

**Swedesboro-Woolwich Consolidated
Board of Education
Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2020**

**SWEDESBORO-WOOLWICH CONSOLIDATED
SCHOOL DISTRICT**

WOOLWICH TOWNSHIP, NEW JERSEY

**Swedesboro-Woolwich Consolidated School Board of Education
Woolwich Township, New Jersey**

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

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

of the

**Swedesboro-Woolwich Consolidated School Board of Education
Woolwich Township, New Jersey**

For the Fiscal Year Ended June 30, 2020

Prepared by:

**Christopher J. DeStratis
School Business Administrator/Board Secretary**

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INTRODUCTORY SECTION

SWEDESBORO-WOOLWICH SCHOOL DISTRICT
ADMINISTRATIVE OFFICES
15 FREDERICK BOULEVARD
WOOLWICH TOWNSHIP, NJ 08085

Phone: 856 241-1552

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Dr. Kristin P. O'Neil
Superintendent of Schools

Christopher J. DeStratis
School Business Administrator

December 16, 2020

Honorable President and
Members of the Board of Education
Swedesboro-Woolwich Consolidated School District
15 Frederick Boulevard
Woolwich Township, New Jersey 08085

Dear Board Members:

The comprehensive annual financial report of the Swedesboro-Woolwich Consolidated School District (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 (Board). 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 independent Auditor's Report, MD&A, and the basic financial statements including the District-wide statements, fund statements, notes to the financial statements, required supplementary information, other than MD&A, including budgetary comparison schedules, and other supplementary information. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The Swedesboro-Woolwich Consolidated School 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, Costs Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*, "Audits of State and Local Governments," and the New Jersey OMB's Circular Letter 15-08, "Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid Payments." Information related to this single audit, including the auditor's reports on the internal control and compliance with applicable laws and regulations and findings and recommendations, if any, are included in the single audit section of this report.

1. REPORTING ENTITY AND ITS SERVICES: The Swedesboro-Woolwich Consolidated School District is an independent reporting entity within the criteria set forth in Section 2100 of the *GASB Codification of Governmental Accounting and Financial Reporting Standards*. All funds and account groups of the District are included in this report. The Swedesboro-Woolwich 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 Prekindergarten through Grade 6. These include regular, as well as special education for at-risk, gifted, and handicapped students. The District completed the 2019-2020 fiscal year with an enrollment of 1,603 students.

2. ECONOMIC CONDITION AND OUTLOOK: The District serves both Swedesboro Borough and Woolwich Township. The Borough of Swedesboro is .73 square miles or 499 acres. Woolwich Township covers 21 square miles.

For the 2019-2020 school year, the District's four elementary schools were organized as follows:

Margaret C. Clifford Serves the preschool and kindergarten students.

Charles C. Stratton Serves students in grades 1 and 2.

Charles Harker Serves students in grades 3 to 5.

Walter H. Hill Serves all grade 6.

The Board of Education opened its new \$3,250,000 Margaret C. Clifford School in January 1997. In March of 2000, voters approved a \$2,758,000 bond referendum to expand this facility to accommodate an increase in the student enrollment. The Margaret C. Clifford School addition opened in September of 2001.

In March 2002, a bond referendum was held regarding the construction of a new elementary school (Charles C. Stratton), as well as an addition and renovations to the Walter H. Hill School. The referendum was successful by a 2 to 1 margin. The total cost of these projects was \$23,137,843, of which \$15,733,733 was allocated to the new school and \$7,404,110 was the addition and renovations to the Walter H. Hill School. The Board received as part of efforts by the Woolwich Township Planning Board and developers donated land designated for educational purposes. As a result of this conscientious effort the Board received 15 acres of land, which is the site of the Charles C. Stratton School. The construction was completed in March 2004.

In December 2005, a bond referendum was held regarding the construction of a new elementary school (Charles Harker) and the purchase of a 40 acre parcel property. The referendum was successful. The Board received as part of efforts by the Woolwich Township Planning Board and developers donated land designated for educational purposes. As a result of this conscientious effort the Board received 68.43 acres of land donated with a final deed conveyance filed in December 2005, which is the site of the Charles G. Harker School which the Charles Harker School opened in September 2008.

3. MAJOR INITIATIVES: In addition to the District's core curricular offerings, the District is proud of the following programs that are available to its students. Examples of these programs that structure for the success of students include:

3. MAJOR INITIATIVES (CONTINUED):

- o The District introduced a 1:1 Chromebook initiative at the 3rd grade level. The District is now 1:1 in grades 3 - 6.
- o Expanded enrichment opportunities for students through:
 - o Comet Cohort/Comet Cycle program for all students
 - o Accelerated Math in grades 4 - 6
 - o Pre-Algebra for grade 6
 - o Enrichment: Music (gr. 1 - 6), Library Enrichment (gr. K - 2), Art Enrichment (gr. 3 - 6), Technology (gr. 3 - 6)
- o Character Education Program based on Stephen Covey's 7 habits for Happy Kids (from the book Leader in Me) in grades K - 6.
- o Expansion of visual performing arts:
 - o After-school guitar lessons
 - o Introduction of choir in grades 3 & 4 (continuation of choir grades 5 & 6)
 - o Band grades 5 & 6
- o After school club opportunities
- o Summer STEAM enrichment programming: Camp IDEA, Invention Convention
- o Curricular Based Family Nights
- o Project based learning opportunities
- o Integration on a new World Cultures course in grades 3 - 5.
- o Formalized a consistent, data driven RTI process across the district
- o Aligned curriculum to the New Jersey Student Learning Standards
- o Standards based grading practices K - 6
- o Internet access is provided to all students and a google platform is available for all classes
- o Municipal alliance grant to provide for anti-drug student programming
- o L-E-A-D (Law Enforcement Against Drug) program is provided to students
- o Instrumental programs, choir, and drama club opportunities are offered
- o Guidance, speech, O.T., and P.T. services are provided: Guidance counselors are all full-time staff as of 2018 - 2019
- o Intramural sports program in grade 5 & 6

District objectives for 2020-2021 include:

Walter H. Hill School

1. By June of 2021, students in grade 6 will continue to increase state proficiency levels in mathematics and language arts on the NJSLA as a whole group and for all qualified sub-groups.
2. By June 2021, the students in grade 6 will increase exceeding expectations in both math and language arts.

Governor Charles C. Stratton School

1. By June of 2021, students in grade 1 will achieve the district identified growth targets (SGP) in reading based on STAR Benchmark.
2. By June of 2021, students in grade 2 will achieve the district identified growth targets (SGP) in reading and math on STAR Benchmark.

3. MAJOR INITIATIVES (CONTINUED):

Margaret C. Clifford School

1. By June of 2021, students in kindergarten will achieve the district identified growth targets (SGP) in reading based on STAR Early Literacy Benchmark.

General Charles Harker School

1. By June of 2021, students in grades 3, 4, and 5 will continue to increase state proficiency levels in mathematics and language arts on the NJSLA as a whole group and for all qualified sub-groups.

2. By June 2021, the students in grades 3, 4, and 5 will increase exceeding expectations in both math and language arts.

4. INTERNAL ACCOUNTING CONTROLS: The Business Administrator 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 no 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 the District Management.

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

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 re-appropriated are reported as assigned to fund balance as of June 30, 2020.

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. DEBT ADMINISTRATION: As of June 30, 2020, the District's outstanding debt issues include \$29,185,000 of General Obligation Bonds. The proceeds of these bond issues were placed in the District's Capital Projects Fund for use to provide funds for capital improvements to the District's buildings and grounds. These improvements include renovations and additions

7. DEBT ADMINISTRATION (CONTINUED): to the various schools, and the purchase of furniture, fixtures, and equipment for the additions.

8. CASH MANAGEMENT: The investment policy of the District is guided in large part by state statute as detailed in “Notes to the Financial Statements,” Note 3. 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. New Jersey Statutes require governmental units to deposit public funds in institutions as described in “Notes to the Financial Statements,” Note 2.

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

10. OTHER INFORMATION:

Independent Audit - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The Board selected the accounting firm of Petroni & Associates LLC. 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 of 1996, and the revised *Uniform Administrative Requirements, Costs Principles, Audit Requirements for Federal Awards (Uniform Guidance)*, and New Jersey OMB’s Circular 15-08. The auditor’s report on the basic financial statements is included in the financial section of this report. The auditor’s reports related specifically to the single audit are included in the single audit section of this report.

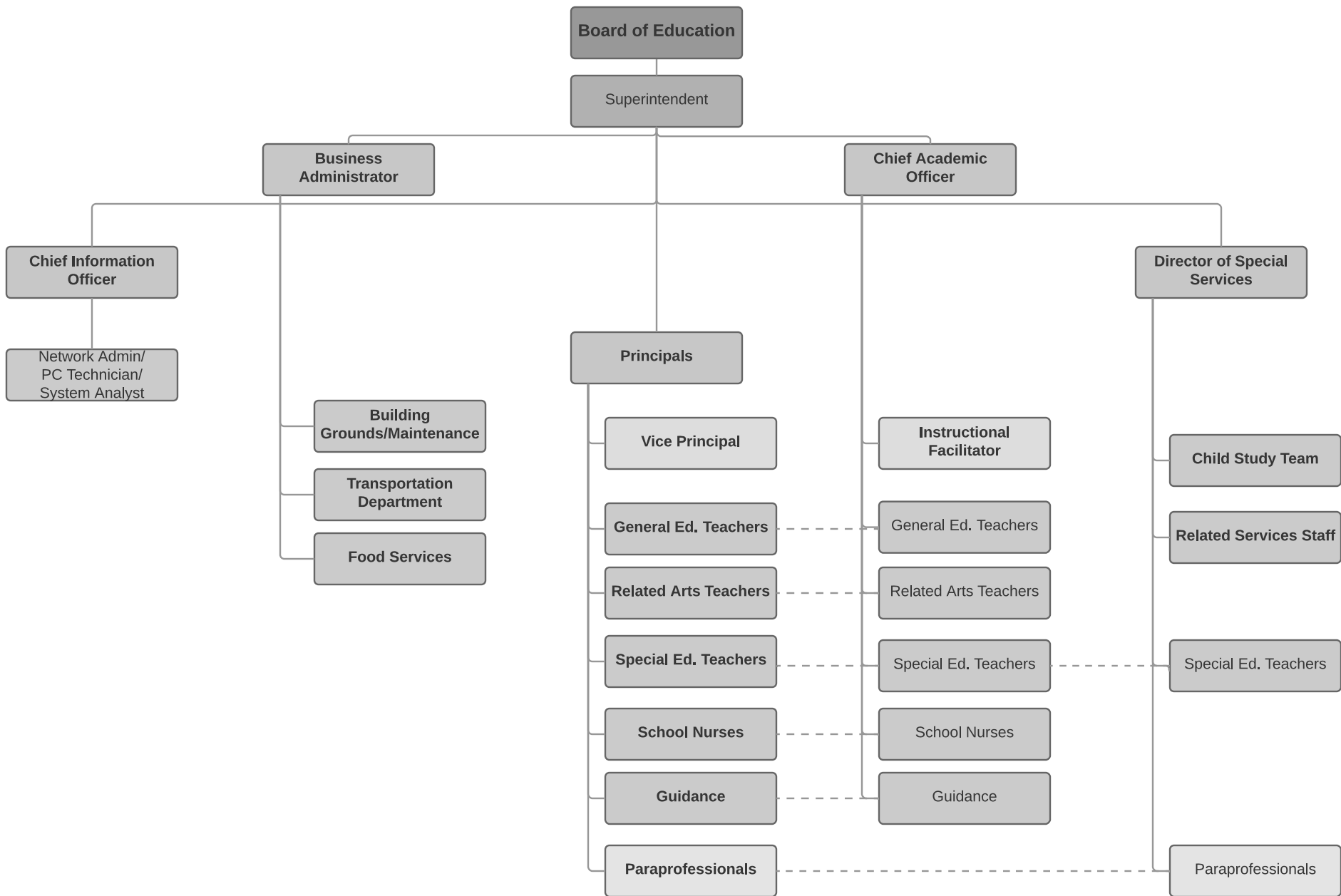
11. ACKNOWLEDGMENTS: We would like to express our appreciation to the members of the Swedesboro-Woolwich Consolidated School Board for their concern in providing fiscal accountability to the citizens and taxpayers of the School District and thereby contributing their full support to the development and maintenance of our financial operation. The preparation of this report could not have been accomplished without the efficient and dedicated services of our financial and accounting staff.

Respectfully submitted,

Dr. Kristin P. O’Neil
Dr. Kristin P. O’Neil
Superintendent

Christopher J. DeStratis
Christopher J. DeStratis
Business Administrator/Board Secretary

Swedesboro-Woolwich School District Organizational Flow Chart



SWEDSBORO-WOOLWICH CONSOLIDATED BOARD OF EDUCATION
Woolwich Township, New Jersey

ROSTER OF OFFICIALS
June 30, 2020

Board of Education Members

<u>Board Member</u>	<u>Office Held</u>	<u>Term Date</u>
Jaclyn Dopke	President	2021
Gina Azzari	Vice President	2021
Deborah Allen	Board Member	2021
Natalie Baker	Board Member	2022
Lauren Ibbotson	Board Member	2020
William Martz	Board Member	2020
Rosella Musumeci	Board Member	2022
Kenneth Morris	Board Member	2020
Michael Shannon	Board Member	2020

Other Officials

Dr. Kristin P. O'Neil, Superintendent

Christopher J. DeStratis, Business Administrator/Board Secretary

**SWEDESBORO-WOOLWICH CONSOLIDATED BOARD OF EDUCATION
Woolwich Township, New Jersey**

Consultants and Advisors

Auditor

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

Contact: Nick Petroni
Certified Public Accountant

Solicitor

Comegno Law Group, PC
521 Pleasant Valley Avenue
Moorestown, NJ 08057

Contact: R. Taylor Ruilova, Esquire

Fiscal Agent

JP Morgan
Chase Manhattan Bank
4 New York Plaza
New York, New York 10004

Depository

Fulton Bank of New Jersey
179 Kings Highway
Woolwich Township, NJ 08085

Bond Counsel

McManimon and Scotland
One Gateway Center
Newark, NJ 07102

Architect

Garrison Architect
713 Creek Road
Bellmawr, NJ 08031

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
Swedesboro-Woolwich Consolidated School District
15 Frederick Boulevard
Woolwich, NJ 08085

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 Swedesboro-Woolwich Consolidated School District, in the County of Gloucester, State of New Jersey, as of and for the fiscal year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the 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 Swedesboro-Woolwich Consolidated Board of Education, Woolwich, 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 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 Swedesboro-Woolwich Consolidated 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, and Audit Requirements for Federal Awards (Uniform Guidance), and the schedule of state financial assistance as required by New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid*, and the introductory and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements.

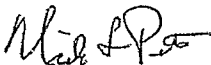
The combining and individual non-major fund financial statements, schedule of expenditures of federal awards, and state awards is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such 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 (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), and the schedule of state financial assistance as required by New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid*, is 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 16, 2020, on our consideration of the Swedesboro-Woolwich Consolidated 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 Swedesboro-Woolwich Consolidated 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 16, 2020

REQUIRED SUPPLEMENTARY INFORMATION – PART I

SWEDESBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
Management's Discussion and Analysis
Fiscal Year Ended June 30, 2020
Unaudited

The discussion and analysis of Swedesboro-Woolwich Consolidated School District's financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2020. The intent of this discussion and analysis is to look at the School District's financial performance as a whole; readers should also review the basic financial statements and notes to enhance their understanding of the School District's financial performance.

Overview of the Financial Statements

This annual report consists of three parts: management's discussion and analysis (this section), the basic financial statements, and required supplementary information. The basic financial statements include two kinds of statements that present different views of the District:

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

Financial Highlights

Key financial highlights for 2020 are as follows:

- * General governmental revenues accounted for \$33,202,915 in revenue or 97 percent of all governmental revenues (See Exhibit A-2).
- * Program specific revenues, in the form of charges for services, operating grants and contributions accounted for \$975,051 or 3.2% of total revenues of \$34,172,064 (See Exhibit A-2).
- * The School District had \$33,108,611 in expenses; only \$975,051 of these expenses offset by program specific charges for services, grants, or contributions (See Exhibit A-2).
- * Among Governmental Funds, the General Fund had \$28,853,528 in revenues and the General Fund's fund balance increased \$225,095 over 2019 (See Exhibit B-2).

Using this Comprehensive Annual Financial Report (CAFR)

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

Using this Comprehensive Annual Financial Report (CAFR) (Continued)

The Statement of Net Position and Statement of Activities provide information about the activities of the whole School District, presenting both an aggregate view of the School District's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For Governmental Funds, these statements tell how services were financed in the short-term as well as what remains for future spending.

