSHIP SCHOOL DISTRICT
Schedule of District Contributions - PERS
Last Seven Fiscal Year

	Fiscal Year Ended						
	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
Contractually required contribution	\$ 58,365	\$ 66,956	\$ 58,342	\$ 51,972	\$ 52,131	\$ 45,356	\$ 42,919
Contributions in relation to the contractually required contribution	58,365	66,956	58,342	51,972	52,131	45,356	42,919
Contribution deficiency (excess)	None	None	None	None	None	None	None
District's covered-employee payroll	\$ 462,874	\$ 470,169	\$ 468,219	\$ 432,732	\$ 423,865	\$ 372,589	\$ 379,031
Contributions as a percentage of covered-employee payroll	12.61%	14.24%	12.46%	12.01%	12.30%	12.17%	11.32%
Measurement date	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014	June 30, 2013

OLDMANS TOWNSHIP SCHOOL DISTRICT
Schedule of the District's Proportionate Share of the Net Pension Liability - TPAF
Last Seven Fiscal Years

	Fiscal Year Ended						
	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
District's proportion of the net pension liability (asset)	0.0162483025%	0.0175967853%	0.0168073491%	0.0170006761%	0.0158790581%	0.0151275225%	0.0146688586%
District's proportionate share of the net pension liability (asset)	\$ 9,971,737	\$ 11,194,697	\$ 11,332,121	\$ 13,373,814	\$ 10,036,243	\$ 8,085,168	\$ 7,413,526
District's covered-employee payroll	1,895,092	1,800,373	1,572,682	1,791,474	1,719,816	1,693,862	1,581,910
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	526.19%	621.80%	720.56%	746.53%	583.56%	477.32%	468.64%
Plan fiduciary net position as a percentage of the total pension liability	26.95%	26.49%	25.41%	22.33%	28.71%	33.64%	33.76%
Measurement date	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014	June 30, 2013

The data in the above schedule represents the allocation of the State of New Jersey's obligation on behalf of the District.

The Teachers' Pension and Annuity Fund (TPAF) On-behalf Payments is a Cost Sharing, Multi-Employer Defined Benefit Plan with a Special Funding Situation - 100% Legal Obligation of the State of New Jersey (State).

Since the State is the only entity with a legal obligation, the District's proportionate share percentage determined under paragraph 48 of GASB No. 68 is zero percent. Accordingly, the District did not recognize any portion of the TPAF collective net pension liability on the Statement of Net Position (A-1). Also, on the A-1, and for the same reasons, the District did not recognize any portion of TPAF collective deferred outflows of resources and TPAF deferred inflows of resources.

**SCHEDULE RELATED TO ACCOUNTING AND REPORTING FOR POSTEMPLOYMENT
BENEFITS OTHER THAN PENSIONS**

OLDMANS TOWNSHIP SCHOOL DISTRICT
Schedule of Changes in the Total OPEB Liability and Related Ratios

Last Three Fiscal Years

	Fiscal Year Ended		
	2020	2019	2018
Total OPEB liability			
Service cost	\$ 302,781	\$ 352,461	\$ 422,000
Interest	364,475	404,049	347,976
Changes of benefit terms			
Differences between expected and actual experience	(1,993,900)	(1,280,871)	
Changes of assumptions or other inputs	116,113	(1,059,197)	(1,381,610)
Member contributions	7,086	8,530	9,426
Benefit payments	(239,055)	(246,809)	(255,986)
Net change in total OPEB liability	(1,442,500)	(1,821,837)	(858,194)
Total OPEB liability - beginning	9,230,073	11,051,910	11,910,104
Total OPEB liability - ending	<u>\$ 7,787,573</u>	<u>\$ 9,230,073</u>	<u>\$ 11,051,910</u>
Covered employee payroll	\$ 2,357,966	\$ 2,270,542	\$ 2,040,901
Total OPEB liability as a percentage of covered employee payroll	330.27%	406.51%	541.52%

Notes to Schedule:

Changes of benefit terms:

There were no changes in benefit terms during the year.

Changes of assumptions:

Changes of assumptions and other inputs reflect the effects of changes in the discount rate each period. The following is the discount rate used in the period:

3.50%	3.87%	3.58%
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NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION - PART III

**OLDMANS TOWNSHIP SCHOOL DISTRICT
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2020**

NOTES RELATED TO PENSIONS

NOTE 1: CONTRIBUTIONS

The contribution policy for the PERS is set by NJSA 15A and requires contributions by active members and contributing employers. The District's contribution amount was based on an actuarially determined rate which includes the normal cost and unfunded accrued liability.

NOTE 2: 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:

Inflation rate	
Price	2.75%
Wage	3.25%
Salary increases:	
Through 2026	2.00 – 6.00% based on age
Thereafter	3.00 – 7.00% based on age
Investment rate of return	7.00%

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.

Detailed information about the pension plan's fiduciary net position is available in the separately issued State of New Jersey Division of Pension and Benefits financial report at: <http://www.state.nj.us/treasury/pensions/gasb-notices.shtml>.

**OLDMANS TOWNSHIP SCHOOL DISTRICT
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2020**

NOTES RELATED TO OTHER POSTEMPLOYMENT BENEFITS

NOTE 3: CONTRIBUTIONS

The employer contributions for the participating local education employers are legally required to be funded by the State of New Jersey in accordance with NJSA 52:14-17.32f. According to NJSA 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 Teacher's Pension and Annuity Fund (TPAF) or the Public Employees' Retirement System (PERS). 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.

NOTE 4: ACTUARIAL ASSUMPTIONS

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 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	2.50%
Salary increases (TPAF):	
Through 2026	1.55 – 3.05% based on service years
Thereafter	1.55 – 3.05% based on service years
Salary increases (PERS):	
Through 2026	2.00 – 6.00% based on service years
Thereafter	3.00 – 7.00% based on service 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 and July 1, 2014 - June 30, 2018, for TPAF and the PERS, respectively.

Detailed information about the pension plan's fiduciary net position is available in the separately issued State of New Jersey Division of Pensions and Benefits financial report at: <http://www.state.nj.us/treasury/pensions/gasb-notices-opeb.shtml>.

OTHER SUPPLEMENTARY INFORMATION

SPECIAL REVENUE FUND

OLDMANS TOWNSHIP SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
For the Fiscal Year Ended June 30, 2020

	Total Brought Forward Ex. E-1a	Cares Emergency Relief	Rural Education Achievement Program	Title I Part A	Totals	
					FY 2020	FY 2019
REVENUES:						
Federal sources	\$ 98,454	\$ 2,207	\$ 17,471	\$ 27,295	\$ 145,427	\$ 181,574
Local sources	2,978				2,978	6,976
Total revenues	101,432	2,207	17,471	27,295	148,405	188,550
EXPENDITURES:						
Instruction:						
Salaries of teachers				11,660	11,660	9,688
Other salaries for instruction				13,599	13,599	13,244
Purchased professional - technical services						999
General supplies	8,410		17,471		25,881	70,202
Other objects	745				745	745
Total instruction	9,155		17,471	25,259	51,885	94,878
Support services:						
Other salaries						500
Personal services - employee benefits				2,036	2,036	1,729
Purchased professional - educational services	90,187				90,187	88,561
Supplies and materials	2,090	2,207			4,297	2,882
Total support services	92,277	2,207		2,036	96,520	93,172
Total expenditures	\$ 101,432	\$ 2,207	\$ 17,471	\$ 27,295	\$ 148,405	\$ 188,050

OLDMANS TOWNSHIP SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
For the Fiscal Year Ended June 30, 2020

	Total Brought Forward Ex. E-1b	IDEA - Part B - Basic	IDEA Preschool	Title IV Student Support & Academic Enrichment	Title II, Part A Teacher & Principal Training & Recruiting	Total Carried Forward
REVENUES:						
Federal sources		\$ 82,863	\$ 1,480	\$ 8,267	\$ 5,844	\$ 98,454
Local sources	\$ 2,978					2,978
Total revenues	<u>2,978</u>	<u>82,863</u>	<u>1,480</u>	<u>8,267</u>	<u>5,844</u>	<u>101,432</u>
EXPENDITURES:						
Instruction:						
General supplies	888			7,522		8,410
Other objects				745		745
Total instruction	<u>888</u>			<u>8,267</u>		<u>9,155</u>
Support services:						
Other salaries						
Purchased professional and technical services		82,863	1,480		5,844	90,187
Supplies and materials	2,090					2,090
Total support services	<u>2,090</u>	<u>82,863</u>	<u>1,480</u>		<u>5,844</u>	<u>92,277</u>
Total expenditures	<u>\$ 2,978</u>	<u>\$ 82,863</u>	<u>\$ 1,480</u>	<u>\$ 8,267</u>	<u>\$ 5,844</u>	<u>\$ 101,432</u>

OLDMANS TOWNSHIP SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
For the Fiscal Year Ended June 30, 2020

	Sustainable Jersey	Heartwarming	Community Advisory Panel	Safety Incentive Grant	Total Carried Forward
REVENUES:					
Local sources	\$ 242	\$ 60	\$ 586	\$ 2,090	\$ 2,978
Total revenues	242	60	586	2,090	2,978
EXPENDITURES:					
Instruction:					
General supplies	242	60	586		888
Total instruction	242	60	586		888
Support services:					
General supplies				2,090	2,090
Total support services				2,090	2,090
Total expenditures	\$ 242	\$ 60	\$ 586	\$ 2,090	\$ 2,978

CAPITAL PROJECTS FUND

OLDMANS TOWNSHIP SCHOOL DISTRICT
 Capital Projects Fund
 Summary Schedule of Project Expenditures
 June 30, 2020