The fund financial statements also look at the School District's most significant funds with all other non-major funds presented in total in one column. In the case of Swedesboro-Woolwich Consolidated School District, the General Fund is by far the most significant fund.

Statement of Net Position and the Statement of Activities

While this document contains the large number of funds used by the School District to provide programs and activities, the view of the School District as a whole looks at all financial transactions and ask the question, "How did we do financially during FY 2020?" The Statement of Net Position and the Statement of Activities answer this question. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by most private-sector businesses. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the School District's net position and changes in those positions. This change in net position is important because it tells the reader that, for the School District as a whole, the financial position of the School District has improved or diminished. The causes of this change may be the result of many factors, some financial and some not. Non-financial factors include the School District's property tax base, current laws in New Jersey restricting revenue growth, facility condition, required educational programs, and other factors.

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

- * Governmental Activities - All of the School District's programs and services are reported here including instruction, support services, operation and maintenance of plant facilities, pupil transportation, and extracurricular activities.
- * Business-Type Activity - This service is provided on a charge for goods or services basis to recover all the expenses of the goods or services provided. The Food Service, Drama Club, Pay-to-Play, and Summer Camp Enterprise Funds are reported as business activities.

Reporting the School District's Most Significant Funds

Fund Financial Statements

Fund financial reports provide detailed information about the School District's funds. The School District uses many funds to account for a multitude of financial transactions. The School District's Governmental Funds are the General Fund, Special Revenue Fund, Capital Projects Fund, and Debt Service Fund.

Governmental Funds

The 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 years. These funds are reported using an accounting method called modified accrual 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 School District's general government operations and the basic services it provides. Governmental

Governmental Funds (Continued)

Fund information helps the reader determine whether there are more or fewer financial resources that can be spent in the near future to finance educational programs.

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.

Enterprise Fund

The Enterprise Fund uses the same basis of accounting as Business-type Activities; therefore, these statements are essentially the same.

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.

The School District as a Whole

The Statement of Net Position provides the perspective of the School District as a whole. Net positions may serve over time as a useful indicator of a government's financial position.

The District's financial position is the product of several financial transactions including the net results of activities, the acquisition and payment of debt, the acquisition and disposal of capital assets, and the depreciation of capital assets.

Table 1 provides a summary of the School District's net position for 2020, with comparative data from 2019.

	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
Current & other assets	\$ 4,624,018	\$ 4,655,736	\$ 300,816	\$ 348,041	\$ 4,924,834	\$ 5,003,777
Capital assets	37,499,266	38,254,200	106,958	93,653	37,606,224	38,347,853
Total assets	<u>42,123,284</u>	<u>42,909,936</u>	<u>407,774</u>	<u>441,694</u>	<u>42,531,058</u>	<u>43,351,630</u>
Deferred Outflows	<u>1,407,245</u>	<u>1,606,359</u>			<u>1,407,245</u>	<u>1,606,359</u>
Noncurrent liabilities	30,287,342	32,828,359			30,287,342	32,828,359
Other liabilities	1,047,333	571,024	29,539	16,057	1,076,872	587,081
Net pension liability	4,412,068	4,843,904			4,412,068	4,843,904
Total liabilities	<u>35,746,743</u>	<u>38,243,287</u>	<u>29,539</u>	<u>16,057</u>	<u>35,776,282</u>	<u>38,259,344</u>
Deferred Inflows	<u>1,638,655</u>	<u>1,238,732</u>			<u>1,638,655</u>	<u>1,238,732</u>
Net position:						
Invested in capital assets, net of debt	8,187,926	6,449,977	106,958	93,653	8,294,884	6,543,630
Restricted	3,977,392	4,443,334			3,977,392	4,443,334
Unrestricted	(6,020,187)	(5,859,035)	271,277	331,984	(5,748,910)	(5,527,051)
Total net position	<u>\$ 6,145,131</u>	<u>\$ 5,034,276</u>	<u>\$ 378,235</u>	<u>\$ 425,637</u>	<u>\$ 6,523,366</u>	<u>\$ 5,459,913</u>

The District's combined net position was \$6,523,366 on June 30, 2020. This was an increase from the prior year of \$1,063,453.

Table 2 shows changes in net position for fiscal year 2020 with comparative data from 2019.

The School District as a Whole (Continued)

Table 2
Changes in Net Position

	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
Revenues:						
Program revenues:						
Charges for services			\$ 287,885	\$ 427,676	\$ 287,885	\$ 427,676
Operating grants & contributions	\$ 498,108	\$ 498,336	189,058	208,310	687,166	706,646
General revenues:						
Property taxes	18,384,135	18,835,506			18,384,135	18,835,506
Grants & entitlements	14,380,476	14,162,029			14,380,476	14,162,029
Other	438,304	572,930	(5,902)	(1,563)	432,402	571,367
Total revenues	33,701,023	34,068,801	471,041	634,423	34,172,064	34,703,224
Expenses:						
Instruction	11,394,863	10,470,194			11,394,863	10,470,194
Support services	19,207,307	19,717,210			19,207,307	19,717,210
Capital outlay	87,129	105,074			87,129	105,074
Unallocated depreciation	847,837	840,549			847,837	840,549
Interest on debt	1,053,032	1,142,425			1,053,032	1,142,425
Food service			491,304	578,962	491,304	578,962
Other enterprise			27,139	40,605	27,139	40,605
Total expenses	32,590,168	32,275,452	518,443	619,567	33,108,611	32,895,019
Change in net position	1,110,855	1,793,349	(47,402)	14,856	1,063,453	1,808,205
Beginning net position	5,034,276	(38,852,385)	425,637	440,287	5,459,913	(38,412,098)
Prior period adjustment		42,093,312		(29,506)		42,063,806
Ending net position	\$ 6,145,131	\$ 5,034,276	\$ 378,235	\$ 425,637	\$ 6,523,366	\$ 5,459,913

Governmental Activities

The unique nature of property taxes in New Jersey creates the legal requirements to annually seek voter approval for the School District operations. The District's total revenues were \$34,172,064 for the year ended June 30, 2020. Property taxes made up 54% of revenues and state and local grants accounted for another 42% of revenue for Governmental Activities for fiscal year 2020.

The total cost of all programs and services was \$33,108,611. Instruction comprises 34% of District expenses.

Business-type Activities

Revenues for the District's Business-type Activity (Food Service, Drama Club, Pay-to-Play, and Summer Camp) were comprised of charges for services and federal and state reimbursements.

* Income did not exceed expenditures by \$47,402.

* Charges for services represent \$287,885 of revenue.

* Federal and state reimbursement for meals, including payments for free and reduced lunches and breakfast and donated commodities were \$189,058.

Statement of Activities

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services. Table 3 shows the total cost of services and the net cost of services for the year 2020, with comparative data for 2019. The net cost shows the financial burden that was placed on the District's taxpayers by each of these functions.

Table 3

	Total Cost of Services		Net Cost of Services	
	2020	2019	2020	2019
Instruction:	\$ 11,394,863	\$ 10,470,194	\$ 10,961,798	\$ 10,051,574
Support services:				
Pupil & instructional staff	2,779,544	2,733,883	2,742,282	2,697,100
General administration, school administration & business operation	2,415,359	2,320,940	2,415,359	2,320,940
Operation & maintenance of facilities	2,037,758	1,989,558	2,037,758	1,989,558
Pupil transportation	1,495,286	1,582,609	1,495,286	1,582,609
Employee benefits	10,479,360	11,090,220	10,451,579	11,047,287
Interest	1,053,032	1,142,425	1,053,032	1,142,425
Capital outlay	87,129	105,074	87,129	105,074
Unallocated depreciation	847,837	840,549	847,837	840,549
	<u>\$ 32,590,168</u>	<u>\$ 32,275,452</u>	<u>\$ 32,092,060</u>	<u>\$ 31,777,116</u>

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

Pupils and instructional staff include the activities involved with assisting staff with the content and process of teaching to students, including curriculum and staff development.

General administration, school administration, and business include expenses associated with administrative and financial supervision of the District.

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

Pupil transportation includes activities involved with the conveyance of students to and from school, as well as to and from school activities, as provided by State law.

Interest on debt involves the transactions associated with the payment of interest and other related charges to debt of the School District.

"Other" includes unallocated benefits, capital outlay, special schools, and unallocated depreciation.

The School District's Funds

All Governmental Funds (i.e., General Fund, Special Revenue Fund, Capital Projects Fund, and Debt Service Fund presented in the fund-based statements) are accounted for using the modified accrual basis of accounting. Total revenues amounted to \$31,972,455 and expenditures were \$32,507,461 per Exhibit B-2.

General Fund Budgeting Highlights

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

General Fund Budgeting Highlights (Continued)

During the course of the fiscal 2020 year, the School District amended its General Fund budget as needed. The School District uses program-based budgeting, and the budgeting systems are designed to tightly control program budgets but provide flexibility for program management.

- Transfers between budgetary line accounts to prevent overruns.

This fiscal year was completed utilizing a zero-based budgeting as implemented by the Board of Education and Administration. This process allowed us to more accurately account for our expenditures by school. Principals became more aware of their appropriation limitations and managed their individual school budgets effectively.

The General Fund expenditures exceeded revenues and other financing sources of the School District for the year by \$543,586 per Exhibit B-2.

Capital Assets

At the end of the fiscal year the School District had \$37,606,222 invested in land, building, furniture and equipment, and vehicles. Table 4 shows fiscal year 2020 balances compared to 2019.

Table 4
Capital Assets (Net of Depreciation) at June 30,

	2020	2019
Land	\$ 10,472,909	\$ 10,472,909
Site improvements	1,102,976	1,026,718
Building & building improvements	25,500,292	26,227,094
Machinery & equipment	530,045	621,132
	<u>\$ 37,606,222</u>	<u>\$ 38,347,853</u>

Overall capital assets decreased \$741,631 from the previous year. For more detailed information, please refer to the Notes to the Financial Statements.

Debt Administration

As of June 30, 2020, the School District had \$30,387,342 of outstanding debt. Of this amount, \$182,855 is for compensated absences; \$798,562 is for unamortized premiums on bonds issued; \$220,592 is for various capital leases; and \$29,185,000 is for serial bonds for school construction.

Table 5
Outstanding Serial Bonds at June 30,

	2020	2019
Refunding Bonds of 2010	\$ 7,175,000	\$ 7,985,000
Refunding Bonds of 2013	7,890,000	8,205,000
Refunding Bonds of 2015	14,120,000	15,340,000
	<u>\$ 29,185,000</u>	<u>\$ 31,530,000</u>

For more detailed information, please refer to the Notes to the Financial Statements.

For the Future

The Swedesboro-Woolwich Consolidated School District is in good financial condition presently. The District is proud of its community support of the public schools. A major concern is the sustained enrollment of the District with the increased reliance on local property taxes. However, future finances are not without challenges as the community continues to grow and State funding is uncertain.

In conclusion, the Swedesboro-Woolwich Consolidated School District has committed itself to financial excellence for many years. In addition, the School District's system for financial planning, budgeting, and internal financial controls are well regarded. The School District plans to continue its sound fiscal management to meet the challenges of the future.

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 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.

Contacting the School District's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the School District's finances and to show the School District's accountability for the money it receives. If you have questions about this report or need additional information, contact Mr. Christopher J. DeStratis, Business Administrator/Board Secretary at Swedesboro-Woolwich Consolidated Board of Education, 15 Fredrick Boulevard, Woolwich Township, New Jersey 08085. Please visit our website at: www.Swedesboro-Woolwich.com.

BASIC FINANCIAL STATEMENTS

DISTRICT-WIDE FINANCIAL STATEMENTS

SWEDESBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
Statement of Net Position
June 30, 2020

	Governmental Activities	Business-type Activities	FY 2020
ASSETS			
Cash and cash equivalents	\$ 1,668,517	\$ 155,515	\$ 1,824,032
Investments	1,073,044		1,073,044
Interfund accounts receivable	4,000	113,763	117,763
Receivables	265,628	16,114	281,742
Inventory		15,424	15,424
Restricted assets:			
Restricted cash and cash equivalents	450,000		450,000
Capital reserve account - cash	1,162,829		1,162,829
Capital assets:			
Non-depreciable	10,472,909		10,472,909
Assets net of depreciation	27,026,357	106,958	27,133,315
Total assets	<u>42,123,284</u>	<u>407,774</u>	<u>42,531,058</u>
DEFERRED OUTFLOWS OF RESOURCES			
Loss on refunding bonds	1,169,065		1,169,065
Deferred outflows related to pension	238,180		238,180
Total deferred outflows of resources	<u>1,407,245</u>		<u>1,407,245</u>
LIABILITIES			
Accounts payable	527,821		527,821
Deferred revenue - local	29,831		29,831
Interfund accounts payable	113,763	2,000	115,763
Unearned revenue		27,539	27,539
Accrued interest payable	375,918		375,918
Noncurrent liabilities:			
Due within one year	2,667,555		2,667,555
Due beyond one year	27,619,787		27,619,787
Net pension liability	4,412,068		4,412,068
Total liabilities	<u>35,746,743</u>	<u>29,539</u>	<u>35,776,282</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows related to pension	1,638,655		1,638,655
Total deferred inflows of resources	<u>1,638,655</u>		<u>1,638,655</u>
NET POSITION			
Invested in capital assets, net of related debt	8,187,926	106,958	8,294,884
Restricted for:			
Capital projects	1,562,829		1,562,829
Other purposes	2,414,563		2,414,563
Unrestricted	(6,020,187)	271,277	(5,748,910)
Total net position	<u>\$ 6,145,131</u>	<u>\$ 378,235</u>	<u>\$ 6,523,366</u>

See accompanying notes to the basic financial statements.

SWEDESBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
Statement of Activities
For the Year Ended 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	\$ 6,837,914			\$ (6,837,914)		\$ (6,837,914)
Special education	3,879,271		\$ 433,065	(3,446,206)		(3,446,206)
Other special education	460,648			(460,648)		(460,648)
Other instruction	217,030			(217,030)		(217,030)
Support services:						
Student & instructional related services	2,779,544		37,262	(2,742,282)		(2,742,282)
General administrative services	632,939			(632,939)		(632,939)
School administrative services	1,115,072			(1,115,072)		(1,115,072)
Central services	234,685			(234,685)		(234,685)
Administrative information technology	432,663			(432,663)		(432,663)
Plant operations & maintenance	2,037,758			(2,037,758)		(2,037,758)
Pupil transportation	1,495,286			(1,495,286)		(1,495,286)
Employee benefits	10,479,360		27,781	(10,451,579)		(10,451,579)
Interest on long-term debt	1,053,032			(1,053,032)		(1,053,032)
Capital outlay	87,129			(87,129)		(87,129)
Unallocated depreciation	847,837			(847,837)		(847,837)
Total governmental activities	32,590,168		498,108	(32,092,060)		(32,092,060)
Business-type activities:						
Food service	491,304	\$ 267,726	189,058		\$ (34,520)	(34,520)
Other activities	27,139	20,159			(6,980)	(6,980)
Total business-type activities	518,443	287,885	189,058		(41,500)	(41,500)
Total primary government	\$ 33,108,611	\$ 287,885	\$ 687,166	\$ (32,092,060)	\$ (41,500)	\$ (32,133,560)
General revenues:						
Property taxes, levied for general purpose, net				\$ 16,349,434		\$ 16,349,434
Taxes levied for debt service				2,034,701		2,034,701
Federal and state aid not restricted				14,380,476		14,380,476
Tuition charges				221,552		221,552
Investment earnings				45,964		45,964
Miscellaneous income				192,926		192,926
Loss on disposal of assets				(13,558)	\$ (5,902)	(19,460)
Prior year receivable canceled				(8,580)		(8,580)
Total general revenues, special items, extraordinary items, and transfers				33,202,915	(5,902)	33,197,013
Change in net position				1,110,855	(47,402)	1,063,453
Net position - beginning				5,034,276	425,637	5,459,913
Net position - end				\$ 6,145,131	\$ 378,235	\$ 6,523,366

See accompanying notes to the basic financial statements.

FUND FINANCIAL STATEMENTS

SWEDESBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
Balance Sheet
Governmental Funds
June 30, 2020

	General Fund	Special Revenue Fund	Debt Service Fund	Totals FY 2020
ASSETS				
Cash and cash equivalents	\$ 1,683,066			\$ 1,683,066
Investments	1,073,044			1,073,044
Interfund accounts receivable	4,000			4,000
Receivables from other governments	193,467	\$ 72,161		265,628
Restricted cash and cash equivalents	1,612,829			1,612,829
Total assets	\$ 4,566,406	\$ 72,161		4,638,567
LIABILITIES AND FUND BALANCES				
Liabilities:				
Cash overdraft		\$ 14,549		14,549.00
Accounts payable	\$ 500,040	27,781		527,821
Interfund accounts payable	113,763			113,763
Deferred revenue - local		29,831		29,831
Total liabilities	613,803	72,161		685,964
Fund balances:				
Restricted for:				
Excess surplus - current year	874,014			874,014
Excess surplus - prior year designated for subsequent year's expenditures	1,035,169			1,035,169
Maintenance reserve	450,000			450,000
Capital reserve account	1,562,829			1,562,829
Assigned to:				
Designated for subsequent year's expenditures	55,380			55,380
Other purposes	163,792			163,792
Unassigned:				
General fund	(188,581)			(188,581)
Total fund balances	3,952,603			3,952,603
Total liabilities and fund balances	\$ 4,566,406	\$ 72,161		

See accompanying notes to the basic financial statements.

SWEDESBORO-WOOLWICH CONSOLIDATED 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, are not reported in the funds. The cost of assets is \$51,161,654 and the accumulated depreciation is \$13,662,388 (see Note 6).	\$ 37,499,266
Net pension liability adjustment for GASB Statement No. 68 and 71	(5,812,543)
Interest on long-term debt in the Statement of Activities is accrued, regardless of when due.	(375,918)
Deferred amount of loss on refunding's on bonds are reported in the Governmental Fund as expenditures in the year the bonds are issued but are amortized over the life of the bonds on the Statement of Activities.	1,169,065
Premiums are recorded in Governmental Funds in the year the bonds are issued but are capitalized in the Statement of Net Position. The premium for the 2015 refunding bond is \$1,037,524, the amortization is \$65,541, and the accumulated amortization is \$338,629.	(698,895)
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).	(29,588,447)
Net position of Governmental Activities	\$ 6,145,131

See accompanying notes to the basic financial statements.

SWEDESBORO-WOOLWICH CONSOLIDATED 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	Totals FY 2020
REVENUES:				
Local tax levy	\$ 16,349,434		\$ 2,034,701	\$ 18,384,135
Tuition charges	221,552			221,552
Interest earned on investments	45,964			45,964
Miscellaneous	192,926	\$ 47,881		240,807
	<u>16,809,876</u>	<u>47,881</u>	<u>2,034,701</u>	<u>18,892,458</u>
State sources	12,023,004		586,118	12,609,122
Federal sources	20,648	450,227		470,875
	<u>28,853,528</u>	<u>498,108</u>	<u>2,620,819</u>	<u>31,972,455</u>
EXPENDITURES:				
Current:				
Regular instruction	6,915,464			6,915,464
Special education instruction	3,446,206	433,065		3,879,271
Other special instruction	460,648			460,648
Other instruction	217,030			217,030
Support services & undistributed costs:				
Student & instruction related services	2,759,947	37,262		2,797,209
General administrative services	640,751			640,751
School administrative services	1,113,144			1,113,144
Central services	230,291			230,291
Administrative information technology	432,663			432,663
Plant operations and maintenance	2,027,712			2,027,712
Pupil transportation	1,495,286			1,495,286
Employee benefits	8,617,365	27,781		8,645,146
Debt service:				
Principal			2,345,000	2,345,000
Interest and other charges			1,044,500	1,044,500
Capital outlay	263,346			263,346
	<u>28,619,853</u>	<u>498,108</u>	<u>3,389,500</u>	<u>32,507,461</u>
Excess (deficiency) of revenues over expenditures	<u>233,675</u>		<u>(768,681)</u>	<u>(535,006)</u>
Other financing sources (uses):				
Prior year receivable canceled	(8,580)			(8,580)
Net change in fund balances	225,095		(768,681)	(543,586)
Fund balance - July 1	3,727,508		768,681	4,496,189
Fund balance - June 30	<u>\$ 3,952,603</u>			<u>\$ 3,952,603</u>

See accompanying notes to the basic financial statements.

SWEDESBORO-WOOLWICH CONSOLIDATED 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) \$ (543,586)

Amounts reported for Governmental Activities in the Statement of Activities (A-2) are different because:

Capital outlays are reported in Governmental Funds as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives depreciation expense. This is the amount by which capital outlays exceeded depreciation in the period.

Capital outlay	\$ 227,369	
Depreciation expense	<u>(968,745)</u>	(741,376)

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.

Bond principal payments		2,345,000
Capital lease obligation principal payments		156,415

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.

Amortization of premiums on bonds		65,541
Amortization of loss on refunding		(109,632)

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.

35,559

Pension contributions are reported in Governmental Funds as expenditures. However, in the Statement of Activities, the contributions are adjusted for actuarial valuation adjustments.

(57,568)

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.

(13,558)

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.

(25,940)

Change in net position of Governmental Activities

\$ 1,110,855

SWEDESBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
Statement of Net Position
Proprietary Funds
June 30, 2020

	Business-type Activities - Enterprise Funds				Totals FY 2020
	Major Fund	Non-Major	Major Fund	Non-Major	
	Food Service Fund	Drama Club	Pay-to Play	Summer Camp	
ASSETS					
Current assets:					
Cash and cash equivalents	\$ 155,057	\$ 10,574		\$ 15,143	\$ 180,774
Accounts receivable	16,114				16,114
Interfund accounts receivable	113,763				113,763
Inventories	15,424				15,424
Total current assets	<u>300,358</u>	<u>10,574</u>		<u>15,143</u>	<u>326,075</u>
Noncurrent assets:					
Furniture, machinery & equipment	515,419				515,419
Less: accumulated depreciation	(408,461)				(408,461)
Total noncurrent assets	<u>106,958</u>				<u>106,958</u>
Total assets	<u>407,316</u>	<u>10,574</u>		<u>\$ 15,143</u>	<u>433,033</u>
LIABILITIES					
Current liabilities:					
Cash deficit			\$ 25,259		25,259
Interfund accounts payable - general fund		2,000			2,000
Unearned revenue	27,539				27,539
Total current liabilities	<u>27,539</u>	<u>2,000</u>	<u>25,259</u>		<u>54,798</u>
NET POSITION					
Invested in capital assets, net of related debt	106,958				106,958
Unrestricted	272,819	8,574	(25,259)	\$ 15,143	271,277
Total net position	<u>\$ 379,777</u>	<u>\$ 8,574</u>	<u>\$ (25,259)</u>	<u>\$ 15,143</u>	<u>\$ 378,235</u>

See accompanying notes to the basic financial statements.

SWEDESBORO-WOOLWICH CONSOLIDATED 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				Totals FY 2020
	Major Fund	Non-Major	Major Fund	Non-Major	
	Food Service Fund	Drama Club	Pay-to Play	Summer Camp	
OPERATING REVENUES:					
Local sources:					
Daily sales - reimbursable programs	\$ 186,853				\$ 186,853
Daily sales - non-reimbursable programs	79,250				79,250
Other	1,623	\$ 5,689	\$ 13,975	\$ 495	21,782
Total operating revenue	<u>267,726</u>	<u>5,689</u>	<u>13,975</u>	<u>495</u>	<u>287,885</u>
OPERATING EXPENSES:					
Salaries	149,226	4,250	10,050	3,412	166,938
Employee benefits	41,940				41,940
Purchased professional educational services	44,418				44,418
Supplies and materials	30,761	4,616	4,576	235	40,188
Depreciation	18,776				18,776
Cost of sales - reimbursable	152,087				152,087
Cost of sales - non-reimbursable	37,152				37,152
Miscellaneous other expenses	16,944				16,944
Total operating expenses	<u>491,304</u>	<u>8,866</u>	<u>14,626</u>	<u>3,647</u>	<u>518,443</u>
Operating income (loss)	<u>(223,578)</u>	<u>(3,177)</u>	<u>(651)</u>	<u>(3,152)</u>	<u>(230,558)</u>
NON-OPERATING REVENUES:					
State sources:					
National school lunch program - state	6,656				6,656
Federal sources:					
National school lunch program	137,160				137,160
Food distribution program	45,242				45,242
Loss on disposal of capital assets	(5,902)				(5,902)
Total non-operating revenues (expenses)	<u>183,156</u>				<u>183,156</u>
Net income (loss) before transfers	<u>(40,422)</u>	<u>(3,177)</u>	<u>(651)</u>	<u>(3,152)</u>	<u>(47,402)</u>
Total net position - beginning	420,199	11,751	(24,608)	18,295	425,637
Total net position - ending	<u>\$ 379,777</u>	<u>\$ 8,574</u>	<u>\$ (25,259)</u>	<u>\$ 15,143</u>	<u>\$ 378,235</u>

See accompanying notes to the basic financial statements.

SWEDESBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2020

	Business-type Activities - Enterprise Funds				Totals FY 2020
	Major Fund	Non-Major	Major Fund	Non-Major	
	Food Service Fund	Drama Club	Pay-to Play	Summer Camp	
Cash flows from operating activities:					
Receipts from customers	\$ 282,912	\$ 5,689	\$ 13,975	\$ 495	\$ 303,071
Payments to suppliers	(241,575)	(4,616)	(4,576)	(235)	(251,002)
Payments to employees	(149,226)	(4,250)	(10,050)	(3,412)	(166,938)
Payments for employee benefits	(41,940)				(41,940)
Net cash provided (used) by operating activities	(149,829)	(3,177)	(651)	(3,152)	(156,809)
Cash flows from non-capital financing activities:					
Cash received from state & federal reimbursements	166,074				166,074
Interfund to general fund	(11,056)	2,000			(9,056)
Net cash provided by non-capital financing activities	155,018	2,000			157,018
Cash flows from capital and related financing activities:					
Purchase of capital assets	(37,983)				(37,983)
Net cash provided by non-capital financing activities	(37,983)				(37,983)
Net increase in cash and cash equivalents	(32,794)	(1,177)	(651)	(3,152)	(37,774)
Cash and cash equivalents - July 1	187,851	11,751	(24,608)	18,295	193,289
Cash and cash equivalents - June 30	\$ 155,057	\$ 10,574	\$ (25,259)	\$ 15,143	\$ 155,515

See accompanying notes to the basic financial statements.

SWEDESBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2020

	Business-type Activities - Enterprise Funds				Totals FY 2020
	Major Fund	Non-Major	Major Fund	Non-Major	
	Food Service Fund	Drama Club	Pay-to Play	Summer Camp	
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:					
Operating income (loss)	\$ (223,578)	\$ (3,177)	\$ (651)	\$ (3,152)	\$ (230,558)
Adjustments to reconcile operating income (loss) to cash provided (used) by operating activities:					
Depreciation	18,776				18,776
Food distribution program	45,242				45,242
Change in assets and liabilities:					
(Increase) decrease in inventory	(5,455)				(5,455)
(Increase) decrease in accounts receivable	3,704				3,704
Increase (decreased) in unearned revenue	11,482				11,482
	<u>\$ (149,829)</u>	<u>\$ (3,177)</u>	<u>\$ (651)</u>	<u>\$ (3,152)</u>	<u>\$ (156,809)</u>

See accompanying notes to the basic financial statements.

SWEDESBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2020

	Unemployment Trust Fund	Agency Funds	Totals FY 2020
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 256,865	\$ 193,464	\$ 450,329
Total assets	<u>\$ 256,865</u>	<u>193,464</u>	<u>450,329</u>
LIABILITIES			
Current liabilities:			
Payroll deductions and withholdings		122,975	122,975
Due to student groups		68,489	68,489
Interfund payable - general fund		2,000	2,000
Total current liabilities		<u>193,464</u>	<u>193,464</u>
NET POSITION			
Unemployment claims	<u>\$ 256,865</u>	<u>None</u>	<u>\$ 256,865</u>

See accompanying notes to the basic financial statements.

SWEDESBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
Statement of Changes in Fiduciary Net Position
Fiduciary Fund
For the Year Ended June 30, 2020

	Unemployment Trust Fund
ADDITIONS	
Contributions:	
Employees	\$ 33,677
Total additions	33,677
DEDUCTIONS	
Unemployment claims	29
Quarterly contribution reports	9,714
Total deductions	9,743
Change in net position	23,934
Net position - beginning of year	232,931
Net position - end of year	\$ 256,865

See accompanying notes to the basic financial statements.

NOTES TO THE FINANCIAL STATEMENTS

SWEDESBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Introduction

The Swedesboro-Woolwich Consolidated 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 Swedesboro-Woolwich Consolidated 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 Swedesboro-Woolwich Consolidated School District is a Type II District located in the County of Gloucester, 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. The purpose of the District is to educate students in grades PreK-6.

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 latchkey programs are classified as Business-type Activities.

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:

**SWEDSBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Government-wide Statements (Continued)

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 latchkey). 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 allocate indirect costs such as depreciation expense, on-behalf 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 assets resulting from the current year's activities.

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.

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.

SWEDESBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

General Fund (Continued) - 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 assets, financial position and cash flows. The generally accepted accounting principles applicable are those similar to business in the private sector. The following are descriptions 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 Funds are comprised of the Food Service Fund, Drama Club, Pay-to-Play Programs, and Camp Funds.

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.

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.

SWEDSBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

FIDUCIARY FUNDS (CONTINUED)

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

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.

SWEDSBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Cash and Cash Equivalents (Continued)

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 as of June 30, 2020, consisted of the following:

Food - commodities	\$	3,625
Supplies		5,930
Food		5,869
	\$	<u>15,424</u>

The value of federal donated commodities as reflected in Schedule A (required by Single Audit Law of 1994) 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:

**SWEDSBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

G. Capital Assets (Continued)

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

GASB No. 34 requires the District to report and depreciate new infrastructure assets. Infrastructure assets include roads, parking lots, underground pipe, etc. Neither their historical costs nor related depreciation has historically been reported in the financial statements. The District has included infrastructure assets in the current fiscal year.

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 the 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. 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.

**SWEDSBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 held 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.

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 June state aid payments 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.

SWEDESBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

M. Budgets/Budgetary Control (Continued)

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. Tuition Receivable

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

P. Tuition Payable

Tuition charges for the fiscal year were based on rates established by the receiving District. These rates are subject to change when the actual costs have been determined.

Q. Unearned Revenue

Unearned 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 unearned revenue.

R. 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.

S. 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, workers compensation, and medical and

SWEDSBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

S. 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.

T. 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.

U. 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.

V. Net Position

Net position represents the difference between assets and liabilities. Net position 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 are available.

W. 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.

**SWEDESBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

W. 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 District considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed.

X. 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.

Y. 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:

SWEDSBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Y. 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.

Z. 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.

SWEDSBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Z. 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 New Jersey Statutes 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 \$3,887,190 and \$3,902,112. As of June 30, 2020 and 2019, \$0 of the District's bank balance of \$4,404,721 and \$4,410,948, respectively, was exposed to Custodial Credit Risk.

**SWEDESBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 3: INVESTMENTS

Investments are stated at fair value which approximates cost. The carrying amount of the District's investments as of June 30, 2020 and 2019, was \$1,073,044 and \$1,048,251.

As of June 30, 2020, the District held the following investments:

	Cost	Fair Value
Certificates of Deposits	\$ 760,000	\$ 769,914
GS Financial Sq Federal MMF	303,114	303,130
	\$ 1,063,114	\$ 1,073,044

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	\$ 143,057	\$ 1,811
Other	53,038	4,423
Federal aid	69,533	9,880
	\$ 265,628	\$ 16,114

NOTE 5: CAPITAL RESERVE ACCOUNT

A capital reserve account was established by the Board of Education by inclusion of funds in the original 1991-1992 capital budget, which was certified for taxes and 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.

**SWEDSBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 5: CAPITAL RESERVE ACCOUNT (CONTINUED)

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	\$ 1,162,829
Deposits	
Board resolution	400,000
Ending balance, June 30, 2020	<u>\$ 1,562,829</u>

NOTE 6: CAPITAL ASSETS

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

	<u>Balance July 1, 2019</u>	<u>Additions</u>	<u>Disposals/ Adjustments</u>	<u>Balance June 30, 2020</u>
Governmental activities:				
Capital assets not being depreciated:				
Sites (land)	<u>\$ 10,472,909</u>			<u>\$ 10,472,909</u>
Total capital assets not being depreciated	<u>10,472,909</u>			<u>10,472,909</u>
Land improvements	2,053,777	\$ 174,255		2,228,032
Building & site improvements	36,680,793			36,680,793
Machinery & equipment	<u>1,793,625</u>	<u>53,114</u>	<u>\$ (66,819)</u>	<u>1,779,920</u>
Totals at historical cost	<u>40,528,195</u>	<u>227,369</u>	<u>(66,819)</u>	<u>40,688,745</u>
Less: accumulated depreciation				
Land improvements	(1,027,059)	(97,997)		(1,125,056)
Building & building improvements	(10,453,699)	(726,800)		(11,180,499)
Machinery & equipment	<u>(1,266,146)</u>	<u>(143,948)</u>	<u>53,261</u>	<u>(1,356,833)</u>
Total accumulated depreciation	<u>(12,746,904)</u>	<u>(968,745)</u>	<u>53,261</u>	<u>(13,662,388)</u>
Governmental activities capital assets, net	<u>\$ 38,254,200</u>	<u>\$ (741,376)</u>	<u>\$ (13,558)</u>	<u>\$ 37,499,266</u>
Business-type activities:				
Machinery & equipment	\$ 497,686	\$ 37,983	\$ (20,250)	\$ 515,419
Less: accumulated depreciation	<u>(404,033)</u>	<u>(18,776)</u>	<u>14,348</u>	<u>(408,461)</u>
Business-type capital assets, net	<u>\$ 93,653</u>	<u>\$ 19,207</u>	<u>\$ (5,902)</u>	<u>\$ 106,958</u>

**SWEDSBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 6: CAPITAL ASSETS (CONTINUED)

Depreciation was charged to the following governmental programs:

General administration	\$ 54,691
Operations and maintenance	17,906
Educational media	25,627
Instruction	16,362
School administration	1,928
Support administration	4,394
Unallocated	847,837
Total	<u>\$ 968,745</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:

\$12,875,000 Refunding Bonds of 2010 dated October 28, 2010, payable in annual installments through February 15, 2028. Interest is paid semi-annually at an interest rate from 2.75% to 3.625%. The remaining balance as of June 30, 2020, was \$7,175,000.