Project Title/Issue	Original Date	Revised Budgetary Appropriation	GAAP		Unexpended Appropriation 06/30/20
			Prior Years	Current Year	
			Expenditures to Date		
Undertake renovations, alterations, and improvements	08/09/19	\$ 2,254,000	None	\$ 215,189	\$ 2,038,811

OLDMANS TOWNSHIP SCHOOL DISTRICT
 Capital Projects Fund
 Summary Schedule of Revenues, Expenditures, and
 Changes in Fund Balance - Budgetary Basis
 For the Fiscal Year Ended June 30, 2020

Revenues and Other Financing Sources	
Bond proceeds	\$ 2,254,000
Total revenues	2,254,000
OPERATING EXPENSES:	
Legal services	13,444
Purchased professional and technical services	113,062
Construction services	88,683
Total expenses	215,189
Excess (deficiency) of revenues over (under) expenditures	2,038,811
Fund balance - ending	\$ 2,038,811

OLDMANS TOWNSHIP SCHOOL DISTRICT
 Capital Projects Fund
 Schedule of Project Revenues, Expenditures, Project Balance, and Project Status - Budgetary Basis
 Undertake renovations, alterations and improvements
 from Inception and for the Fiscal Year Ended June 30, 2020

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and other financing sources				
Bond proceeds		\$2,254,000	\$ 2,254,000	\$ 2,254,000
		<u>2,254,000</u>	<u>2,254,000</u>	<u>2,254,000</u>
Expenditures and other financing uses				
Legal services		13,444	13,444	16,000
Purchased professional and technical services		113,062	113,062	176,003
Construction services		88,683	88,683	2,061,997
		<u>215,189</u>	<u>215,189</u>	<u>\$ 2,254,000</u>
Excess (deficiency) or revenues over (under) expenditures		<u>\$ 2,038,811</u>	<u>\$ 2,038,811</u>	

Additional project information:

Project number	3860-010-19-1000
Grant date	08/09/19
Bond authorization date	08/13/19
Bonds authorized	\$ 2,254,559
Bonds issued	2,254,000
Original authorized cost	2,254,599
Additional authorized cost	None
Revised authorized cost	2,254,599
Percentage increase over original authorized cost	0%
Percentage completion	10%
Original target completion date	10/31/2020
Revised target completion date	12/31/2020

PROPRIETARY FUNDS

OLDMANS TOWNSHIP SCHOOL DISTRICT
Enterprise Funds
Combining Schedule of Net Position
For the Fiscal Year Ended June 30, 2020

	Business-type Activities		Totals	
	Food Service Fund	Latchkey Program	FY 2020	FY 2019
ASSETS				
Current assets:				
Cash and cash equivalents		\$ 51,809	\$ 51,809	\$ 63,535
Accounts receivable:				
State	\$ 216		216	37
Federal	2,295		2,295	1,462
Other	228		228	448
Inventory	1,973		1,973	1,602
Total current assets	4,712	51,809	56,521	67,084
Noncurrent assets:				
Machinery and equipment	134,400	6,600	141,000	141,000
Less: accumulated depreciation	(134,400)	(6,435)	(140,835)	(140,505)
Total noncurrent assets		165	165	495
Total assets	4,712	\$ 51,974	56,686	67,579
LIABILITIES AND NET POSITION				
Current liabilities:				
Accounts payable				1,398
Cash deficit	58,896		58,896	35,215
Unearned revenue:				
Lunches	3,975		3,975	2,386
USDA commodities	714		714	513
Compensated absences	820		820	1,422
Total current liabilities	64,405		64,405	40,934
Net position:				
Invested in capital assets, net of related debt		\$ 165	165	495
Unrestricted	(59,693)	51,809	(7,884)	26,150
Total net position	\$ (59,693)	\$ 51,974	\$ (7,719)	\$ 26,645

OLDMANS TOWNSHIP SCHOOL DISTRICT
Enterprise Funds
Combining Schedule of Revenues, Expenses, and Changes in Fund Net Position
For the Fiscal Year Ended June 30, 2020

	Business-type Activities		Totals	
	Food Service	Latchkey Program	FY 2020	FY 2019
OPERATING REVENUES:				
Local sources:				
Daily sales - reimbursable programs	\$ 16,302		\$ 16,302	\$ 32,043
Daily sales - non-reimbursable programs	3,873		3,873	737
Miscellaneous				78
Tuition		\$ 22,859	22,859	58,413
Total operating revenue	20,175	22,859	43,034	91,271
OPERATING EXPENSES:				
Salaries	31,363	24,868	56,231	77,108
Employee benefits	2,441	1,902	4,343	5,780
Supplies and materials	2,728	910	3,638	7,811
Purchased property services		6,905	6,905	
Miscellaneous purchased services (400-500 series)	12,344		12,344	12,489
Depreciation		330	330	330
Cost of sales - reimbursable	31,315		31,315	37,279
Cost of sales - non-reimbursable	1,574		1,574	695
Total operating expenses	81,765	34,915	116,680	141,492
Operating income (loss)	(61,590)	(12,056)	(73,646)	(50,221)
NON-OPERATING REVENUES:				
State sources:				
National school lunch program - state	773		773	798
Federal sources:				
National school lunch program	23,209		23,209	26,135
School breakfast program	4,442		4,442	4,246
National snack program	377		377	772
Food distribution program	10,481		10,481	9,522
Interest revenue				1
Total non-operating revenues (expenses)	39,282		39,282	41,474
Net income (loss) before transfers	(22,308)	(12,056)	(34,364)	(8,747)
Other financing sources:				
Board contribution				2,460
Net income (loss)	(22,308)	(12,056)	(34,364)	(6,287)
Total net position - July 1	(37,385)	64,030	26,645	32,932
Total net position - June 30	\$ (59,693)	\$ 51,974	\$ (7,719)	\$ 26,645

OLDMANS TOWNSHIP SCHOOL DISTRICT
Enterprise Funds
Combining Schedule of Cash Flows
For the Fiscal Year Ended June 30, 2020

	Business-type Activities		Totals	
	Food Service Fund	Latchkey Program	FY 2020	FY 2019
Cash flows from operating activities:				
Receipts from customers	\$ 21,984	\$ 22,859	\$ 44,843	\$ 90,065
Payments to suppliers	(39,048)	(7,815)	(46,863)	(49,164)
Payments to employees	(31,965)	(24,868)	(56,833)	(75,560)
Payments for employee benefits	(2,441)	(1,902)	(4,343)	(5,780)
Net cash provided (used) by operating activities	(51,470)	(11,726)	(63,196)	(40,439)
Cash flows from non-capital financing activities:				
Cash received from state & federal reimbursements	27,789		27,789	32,392
Board contribution				2,460
Net cash provided by non-capital financing activities	27,789		27,789	34,852
Cash flows from investing activities:				
Interest income				1
Payments to/from fiduciary fund				3,586
Payments to/from general fund				(11,231)
Net cash provided by investing activities				(7,644)
Net increase in cash and cash equivalents	(23,681)	(11,726)	(35,407)	(13,231)
Cash and cash equivalents - July 1	(35,215)	63,535	28,320	41,551
Cash and cash equivalents - June 30	\$ (58,896)	\$ 51,809	\$ (7,087)	\$ 28,320
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:				
Operating income (loss)	\$ (61,590)	\$ (12,056)	\$ (73,646)	\$ (50,221)
Adjustments to reconcile operating income (loss) to cash provided (used) by operating activities:				
Depreciation		330	330	330
Food distribution program	10,481		10,481	9,522
Change in assets and liabilities:				
(Increase) decrease in accounts receivable	220		220	29
(Increase) decrease in inventory	(371)		(371)	(643)
Increase (decrease) in accounts payable	(1,398)		(1,398)	1,256
Increase (decrease) in deferred revenue	1,790		1,790	(937)
Increase (decrease) in compensated absences	(602)		(602)	225
	\$ (51,470)	\$ (11,726)	\$ (63,196)	\$ (40,439)

OLDMANS TOWNSHIP SCHOOL DISTRICT
Internal Service Fund
Combining Schedule of Net Position
For the Fiscal Year Ended June 30, 2020

	Totals	
	<u>FY 2020</u>	<u>FY 2019</u>
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 18,855	\$ 18,855
Total assets	<u>\$ 18,855</u>	<u>\$ 18,855</u>
LIABILITIES AND NET POSITION		
Unrestricted	\$ 18,855	\$ 18,855
Total net position	<u>\$ 18,855</u>	<u>\$ 18,855</u>

OLDMANS TOWNSHIP SCHOOL DISTRICT
Internal Service Fund
Combining Schedule of Revenues, Expenses, and Changes in Fund Net Position
For the Fiscal Year Ended June 30, 2020

	Totals	
	FY 2020	FY 2019
Total net position - July 1	\$ 18,855	18,855
Total net position - June 30	\$ 18,855	\$ 18,855

OLDMANS TOWNSHIP SCHOOL DISTRICT
Internal Service Fund
Combining Schedule of Cash Flows
For the Fiscal Year Ended June 30, 2020

	Totals	
	FY 2020	FY 2019
Cash and cash equivalents - July 1	\$ 18,855	\$ 18,855
Cash and cash equivalents - June 30	\$ 18,855	\$ 18,855

FIDUCIARY FUNDS

OLDMANS TOWNSHIP SCHOOL DISTRICT
Combining Statement of Fiduciary Net Position
For the Fiscal Year Ended June 30, 2020