\$9,105,000 Refunding Bonds of 2013 dated May 2, 2013, payable in annual installments through January 15, 2031. Interest is paid semi-annually at an interest rate from 2.375% to 3%. The remaining balance as of June 30, 2020, was \$7,890,000.

\$17,920,000 Refunding Bonds of 2015 dated April 22, 2015, payable in annual installments through February 15, 2031. The Refunding Bonds were issued with a net interest cost of 1.542453% to advance refund \$1,605,000 of outstanding 2005 School Refunding Bonds, with an interest rate of 4% and a net interest costs of 2.971221% to advance refund \$15,435,000 of outstanding 2007 School Bonds with an average interest rate of 4.599684%. The net proceeds of \$18,775,499, including a premium of \$1,037,523 and net of payments of \$98,560 in underwriting fees and \$83,464 of issuance costs were used to purchase U.S. Government Securities. The advance refunding met the requirements for an in-substance debt defeasance and the bonds were removed from the District's financial statements. As a result of the advance refunding, the District recognized an economic gain (difference between the present value of the debt service payments on the old and new debt) of \$749,163. Interest is paid semi-annually at an interest rate from 2.25% to 5%. The remaining balance as of June 30, 2020, was \$14,120,000.

Long-Term Obligation Activity

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

SWEDESBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 7: GENERAL LONG-TERM DEBT (CONTINUED)

	Balance July 1, 2019	Additions	Deductions	Balance June 30, 2020	Due Within One Year
Compensated absences	\$ 156,916	\$ 27,850	\$ 1,911	\$ 182,855	
Capital leases	377,007		156,415	220,592	\$ 137,014
Serial bonds payable	31,530,000		2,345,000	29,185,000	2,465,000
Premium on bond sale	764,436		65,541	698,895	65,541
	<u>\$ 32,828,359</u>	<u>\$ 27,850</u>	<u>\$ 2,568,867</u>	<u>\$ 30,287,342</u>	<u>\$ 2,667,555</u>

Capital Leases

The District has a capital lease outstanding for computers. Lease terms are from three years to five year with an interest rates from 2.267% to 4.607%, see Exhibit I-2. The following is a schedule of the future minimum lease payment under the capital lease.

Year Ended June 30,	Principal	Interest	Total
2021	\$ 137,014	\$ 5,446	\$ 142,460
2022	58,971	2,932	61,903
2023	24,607	928	25,535
	<u>\$ 220,592</u>	<u>\$ 9,306</u>	<u>\$ 229,898</u>

Bonds Payable

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

Year Ended June 30,	Principal	Interest	Total
2021	\$ 2,465,000	\$ 951,775	\$ 3,416,775
2022	2,555,000	856,525	3,411,525
2023	2,650,000	757,575	3,407,575
2024	2,740,000	675,788	3,415,788
2025	2,805,000	600,400	3,405,400
2026-2030	13,595,000	1,688,788	15,283,788
2031	2,375,000	86,350	2,461,350
	<u>\$ 29,185,000</u>	<u>\$ 5,617,201</u>	<u>\$ 34,802,201</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.

SWEDSBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 7: GENERAL LONG-TERM DEBT (CONTINUED)

Other (Continued)

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 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.

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. 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 (TPAF) 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 titles.

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.

**SWEDESBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 8: PENSION FUNDS (CONTINUED)

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 7.50% 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, noncontributory death benefits, and post-retirement medical premiums.

The District's contributions to the PERS for the years ending June 30, 2020, 2019, and 2018, were \$239,571, \$246,319, and \$227,790, respectively, equal to the required contributions and retro adjustments for each year. The School District's contributions for the TPAF for the years ending June 30, 2020, 2019, and 2018, were \$3,056,168, \$2,817,243, and \$2,425,685, respectively, and were paid by the State of New Jersey on behalf of the Board, equal to 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; \$815,964, \$791,267, and \$769,382, 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 ended June 30, 2020, 2019, and 2018, was \$13,581,896, \$13,316,212, and \$13,056,446, covered payroll was \$11,349,323, \$10,998,146, and \$10,670,963, for the TPAF and \$1,702,394, \$1,670,282, and \$1,693,543 for the PERS.

For the year ended June 30, 2020, the District recognized pension expense of \$295,748. 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		\$ 1,348,463
Net difference between expected and actual experience		36,531
Net difference between projected and actual earnings on pension plan investments		112,315
Changes in proportion and differences between District contributions and proportionate share of contributions		141,346
District contributions subsequent to the measurement date	\$ 238,180	
	\$ 238,180	\$ 1,638,655

\$238,180 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

**SWEDSBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 8: PENSION FUNDS (CONTINUED)

deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30,	Amount
2021	\$ (291,398)
2022	(604,632)
2023	(476,370)
2024	(241,013)
2025	(25,242)
Thereafter	0
	<u>\$ (1,638,655)</u>

Additional information – Collective balances as of 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	0.0244863441%	0.0246014600%

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 District's employer contribution of 5% to the DCRP for the years ending June 30, 2020, 2019, and 2018, were \$8,965, \$6,876, and \$6,831.

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

SWEDSBORO-WOOLWICH CONSOLIDATED 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 \$32,077,994. 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>.

**SWEDESBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 9: POSTEMPLOYMENT BENEFITS (CONTINUED)

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 was 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:

**SWEDSBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 9: POSTEMPLOYMENT BENEFITS (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 3.50%, 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 <u>2.50%</u>	Current Rate <u>3.50%</u>	1% Increase <u>4.50%</u>
Total OPEB Liability (School Retirees)	\$ 37,896,787	\$ 32,077,994	\$ 27,455,864

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.

	1% Decrease <u>1%</u>	Healthcare Cost Trend Rate <u>3.5%</u>	1% Increase <u>4%</u>
Total OPEB Liability (School Retirees)	\$ 26,430,837	\$ 32,077,994	\$ 39,553,670

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

**SWEDSBORO-WOOLWICH CONSOLIDATED 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	1,015,664,874	2,129,660,368
District's proportion	0.08%	0.07%

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 \$1,750,706 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:

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

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

**SWEDESBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 10: 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 Mass Mutual and Colonial.

NOTE 11: 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. In the event of termination, an employee is reimbursed for accumulated vacation pay at their current rate of pay. Payment of accumulated sick days is available to employees only when they reach the statutory retirement requirements and have 15 years of service with the District. Accumulated sick days are paid for certified and noncertified employees according to the following schedule with a maximum payment of \$8,000.

- Ten (10) dollars per day for the first 50 days
- Twenty (20) dollars per day for the next 50 days
- Fifty (50) dollars per day for the next 50 days
- Hundred (100) dollars per day for days in excess of 150 days

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 vested compensated absences in the Governmental Fund as of June 30, 2020, is \$182,855. The liability for vested compensated absences in the Food Service Fund as of June 30, 2020, is \$0.

NOTE 12: LABOR CONTRACTS

As of June 30, 2020, there are the following collective bargaining units in the Swedesboro-Woolwich Consolidated Board of Education. Contracts are continually being negotiated and the following table shows their current status.

	<u>Category</u>	<u>Expiration</u>	<u>Covers</u>
Education Association	Teachers	6/30/2019	All teachers, teaching assistants, nurse, social workers, etc., excluding administrators
Administrator's Association	Administrators	6/30/2021	Principals, Vice-Principals, supervisor of curriculum, and supervisor of special education

**SWEDESBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 13: EMPLOYEE BENEFITS

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. The District entered into a pre-tax benefits plan with USBA-Flex. The medical care reimbursement plan maximum amount for staff was \$2,500 and \$5,000 for dependent care.

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 current fiscal year end the District did not incur claims in excess of coverage.

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	Employee Contributions	Employer Contributions	Amount Reimbursed	NJ 927	Ending Balance
2019-2020	\$ 33,677		\$ 29	\$ 9,714	\$ 256,865
2018-2019	32,548		42,071	9,472	232,931
2017-2018	31,990	\$ 8,000	34,798	9,535	251,926

NOTE 15: 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.

SWEDESBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 15: FUND BALANCE APPROPRIATED (CONTINUED)

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 - Of the \$1,562,829 balance in the capital reserve account at June 30, 2020, \$363,576 has been designated for utilization in the 2020-2021 budget. These funds are restricted for future capital outlay expenditures for projects in the School District's long- range facilities plan.

Maintenance Reserve Account - Of the \$450,000 balance in the maintenance reserve account as of June 30, 2020, \$100,000 has been designated for utilization in the 2020-2021 budget. 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 - As of June 30, 2020, excess surplus created in FY 2019, of \$1,035,169, will be utilized for expenditures in the 2020-2021 budget, while excess surplus created in FY 2020 of \$874,014 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.

Assigned Fund Balance - As of June 30, 2020, the Board has assigned \$55,380 of General Fund balance that has been appropriated and included as anticipated revenue for the 2020-2021 budget. The District also has \$163,792 that 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 (\$188,581) of unassigned fund balance in the General Fund.

NOTE 16: 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 \$1,909,183.

**SWEDSBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 17: DEFICIT FUND BALANCES

The District has a deficit fund balance of \$188,581 (Exhibit B-1) in the General Fund as of June 30, 2020, as reported in the fund statements (modified accrual basis). NJSA 18A:22-44.2 provides that in the event a state school aid payment is not made until the following school budget year, districts must record the delayed one or more June state aid payments as revenue, for budget purposes only, in the current school budget year. The bill provides legal authority for school districts to recognize this revenue in the current budget year. For intergovernmental transactions, GASB Statement No. 33 requires that recognition (revenue, expenditure, asset, liability) should be in symmetry, i.e., if one government recognizes an asset, the other government recognizes a liability. Since the state is recording the June state aid payments in the subsequent fiscal year, the School District cannot recognize the June state aid payments on the GAAP financial statements until the year the State records the payable. Due to the timing difference of recording the June state aid payments, the General Fund balance deficit does not alone indicate that the District is facing financial difficulties.

NOTE 18: ECONOMIC DEPENDENCY

The District is heavily reliant on state aid and local tax levy to fund the District operations. State sources funded approximately 39.4% of the District's 2019-2020 Governmental Fund revenue, while local tax levy accounted for approximately 57.5%.

NOTE 19: INTERFUND RECEIVABLES AND PAYABLES

The interfund balances remaining on the balance sheet as of June 30, 2020.

	From	To
General fund	\$ 4,000	\$ 113,763
Enterprise funds:		
Food service fund	113,763	
Drama fund		2,000
Agency funds:		
Payroll agency		2,000
	\$ 117,763	\$ 117,763

Interfunds are the result of prior year amounts which were created to cover cash flow needs as well as interest earnings. These interfunds are expected to be liquidated within the next fiscal year.

NOTE 20: 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

SWEDESBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 20: TAX ABATEMENTS (CONTINUED)

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 Woolwich and Borough of Swedesboro did not have any tax abatements for the year ended December 31, 2019.

NOTE 21: 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 noncompliance 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 Swedesboro-Woolwich Consolidated School District that would have a material or adverse effect on the Board or the financial position of the District.

NOTE 22: SUBSEQUENT EVENTS

Management has reviewed and evaluated all events and transactions that occurred between June 30, 2020 and December 16, 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

SWEDESBORO-WOOLWICH CONSOLIDATED 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	\$ 16,349,434		\$ 16,349,434	\$ 16,349,434	
Tuition from other LEA's within state	156,405		156,405	221,552	\$ 65,147
Interest on investments	2		2	45,964	45,962
Miscellaneous	45,000		45,000	192,926	147,926
Total - local sources	16,550,841		16,550,841	16,809,876	259,035
State sources:					
Equalization aid	5,910,622		5,910,622	5,910,622	
Special education aid	1,357,452		1,357,452	1,357,452	
Security aid	162,836		162,836	162,836	
Transportation aid	665,956		665,956	665,956	
Extraordinary aid				102,774	102,774
Teachers' pension and annuity fund (on-behalf non-budgeted)				2,227,934	2,227,934
TPAF post-retirement (on-behalf non-budgeted)				826,523	826,523
TPAF long-term disability insurance (on-behalf non-budgeted)				1,711	1,711
Reimbursed TPAF social security contributions (non-budgeted)				815,964	815,964
Total - state sources	8,096,866		8,096,866	12,071,772	3,974,906
Federal sources:					
Medicaid reimbursement	29,026		29,026	20,648	(8,378)
Total - federal sources	29,026		29,026	20,648	(8,378)
Total revenues	24,676,733		24,676,733	28,902,296	4,225,563

SWEDESBORO-WOOLWICH CONSOLIDATED 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:					
Kindergarten	\$ 665,317	\$ (80,000)	\$ 585,317	\$ 585,317	
Grades 1-5	4,163,817	(105,338)	4,058,479	4,058,478	\$ 1
Grades 6-8	932,384	(63,263)	869,121	869,120	1
Regular programs - home instruction:					
Salaries of teachers	3,000		3,000		3,000
Purchased professional - educational services	79,000	2,000	81,000	45,854	35,146
Regular programs - undistributed instruction:					
Purchased professional - educational services	468,900	117,297	586,197	480,095	106,102
Other purchased services (400-500 series)	2,250	(1,175)	1,075	1,074	1
General supplies	887,963	26,966	914,929	867,407	47,522
Textbooks	2,650	(265)	2,385	2,385	
Miscellaneous expenditures	5,000	2,800	7,800	5,734	2,066
Total regular programs	7,210,281	(100,978)	7,109,303	6,915,464	193,839
Special education:					
Learning and/or language disabilities:					
Salaries of teachers	872,352	(20,819)	851,533	851,530	3
Other salaries for instruction	71,912	(19,852)	52,060	52,021	39
General supplies	6,702	(765)	5,937	4,639	1,298
Total learning and/or language disabilities	950,966	(41,436)	909,530	908,190	1,340
Multiple disabilities:					
Salaries of teachers	277,617	(19,496)	258,121	258,120	1
Other salaries for instruction	92,817	(8,765)	84,052	84,049	3
General supplies	6,500	(260)	6,240	4,217	2,023
Total multiple disabilities	376,934	(28,521)	348,413	346,386	2,027
Resource room:					
Salaries of teachers	1,403,271	(58,182)	1,345,089	1,345,088	1
Other salaries for instruction	49,259	(38,232)	11,027	10,989	38
General supplies	25,500		25,500	24,916	584
Total resource room	1,478,030	(96,414)	1,381,616	1,380,993	623
Autism					
Salaries of teachers	334,609	95,416	430,025	430,023	2
Other salaries for instruction	224,414	40,639	265,053	265,052	1
General supplies	9,195		9,195	7,373	1,822
Total autism	568,218	136,055	704,273	702,448	1,825
Preschool disabilities - part-time:					
Salaries of teachers	51,835	50,597	102,432	102,431	1
Other salaries for instruction	48,281	(48,281)			
General supplies		495	495	467	28
Total preschool disabilities - part-time	100,116	2,811	102,927	102,898	29
Preschool disabilities - full-time:					
General supplies	7,365		7,365	5,291	2,074
Total preschool disabilities - full-time	7,365		7,365	5,291	2,074