	Trust Funds			Totals	
	Scholarship Trust Fund	Unemployment Trust Fund	Agency Funds	FY 2020	FY 2019
ASSETS					
Cash and cash equivalents	\$ 1,810	\$ 107,117	\$ 157,235	\$ 266,162	\$ 235,259
Interfund receivable:					
Agency		14,877		14,877	9,569
General fund			441	441	441
Total assets	<u>\$ 1,810</u>	<u>\$ 121,994</u>	<u>157,676</u>	<u>281,480</u>	<u>245,269</u>
LIABILITIES					
Payroll deductions and withholdings			16,109	16,109	13,719
Due to student groups			34,923	34,923	37,299
Interfund payable:					
Unemployment trust			14,877	14,877	9,569
Interfund payables:					
General fund			91,767	91,767	66,189
Total liabilities			<u>157,676</u>	<u>157,676</u>	<u>126,776</u>
NET POSITION					
Held in Trust for:					
Scholarship awards	\$ 1,810			1,810	1,808
Unemployment claims		\$ 121,994		121,994	116,685
Total net position	<u>\$ 1,810</u>	<u>\$ 121,994</u>		<u>\$ 123,804</u>	<u>\$ 118,493</u>

EXHIBIT H-2

OLDMANS TOWNSHIP SCHOOL DISTRICT
 Combining Statement of Changes in Fiduciary Net Position
 For the Fiscal Year Ended June 30, 2020

	Scholarship Trust Fund	Unemployment Trust Fund	Totals	
			FY 2020	FY 2019
ADDITIONS:				
Contributions:				
Employee payroll deductions		\$ 5,308	\$ 5,308	\$ 5,110
Other				50
Total contributions		5,308	5,308	5,160
Investment earnings:				
Interest	\$ 2	1	3	4
Total investment earnings	2	1	3	4
Total additions	2	5,309	5,311	5,164
Change in net position	2	5,309	5,311	5,164
Net position - beginning of year	1,808	116,685	118,493	113,329
Net position - end of year	\$ 1,810	\$ 121,994	\$ 123,804	\$ 118,493

EXHIBIT H-3

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

	Balance July 1, 2019	Cash Receipts	Cash Disbursements	Balance June 30, 2020
ACTIVITIES:				
Oldmans School	\$ 37,299	\$ 28,125	\$ 30,501	\$ 34,923

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

	Balance July 1, 2019	Additions	Deletions	Balance June 30, 2020
ASSETS				
Cash and cash equivalents	\$ 89,477	\$ 3,766,356	\$ 3,733,080	\$ 122,753
Total assets	<u>\$ 89,477</u>	<u>\$ 3,766,356</u>	<u>\$ 3,733,080</u>	<u>\$ 122,753</u>
LIABILITIES				
Employees' net pay		\$ 1,657,059	\$ 1,657,059	
Payroll deductions and withholdings	\$ 13,719	2,078,411	2,076,021	\$ 16,109
Interfund payable:				
Unemployment trust	9,569	5,308		14,877
Interfund payable General fund	66,189	25,578		91,767
Total liabilities	<u>\$ 89,477</u>	<u>\$ 3,766,356</u>	<u>\$ 3,733,080</u>	<u>\$ 122,753</u>

LONG-TERM DEBT

OLDMANS TOWNSHIP SCHOOL DISTRICT
 General Long-Term Debt Account Group
 Schedule of Serial Bonds
 June 30, 2020

Issue	Date of Issue	Amount of Issue	Annual Maturities		Interest Rate	Balance July 1, 2019	Refunded/ Issued	Retired	Balance June 30, 2020
			Date	Amount					
Refunding School Bonds, Series 2009	12/15/2009	\$ 1,725,000	02/15/20	\$ 185,000	5.000%	\$ 185,000		\$ 185,000	
School Bonds, Series 2020	5/20/2020	2,254,000	04/01/21	75,000	2.750%				
			04/01/22	149,000	2.750%				
			4/1/2023-24	90,000	2.750%				
			4/1/2025-26	95,000	2.750%				
			4/1/2027-28	100,000	2.750%				
			04/01/29	105,000	2.750%				
			4/1/30-31	110,000	2.750%				
			04/01/32	115,000	2.750%				
			4/1/33-34	120,000	2.750%				
			4/1/35-36	125,000	2.750%				
			4/1/37-38	130,000	2.750%				
			4/1/39-40	135,000	2.750%				
							\$ 2,254,000		\$ 2,254,000
						\$ 185,000	\$ 2,254,000	\$ 185,000	\$ 2,254,000

OLDMANS TOWNSHIP SCHOOL DISTRICT
Debt Service Fund
Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2020

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Positive (Negative) Final to Actual
REVENUES:					
Local sources:					
Local tax levy	\$ 143,199		\$ 143,199	\$ 143,199	
State sources:					
Debt service aid type II	51,051		51,051	51,051	
Total revenues	\$ 194,250		\$ 194,250	\$ 194,250	
EXPENDITURES:					
Regular debt service:					
Interest	\$ 9,250		\$ 9,250	\$ 9,250	
Redemption of principal	185,000		185,000	185,000	
Total regular debt service	194,250		194,250	194,250	
Total expenditures	\$ 194,250		\$ 194,250	\$ 194,250	

**STATISTICAL SECTION
(UNAUDITED)**

**OLDMANS TOWNSHIP SCHOOL DISTRICT
STATISTICAL SECTION**

Contents	Page
Financial Trends These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.	113-120
Revenue Capacity These schedules contain information to help the reader assess the District's most significant local revenue source, the property tax.	121-124
Debt Capacity These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.	125-128
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.	129-130
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.	131-135

OLDMANS TOWNSHIP SCHOOL DISTRICT
 Net Position By Component
 Last Ten Fiscal Years
 For the Fiscal Year Ended June 30, 2020
 Unaudited

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Governmental activities:										
Invested in capital assets, net of related debt	\$ 3,243,327	\$ 3,279,322	\$ 3,481,620	\$ 3,818,129	\$ 4,230,078	\$ 4,376,618	\$ 4,581,163	\$ 4,545,901	\$ 4,521,553	\$ 2,527,670
Restricted	563,236	942,979	838,240	728,816	674,951	826,415	820,153	1,130,298	1,180,892	3,208,257
Unrestricted	230,633	12,406	(2,562)	(26,638)	(1,087,406)	(1,105,327)	(809,768)	(1,419,421)	(1,500,746)	(1,501,661)
Total governmental activities net position	\$ 4,037,196	\$ 4,234,707	\$ 4,317,298	\$ 4,520,307	\$ 3,817,623	\$ 4,097,706	\$ 4,591,548	\$ 4,256,778	\$ 4,201,699	\$ 4,234,266
Business-type activities:										
Invested in capital assets, net of related debt	\$ 41,758	\$ 32,068	\$ 16,050	\$ 7,075	\$ 2,148	\$ 3,035	\$ 1,222	\$ 825	\$ 495	\$ 165
Unrestricted	21,633	28,687	35,029	49,623	55,936	65,202	40,181	32,107	26,150	(7,884)
Total business-type activities net position	\$ 63,391	\$ 60,755	\$ 51,079	\$ 56,698	\$ 58,084	\$ 68,237	\$ 41,403	\$ 32,932	\$ 26,645	\$ (7,719)
District-wide:										
Invested in capital assets, net of related debt	\$ 3,285,085	\$ 3,311,390	\$ 3,497,670	\$ 3,825,204	\$ 4,232,226	\$ 4,379,653	\$ 4,582,385	\$ 4,546,726	\$ 4,522,048	\$ 2,527,835
Restricted	563,236	942,979	838,240	728,816	674,951	826,415	820,153	1,130,298	1,180,892	3,208,257
Unrestricted	252,266	41,093	32,467	22,985	(1,031,470)	(1,040,125)	(769,587)	(1,387,314)	(1,474,596)	(1,509,545)
Total district-wide net position	\$ 4,100,587	\$ 4,295,462	\$ 4,368,377	\$ 4,577,005	\$ 3,875,707	\$ 4,165,943	\$ 4,632,951	\$ 4,289,710	\$ 4,228,344	\$ 4,226,547

OLDMANS TOWNSHIP SCHOOL DISTRICT
Changes In Net Position
Last Ten Years
For the Fiscal Year Ended June 30, 2020
Unaudited

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
EXPENSES:										
Governmental activities:										
Instruction:										
Regular	\$ 948,214	\$ 1,144,606	\$ 1,264,628	\$ 1,393,883	\$ 1,480,751	\$ 1,555,267	\$ 1,472,271	\$ 1,614,470	\$ 1,637,190	\$ 1,656,104
Special education	227,493	222,596	261,094	250,304	254,633	281,458	216,779	177,492	263,479	315,581
Other special education	69,045	69,358	1,320	17,218	29,515	15,043	11,938			
Other instruction	13,670	16,447	14,550	18,584	19,011	19,626	6,822	21,546	14,034	14,834
Support services:										
Student & instruction and related services	1,265,628	1,278,333	1,330,864	1,307,777	922,942	1,126,760	1,331,215	1,282,833	1,307,977	1,349,633
General administration	102,771	96,075	86,535	150,485	150,538	165,980	103,314	162,959	161,033	187,500
School administrative services	33,588	40,864	85,018	33,154	35,925	36,579	121,423	57,504	41,394	47,542
Central services	176,146	165,199	179,755	195,157	183,050	184,248	148,236	190,159	154,387	169,281
Administrative information technology										3,386
Plant operations and maintenance	419,274	554,972	452,740	521,471	494,033	354,303	384,686	370,370	464,485	407,950
Pupil transportation	235,537	219,504	161,476	150,701	198,103	190,855	203,937	213,386	264,409	214,264
Employee benefits	777,928	731,242	883,170	893,119	969,171	1,156,265	1,326,799	2,020,947	1,909,694	1,537,863
Interest on long-term debt	71,817	67,018	61,542	54,942	48,267	41,467	34,592	27,592	19,842	14,231
Capital outlay	6,455	1,998	103,059	4,777	13,793	16,485	16,585	6,977	33,494	92,705
Unallocated depreciation	129,200	126,983	199,277	160,932	173,886	174,472	178,729	189,682	189,600	188,577
Total governmental activities expenses	4,476,766	4,735,195	5,085,028	5,152,504	4,973,618	5,318,808	5,557,326	6,335,917	6,461,018	6,199,451