SWEDESBORO-WOOLWICH CONSOLIDATED 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 special education	3,481,629	(27,505)	3,454,124	3,446,206	7,918
Basic skills/remedial:					
Salaries of teachers	423,541	37,108	460,649	460,648	1
Total basic skills/remedial	423,541	37,108	460,649	460,648	1
Bilingual:					
Salaries of teachers	150,497	(3,082)	147,415	147,414	1
Total bilingual	150,497	(3,082)	147,415	147,414	1
School sponsored co-curricular activities:					
Salaries	48,000	15,120	63,120	59,220	3,900
Total school sponsored co-curricular activities	48,000	15,120	63,120	59,220	3,900
Before/after school program:					
Salaries of teacher tutors	23,000	(12,600)	10,400	10,396	4
Total before/after school program	23,000	(12,600)	10,400	10,396	4
Total other instructional programs	645,038	36,546	681,584	677,678	3,906
Total - instruction	11,336,948	(91,937)	11,245,011	11,039,348	205,663
Undistributed expenditures:					
Instruction					
Tuition to other LEA's within state-regular	20,000	40,464	60,464	60,463	1
Tuition to county special services and regional day schools	128,337	(7,579)	120,758	120,750	8
Tuition to private schools for the handicapped-state	88,992	(14,603)	74,389	72,243	2,146
Tuition other		5,419	5,419	5,419	
Total tuition	237,329	23,701	261,030	258,875	2,155
Health services:					
Salaries	384,821	(11,362)	373,459	373,456	3
Purchased professional/technical services	14,000		14,000	7,710	6,290
Supplies and materials	4,300	5,700	10,000	5,453	4,547
Other objects	750		750	453	297
Total health services	403,871	(5,662)	398,209	387,072	11,137

SWEDESBORO-WOOLWICH CONSOLIDATED 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
Related services:					
Salaries of teachers	417,686	(35,948)	381,738	381,737	1
Purchased professional - educational services	559,576	18,150	577,726	532,109	45,617
General supplies	10,380		10,380	3,823	6,557
Total related services	987,642	(17,798)	969,844	917,669	52,175
Guidance services:					
Salaries of other professional staff	279,576	32,260	311,836	311,834	2
Supplies and materials	3,800	761	4,561	2,705	1,856
Total guidance services	283,376	33,021	316,397	314,539	1,858
Child study team:					
Salaries of other professional staff	423,002	10,890	433,892	433,890	2
Salaries of secretarial and clerical assistants	69,106		69,106	68,939	167
Other salaries	53,077	(53,077)			
Purchased professional - educational services	40,500	(10,500)	30,000	29,023	977
Purchased professional - technical services	72,135	(2,000)	70,135	29,637	40,498
Other purchased services (400-500 series)	4,000	13,000	17,000	9,910	7,090
Supplies and materials	27,400		27,400	7,960	19,440
Total child study team services	689,220	(41,687)	647,533	579,359	68,174
Improvement of instructional services/ other support services - instructional staff:					
Salaries of supervisors of instruction	87,390		87,390	87,375	15
Other salaries	13,500	8,000	21,500	21,500	
Purchased professional - educational services	53,568	8,900	62,468	62,400	68
Other purchased services (400-500 series)	6,000	(3,050)	2,950	1,056	1,894
Supplies and materials	1,200		1,200	1,064	136
Total improvement of instructional services/ other support services - instructional staff	161,658	13,850	175,508	173,395	2,113
Educational media services/school library:					
Salaries	89,800	(17,991)	71,809	71,809	
Purchased professional - technical services	8,000	(700)	7,300	4,316	2,984
Supplies and materials	3,965	(350)	3,615	2,358	1,257
Other objects	1,000	(500)	500		500
Total educational media services/school library	102,765	(19,541)	83,224	78,483	4,741
Instructional staff training:					
Other salaries	25,025	7,796	32,821	32,820	1
Purchased professional - educational services	12,500	7,550	20,050	13,320	6,730
Other purchased services (400-500 series)	15,600	(10,666)	4,934	4,415	519
Total instructional staff training	53,125	4,680	57,805	50,555	7,250

SWEDESBORO-WOOLWICH CONSOLIDATED 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
Support services general administration:					
Salaries	257,661	850	258,511	258,504	7
Legal services	47,000	41,369	88,369	83,099	5,270
Audit fees	22,000	(1,550)	20,450	20,450	
Other professional services	16,500		16,500	10,628	5,872
Communications/telephone	118,200	8,980	127,180	123,551	3,629
BOE other purchases services	4,250	(1,045)	3,205	2,198	1,007
Other purchased services (400-500 series)	129,750	6,000	135,750	130,899	4,851
Supplies and materials	4,000	(604)	3,396	1,396	2,000
Miscellaneous expenditures	10,500		10,500	10,026	474
Total support services general administration	609,861	54,000	663,861	640,751	23,110
Support services school administration:					
Salaries of principals/assistant principals	696,675	17,926	714,601	714,585	16
Salaries of other professional staff	123,422	1	123,423	123,420	3
Salaries of secretarial and clerical assistants	241,605	(3,852)	237,753	237,592	161
Other purchased services (400-500 series)	7,500	(2,000)	5,500	2,079	3,421
Supplies and materials	40,853	4,731	45,584	20,982	24,602
Other objects	15,000	2,760	17,760	14,486	3,274
Total support services school administration	1,125,055	19,566	1,144,621	1,113,144	31,477
Central services:					
Salaries	218,181	1,100	219,281	219,273	8
Other purchased services (400-500 series)	2,500		2,500	1,272	1,228
Supplies and materials	5,000	16,650	21,650	8,656	12,994
Other objects	2,000		2,000	1,090	910
Total central services	227,681	17,750	245,431	230,291	15,140
Administration information technology:					
Salaries	274,540	(3,100)	271,440	271,440	
Purchased technical services	168,625		168,625	158,030	10,595
Other purchased services (400-500 series)	3,000	(500)	2,500	2,088	412
Supplies and materials	12,500	(200)	12,300	1,105	11,195
Other objects	1,000		1,000		1,000
Total administration information technology	459,665	(3,800)	455,865	432,663	23,202
Required maintenance:					
Salaries	208,009	4,395	212,404	212,404	
Cleaning, repair, and maintenance services	219,083	6,000	225,083	187,557	37,526
General supplies	12,000		12,000	2,285	9,715
Other objects	2,000		2,000	1,360	640
Total required maintenance	441,092	10,395	451,487	403,606	47,881

SWEDESBORO-WOOLWICH CONSOLIDATED 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:					
Salaries	310,130	(20,037)	290,093	290,091	2
Salaries non-instructional aides	117,990	12,855	130,845	130,842	3
Purchased professional - technical services	6,700		6,700	3,464	3,236
Cleaning, repair, and maintenance services	332,235	(2,000)	330,235	308,789	21,446
Other purchased property services	133,000		133,000	128,453	4,547
Insurance	90,000	1,600	91,600	91,551	49
General supplies	30,000	16,500	46,500	20,513	25,987
Natural gas	74,500		74,500	51,779	22,721
Electricity	436,000	(14,000)	422,000	392,218	29,782
Gasoline	3,600		3,600		3,600
Other objects	500		500		500
Total custodial services	1,534,655	(5,082)	1,529,573	1,417,700	111,873
Care & upkeep grounds:					
Cleaning, repair, and maintenance services	96,750	(5,000)	91,750	82,499	9,251
General supplies	5,000		5,000	2,166	2,834
Total care & upkeep grounds	101,750	(5,000)	96,750	84,665	12,085
Security:					
Purchased professional - technical services	112,040	6,000	118,040	116,777	1,263
Cleaning, repair, and maintenance services	3,000		3,000	1,538	1,462
General supplies	2,200	1,600	3,800	3,426	374
Total security	117,240	7,600	124,840	121,741	3,099
Total operation & maintenance of plant services	2,194,737	7,913	2,202,650	2,027,712	174,938
Student transportation services:					
Salaries for pupil transportation (between home and school) - regular	23,935	100	24,035	24,027	8
Aid in lieu - nonpublic	76,000		76,000	54,892	21,108
Aid in lieu - choice	2,000	1,000	3,000	2,001	999
Contracted services (other than between home and school) - vendors	3,000		3,000	1,137	1,863
Contracted services (between home and school) - joint agreements	1,223,000		1,223,000	1,154,350	68,650
Contracted services (special education students) - joint agreements	303,000	(1,000)	302,000	258,319	43,681
General supplies	700		700	360	340
Other objects	250		250	200	50
Total student transportation services	1,631,885	100	1,631,985	1,495,286	136,699

SWEDESBORO-WOOLWICH CONSOLIDATED 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
Unallocated benefits:					
Social security contributions	211,000		211,000	168,164	42,836
Other retirement regular	269,076		269,076	248,814	20,262
Unemployment compensation	6,000	(6,000)			
Workmen's compensation	166,000		166,000	121,071	44,929
Health benefits	4,410,117	(57,222)	4,352,895	4,123,528	229,367
Tuition reimbursement	50,000	(26,897)	23,103	23,102	1
Other employee benefits	59,158	11,750	70,908	58,779	12,129
Unused sick payment to terminated/retired staff	1,775		1,775	1,775	
Total unallocated benefits	5,173,126	(78,369)	5,094,757	4,745,233	349,524
Teachers' pension and annuity fund (on-behalf non-budgeted)				2,227,934	(2,227,934)
TPAF post-retirement (on-behalf non-budgeted)				826,523	(826,523)
TPAF long-term disability insurance (on-behalf non-budgeted)				1,711	(1,711)
Reimbursed TPAF social security contributions (non-budgeted)				815,964	(815,964)
Total non-budgeted				3,872,132	(3,872,132)
Total personal services - employee benefits	5,173,126	(78,369)	5,094,757	8,617,365	(3,522,608)
Total undistributed expenditures	14,340,996	7,724	14,348,720	17,317,159	(2,968,439)
Total expenditures - current expense	25,677,944	(84,213)	25,593,731	28,356,507	(2,762,776)
CAPITAL OUTLAY:					
Equipment:					
Regular programs - instruction:					
Kindergarten		22,238	22,238	2,475	19,763
Grades 1-5		4,075	4,075	4,075	
Administration information technology	61,203	38,400	99,603	63,941	35,662
Custodial services	58,653	(13,595)	45,058	39,653	5,405
Security	39,407	1,100	40,507	40,477	30
Total equipment	159,263	52,218	211,481	150,621	60,860
Facilities acquisition and construction services:					
Architect/engineering services		31,995	31,995	25,596	6,399
SDA Assessment for debt service	87,129		87,129	87,129	
Total facilities acquisition and construction services	87,129	31,995	119,124	112,725	6,399
Total capital outlay	246,392	84,213	330,605	263,346	67,259
Total expenditures	25,924,336		25,924,336	28,619,853	(2,695,517)
Excess (deficiency) of revenues over (under) expenditures	(1,247,603)		1,247,603	282,443	1,530,046

SWEDESBORO-WOOLWICH CONSOLIDATED 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
Other financing sources (uses):					
Prior year receivables canceled				(8,580)	8,580
Total other financing sources (uses)				(8,580)	8,580
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(1,247,603)		1,247,603	273,863	1,538,626
Fund balances - July 1	4,465,049		4,465,049	4,465,049	
Fund balances - June 30	\$ 3,217,445		\$ 5,712,652	\$ 4,738,912	\$ 1,538,626
Recapitulation:					
Restricted fund balance:					
Capital reserve				\$ 1,562,829	
Maintenance reserve				450,000	
Excess surplus - designated for subsequent year's expenditures				1,035,169	
Excess surplus - current year				874,014	
Assigned fund balance:					
Designated for subsequent year's expenditures				55,380	
Year-end encumbrances				163,792	
Unassigned fund balance				597,728	
				4,738,912	
Reconciliation to Governmental Fund statements (GAAP):					
Last state aid payment not recognized on GAAP basis				(786,309)	
Fund balance per Governmental Funds (GAAP)				\$ 3,952,603	

SWEDESBORO-WOOLWICH CONSOLIDATED 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	\$ 365,056	\$ 86,654	\$ 451,710	\$ 450,227	\$ 1,483
Local sources		75,738	75,738	47,867	27,871
Total revenues	<u>\$ 365,056</u>	<u>\$ 162,392</u>	<u>\$ 527,448</u>	<u>\$ 498,094</u>	<u>\$ 29,354</u>
EXPENDITURES:					
Instruction:					
Salaries of teachers	\$ 96,577	\$ (16,255)	\$ 80,322	\$ 80,322	
General supplies	8,000	56,101	64,101	48,994	\$ 15,107
Other purchased services (400-500 series)	239,431	62,983	302,414	302,414	
Other objects		2,050	2,050	1,321	729
Total Instruction	<u>344,008</u>	<u>104,879</u>	<u>448,887</u>	<u>433,051</u>	<u>15,836</u>
Support services:					
Personal services - employee benefits		27,781	27,781	27,781	
Purchased professional - technical services	21,048	29,732	50,780	37,262	13,518
Total support services	<u>21,048</u>	<u>57,513</u>	<u>78,561</u>	<u>65,043</u>	<u>13,518</u>
Total expenditures	<u>\$ 365,056</u>	<u>\$ 162,392</u>	<u>\$ 527,448</u>	<u>\$ 498,094</u>	<u>\$ 29,354</u>

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION - PART II

SWEDESBORO-WOOLWICH CONSOLIDATED 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.	[C-1] \$ 28,902,296	[C-2] \$ 498,094
Difference - budget to GAAP		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		14
State aid payment recognized for budgetary purposes, not recognized for GAAP statements.	(786,309)	
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes.	737,541	
Total revenues as reported on the statement of revenues, expenditures and changes in fund balances - Governmental Funds.	[B-2] \$ 28,853,528	[B-2] \$ 498,108
Uses/outflows of resources:		
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule.	[C-1] \$ 28,619,853	[C-2] \$ 498,094
Difference - budget to GAAP:		
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.		14
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - Governmental Funds.	[B-2] \$ 28,619,853	[B-2] \$ 498,108

REQUIRED SUPPLEMENTARY INFORMATION - PART III

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

SWEDESBORO-WOOLWICH CONSOLIDATED 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	2019	2018	2017	2016	2015	2014
District's proportion of the net pension liability (asset)	0.0244863441%	0.0246014660%	0.0241000258%	0.0233292810%	0.0237051833%	0.0213760411%	0.0206578924%
District's proportionate share of the net pension liability (asset)	\$ 4,412,068	\$ 4,843,904	\$ 5,610,101	\$ 6,909,464	\$ 5,321,339	\$ 4,002,180	\$ 3,948,134
District's covered-employee payroll	1,670,282	1,693,543	1,757,633	1,601,284	1,676,600	1,587,945	N/A
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	264.15%	286.02%	319.19%	431.50%	317.39%	252.04%	N/A
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	06/30/19	06/30/18	06/30/17	06/30/16	06/30/15	06/30/14	06/30/13
N/A - Not available							

SWEDESBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
 Schedule of District Contributions - PERS
 Last Seven Fiscal Years

	Fiscal Year Ended June 30,						
	2020	2019	2018	2017	2016	2015	2014
Contractually required contribution	\$ 238,180	\$ 244,705	\$ 223,261	\$ 207,254	\$ 203,801	\$ 176,221	\$ 155,653
Contributions in relation to the contractually required contribution	238,180	244,705	223,261	207,254	203,801	176,221	155,653
Contribution deficiency (excess)	None	None	None	None	None	None	None
District's covered-employee payroll	\$ 1,670,282	\$ 1,693,543	\$ 1,757,633	\$ 1,601,284	\$ 1,676,600	\$ 1,587,945	N/A
Contributions as a percentage of covered-employee payroll	14.26%	14.45%	12.70%	12.94%	12.16%	11.10%	N/A
Measurement Date	06/30/19	06/30/18	06/30/17	06/30/16	06/30/15	06/30/14	06/30/13

N/A Not available

SWEDESBORO-WOOLWICH CONSOLIDATED 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	2019	2018	2017	2016	2015	2014
District's proportion of the net pension liability (asset)	0.0964642733%	0.0976166972%	0.0912713622%	0.0879321253%	0.0880003313%	0.0866725117%	0.0835205482%
District's proportionate share of the net pension liability (asset)	\$ 59,201,035	\$ 62,101,646	\$ 61,538,444	\$ 69,173,008	\$ 55,619,967	\$ 46,323,637	\$ 42,210,628
District's covered-employee payroll	10,998,146	10,670,963	10,271,323	9,781,086	9,098,846	8,885,377	N/A
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	538.28%	581.97%	599.13%	707.21%	611.29%	521.35%	N/A
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	06/30/19	06/30/18	06/30/17	06/30/16	06/30/15	06/30/14	06/30/13

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.