OLDMANS TOWNSHIP SCHOOL DISTRICT
Changes In Net Position
Last Ten Years
For the Fiscal Year Ended June 30, 2020
Unaudited

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Business-type activities:										
Food service	91,193	100,238	112,847	103,682	103,676	95,399	114,556	103,577	102,148	81,765
Childcare	14,508	18,792	18,025	22,823	21,489	27,828	35,526	23,166	39,344	34,915
Total business-type activities expense	105,701	119,030	130,872	126,505	125,165	123,227	150,082	126,743	141,492	116,680
Total district expenses	\$ 4,582,467	\$ 4,854,225	\$ 5,215,900	\$ 5,279,009	\$ 5,098,783	\$ 5,442,035	\$ 5,707,408	\$ 6,462,660	\$ 6,602,510	\$ 6,316,131
PROGRAM REVENUES:										
Governmental activities:										
Charges for services:										
Shared services	\$ 107,000	\$ 108,000	\$ 115,000	\$ 129,364	\$ 126,000	\$ 73,000	\$ 48,860	\$ 80,301		
Operating grants and contributions	134,333	124,661	166,728	150,263	157,503	167,778	149,983	124,905	188,155	146,139
Total governmental activities program revenues	241,333	232,661	281,728	279,627	283,503	240,778	198,843	205,206	188,155	146,139
Business-type activities:										
Charges for services:										
Food service	46,376	50,257	47,009	41,739	43,797	40,393	30,904	30,978	32,858	20,175
Childcare	9,537	19,367	19,068	34,926	24,601	29,988	44,100	36,694	58,413	22,859
Operating grants and contributions	37,330	43,205	52,878	55,421	58,099	61,589	49,548	43,673	41,473	39,282
Total business-type activities program revenues	93,243	112,829	118,955	132,086	126,497	131,970	124,552	111,345	132,744	82,316
Total district program revenue	\$ 334,576	\$ 345,490	\$ 400,683	\$ 411,713	\$ 410,000	\$ 372,748	\$ 323,395	\$ 316,551	\$ 320,899	\$ 228,455
Net (expense) revenue:										
Governmental activities	\$ (4,235,433)	\$ (4,502,534)	\$ (4,803,300)	\$ (4,872,877)	\$ (4,690,115)	\$ (5,078,030)	\$ (5,358,483)	\$ (6,130,711)	\$ (6,272,863)	\$ (6,053,312)
Business-type activities	(12,458)	(6,201)	(11,917)	5,581	1,332	8,743	(25,530)	(15,398)	(8,748)	(34,364)
Total district-wide net expense	\$ (4,247,891)	\$ (4,508,735)	\$ (4,815,217)	\$ (4,867,296)	\$ (4,688,783)	\$ (5,069,287)	\$ (5,384,013)	\$ (6,146,109)	\$ (6,281,611)	\$ (6,087,676)

OLDMANS TOWNSHIP SCHOOL DISTRICT
Changes In Net Position
Last Ten Years
For the Fiscal Year Ended June 30, 2020
Unaudited

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
General revenues and other changes in net position:										
Governmental activities:										
Property taxes levied for government purposes	\$ 2,493,989	\$ 2,357,014	\$ 2,398,882	\$ 2,437,372	\$ 2,456,466	\$ 2,663,290	\$ 2,632,498	\$ 2,884,061	\$ 2,941,742	\$ 3,000,577
Taxes levied for debt service	157,935	151,826	165,167	160,301	159,122	154,109	152,782	147,622	146,148	143,199
Unrestricted grants and contributions	1,905,490	2,040,483	2,131,480	2,293,664	2,387,484	2,500,705	2,568,507	2,695,906	3,099,885	2,901,513
Tuition charges	87,602									
Transportation charges	29,485	27,280	32,249	22,560	25,395	15,050	25,610	25,580		20,020
Investment earnings	3,508	3,293	2,605	1,877	1,581	4,990	1,892	2,195	2,522	2,430
Miscellaneous income	20,373	123,653	158,898	29,438	28,886	19,969	22,165	45,494	29,947	46,808
Loss on disposal of assets			(1,188)		(24,685)					(21,910)
Premium on issuance of refunding bonds										
Other					(1,098)					(6,758)
Transfers	(3,296)	(3,504)	(2,202)					(4,917)	(2,460)	
Total governmental activities	4,695,086	4,700,045	4,885,891	4,945,212	5,033,151	5,358,113	5,403,454	5,795,941	6,217,784	6,085,879
Business-type activities:										
Miscellaneous income	57	61	39	38	54	60	46	10	1	
Transfers	3,296	3,504	2,202					4,917	2,460	
Investment in fixed assets	6,455					1,350		2,000		
Loss on disposal of assets	(1,260)									
Total business-type activities	8,548	3,565	2,241	38	54	1,410	46	6,927	2,461	
Total district-wide	\$ 4,703,634	\$ 4,703,610	\$ 4,888,132	\$ 4,945,250	\$ 5,033,205	\$ 5,359,523	\$ 5,403,500	\$ 5,802,868	\$ 6,220,245	\$ 6,085,879
Change in net position										
Governmental activities	\$ 459,653	\$ 197,511	\$ 82,591	\$ 72,335	\$ 343,036	\$ 280,083	\$ 44,971	\$ (334,770)	\$ (55,079)	\$ 32,567
Business-type activities	(3,910)	(2,636)	(9,676)	5,619	1,386	10,153	(25,484)	(8,471)	(6,287)	(34,364)
Total district	\$ 455,743	\$ 194,875	\$ 72,915	\$ 77,954	\$ 344,422	\$ 290,236	\$ 19,487	\$ (343,241)	\$ (61,366)	\$ (1,797)

OLDMANS TOWNSHIP SCHOOL DISTRICT
 Fund Balances - Governmental Funds
 Last Ten Fiscal Years
 For the Fiscal Year Ended June 30, 2020
 Unaudited

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
General fund:										
Restricted	\$ 461,900	\$ 462,893	\$ 439,124	\$ 344,807	\$ 335,315	\$ 557,920	\$ 800,308	\$ 1,116,105	\$ 1,118,296	\$ 1,073,184
Assigned	282,395	480,086	399,116	384,009	339,636	268,495	19,845	14,193	62,596	96,262
Unrestricted	113,197	101,213	85,074	64,458	55,020	57,322	57,700	53,892	48,151	61,065
Total general fund	<u>\$ 857,492</u>	<u>\$ 1,044,192</u>	<u>\$ 923,314</u>	<u>\$ 793,274</u>	<u>\$ 729,971</u>	<u>\$ 883,737</u>	<u>\$ 877,853</u>	<u>\$ 1,184,190</u>	<u>\$ 1,229,043</u>	<u>\$ 1,230,511</u>
All other governmental funds:										
Unreserved, reported in:										
Capital projects fund										2,038,811
Debt service fund	\$ 23,119									
Total all other governmental funds	<u>\$ 23,119</u>	<u>None</u>	<u>None</u>	<u>None</u>	<u>None</u>	<u>None</u>	<u>None</u>	<u>None</u>	<u>None</u>	<u>\$ 2,038,811</u>

OLDMANS TOWNSHIP SCHOOL DISTRICT
Changes in Fund Balances - Governmental Funds
Last Ten Fiscal Years
Unaudited

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
REVENUES:										
Tax levy	\$ 2,651,924	\$ 2,508,840	\$ 2,564,049	\$ 2,597,673	\$ 2,615,588	\$ 2,817,399	\$ 2,785,280	\$ 3,031,683	\$ 3,087,890	\$ 3,143,776
Tuition charges	87,602									
Transportation charges	29,485	27,280	32,249	22,560	25,395	15,050	25,610	25,580		20,020
Interest earnings	3,508	3,293	2,605	1,877	1,581	4,990	1,892	2,195	2,522	2,430
Miscellaneous	20,373	123,653	159,898	29,938	28,886	19,969	22,953	46,576	36,272	49,726
State sources	1,905,490	1,980,303	2,131,480	2,293,664	2,387,484	2,500,705	2,568,507	2,695,906	2,754,896	2,858,220
Federal sources	134,333	184,841	165,728	149,763	157,503	167,778	149,195	123,823	181,830	143,221
Total revenue	4,832,715	4,828,210	5,056,009	5,095,475	5,216,437	5,525,891	5,553,437	5,925,763	6,063,410	6,217,393
EXPENDITURES:										
Instruction:										
Regular	975,562	1,132,426	1,258,053	1,397,932	1,473,371	1,545,358	1,477,374	1,609,547	1,625,922	1,652,130
Special	228,270	232,265	258,209	249,514	257,525	279,984	216,014	177,761	263,922	313,743
Other	69,045	69,358	1,320	17,218	27,555	16,638	10,028			
School sponsored/other instructional	13,670	16,447	14,550	18,584	19,011	19,626	6,822	21,546	13,899	14,174
Undistributed:										
Student & instruction related services	1,264,825	1,267,927	1,338,967	1,303,087	921,887	1,130,201	1,328,633	1,280,417	1,306,821	1,349,096
General administration	102,801	97,105	85,859	148,625	150,795	165,199	103,314	164,070	161,033	187,500
School administration	33,091	41,981	86,535	32,666	33,691	36,150	121,007	57,789	40,415	47,014
Central services	100,584	109,080	111,664	115,916	116,521	125,561	99,873	119,934	153,889	169,474
Administration information technology										3,386
Operations and maintenance of plant services	394,434	504,307	402,177	465,738	462,049	352,629	384,664	367,715	464,071	405,742
Student transportation	213,238	192,741	158,597	147,514	164,865	161,803	181,548	187,882	240,333	187,434
Employee benefits	777,928	731,242	883,170	893,119	969,794	1,127,893	1,164,910	1,407,746	1,497,969	1,483,224
Capital outlay	124,604	42,396	351,534	218,152	465,728	202,033	257,884	19,852	49,573	417,189
Debt service expenditures										
Principal	160,000	160,000	165,000	165,000	170,000	170,000	175,000	175,000	180,000	185,000
Interest	68,650	63,850	59,050	52,450	45,850	39,050	32,250	25,250	18,250	9,250
Total expenditures	4,526,702	4,661,125	5,174,685	5,225,515	5,278,642	5,372,125	5,559,321	5,614,509	6,016,097	6,424,356