N/A Not available

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

SWEDESBORO-WOOLWICH CONSOLIDATED 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	\$ 1,878,628	\$ 2,158,866	\$ 2,607,405
Interest	1,326,705	1,422,365	1,220,648
Changes of benefit terms			
Differences between expected and actual experience	(3,526,492)	(4,076,027)	
Changes of assumptions or other inputs	478,286	(3,772,729)	(5,631,021)
Member contributions	29,189	30,383	32,403
Benefit payments	(984,699)	(879,103)	(879,990)
Net change in total OPEB liability	(798,383)	(5,116,245)	(2,650,555)
Total OPEB liability - beginning	32,876,377	37,992,622	40,643,177
Total OPEB liability - ending	<u>\$ 32,077,994</u>	<u>\$ 32,876,377</u>	<u>\$ 37,992,622</u>
Covered employee payroll	\$ 12,668,428	\$ 12,364,506	\$ 12,028,956
Total OPEB liability as a percentage of covered employee payroll	253.21%	265.89%	315.84%

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

**SWEDESBORO-WOOLWICH CONSOLIDATED 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>.

**SWEDESBORO-WOOLWICH CONSOLIDATED 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

SWEDESBORO-WOOLWICH CONSOLIDATED 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	Title II, Part A Teacher & Principal Training & Recruiting	Title I Part A	IDEA-Part B - Basic	IDEA Preschool	Totals	
						FY 2020	FY 2019
REVENUES:							
Federal sources	11,915	\$ 28,745	\$ 107,153	\$ 284,648	\$ 17,766	\$ 450,227	\$ 451,463
Local sources	\$ 47,867					47,867	40,074
Total revenues	\$ 59,782	\$ 28,745	\$ 107,153	\$ 284,648	\$ 17,766	\$ 498,094	\$ 491,537
EXPENDITURES:							
Instruction:							
Salaries of teachers	\$ 950		\$ 79,372			\$ 80,322	\$ 68,253
General supplies	48,994					48,994	44,029
Other purchased services (400-500 series)				\$ 284,648	\$ 17,766	302,414	299,289
Other objects	1,321					1,321	250
Total instruction	51,265		79,372	284,648	17,766	433,051	411,571
Support services:							
Personal services - employee benefits			27,781			27,781	42,933
Purchased professional - educational services							36,783
Purchased professional - technical services	8,517	\$ 28,745				37,262	
Total support services	8,517	28,745	27,781			65,043	79,716
Total expenditures	\$ 59,782	\$ 28,745	\$ 107,153	\$ 284,648	\$ 17,766	\$ 498,094	\$ 491,287

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

	Title III	SHIF Wellness	PTO Donation	Ann Green Grant	Title IV	Total Carried Forward
REVENUES:						
Federal sources	3,398				\$ 8,517	\$ 11,915
Local sources		\$ 2,675	\$ 43,796	\$ 1,396		47,867
Total revenues	<u>\$ 3,398</u>	<u>\$ 2,675</u>	<u>\$ 43,796</u>	<u>\$ 1,396</u>	<u>\$ 8,517</u>	<u>\$ 59,782</u>
EXPENDITURES:						
Instruction:						
Salaries of teachers		\$ 950				\$ 950
General supplies	\$ 3,398	404	\$ 43,796	\$ 1,396		48,994
Other objects		1,321				1,321
Total instruction	<u>3,398</u>	<u>2,675</u>	<u>43,796</u>	<u>1,396</u>		<u>51,265</u>
Support services:						
Purchased professional/technical services					8,517	8,517
Total support services					<u>8,517</u>	<u>8,517</u>
Total expenditures	<u>\$ 3,398</u>	<u>\$ 2,675</u>	<u>\$ 43,796</u>	<u>\$ 1,396</u>	<u>\$ 8,517</u>	<u>\$ 59,782</u>

PROPRIETARY FUNDS

SWEDESBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
Enterprise Funds
Combining Schedule of Net Position
For the Fiscal Year Ended June 30, 2020

	Business-type Activities				Totals	
	Food Service Fund	Drama Club	Pay-to Play	Summer Camp	FY 2020	FY 2019
ASSETS						
Current assets:						
Cash and cash equivalents	\$ 155,057	\$ 10,574		\$ 15,143	\$ 180,774	\$ 217,897
Accounts receivable:						
State	1,811				1,811	1,414
Federal	9,880				9,880	32,535
Other	4,423				4,423	8,127
Interfund accounts receivable - general fund	113,763				113,763	102,707
Inventory	15,424				15,424	9,969
Total current assets	<u>300,358</u>	<u>10,574</u>		<u>15,143</u>	<u>326,075</u>	<u>372,649</u>
Non-current assets						
Machinery and equipment	515,419				515,419	497,686
Less: accumulated depreciation	(408,461)				(408,461)	(404,033)
Total non-current assets	<u>106,958</u>				<u>106,958</u>	<u>93,653</u>
Total assets	<u>407,316</u>	<u>10,574</u>		<u>15,143</u>	<u>433,033</u>	<u>466,302</u>
LIABILITIES AND NET POSITION						
Current liabilities:						
Cash deficit			\$ 25,259		25,259	24,608
Interfund accounts payable: general fund		2,000			2,000	
Unearned revenue	27,539				27,539	16,057
Total current liabilities	<u>27,539</u>	<u>2,000</u>	<u>25,259</u>		<u>54,798</u>	<u>40,665</u>
Net Position:						
Invested in capital assets, net of related debt	106,958				106,958	93,653
Unrestricted	272,819	8,574	(25,259)	15,143	271,277	331,984
Total net position	<u>\$ 379,777</u>	<u>\$ 8,574</u>	<u>\$ (25,259)</u>	<u>\$ 15,143</u>	<u>\$ 378,235</u>	<u>\$ 425,637</u>

SWEDESBORO-WOOLWICH CONSOLIDATED 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 Fund	Drama Club	Pay-to Play	Summer Camp	FY 2020	FY 2019
OPERATING REVENUES:						
Local sources:						
Daily sales-reimbursable programs:	\$ 186,853				\$ 186,853	\$ 246,812
Daily sales non-reimbursable programs	79,250				79,250	146,720
Special function/miscellaneous	1,623				1,623	
Program fees		\$ 5,689	\$ 13,975	\$ 495	20,159	34,144
Total operating revenue	267,726	5,689	13,975	495	287,885	427,676
OPERATING EXPENSES:						
Salaries	149,226	4,250	10,050	3,412	166,938	220,175
Employee benefits	41,940				41,940	46,150
Purchased professional educational services	44,418				44,418	35,119
Supplies and materials	30,761	4,616	4,576	235	40,188	32,256
Depreciation	18,776				18,776	19,829
Cost of sales - reimbursable	152,087				152,087	182,920
Cost of sales - non-reimbursable	37,152				37,152	63,936
Miscellaneous other expenses	16,944				16,944	19,182
Total operating expenses	491,304	8,866	14,626	3,647	518,443	619,567
Operating income (loss)	(223,578)	(3,177)	(651)	(3,152)	(230,558)	(191,891)
NON-OPERATING REVENUES:						
State sources:						
National school lunch program - state	6,656				6,656	6,958
Federal sources:						
National school lunch program	137,160				137,160	165,898
Food distribution program	45,242				45,242	35,454
Loss on disposal of capital assets	(5,902)				(5,902)	(1,563)
Total non-operating revenues (expenses)	183,156				183,156	206,747
Net income (loss) before transfers	(40,422)	(3,177)	(651)	(3,152)	(47,402)	14,856
Total net position - July 1	420,199	11,751	(24,608)	18,295	425,637	440,287
Prior period adjustment of capital assets						(29,506)
Restated net position at the beginning of the year						410,781
Total net position - June 30	\$ 379,777	\$ 8,574	\$ (25,259)	\$ 15,143	\$ 378,235	\$ 425,637

SWEDESBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
Enterprise Funds
Combining Schedule of Cash Flows
For the Fiscal Year Ended June 30, 2020

	Business-type Activities				Totals	
	Food Service	Drama	Pay-to	Summer		
	Fund	Club	Play	Camp	FY 2020	FY 2019
Cash flows from operating activities:						
Receipts from customers	\$ 282,912	\$ 5,689	\$ 13,975	\$ 495	\$ 303,071	\$ 429,406
Payments to suppliers	(241,575)	(4,616)	(4,576)	(235)	(251,002)	(332,490)
Payments to employees	(149,226)	(4,250)	(10,050)	(3,412)	(166,938)	(220,175)
Payments for employee benefits	(41,940)				(41,940)	(46,150)
Net cash provided (used) by operating activities	(149,829)	(3,177)	(651)	(3,152)	(156,809)	(169,409)
Cash flows from non-capital financing activities:						
Cash received from state reimbursements	6,259				6,259	6,064
Cash received from federal reimbursements	159,815				159,815	144,671
Interfund to general fund	(11,056)	2,000			(9,056)	
Net cash provided by non-capital financing activities	155,018	2,000			157,018	150,735
Cash flows from capital and related financing activities:						
Purchase of capital assets	(37,983)				(37,983)	(37,983)
Net cash provided by capital and related financing activities	(37,983)				(37,983)	(37,983)
Net increase in cash and cash equivalents	(32,794)	(1,177)	(651)	(3,152)	(37,774)	(56,657)
Cash and cash equivalents - July 1	187,851	11,751	(24,608)	18,295	193,289	211,963
Cash and cash equivalents - June 30	\$ 155,057	\$ 10,574	\$ (25,259)	\$ 15,143	\$ 155,515	\$ 155,306

SWEDESBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
Enterprise Funds
Combining Schedule of Cash Flows
For the Fiscal Year Ended June 30, 2020

	Business-type Activities				Totals	
	Food Service Fund	Drama Club	Pay-to Play	Summer Camp	FY 2020	FY 2019
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:						
Operating income (loss)	\$ (223,578)	\$ (3,177)	\$ (651)	\$ (3,152)	\$ (230,558)	\$ (191,891)
Adjustments to reconcile operating income (loss) to cash provided (used) by operating activities:						
Depreciation	18,776				18,776	19,829
Food distribution program	45,242				45,242	35,454
Change in assets and liabilities:						
(Increase) decrease in inventory	(5,455)				(5,455)	(1,827)
(Increase) decrease in accounts receivable	3,704				3,704	1,416
Increase (decrease) in accounts payable						(32,704)
Increase (decrease) in unearned revenue	11,482				11,482	314
	<u>\$ (149,829)</u>	<u>\$ (3,177)</u>	<u>\$ (651)</u>	<u>\$ (3,152)</u>	<u>\$ (156,809)</u>	<u>\$ (169,409)</u>

FIDUCIARY FUNDS

SWEDESBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
Combining Statement of Fiduciary Net Position
For the Fiscal Year Ended June 30, 2020

	Unemployment Trust Fund	Agency Funds	Totals	
			FY 2020	FY 2019
ASSETS				
Cash and cash equivalents	\$ 256,865	\$ 193,464	\$ 450,329	\$ 413,933
Total assets	<u>\$ 256,865</u>	<u>193,464</u>	<u>450,329</u>	<u>413,933</u>
LIABILITIES				
Payroll deductions and withholdings		122,975	122,975	136,547
Due to student groups		68,489	68,489	42,455
Interfund payables:				
General fund		2,000	2,000	2,000
Total liabilities		<u>193,464</u>	<u>193,464</u>	<u>181,002</u>
NET POSITION				
Held in trust for:				
Scholarships				
Unemployment claims	\$ 256,865		256,865	232,931
Total net position	<u>\$ 256,865</u>	<u>None</u>	<u>\$ 256,865</u>	<u>\$ 232,931</u>

SWEDESBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
Combining Statement of Changes in Fiduciary Net Position
For the Fiscal Year Ended June 30, 2020

	Unemployment	Totals	
	Trust Fund	FY 2020	FY 2019
ADDITIONS:			
Contributions:			
Employees	\$ 33,677	\$ 33,677	\$ 32,548
	<u>33,677</u>	<u>33,677</u>	<u>32,548</u>
Total additions	<u>33,677</u>	<u>33,677</u>	<u>32,548</u>
DEDUCTIONS:			
Unemployment claims	29	29	42,071
Quarterly contribution reports	9,714	9,714	9,472
Total deductions	<u>9,743</u>	<u>9,743</u>	<u>51,543</u>
Change in net position	23,934	23,934	(18,995)
Net position - beginning of year	<u>232,931</u>	<u>232,931</u>	<u>251,926</u>
Net position - end of year	<u>\$ 256,865</u>	<u>\$ 256,865</u>	<u>\$ 232,931</u>

SWEDESBORO-WOOLWICH CONSOLIDATED 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:				
Margaret Clifford - Grade Pre-K	\$ 3,106	\$ 3,769	\$ 4,769	\$ 2,106
Charles Stratton - Grades 1-2	14,163	12,586	8,655	18,094
Charles Harker - Grades 3-5	21,536	27,554	26,171	22,919
Walter Hill School - Grade 6	3,650	53,729	32,009	25,370
	<u>\$ 42,455</u>	<u>\$ 97,638</u>	<u>\$ 71,604</u>	<u>\$ 68,489</u>

SWEDESBORO-WOOLWICH CONSOLIDATED 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	\$ 138,547	\$ 15,242,323	\$ 15,255,895	\$ 124,975
Total assets	<u>\$ 138,547</u>	<u>\$ 15,242,323</u>	<u>\$ 15,255,895</u>	<u>\$ 124,975</u>
LIABILITIES				
Employees' net pay		\$ 8,285,574	\$ 8,285,574	
Payroll deductions and withholdings	\$ 136,547	6,956,171	6,969,743	\$ 122,975
Interfund payable	2,000	578	578	2,000
Total liabilities	<u>\$ 138,547</u>	<u>\$ 15,242,323</u>	<u>\$ 15,255,895</u>	<u>\$ 124,975</u>

LONG-TERM DEBT

SWEDESBORO-WOOLWICH CONSOLIDATED 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 Bonds of 2010	10/28/10	\$ 12,875,000	02/15/21	\$ 945,000	3.000%				
			02/15/22	930,000	3.000%				
			02/15/23	915,000	3.250%				
			02/15/24	905,000	3.250%				
			02/15/25	890,000	3.250%				
			02/15/26	880,000	3.500%				
			02/15/27	865,000	3.500%				
			02/15/28	845,000	3.625%	\$ 7,985,000		\$ 810,000	\$ 7,175,000
Refunding Bonds of 2013	05/02/13	9,105,000	01/15/21	455,000	3.000%				
			01/15/22	510,000	3.000%				
			01/15/23	565,000	3.000%				
			01/15/24	625,000	3.000%				
			01/15/25	680,000	3.000%				
			01/15/26	745,000	2.375%				
			01/15/27	805,000	2.500%				
			01/15/28	875,000	3.000%				
			01/15/29	890,000	3.000%				
			01/15/30	875,000	3.000%				
			01/15/31	865,000	3.000%	8,205,000		315,000	7,890,000
Refunding Bonds of 2015	04/22/15	17,920,000	02/15/21	1,065,000	5.000%				
			02/15/22	1,115,000	5.000%				
			02/15/23	1,170,000	3.000%				
			02/15/24	1,210,000	2.250%				
			02/15/25	1,235,000	3.000%				
			02/15/26	1,275,000	3.000%				
			02/15/27	1,320,000	3.000%				
			02/15/28	1,360,000	3.000%				
			02/15/29	1,410,000	3.000%				
			02/15/30	1,450,000	4.000%				
			02/15/31	1,510,000	4.000%	15,340,000		1,220,000	14,120,000
								\$ 31,530,000	None

SWEDESBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
 Schedule of Obligations Under Capital Leases
 Debt Service Fund
 For the Fiscal Year Ended June 30, 2020

Purpose	Date of Lease	Term of Lease	Amount of Original Issue		Interest Rate	Amount	Issued	Retired	Amount
			Principal	Interest		Outstanding July 1, 2019			Outstanding June 30, 2020
Copiers	04/28/16	5 years	\$ 301,287	\$ 33,721	3.990%	\$ 138,641		\$ 62,503	\$ 76,138
240 Chromebooks	06/20/16	3 years	84,095	3,706	2.792%	21,354		21,354	
275 Chromebooks	03/15/17	3 years	102,169	4,261	2.267%	51,459		25,441	26,018
250 Chromebooks	04/16/18	3 years	93,494	4,261	2.267%	69,353		22,087	47,266
250 Chromebooks	06/10/19	3 years	96,200	5,936	3.770%	96,200		25,030	71,170
						\$ 377,007	None	\$ 156,415	\$ 220,592

SWEDESBORO-WOOLWICH CONSOLIDATED 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	\$ 2,034,701		\$ 2,034,701	\$ 2,034,701	
State sources:					
Debt service aid type II	586,118		586,118	586,118	
Total revenues	<u>2,620,819</u>		<u>2,620,819</u>	<u>2,620,819</u>	
EXPENDITURES:					
Regular debt service:					
Interest	1,044,500		1,044,500	1,044,500	
Redemption of principal	2,345,000		2,345,000	2,345,000	
Total regular debt service	<u>3,389,500</u>		<u>3,389,500</u>	<u>3,389,500</u>	
Total expenditures	<u>3,389,500</u>		<u>3,389,500</u>	<u>3,389,500</u>	
Excess of revenues over expenditures	<u>(768,681)</u>		<u>(768,681)</u>	<u>(768,681)</u>	
Fund balance - July 1	<u>768,681</u>		<u>768,681</u>	<u>768,681</u>	
Fund balance - June 30	<u>None</u>		<u>None</u>	<u>None</u>	