OLDMANS TOWNSHIP SCHOOL DISTRICT
Changes in Fund Balances - Governmental Funds
Last Ten Fiscal Years
Unaudited

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Excess deficiency of revenues over (under) expenditures	306,013	167,085	(118,676)	(130,040)	(62,205)	153,766	(5,884)	311,254	47,313	(206,963)
Other financing sources (uses)										
Prior year receivable canceled					(1,098)					(6,758)
Capital leases	83,149									
Transfers out	(3,296)	(3,504)	(2,202)	(2,202)				(4,917)	(2,460)	
Bond proceeds										2,254,000
Total other financing sources (uses)	79,853	(3,504)	(2,202)	(2,202)	(1,098)			(4,917)	(2,460)	2,247,242
Net change in fund balance	<u>\$ 385,866</u>	<u>\$ 163,581</u>	<u>\$ (120,878)</u>	<u>\$ (132,242)</u>	<u>\$ (63,303)</u>	<u>\$ 153,766</u>	<u>\$ (5,884)</u>	<u>\$ 306,337</u>	<u>\$ 44,853</u>	<u>\$ 2,040,279</u>
Debt service as a percentage of noncapital expenditures	5.19%	4.85%	4.65%	4.34%	4.48%	4.04%	3.91%	3.58%	3.32%	3.23%

Source: District Records

OLDMANS TOWNSHIP SCHOOL DISTRICT
 General Fund Other Local Revenue by Source
 Last Ten Fiscal Years
 Unaudited

Fiscal Year Ended June 30,	Prior Year Refunds	Miscellaneous	Sale of Equipment	Forfeiture of 125 Plan Exp.	Annual Totals
2011	\$ 12,725	\$ 3		\$ 7,645	\$ 20,373
2012	112,438	1,000		10,215	123,653
2013	150,423	209		8,266	158,898
2014	15,208	1,000	\$ 13,230		29,438
2015	3,281	1,000	2,950	21,655	28,886
2016	10,466	1,000		8,503	19,969
2017	10,000	3,989		8,176	22,165
2018	34,770	1,863		8,861	45,494
2019	3,334	13,392		13,221	29,947
2020	26,467	3,628	6,470	10,243	46,808
	<u>\$ 379,112</u>	<u>\$ 27,084</u>	<u>\$ 22,650</u>	<u>\$ 96,785</u>	<u>\$ 525,631</u>

Source: District records

OLDMANS TOWNSHIP SCHOOL DISTRICT
 Assessed Value and Estimated Actual Value of Taxable Property
 Last Ten Fiscal Years
 Unaudited

Fiscal Year Ended June 30,	Vacant Land	Residential	Farm Reg.	Q Farm	Commercial	Industrial	Apartment	Total Assessed Value	Public Utility	Net Valuation Taxable	Estimated Actual (County Equalized Value)	Total Direct School Tax Rate
2011	13,201,000	106,720,400	22,707,200	3,298,000	12,155,400	52,830,100	0	210,912,100	718,240	211,630,340	216,473,060	1.2650
2012	12,813,000	108,360,400	22,586,200	3,308,600	12,155,400	50,230,100	0	209,453,700	575,607	210,029,307	183,317,715	1.2330
2013	12,437,500	113,503,700	21,986,700	3,310,000	12,155,400	43,730,100	0	207,123,400	611,783	207,735,183	223,406,889	1.2170
2014	10,491,900	118,596,300	21,900,200	3,297,800	12,155,400	53,046,900	0	219,488,500	577,861	220,066,361	262,702,584	1.1730
2015	8,665,800	121,725,500	22,016,900	3,290,400	11,160,000	54,628,100	0	221,486,700	508,079	221,994,779	243,840,964	1.1740
2016	8,453,300	121,370,000	21,630,500	3,224,100	10,130,800	67,783,200	0	232,591,900	524,568	233,116,468	243,417,867	1.1650
2017	9,662,800	121,384,300	21,736,200	3,219,600	9,920,600	67,783,200	0	233,706,700	549,257	234,255,957	226,136,964	1.1960
2018	11,156,900	122,305,700	21,377,800	3,176,800	10,823,300	68,296,700	0	237,137,200	502,357	237,639,557	240,009,759	1.2240
2019	17,368,500	122,347,600	21,319,700	3,088,500	10,823,300	66,130,600	0	241,078,200	0	241,078,200	250,760,272	1.2700
2020	17,265,500	122,480,400	21,174,300	3,087,700	10,823,300	66,052,200	0	240,883,400	0	240,883,400	248,724,333	1.2940

Source: Salem County Board of Taxation - Abstract of Ratables.

OLDMANS TOWNSHIP SCHOOL DISTRICT
 Direct and Overlapping Property Tax Rates
 Per \$100 of Assessed Valuation
 Last Ten Fiscal Years
 Unaudited

Fiscal Year Ended June 30,	Basic Rate	General Obligation Debt Service	Total Direct School Tax Rate	Overlapping Rates		Total Direct & Overlapping Tax Rate
				Township of Oldmans	Salem County	
2011	1.190	0.075	1.265	0.200	1.410	2.875
2012	1.158	0.075	1.233	0.230	1.580	3.043
2013	1.139	0.078	1.217	0.140	0.811	2.168
2014	1.101	0.072	1.173	0.183	1.153	2.509
2015	1.103	0.071	1.174	0.192	1.048	2.414
2016	1.101	0.064	1.165	0.182	1.042	2.389
2017	1.130	0.066	1.196	0.182	1.049	2.427
2018	1.164	0.060	1.224	0.191	1.174	2.589
2019	1.210	0.060	1.270	0.190	1.231	2.691
2020	1.235	0.059	1.294	0.190	1.245	2.729

Source: Salem County Board of Taxation - Abstract of Ratables.

OLDMANS TOWNSHIP SCHOOL DISTRICT
Principal Property Taxpayers
Current and Nine Years Ago
Unaudited

Taxpayer	2020		2011	
	Taxable Assessed Value	% of Total District Net Assessed Valuation	Taxable Assessed Value	% of Total District Net Assessed Valuation
MHG Gateway Properties, LLC	20,649,900	8.07%	30,500,000	14.41%
Mexichem Specialty Resins, Inc. (Polyone)	20,044,000	7.84%		
Sciva, LLC & Scivb	13,309,700	5.20%		
Goya Foods Inc.	10,630,100	4.16%		
Oxy Vinyls	4,500,000	1.76%	6,500,000	3.07%
Pedricktown Cogen	3,000,000	1.17%	4,000,000	1.89%
Paverstone LLC	2,953,300	1.15%		
Noveon Inc. (Lubrizol Advanced Materials)	2,500,000	0.98%	4,116,100	1.94%
Ndev LLC	2,345,100	0.92%		
BOC Group Inc.	1,950,000	0.76%	1,950,000	0.92%
Sun Refining & Marketing Company			4,226,000	2.00%
Branchville Road, LLC			2,090,800	0.99%
Perkintown Road Associates			1,940,700	0.92%
JE Berkowitz			1,567,300	0.74%
Garden State Freezers			1,497,300	0.71%
	<u>81,882,100</u>	<u>32.02%</u>	<u>58,388,200</u>	<u>27.59%</u>

Source: Municipal Tax Assessor

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

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year		Collections in Subsequent Year
		Amount	Percent of Levy	
2011	\$ 2,651,924	\$ 2,651,924	100.00%	-
2012	2,508,840	2,508,840	100.00%	-
2013	2,564,049	2,564,049	100.00%	-
2014	2,597,673	2,597,673	100.00%	-
2015	2,615,588	2,615,588	100.00%	-
2016	2,817,399	2,817,399	100.00%	-
2017	2,785,280	2,785,280	100.00%	-
2018	3,031,683	3,031,683	100.00%	-
2019	3,087,890	3,087,890	100.00%	-
2020	3,143,776	2,643,679	84.09%	\$ 500,097

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

OLDMANS TOWNSHIP SCHOOL DISTRICT
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
Unaudited

Fiscal Year Ended June 30,	Governmental Activities				Business-type Activities Capital Leases	Total District	Percentage of Personal Income
	General Obligation Bonds	State of New Jersey Safe Loan	Capital Leases	Bond Anticipation Notes			
2011	\$ 1,545,000		\$ 48,149			\$ 1,593,149	2.22%
2012	1,385,000		24,571			1,409,571	1.86%
2013	1,220,000					1,220,000	1.59%
2014	1,055,000					1,055,000	1.35%
2015	885,000					885,000	1.12%
2016	715,000					715,000	0.87%
2017	540,000					540,000	0.65%
2018	365,000					365,000	0.44%
2019	185,000					185,000	0.21%
2020	2,254,000					2,254,000	N/A

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

See Exhibit J-14 for personal income and population data. These ratios are calculated using personal income and population for the prior calendar year.

N/A - information not available at the completion of the CAFR.

OLDMANS TOWNSHIP SCHOOL DISTRICT
 Ratios of General Bonded Debt Outstanding
 Last Ten Fiscal Years
 Unaudited

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			
2011	\$ 1,545,000		\$ 1,545,000	0.73%	869
2012	1,385,000		1,385,000	0.66%	766
2013	1,220,000		1,220,000	0.59%	663
2014	1,055,000		1,055,000	0.48%	568
2015	885,000		885,000	0.40%	480
2016	715,000		715,000	0.31%	392
2017	540,000		540,000	0.23%	298
2018	365,000		365,000	0.15%	203
2019	185,000		185,000	0.08%	103
2020	2,254,000		2,254,000	N/A	N/A

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

N/A - information not available at the completion of the CAFR.

See J-6 for property tax data.

Population data can be found in J-14.

OLDMANS TOWNSHIP SCHOOL DISTRICT
 Direct and Overlapping Governmental Activities Debt
 as of December 31, 2019
 Unaudited

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Overlapping Debt
Debt repaid with property taxes			
Township of Oldmans	\$ 622,000	100.00%	\$ 622,000
Salem County General Obligation Debt	38,650,075	4.95%	1,913,764
Subtotal, overlapping debt			2,535,764
Oldmans Township School District			2,254,000
Total direct and overlapping debt			<u>\$ 4,789,764</u>

Sources: Assessed value data used to estimate applicable percentages provided by the Salem County Board of Taxation. Debt outstanding provided by each government unit.

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

	Equalized Valuation Basis	
	Year	
	2019	\$ 246,655,130
	2018	231,850,548
	2017	236,263,027
		<u>\$ 714,768,705</u>
Average equalized valuation of taxable property		\$ 238,256,235
Debt limit (3% of average equalized value)		7,147,687
Total net debt applicable to limit		<u>2,254,000</u>
Legal debt margin		<u>\$ 4,893,687</u>

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Debt limit	\$ 6,325,875	\$ 6,440,672	\$ 6,607,372	\$ 6,729,011	\$ 6,944,057	\$ 6,815,736	\$ 6,793,981	\$ 6,861,174	\$ 6,977,105	\$ 7,147,687
Total net debt applicable to limit	<u>1,545,000</u>	<u>1,385,000</u>	<u>1,220,000</u>	<u>1,055,000</u>	<u>885,000</u>	<u>715,000</u>	<u>540,000</u>	<u>365,000</u>	<u>185,000</u>	<u>2,254,000</u>
Legal debt margin	<u>\$ 4,780,875</u>	<u>\$ 5,055,672</u>	<u>\$ 5,387,372</u>	<u>\$ 5,674,011</u>	<u>\$ 6,059,057</u>	<u>\$ 6,100,736</u>	<u>\$ 6,253,981</u>	<u>\$ 6,496,174</u>	<u>\$ 6,792,105</u>	<u>\$ 4,893,687</u>
Total net debt applicable to the limit as a percentage of debt limit	24.42%	21.50%	18.46%	15.68%	12.74%	10.49%	7.95%	5.32%	2.65%	31.53%

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

Fiscal Year Ended June 30,	Population	Personal Income	Per Capita Personal Income	Unemployment Rate
2011	1,777	\$ 71,852,995	\$ 40,435	9.6%
2012	1,808	75,710,000	41,875	9.8%
2013	1,839	76,638,486	41,674	5.4%
2014	1,856	78,074,496	42,066	5.4%
2015	1,842	79,366,254	43,087	4.8%
2016	1,824	82,258,752	45,098	5.0%
2017	1,812	82,790,280	45,690	4.2%
2018	1,802	83,675,870	46,435	3.8%
2019	1,799	87,244,304	48,496	2.9%
2020	1,788	N/A	N/A	N/A

Source: Population information and unemployment information provided by the NJ Department of Labor and Workforce Development. Per capita income by municipality based upon information published by the U.S. Bureau of Economic Analysis.

N/A - information not available at the completion of the CAFR.

OLDMANS TOWNSHIP SCHOOL DISTRICT
Principal Employers
Current and Nine Years Ago
Unaudited

Employer	2020		2011	
	Employees	Percentage of Total Municipal Employment	Employees	Percentage of Total Municipal Employment
JE Berkowitz	225	23.51%	275	28.62%
Five Below	160	16.72%		
Walt's Bus Service			115	11.97%
Goya Foods	100	10.45%	100	10.41%
Mullica Hill Cold Storage	183	19.12%	50	5.20%
Oldmans Township School	55	5.75%	59	6.14%
Lubrizol	41	4.28%	41	4.27%
Lacy's Express	38	3.97%	35	3.64%
Oxy Vinyls	47	4.91%	31	3.23%
Unico	20	2.09%	20	2.08%
Polyone			91	9.47%
	<u>869</u>	<u>90.80%</u>	<u>817</u>	<u>85.02%</u>

Source: Salem County Economic Development Office and responses to School District survey.

N/A not available

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

Function/Program	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Instruction:										
Regular	14.0	15.0	17.0	18.0	19.0	20.5	21.2	21.7	22.5	20.7
Special	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	3.5
Other special education	1.0	3.0	3.0	3.0	3.0	2.0	2.0	2.2	2.2	6.4
Other instruction	3.0	1.0	1.0	1.0	2.0	1.5	0.5	3.0	3.0	2.0
Support services:										
Student & instruction related services	4.0	4.0	5.0	6.0	6.0	5.0	9.4	7.6	7.4	5.0
General administration	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
School administration	1.0	1.0	1.0	1.0	1.0	1.0	1.8	1.0	1.0	1.0
Business administrative services	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	2.0	2.0
Plants operations and maintenance	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Pupil transportation	5.0	4.0	4.0	4.0	4.0	3.0	4.0	4.0	4.0	3.0
Food service	3.0	3.0	3.0	3.0	3.0	2.0	3.0	3.0	3.0	2.0
Childcare	3.0	3.0	3.0	4.0	4.0	2.0	0.2	2.0	2.0	2.0
Total	<u>44.0</u>	<u>44.0</u>	<u>47.0</u>	<u>50.0</u>	<u>52.0</u>	<u>47.0</u>	<u>52.1</u>	<u>54.5</u>	<u>54.1</u>	<u>52.6</u>

Source: District personnel records

OLDMANS TOWNSHIP SCHOOL DISTRICT
 Operating Statistics
 Last Ten Fiscal Years
 Unaudited

Fiscal Year Ended June 30,	Enrollment	Operating Expenditures	Cost Per Pupil	Percentage Change	Pupil/Teacher Ratio		Average Daily Enrollment (ADE)	Average Daily Attendance (ADA)	% Change Average Daily Enrollment	Student Attendance Percentage
					Teaching Staff	Elementary				
2011	185	\$ 4,173,448	\$ 22,559	34.84%	21.0	16.1	196.8	190.6	11.06%	96.85%
2012	193	4,394,879	22,771	0.94%	18.0	16.4	228.4	218.8	16.06%	95.80%
2013	230	4,599,101	19,996	-12.19%	20.0	13.6	229.7	220.2	0.57%	95.86%
2014	231	4,789,913	20,736	3.70%	21.0	13.9	250.7	240.0	9.14%	95.73%
2015	253	4,597,064	18,170	-12.37%	22.0	12.2	265.8	255.7	6.02%	96.20%
2016	268	4,961,042	18,511	1.88%	22.5	12.8	287.4	275.1	8.12%	95.73%
2017	287	5,094,187	17,750	-4.11%	23.2	11.7	271.4	259.2	-5.56%	95.51%
2018	271	5,394,407	19,906	12.15%	23.2	11.9	275.9	262.0	1.65%	94.98%
2019	287	5,768,274	20,099	0.97%	24.5	11.6	283.7	270.4	2.84%	95.32%
2020	285	5,812,917	20,396	1.48%	24.2	11.8	285.9	275.5	0.78%	96.35%

Source: District records

Note: Enrollment based on annual October District count.
 Teaching staff information from Report of Certificated Staff

OLDMANS TOWNSHIP SCHOOL DISTRICT
 School Building Information
 Last Ten Fiscal Years
 Unaudited

Elementary/Middle School	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Oldmans Township School										
Capacity (students)	450	450	450	450	450	450	450	450	450	450
Enrollment	197	228	229	251	268	287	271	276	284	285
Square feet	56,000	56,000	56,000	56,000	56,000	56,000	56,000	56,000	56,000	56,000

Source: District records per Long Range Facilities Plan.