STATISTICAL SECTION
(Unaudited)

**SWEDESBORO-WOOLWICH CONSOLIDATED 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.	109-114
Revenue Capacity These schedules contain information to help the reader assess the District's most significant local revenue source, the property tax.	115-120
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.	121-125
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.	126-127
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.	128-132

SWEDESBORO-WOOLWICH CONSOLIDATED 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	\$ (4,895,336)	\$ (4,886,612)	\$ (5,242,056)	\$ (4,679,880)	\$ 1,207,384	\$ 2,180,877	\$ 3,734,685	\$ 4,931,912	\$ 6,449,977	\$ 8,187,926
Restricted	1,849,755	2,543,875	4,265,673	4,223,547	4,167,437	4,239,889	3,824,305	4,018,483	4,443,334	3,977,392
Unrestricted	153,599	212,208	(355,847)	(236,780)	(4,015,981)	(4,053,115)	(4,910,035)	(5,709,468)	(5,859,035)	(6,020,187)
Total governmental activities net position	<u>\$ (2,891,982)</u>	<u>\$ (2,130,530)</u>	<u>\$ (1,332,230)</u>	<u>\$ (693,114)</u>	<u>\$ 1,358,840</u>	<u>\$ 2,367,651</u>	<u>\$ 2,648,955</u>	<u>\$ 3,240,927</u>	<u>\$ 5,034,276</u>	<u>\$ 6,145,131</u>
Business-type activities										
Invested in capital assets, net of related debt	\$ 190,237	\$ 164,144	\$ 140,058	\$ 180,004	\$ 207,029	\$ 178,890	\$ 166,657	\$ 115,045	\$ 93,653	\$ 106,958
Unrestricted	151,252	232,230	220,170	241,921	295,619	232,051	262,612	295,736	331,984	271,277
Total business-type activities net position	<u>\$ 341,489</u>	<u>\$ 396,374</u>	<u>\$ 360,227</u>	<u>\$ 421,925</u>	<u>\$ 502,648</u>	<u>\$ 410,941</u>	<u>\$ 429,269</u>	<u>\$ 410,781</u>	<u>\$ 425,637</u>	<u>\$ 378,235</u>
District-wide activities										
Invested in capital assets, net of related debt	\$ (4,705,099)	\$ (4,722,468)	\$ (5,101,998)	\$ (4,499,876)	\$ 1,414,413	\$ 2,359,767	\$ 3,901,342	\$ 5,046,957	\$ 6,543,630	\$ 8,294,884
Restricted	1,849,755	2,543,875	4,265,673	4,223,547	4,167,437	4,239,889	3,824,305	4,018,483	4,443,334	3,977,392
Unrestricted	304,851	444,438	(135,677)	5,140	(3,720,362)	(3,821,064)	(4,647,423)	(5,413,732)	(5,527,051)	(5,748,910)
	<u>\$ (2,550,494)</u>	<u>\$ (1,734,156)</u>	<u>\$ (972,003)</u>	<u>\$ (271,189)</u>	<u>\$ 1,861,488</u>	<u>\$ 2,778,592</u>	<u>\$ 3,078,224</u>	<u>\$ 3,651,708</u>	<u>\$ 5,459,913</u>	<u>\$ 6,523,366</u>

SWEDESBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
 Changes In Net Assets/Net Position
 Last Ten Fiscal 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	\$ 5,301,777	\$ 8,583,362	\$ 9,391,723	\$ 8,794,027	\$ 6,082,739	\$ 6,441,003	\$ 6,331,564	\$ 6,245,255	\$ 6,257,657	\$ 6,837,914
Special education	2,256,695	3,379,436	3,553,357	3,135,830	3,114,214	3,100,061	3,102,061	3,394,357	3,582,033	3,879,271
Other special education		1,440,282			298,067	329,415	371,209	370,974	423,450	460,648
Other instruction	326,702		1,494,101	468,794	67,245	75,616	101,815	162,307	207,054	217,030
Support services:										
Tuition	727,438	381,069	530,201	654,628						
Student and instruction and related services	2,080,981	2,276,266	2,360,036	2,929,323	2,418,838	2,358,652	2,539,137	2,546,117	2,733,883	2,779,544
General administration	463,837	571,133	589,492	1,162,711	613,366	635,017	606,641	694,163	659,595	632,939
School administrative services	508,506	676,861	735,173	676,387	714,690	785,907	812,391	997,942	988,157	1,115,072
Central services	189,615	230,840	258,735	206,895	232,050	205,775	206,739	229,531	227,559	234,685
Administrative information technology	202,725	241,744	292,456	281,624	378,528	443,897	441,795	438,891	445,629	432,663
Plant operations and maintenance	1,869,741	1,969,498	2,059,852	2,195,486	1,963,095	1,854,248	1,866,348	1,793,405	1,989,558	2,037,758
Pupil transportation	1,288,722	1,232,954	1,341,755	1,496,836	1,622,666	1,578,937	1,576,049	1,523,231	1,582,609	1,495,286
Unallocated benefits	4,032,393			2,029,225	6,797,171	7,384,989	8,772,800	10,398,441	11,090,220	10,479,360
Interest on long-term debt	1,948,984	1,915,124	1,660,505	1,592,650	1,357,193	1,374,812	1,297,274	1,219,754	1,142,425	1,053,032
Capital outlay				262,580	120,297	205,587	171,931	192,337	105,074	87,129
Transfer of funds to charter school					8,599	8,817				
Unallocated depreciation	1,350,454	137,734	112,937	142,709	827,661	815,760	855,336	839,013	840,549	847,837
Total governmental activities expenses	<u>22,548,570</u>	<u>23,036,303</u>	<u>24,380,323</u>	<u>26,029,703</u>	<u>26,616,419</u>	<u>27,598,493</u>	<u>29,053,090</u>	<u>31,045,718</u>	<u>32,275,452</u>	<u>32,590,168</u>
Business-type activities:										
Food service	545,104	487,788	552,173	560,403	566,915	603,028	583,407	593,148	578,962	491,304
Other enterprise funds		318,516	320,962	279,035	307,349	66,049	53,973	44,952	40,605	27,139
Total business-type activities expense	<u>545,104</u>	<u>806,304</u>	<u>873,135</u>	<u>839,438</u>	<u>874,264</u>	<u>669,077</u>	<u>637,380</u>	<u>638,100</u>	<u>619,567</u>	<u>518,443</u>
Total district expenses	<u>\$ 23,093,674</u>	<u>\$ 23,842,607</u>	<u>\$ 25,253,458</u>	<u>\$ 26,869,141</u>	<u>\$ 27,490,683</u>	<u>\$ 28,267,570</u>	<u>\$ 29,690,470</u>	<u>\$ 31,683,818</u>	<u>\$ 32,895,019</u>	<u>\$ 33,108,611</u>
REVENUES:										
Governmental activities:										
Operating grants and contributions	\$ 2,443,919	\$ 1,841,204	\$ 2,187,418	\$ 2,045,001	\$ 448,009	\$ 478,797	\$ 454,714	\$ 494,746	\$ 498,336	\$ 498,108
Total governmental activities program revenues	<u>2,443,919</u>	<u>1,841,204</u>	<u>2,187,418</u>	<u>2,045,001</u>	<u>448,009</u>	<u>478,797</u>	<u>454,714</u>	<u>494,746</u>	<u>498,336</u>	<u>498,108</u>

SWEDESBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
Changes In Net Assets/Net Position
Last Ten Fiscal Years
For the Fiscal Year Ended June 30, 2020
Unaudited

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Business-type activities:										
Charges for services:										
Food service	387,598	349,491	369,352	368,087	399,751	408,809	410,017	403,896	393,532	267,726
Enterprise Funds		371,304	297,136	354,020	326,102	63,638	51,139	41,108	34,144	20,159
Operating grants and contributions	134,656	139,999	170,101	178,860	180,710	207,254	196,252	204,114	208,310	189,058
Total business-type activities program revenues	522,254	860,794	836,590	900,966	906,563	679,701	657,408	649,118	635,986	476,943
Total district program revenues	\$ 2,966,173	\$ 2,701,998	\$ 3,024,007	\$ 2,945,967	\$ 1,354,572	\$ 1,158,498	\$ 1,112,122	\$ 1,143,864	\$ 1,134,322	\$ 975,051
Net (expense) revenues										
Governmental activities	\$ (20,104,651)	\$ (21,195,099)	\$ (22,192,905)	\$ (23,984,702)	\$ (26,168,410)	\$ (27,119,696)	\$ (28,598,376)	\$ (30,550,972)	\$ (31,777,116)	\$ (32,092,060)
Business-type activities	(22,850)	54,490	(36,545)	61,528	32,299	10,624	20,028	11,018	16,419	(41,500)
Total district-wide net expenses	\$ (20,127,501)	\$ (21,140,609)	\$ (22,229,451)	\$ (23,923,174)	\$ (26,136,111)	\$ (27,109,072)	\$ (28,578,348)	\$ (30,539,954)	\$ (31,760,697)	\$ (32,133,560)
General revenues and other changes in net position										
Governmental activities:										
Property taxes levied for government purposes	\$ 12,402,141	\$ 12,827,192	\$ 13,306,662	\$ 13,920,834	\$ 14,646,864	\$ 15,039,801	\$ 15,340,597	\$ 15,647,409	\$ 16,028,857	\$ 16,349,434
Taxes levied for debt service	2,834,937	2,821,785	2,884,871	2,889,554	2,828,133	2,761,433	3,096,102	2,821,060	2,806,649	2,034,701
Unrestricted grants and contributions	5,409,335	6,543,041	7,594,320	7,584,115	9,472,595	9,834,767	10,188,091	10,992,542	14,162,029	14,380,476
Tuition received					66,974	210,694	178,598	153,428	245,069	221,552
Transportation charges									27,596	
Investment earnings	20,993	11,565	15,782	9,581	12,130	17,168	18,632	19,934	53,549	45,964
Miscellaneous income	45,092	85,790	117,495	220,058	142,007	194,275	65,529	60,327	258,424	192,926
Prior period adjustments/receivables canceled			(12,913)				(4,731)			
Debt issued	(12,875,000)									
Debt refinanced	11,989,000		(790,000)							
Cost of issuance on refunding bonds					(182,025)					
Fixed asset disposals and adjustments	(12,421,923)	(343,108)	(124,156)			(28,780)	(3,138)	(1,891)	(11,708)	(13,558)
Compensated absences	(4,150)	10,275	(856)	(323)						
Transfers		11				99,149				
Total governmental activities	7,400,425	21,956,551	22,991,205	24,623,819	26,986,678	28,128,507	28,879,680	29,692,809	33,570,465	33,211,495
Business-type activities:										
Investment earnings		407	547	169	407	120				
Fixed asset disposals and adjustments	78,091				55,404	(452)	(1,700)		(1,563)	(5,902)
Other					(7,386)	(2,850)				
Transfers		(11)	(149)			(99,149)				
Total business-type activities	78,091	396	398	169	48,425	(102,331)	(1,700)		(1,563)	(5,902)
Total district-wide activities	\$ 7,478,516	\$ 21,956,947	\$ 22,991,603	\$ 24,623,988	\$ 27,035,103	\$ 28,026,176	\$ 28,877,980	\$ 29,692,809	\$ 33,568,902	\$ 33,205,593
Change in net position										
Governmental activities	\$ (12,704,226)	\$ 761,452	\$ 798,299	\$ 639,116	\$ 818,268	\$ 1,008,811	\$ 281,304	\$ (858,163)	\$ 1,793,349	\$ 1,119,435
Business-type activities	55,241	54,886	(36,147)	61,697	80,724	(91,707)	18,328	11,018	14,856	(47,402)
Total district-wide	\$ (12,648,985)	\$ 816,338	\$ 762,152	\$ 700,814	\$ 898,992	\$ 917,104	\$ 299,632	\$ (847,145)	\$ 1,808,205	\$ 1,072,033

SWEDESBORO-WOOLWICH CONSOLIDATED 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	\$ 1,049,210	\$ 2,004,503	\$ 3,257,674	\$ 3,388,825	\$ 2,790,692	\$ 2,913,475	\$ 2,974,745	\$ 3,195,889	\$ 3,631,058	\$ 3,922,012
Assigned	522,896	427,071	374,725	579,138	619,479	708,440	110,850	118,550	264,543	219,172
Unrestricted	(50,121)	(32,458)	(96,683)	(139,930)	(204,031)	(178,326)	(146,167)	(163,827)	(168,093)	(188,581)
Total general fund	<u>\$ 1,521,985</u>	<u>\$ 2,399,116</u>	<u>\$ 3,535,716</u>	<u>\$ 3,828,034</u>	<u>\$ 3,206,140</u>	<u>\$ 3,443,589</u>	<u>\$ 2,939,428</u>	<u>\$ 3,150,612</u>	<u>\$ 3,727,508</u>	<u>\$ 3,952,603</u>
All other governmental funds										
Restricted										
Capital projects fund	\$ 1,256,059	\$ 1,091,131	\$ 984,620	\$ 771,734	\$ 764,423	\$ 764,423	\$ 764,423			
Assigned										
Capital projects fund			16,834							
Unrestricted, reported in:										
Debt service fund	44,886	48,241	6,544	62,987	58,611	72,490	75,003	\$ 773,363	\$ 768,681	
Total all other governmental funds	<u>\$ 1,300,945</u>	<u>\$ 1,139,372</u>	<u>\$ 1,007,998</u>	<u>\$ 834,721</u>	<u>\$ 823,034</u>	<u>\$ 836,913</u>	<u>\$ 839,426</u>	<u>\$ 773,363</u>	<u>\$ 768,681</u>	

Note: 2011 reflects the change to GASB 54.

SWEDESBORO-WOOLWICH CONSOLIDATED 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	\$ 15,237,078	\$ 15,648,977	\$16,191,533	\$ 16,810,388	\$ 17,474,997	\$ 17,801,234	\$ 18,436,699	\$ 18,468,469	\$ 18,835,506	\$ 18,384,135
Tuition charges					66,974	210,694	178,598	153,428	245,069	221,552
Transportation charges									27,596	
Interest earnings	42	27	23	14	12,130	17,168	18,632	19,934	53,549	45,964
Miscellaneous	68,474	93,586	133,254	229,626	157,623	204,314	70,114	99,847	305,297	240,807
State sources	7,157,494	7,817,117	9,406,098	8,580,774	9,472,595	9,819,582	10,162,140	10,969,006	11,830,194	12,609,122
Federal sources	697,220	567,128	375,640	1,048,342	432,393	483,943	476,080	478,685	461,949	470,875
Total revenue	23,160,308	24,126,835	26,106,548	26,669,143	27,616,712	28,536,935	29,342,263	30,189,369	31,759,160	31,972,455
EXPENDITURES:										
Instruction:										
Regular	5,301,777	5,360,467	5,886,399	5,764,402	6,165,115	6,419,895	6,392,792	6,282,426	6,337,267	6,915,464
Special	2,256,695	2,427,209	2,452,659	2,499,764	3,113,329	3,100,001	3,111,196	3,394,357	3,582,033	3,879,271
Other special	326,702	440,984	387,092	468,794	365,397	404,896	371,679	370,974	423,450	460,648
Other							101,815	162,307	207,054	217,030
Undistributed:										
Tuition	727,438	381,069	530,201	654,628						
Student & instruction related services	2,080,981	2,093,777	2,147,227	2,259,779	2,542,540	2,338,363	2,516,886	2,525,224	2,712,346	2,797,209
General administration	463,837	463,112	471,364	543,947	579,810	578,954	556,137	646,332	652,437	640,751
School administrative services	508,506	506,538	536,551	676,387	710,154	781,466	815,890	994,691	985,201	1,113,144
Central services	189,615	194,343	198,992	206,895	232,050	205,775	214,739	224,187	221,970	230,291
Administration information technology	202,725	205,246	249,895	281,624	378,528	443,897	441,795	438,891	445,629	432,663
Plant operations & maintenance	1,869,741	1,842,824	1,932,166	2,124,131	1,953,931	1,835,431	1,849,262	1,774,708	1,968,925	2,027,712
Student transportation	1,288,722	1,232,954	1,341,755	1,496,836	1,622,666	1,578,937	1,576,049	1,523,231	1,582,609	1,495,286
Employee benefits	4,032,393	4,534,560	5,187,622	5,770,194	6,767,859	7,179,009	7,938,010	8,057,104	8,471,941	8,645,146
Capital outlay	121,403	242,780	184,521	316,849	382,297	428,266	456,074	350,512	300,609	263,346
Debt service expenditures										
Principal	1,590,000	1,625,000	1,785,000	1,935,000	1,900,000	2,150,000	2,315,000	2,190,000	2,260,000	2,345,000
Interest and other charges	1,924,089	1,881,546	1,809,878	1,550,873	1,553,875	1,232,336	1,284,025	1,202,875	1,131,675	1,044,500
Transfer of funds to charter school					8,599	8,817				
Total expenditures	22,884,624	23,432,409	25,101,320	26,550,103	28,276,150	28,686,043	29,941,349	30,137,819	31,283,146	32,507,461
Excess (deficiency) of revenues over (under) expenditures	275,684	694,426	1,005,227	119,040	(659,438)	(149,108)	(599,086)	51,550	476,014	(535,006)
Other financing sources (uses)										
Prior period adjustments/canceled/other							(4,731)	77		(8,580)
Capital leases (non-budgeted)		182,707			25,857	301,287	102,169	93,494	96,200	
Transfers in	6,212	3,754	6,700	1,217	(2,168)	103,130	4,682	768,604		
Transfers out			(6,700)	(1,217)	2,168	(3,981)	(4,682)	(768,604)		
Total other financing sources (uses)	6,212	186,460			25,857	400,436	97,438	93,571	96,200	(8,580)
Net change in fund balance	\$ 281,897	\$ 880,886	\$ 1,005,227	\$ 119,040	\$ (633,581)	\$ 251,328	\$ (501,648)	\$ 145,121	\$ 572,214	\$ (543,586)
Debt service as a percentage of noncapital expenditures	15.44%	15.12%	14.43%	13.29%	12.38%	11.97%	12.21%	14.43%	10.95%	10.51%