Number of schools at June 30
 Elementary/Middle (K-8) = 1

OLDMANS TOWNSHIP SCHOOL DISTRICT
 General Fund
 Schedule of Required Maintenance Expenditures by School Facility
 For the Fiscal Year Ended June 30, 2020

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

	Gross Square Footage	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	Total
* School Facilities	56,000	\$ 68,803	\$ 172,107	\$ 106,803	\$ 171,300	\$ 146,302	\$ 59,998	\$ 46,118	\$ 12,876	\$ 118,803	\$ 33,625	\$ 936,735
Oldmans Middle School												

* School facilities as defined under EFCA
(NJAC 6A:26-1.2 and NJAC 6:24-1.3)

OLDMANS TOWNSHIP SCHOOL DISTRICT
Insurance Schedule
June 30, 2020
Unaudited

Gloucester Cumberland Salem School Districts JIF

I. Property, Inland Marine and Automobile Physical Damages	
A. Limit of Liability:	\$175,000,000 Per Occurrence
1. GCSSDJIF Self Insured Retention	250,000 Per Occurrence
2. Member District Deductible	500 Per Occurrence
3. Perils Included	"All Risk"
B. Property Valuation	
1. Buildings and Contents	Replacement Cost
2. Contractors Equipment	Actual Cash Value
3. Automobiles	Replacement Cost
II. Boiler and Machinery	
A. Limit of Liability:	125,000,000
1. GCSSDJIF Self Insured Retention	None
2. Member District Deductible	1,000
III. Crime	
A. Limits of Liability	500,000
1. GCSSDJIF Self-Insured Retention:	250,000
2. Member District Deductible:	500
IV. General and Automobile Liability	
A. Limit of Liability:	20,000,000
1. GCSSDJIF Self Insured Retention (SIR):	250,000
2. Member District Deductible:	None
V. Workmen's Compensation	
A. Limits of Liability:	Statutory
1. GCSSDJIF Self Insured Retention:	250,000
2. Member District Deductible	None
VI. Educator's Legal Liability	
A. Limits of Liability:	20,000,000
1. GCSSDJIF Self Insured Retention:	175,000
2. Member District Deductible:	None
VII. Pollution Legal Liability (Refer to attached Certificate of Coverage for Covered Districts)	
A. Limits of Liability:	3,000,000
1. GCSSDJIF Self Insured Retention	None
2. Member District Deductible	25,000
3. Member District Deductible - Mold Incident	\$100,000-\$250,000
VIII. Cyber Liability	
A. Limits of Liability:	2,000,000
1. GCSSDJIF Self Insured Retention	None
2. Member District Deductible	10,000
IX. Violent Malicious Acts	
A. Limits of Liability:	1,000,000
1. GCSSDJIF Self Insured Retention	None
2. Member District Deductible	15,000
X. Disaster Management Services	
A. Limits of Liability:	2,000,000
1. GCSSDJIF Self Insured Retention	None
2. Member District Deductible	15,000
Public Employees' Faithful Performance Bonds - Selective Insurance	
Position Bond - Diane Bowman, Treasurer	160,000
Position Bond - Pamela Zook, Business Administrator	175,000

Source: District records.

SINGLE AUDIT SECTION

PETRONI & ASSOCIATES LLC

Certified Public Accountants • Registered Municipal Accountants
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MEMBER: AMERICAN INSTITUTE OF
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Mary A. Carey, RMA
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Denise R. Nevico, CPA
Deanna L. Roller, CPA, RMA

EXHIBIT K-1

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

Independent Auditor's Report

The Honorable President and
Members of the Board of Education
Oldmans Township School District
10 Freed Road
Pedricktown, New Jersey 08067

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 Oldmans Township School District, in the County of Salem, State of New Jersey, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise Oldmans Township School District's basic financial statements, and have issued our report thereon dated December 15, 2020.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Oldmans Township School District's 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 Oldmans Township School District's internal control. Accordingly, we do not express an opinion on the effectiveness of the 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 that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies 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 Oldmans Township School District's financial statements are free of 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.

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

PETRONI & ASSOCIATES LLC



Nick L. Petroni
Certified Public Accountant
Licensed Public School Accountant #542
Glassboro, New Jersey

December 15, 2020

PETRONI & ASSOCIATES LLC

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EXHIBIT K-2

**REPORT ON COMPLIANCE FOR EACH MAJOR STATE PROGRAM; REPORT ON
INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON THE SCHEDULE OF
EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
REQUIRED BY *UNIFORM ADMINISTRATIVE REQUIREMENTS, COST PRINCIPLES,
AUDIT REQUIREMENTS FOR FEDERAL AWARDS (UNIFORM GUIDANCE),
AND NEW JERSEY OMB'S CIRCULAR 15-08***

Independent Auditor's Report

The Honorable President and
Members of the Board of Education
Oldmans Township School District
10 Freed Road
Pedricktown, New Jersey 08067

Report on Compliance for Each Major State Program

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Oldmans 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; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, Audit Requirements for Federal Awards (Uniform Guidance), *New Jersey State Aid/Grant Compliance Supplement*, *Audits of States, Local Governments, and Non-Profit Organizations*, and the audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, and New Jersey OMB's Circular 15-08, Single Audit Policy for Recipients of

Federal Grants, State Grants, and State Aid. Those standards, the Uniform Guidance and New Jersey OMB's Circular 15-08, require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major state program occurred. An audit includes examining, on a test basis, evidence about the Oldmans Township 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 Oldmans Township School District's compliance.

Opinion on Each Major State Program

In our opinion, the Oldmans 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 Oldmans 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 Oldmans Township 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 Uniform Guidance and New Jersey OMB's Circular 15-08, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Oldmans Township School District's internal control over compliance.

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

***Report on Schedules of Expenditures of Federal Awards and State Financial Assistance
Required by Uniform Guidance and NJ OMB's Circular 15-08***

We have audited the financial statements Oldmans Township School District as of and for the year ended June 30, 2020, and have issued our report thereon dated December 15, 2020, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards and state financial assistance are presented for purposes of additional analysis as required by Uniform Guidance and New Jersey OMB's Circular 15-08 and are not a required part of the financial statements. Such information is the responsibility of Management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditure of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.

PETRONI & ASSOCIATES LLC



Nick L. Petroni
Certified Public Accountant
Licensed Public School Accountant #542
Glassboro, New Jersey

December 15, 2020

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

Federal Grantor/Pass-Through/Grantor/Program Title	Federal CFDA Number	Federal FAIN Number	Grant or State Project Number	Program or Award Amount	Grant Period		Balance at June 30, 2019	Carryover/ (Walkover) Amount	Cash Received	Budgetary Expenditures	Adjustments	Repayment of Prior Year's Balances	Balance at June 30, 2020			MEMO Cumulative Total Expenditures
					From	To							(Accounts Receivable)	Deferred Revenue	Due to Grantor	
U.S. Department of Education																
Passed-through State Department of Education:																
Special Revenue Fund:																
Title I - Part A	84.010	S010A190030	ESEA386020	\$ 98,055	07/01/19 - 06/30/20				\$ 22,466	\$ (27,295)					\$ (4,829)	\$ 27,295
Title I - Part A	84.010	S010A180030	ESEA386019	81,276	07/01/18 - 06/30/19	\$ (5,795)		5,795								27,546
Title I - Part A	84.010	S010A160030	NCLB386017	47,384	07/01/16 - 06/30/17	1,396						\$ (1,396)				32,529
Subtotal						(4,399)			28,261	(27,295)		(1,396)		(4,829)		87,370
Title II A, Teacher & Principal Training	84.367	S367A190029	ESEA386020	5,844	07/01/19 - 06/30/20				5,844	(5,844)						5,844
Subtotal									5,844	(5,844)						5,844
Title IV-Student Support & Academic Enrichment	84.424	S424A190031	ESEA386020	16,390	07/01/19 - 06/30/20		\$ 136	7,547	(8,267)					(584)		8,267
Title IV-Student Support & Academic Enrichment	84.424	S424A180031	ESEA386019	15,406	07/01/18 - 06/30/19	(9,016)	(136)	9,016			\$ 136 *					9,016
Subtotal						(9,016)		16,563	(8,267)		136			(584)		17,283
Special Education Cluster																
IDEA Part B, Basic Regular	84.027A	H027A190100	IDEA386020	82,863	07/01/19 - 06/30/20			49,718	(82,863)					(33,145)		82,863
IDEA Part B, Basic Regular	84.027A	H027A180100	IDEA386019	80,358	07/01/18 - 06/30/19	(16,447)		16,447								80,358
IDEA Part B, Preschool	84.173	H173A190114	IDEA386020	1,480	07/01/19 - 06/30/20			888	(1,480)					(592)		1,480
IDEA Part B, Preschool	84.173	H173A180114	IDEA386019	1,416	07/01/18 - 06/30/19	(283)		283								1,416
Total Special Education Cluster						(16,730)		67,336	(84,343)					(33,737)		166,117
Rural Education Achievement Program	84.358A	S358B190030	S358A182874	25,015	07/01/19 - 09/30/19			1,835	(17,471)					(15,636)		17,471
Rural Education Achievement Program	84.358A	S358B180030	S358A182874	58,334	07/01/18 - 09/30/20	(27,945)		27,945								56,451
Subtotal						(27,945)		29,780	(17,471)					(15,636)		
CARES ACT 2020/ ESSER	84.425D	S425D200027	n/a	35,636	03/13/20 - 10/15/22					(2,207)				(2,207)		2,207
Total Special Revenue Fund						(58,090)	(136)	147,784	(145,427)		136	(1,396)	(56,993)			278,821
U.S. Department of Agriculture																
Passed-through State Department of Education:																
Enterprise Fund:																
Child Nutrition Cluster																
Food Distribution Program	10.555	201NJ304N1099	n/a	10,481	07/01/19 - 06/30/20				10,481	(9,767)				\$ 714		9,767
Food Distribution Program	10.555	191NJ304N1099	n/a	9,522	07/01/18 - 06/30/19	513				(513)						9,522
National School Lunch Program	10.555	201NJ304N1099	n/a	23,209	07/01/19 - 06/30/20			21,803	(23,209)					(1,406)		23,209
National School Lunch Program	10.555	191NJ304N1099	n/a	26,135	07/01/18 - 06/30/19	(1,207)		1,207								26,135
School Breakfast Program	10.553	201NJ304N1099	n/a	4,442	07/01/19 - 06/30/20			3,553	(4,442)					(889)		4,442
School Breakfast Program	10.553	191NJ304N1099	n/a	4,246	07/01/18 - 06/30/19	(208)		208								4,246
After School Snack Program	10.558	201NJ304N1099	n/a	377	07/01/19 - 06/30/20			377	(377)							377
After School Snack Program	10.558	191NJ304N1099	n/a	772	07/01/18 - 06/30/19	(46)		46								772
Total Enterprise Fund/Child Nutrition Cluster						(948)		37,675	(38,308)					(2,295)	714	78,470
Total Federal Financial Awards						\$ (59,038)	\$ (136)	\$ 185,459	\$ (183,735)	\$ 136	\$ (1,396)	\$ (59,288)	\$ 714			\$ 357,291

* Prior year purchase order canceled

The accompanying notes to schedules of expenditures of awards and financial assistance are an integral part of this schedule.

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

State Grantor/Program Title	Grant or State Project Number	Program or Award Amount	Grant Period		Balance at June 30, 2019			Cash Received	Budgetary Expenditures	Adjustments/Repayment of Prior Year's Expenditures	Balance at June 30, 2020			MEMO	
			From	To	Deferred Revenue (Accounts Receivable)	Due to Grantor	Carryover/ (Walkover) Amount				(Accounts Receivable)	Deferred Revenue	Due to Grantor	Budgetary Receivable	Cumulative Total Expenditures
State Department of Education															
General Fund:															
State Aid Public:															
Equalization Aid	20-495-034-5120-078	\$ 993,810	07/01/19	06/30/20			\$ 993,810	\$ (993,810)					\$ 94,825	\$ 993,810	
Special Education Categorical Aid	20-495-034-5120-089	159,315	07/01/19	06/30/20			159,315	(159,315)					15,201	159,315	
Security Aid	20-495-034-5120-084	44,735	07/01/19	06/30/20			44,735	(44,735)					4,268	44,735	
School Choice Aid	20-495-034-5120-068	602,388	07/01/19	06/30/20			602,388	(602,388)					57,477	602,388	
Adjustment Aid	20-495-034-5120-085	201,840	07/01/19	06/30/20			201,840	(201,840)					19,259	201,840	
Transportation Aid	20-495-034-5120-014	136,526	07/01/19	06/30/20			136,526	(136,526)					13,027	136,526	
Extraordinary Aid	20-495-034-5120-044	15,122	07/01/19	06/30/20				(15,122)			\$ (15,122)			15,122	
Reimbursement for Nonpublic Transportation	n/a	2,900	07/01/18	06/30/19	\$ (2,900)		2,900							2,900	
Reimbursed TPAF Social Security Contrib.	20-495-034-5094-003	140,779	07/01/19	06/30/20			140,192	(140,779)			(587)			140,779	
On-Behalf TPAF Pension Contribution	20-495-034-5094-002	372,960	07/01/19	06/30/20			372,960	(372,960)						372,960	
On-Behalf TPAF Post-Retirement Medical	20-495-034-5094-001	138,362	07/01/19	06/30/20			138,362	(138,362)						138,362	
On-Behalf TPAF Long Term Disability	20-495-034-5094-004	640	07/01/19	06/30/20			640	(640)						640	
Total General Fund					(2,900)		2,793,668	(2,806,477)			(15,709)		204,057	2,809,377	
Debt Service Fund:															
Debt Service Aid Type II	20-495-034-5120-075	51,051	07/01/19	06/30/20			51,051	(51,051)						51,051	
State Department of Agriculture															
Enterprise Fund:															
National School Lunch Program (State Share)	20-100-010-3350-023	810	07/01/19	06/30/20			594	(810)			(216)			810	
National School Lunch Program (State Share)	19-100-010-3350-023	798	07/01/18	06/30/19	(37)		37							798	
Total Enterprise Fund					(37)		631	(810)			(216)			1,608	
Total State Financial Assistance					\$ (2,937)		\$ 2,845,350	\$ (2,858,338)			\$ (15,925)		\$ 204,057	\$ 2,862,036	
Less: On-Behalf TPAF Pension System Contributions:															
TPAF Pension Contribution								\$ 372,960							
TPAF Post-Retirement Medical								138,362							
TPAF Long Term Disability								640							
								(511,962)							
Total for State Financial Assistance-Major Program Determination								\$ (2,346,376)							

The accompanying notes to schedules of expenditures of awards and financial assistance are an integral part of this schedule.

**OLDMANS TOWNSHIP SCHOOL DISTRICT
NOTES TO THE SCHEDULES OF
AWARDS AND FINANCIAL ASSISTANCE
JUNE 30, 2020**

NOTE 1: GENERAL

The accompanying Schedules of Expenditures of Federal Awards and State Financial Assistance include federal and state activity of the Board of Education, Oldmans Township School District. The Board of Education is defined in Note 1 to the Board's basic financial statements. All federal and state awards received directly from federal and state agencies, as well as federal awards and state financial assistance passed through other government agencies, is included on the Schedule of Expenditures of Federal Awards and State Financial Assistance.

NOTE 2: BASIS OF ACCOUNTING

The accompanying Schedules of Expenditures of Federal Awards and State Financial Assistance are presented on the budgetary basis of accounting with the exception of programs recorded in the Food Service Fund, which are presented using the accrual basis of accounting. These basis of accounting are described in Note 1 to the Board's basic financial statements. The information in this schedule is presented in accordance with the requirements of 2 CFR 200 - *Uniform Administrative Requirements, Cost Principles, Audit Requirements for Federal Awards, Audits of States, Local Governments, and Non-Profit Organizations*, and New Jersey OMB's Circular 15-08. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

NOTE 3: RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

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

The General Fund is presented in the accompanying schedules on the modified accrual basis with the exception of the revenue recognition of the one or more deferred June state aid payments in the current budget year, which is mandated pursuant to NJSA 18A:22-44-.2. For GAAP purposes, that, payment is not recognized until the subsequent budget year due to the state deferral and recording of 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 June state aid payments in the current budget year, consistent with NJSA 18A:22-4-.2.

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$692 for the General Fund and (\$1,562) for the Special Revenue Fund. See Note 1 (the Notes to Required Supplementary Information) for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the General and Special Revenue Funds. Awards and financial assistance revenues are reported in the Board's basic financial statements on a GAAP basis as presented (See Exhibit B-2 and B-5):

**OLDMANS TOWNSHIP SCHOOL DISTRICT
NOTES TO THE SCHEDULES OF
AWARDS AND FINANCIAL ASSISTANCE
JUNE 30, 2020**

NOTE 3: RELATIONSHIP TO BASIC FINANCIAL STATEMENTS (CONTINUED)

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund		\$ 2,807,169	\$ 2,807,169
Special Revenue Fund	\$ 143,221		143,221
Debt Service Fund		51,051	51,051
Food Service Fund	38,509	773	39,282
Total Financial Assistance	<u>\$ 181,730</u>	<u>\$ 2,858,993</u>	<u>\$ 3,040,723</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: FOOD DISTRIBUTION PROGRAM

Revenues and expenditures reported under the Food Distribution Program represent current year value received and current year distributions, respectively. Non-monetary assistance is reported in the schedule at the market value of the commodities received and disbursed. As of June 30, 2020, Oldmans Township School District has food commodities totaling \$714 in inventory.

NOTE 6: OTHER

The amount reported as the TPAF Pension Contributions represents the amount paid by the state on behalf of the District for the year ended June 30, 2020. The TPAF Social Security Contributions represents the amount reimbursed by the state for the employer's share of social security contributions for the TPAF members for the year ended June 30, 2020.

NOTE 7: ADJUSTMENTS TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARD AND STATE FINANCIAL ASSISTANCE

The amount reported as an adjustment on Schedule A in the amount of \$136 is the result of cancelation of prior year payable.

NOTE 8: INDIRECT COST RATE

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

NOTE 9: ON-BEHALF PROGRAMS NOT SUBJECT TO STATE SINGLE AUDIT MAJOR PROGRAM DETERMINATION

On-behalf State Programs for the TPAF Pension and Post-Retirement Medical Benefits Contributions are excluded from State single audit major program determination. The Schedule of State Financial Assistance provides a reconciliation of State Financial assistance reported in the District's financial statements and the amounts subject to State single audit and major program determination.

**OLDMANS 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 No
- 2. Significant deficiencies identified that are not considered to be material weaknesses? Yes None Reported

Noncompliance material to basic financial statements noted? Yes No

Federal Awards **N/A**

State Awards

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

Auditee qualified as low-risk auditee? Yes No

Internal control over major programs:

- 1. Material weakness(es) identified? Yes No
- 2. Significant deficiencies identified that are not considered to be material weaknesses? Yes None reported

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

Any audit findings disclosed that are required to be reported in accordance with NJ OMB’s Circular 15-08? Yes No

Identification of major programs:

State Grant/Project Numbers	Name of State Program
495-034-5120-078	State Aid Public:
495-034-5120-089	Equalization Aid
495-034-5120-084	Special Education Aid
495-034-5120-085	Security Aid
495-034-5120-068	Adjustment Aid
	School Choice Aid

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

Section II – Financial Statement Findings

None

**Section III – Federal Awards and State Financial Assistance
Findings and Questioned Costs**

FEDERAL AWARDS

N/A

STATE AWARDS

None

**OLDMANS 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**

Status of Prior Year Findings

Finding 2019-001:

Condition - The payroll agency trial balance was found to be inaccurate.

Current status: Corrective action was taken.

Finding 2019-002:

Condition - The bank accounts were not properly reconciled to the general ledger for the General Fund, Food Service Fund, Unemployment Trust Fund, Student Activity, Payroll, and Agency Funds.

Current status: Corrective action was taken.

Finding 2019-003:

Condition - Failure to segregate adult sales and ala carte items in the accounting records.

Current status: Corrective action was taken.

Finding 2019-004:

Condition - The ASSA application did not agree to the supporting documentation provided by the District.

Current status: Corrective action was taken.