Source: District records

SWEDESBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
 General Fund Other Local Revenue by Source
 Last Ten Fiscal Years
 Unaudited

Fiscal Year Ended June 30,	Tuition	Interest on Investments	Prior Year Refunds	Rentals	Sale of Assets	Columbia Gas Easement	Contributions	Miscellaneous	Annual Totals
2011		\$ 14,780					\$ 15,450	\$ 29,642	\$ 59,872
2012		11,576	\$ 55,921					16,248	83,746
2013		15,782						117,495	133,277
2014	\$ 71,147	9,581						148,897	229,626
2015			29,713	\$ 3,200	\$ 1,950	\$ 100,870	3,200	3,074	142,007
2016			26,856	6,400		100,870		60,149	194,275
2017			193	6,900			20,000	38,436	65,529
2018			11,613	6,579				47,830	66,022
2019			170,757	7,721				79,946	258,424
2020			11,411	4,614				176,901	192,926

Source: District records

SWEDESBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years
Unaudited

Borough of Swedesboro

Fiscal Year Ended June 30,	Vacant Land	Residential	Farm Regular	Qualified Farm	Commercial	Industrial	Apartment	Total Assessed Value	Public Utility	Net Valuation Taxable	Estimated Actual (County Equalized) Value	Total Direct School Tax Rate
2011	2,218,200	72,847,700			13,511,400	902,800	1,000,700	90,480,800	1,123,014	91,603,814	193,463,770	2.296
2012	2,511,200	147,909,300		24,700	35,840,600	1,695,500	1,122,400	189,103,700	2,399,420	191,503,120	202,130,113	1.144
2013	2,146,800	148,633,300		24,700	35,797,600	1,695,500	1,122,400	189,420,300	2,354,496	191,774,796	197,364,832	1.197
2014	1,962,600	148,474,600		24,700	34,901,000	1,695,500	1,122,400	188,180,800	1,833,117	190,013,917	192,277,907	1.279
2015	1,516,500	146,211,800		25,300	34,204,500	1,663,900	1,122,400	184,744,400	1,703,659	186,448,059	181,333,040	1.324
2016	1,311,500	135,324,200		25,300	30,020,200	3,273,800	2,749,500	172,704,500	1,774,301	174,478,801	176,331,228	1.354
2017	1,225,500	136,021,000		25,300	29,592,200	3,273,800	2,330,700	172,468,500	0	172,468,500	178,468,138	1.384
2018	1,200,000	135,946,700		25,300	29,555,400	3,273,800	2,330,700	172,331,900	0	172,331,900	176,570,879	1.408
2019	1,121,900	136,004,700		14,400	30,111,400	3,273,800	2,330,700	172,856,900	0	172,856,900	177,824,185	1.417
2020	1,251,300	136,121,800		14,400	30,095,400	3,273,800	2,330,700	173,087,400	0	173,087,400	177,645,685	1.356

Township of Woolwich

Fiscal Year Ended June 30,	Vacant Land	Residential	Farm Regular	Qualified Farm	Commercial	Industrial	Apartment	Total Assessed Value	Public Utility	Net Valuation Taxable	Estimated Actual (County Equalized) Value	Total Direct School Tax Rate
2011	20,088,000	526,066,000	14,063,400	4,954,300	21,996,900	23,006,100	8,741,400	618,916,100	1,543,335	620,459,435	1,244,290,405	2.117
2012	17,200,900	534,786,500	14,280,800	4,979,500	24,187,900	23,097,100	8,741,400	627,274,100	1,279,782	628,553,882	1,207,715,607	2.126
2013	15,110,900	543,765,600	14,130,200	4,968,700	25,146,400	21,639,600	7,701,100	632,462,500	1,369,350	633,831,850	1,150,834,822	2.187
2014	19,999,300	905,097,600	20,677,300	4,291,500	55,082,700	45,953,200	22,229,800	1,073,331,400	2,303,228	1,075,634,628	1,099,949,222	1.325
2015	17,421,300	923,944,400	18,481,400	4,344,600	51,771,100	44,073,200	22,229,800	1,082,265,800	1,901,162	1,084,166,962	1,110,614,108	1.390
2016	13,276,400	943,474,000	20,072,500	4,317,800	50,503,300	43,425,600	21,054,900	1,096,124,500	1,870,892	1,097,995,392	1,163,596,438	1.408
2017	13,795,200	956,623,700	19,670,300	4,242,400	51,386,700	42,884,800	32,501,500	1,121,104,600	1,810,647	1,122,915,247	1,193,338,953	1.423
2018	15,861,400	966,313,300	18,471,800	4,235,100	52,004,500	42,292,600	32,501,500	1,131,680,200	1,719,044	1,133,399,244	1,234,884,068	1.415
2019	19,193,100	981,055,700	18,242,300	4,203,200	53,839,700	41,306,910	32,501,500	1,150,342,410	0	1,150,342,410	1,276,383,568	1.423
2020	17,438,800	996,881,400	18,108,900	3,879,800	65,095,600	41,306,910	32,501,500	1,175,212,910	0	1,175,212,910	1,342,106,327	1.364

Source: Municipal tax assessor

SWEDESBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
 Direct and Overlapping Property Tax Rates
 Per \$100 of Assessed Valuation
 Last Ten Fiscal Years
 Unaudited

Borough of Swedesboro

Fiscal Year Ended June 30,	Basic Rate	General Obligation Debt Service	Total Direct School Tax Rate	Overlapping Rates			Total Direct & Overlapping Tax Rate
				Regional School	Municipality	Gloucester County	
2011	1.933	0.363	2.296	1.403	1.563	1.251	6.513
2012	0.717	0.427	1.144	0.713	0.745	0.615	3.217
2013	0.770	0.427	1.197	0.785	0.775	0.610	3.367
2014	1.059	0.220	1.279	0.870	0.802	0.655	3.606
2015	1.090	0.234	1.324	0.867	0.833	0.642	3.666
2016	0.929	0.210	1.354	0.905	0.918	0.709	3.886
2017	0.981	0.232	1.384	0.950	0.919	0.748	4.001
2018	1.134	0.215	1.408	0.888	0.971	0.738	4.005
2019	1.090	0.211	1.417	0.865	0.995	0.750	4.027
2020	1.206	0.150	1.356	0.848	1.034	0.750	3.988

Township of Woolwich

Fiscal Year Ended June 30,	Basic Rate	General Obligation Debt Service	Total Direct School Tax Rate	Overlapping Rates			Total Direct & Overlapping Tax Rate
				Regional School	Municipality	Gloucester County	
2011	1.723	0.394	2.117	1.029	0.705	1.148	4.999
2012	1.743	0.383	2.126	1.090	0.705	1.088	5.009
2013	1.797	0.390	2.187	1.207	0.735	1.076	5.205
2014	1.097	0.228	1.325	0.767	0.486	0.662	3.240
2015	1.168	0.222	1.390	0.798	0.506	0.678	3.372
2016	1.797	0.218	1.408	0.848	0.548	0.745	3.549
2017	1.184	0.239	1.423	0.883	0.558	0.768	3.632
2018	1.199	0.216	1.415	0.911	0.557	0.785	3.668
2019	1.211	0.212	1.423	0.932	0.576	0.810	3.741
2020	1.213	0.151	1.364	0.951	0.605	0.836	3.756

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

SWEDESBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
Principal Property Taxpayers
Current and Nine Years Ago
Unaudited

Borough of Swedesboro

Taxpayer	2020		2011	
	Taxable Assessed Value	% of Total District Net Assessed Valuation	Taxable Assessed Value	% of Total District Net Assessed Valuation
Swedesboro Development LLC	3,789,200	2.20%		
D&D Properties of Swedesboro, Inc.	2,823,500	1.64%	2,988,500	3.26%
R & R Real Estate, LLC	1,703,100	0.99%	1,044,100	1.14%
Taxpayer #1	1,660,000	0.96%	1,895,300	2.07%
Russo Rentals LLC	1,505,600	0.87%	1,270,000	1.39%
Botto Sons LLC	1,389,700	0.81%	2,054,800	2.24%
Swedesboro Housing LTD Partnership	1,275,000	0.74%	1,693,800	1.85%
Green Bucket LLC	1,196,500	0.69%		
Gi Advo Propco LLC	1,176,300	0.68%		
Bank of America			1,191,600	1.30%
Racoon Creek LLC	950,000	0.55%	2,003,500	2.19%
Taxpayer #2			1,033,100	1.13%
NJ Bell Telephone Company			2,988,420	3.26%
Total	17,468,900	10.15%	18,163,120	19.83%

Source: Municipal tax assessor

SWEDESBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
Principal Property Taxpayers
Current and Nine Years Ago
Unaudited

Township of Woolwich

Taxpayer	2020		2011	
	Taxable Assessed Value	% of Total District Net Assessed Valuation	Taxable Assessed Value	% of Total District Net Assessed Valuation
Pond View @ Westbrook LLC	28,899,000	2.14%		
Westbrook at Weatherby, LLC	21,262,000	1.58%	8,741,400	1.41%
Liberty Venture I LP	18,105,810	1.34%		
USF Propco II LLC	8,807,000	0.65%	4,128,600	0.67%
Liberty Property LTD Partnership	8,123,800	0.60%		
Columbia Gas Transmissions	7,766,600	0.58%	3,510,700	0.57%
RAAB Family Partnership LP	6,489,000	0.48%		
JMJ Warehouse Associates	6,315,000	0.47%	3,549,400	0.57%
Columbia Gas	5,585,300	0.41%	3,925,000	0.63%
SBF 1 Properties LLC	3,801,800	0.28%		
Columbia NJ Commodore Ind.			7,780,400	1.25%
Beaver Homes Corp.			2,539,900	0.41%
K Hovnanian @ Woolwich, LLC			3,757,300	0.61%
Auburn Road Associates, LLC			2,191,000	0.35%
Swedesboro, Inc.			1,992,900	0.32%
Total	115,155,310	8.55%	42,116,600	6.79%

Source: Municipal tax assessor

SWEDESBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
Property Tax Levies and Collections
Last Ten Fiscal Years
Unaudited

Consolidated - Constituent Municipalities

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	\$ 13,722,452	\$ 13,722,452	100%	
2012	15,326,530	15,326,530	100%	
2013	15,001,669	15,001,669	100%	
2014	10,736,076	10,736,076	100%	
2015	16,660,377	16,660,377	100%	
2016	17,413,403	17,413,403	100%	
2017	17,913,313	17,913,313	100%	
2018	18,468,469	18,468,469	100%	
2019	18,835,506	18,835,506	100%	
2020	18,384,135	18,384,135	100%	

EXHIBIT J-9a

SWEDESBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
Property Tax Levies and Collections
Last Ten Fiscal Years
Unaudited

Borough of Swedesboro

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	1,938,813	1,938,813	100%	
2012	2,192,169	2,192,169	100%	
2013	1,634,313	1,634,313	100%	
2014	2,554,204	2,554,204	100%	
2015	2,404,193	2,404,193	100%	
2016	2,342,599	2,342,599	100%	
2017	2,454,678	2,454,678	100%	
2018	2,437,490	2,437,490	100%	
2019	2,460,587	2,460,587	100%	
2020	2,358,324	2,358,324	100%	

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

SWEDESBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
Property Tax Levies and Collections
Last Ten Fiscal Years
Unaudited

Township of Woolwich

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	11,783,639	11,783,639	100%	
2012	13,134,361	13,134,361	100%	
2013	13,367,356	13,367,356	100%	
2014	8,181,872	8,181,872	100%	
2015	14,256,184	14,256,184	100%	
2016	15,070,804	15,070,804	100%	
2017	15,458,635	15,458,635	100%	
2018	16,030,979	16,030,979	100%	
2019	16,374,919	16,374,919	100%	
2020	16,025,811	16,025,811	100%	

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

SWEDESBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
 Ratios of Outstanding Debt by Type
 Last Ten Fiscal Years
 Unaudited

Fiscal Year Ended June 30,	Governmental Activities			Total District	Percentage of Personal Income	Per Capita*
	General Obligation Bonds	Capital Leases	Bond Anticipation Notes			
2011	\$ 46,020,000			\$ 46,020,000	8.44%	3,568
2012	44,395,000	\$ 107,271		44,502,271	7.63%	3,343
2013	43,400,000	68,785		43,468,785	7.11%	3,194
2014	41,465,000	14,515		41,479,515	6.37%	2,925
2015	40,445,000	16,740		40,461,740	5.80%	2,750
2016	38,295,000	309,897		38,604,897	5.23%	2,597
2017	35,980,000	358,589		36,338,589	4.81%	2,442
2018	33,790,000	368,533		34,158,533	4.34%	2,278
2019	31,530,000	377,007		31,907,007	3.79%	2,077
2020	29,185,000	220,592		29,405,592	N/A	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.

SWEDESBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years
Unaudited

Combined

Fiscal Year Ended June 30,	General Bonded Debt Outstanding			Percentage of Actual Taxable Value of Property*	Per Capita**
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding		
2011	\$ 46,020,000		\$ 46,020,000	6.46%	\$ 3,568
2012	44,395,000		44,395,000	5.41%	3,335
2013	43,400,000		43,400,000	5.26%	3,189
2014	41,465,000		41,465,000	3.28%	2,924
2015	40,445,000		40,445,000	3.18%	2,749
2016	38,295,000		38,295,000	3.01%	2,576
2017	35,980,000		35,980,000	2.78%	2,418
2018	33,790,000		33,790,000	2.59%	2,254
2019	31,530,000		31,530,000	2.38%	2,052
2020	29,185,000		29,185,000	2.16%	1,880

EXHIBIT J-11a

Borough of Swedesboro

Fiscal Year Ended June 30,	General Bonded Debt Outstanding			Percentage of Actual Taxable Value of Property*	Per Capita**
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding		
2011	\$ 5,920,271		\$ 5,920,271	6.46%	\$ 2,282
2012	10,367,305		10,367,305	5.41%	3,978
2013	10,081,104		10,081,104	5.26%	3,874
2014	6,225,209		6,225,209	3.28%	2,399
2015	5,934,836		5,934,836	3.18%	2,285
2016	5,250,924		5,250,924	3.01%	2,020
2017	4,790,408		4,790,408	2.78%	1,850
2018	4,459,643		4,459,643	2.59%	1,727
2019	4,118,940		4,118,940	2.38%	1,597
2020	3,746,610		3,746,610	2.16%	1,459

SWEDESBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years
Unaudited

Township of Woolwich

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	\$ 40,099,729		\$ 40,099,729	6.46%	\$ 3,892
2012	34,027,695		34,027,695	5.41%	3,179
2013	33,318,896		33,318,896	5.26%	3,027
2014	35,239,791		35,239,791	3.28%	3,042
2015	34,510,164		34,510,164	3.18%	2,849
2016	33,044,076		33,044,076	3.01%	2,694
2017	31,189,592		31,189,592	2.78%	2,537
2018	29,330,357		29,330,357	2.59%	2,364
2019	27,411,060		27,411,060	2.38%	2,144
2020	25,438,390		25,438,390	2.16%	1,963

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.

SWEDESBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
 Direct and Overlapping Governmental Activities Debt
 As of June 30, 2020
 Unaudited

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Overlapping Debt
Debt repaid with property taxes			
Municipality:			
Swedesboro	\$ 4,236,716	100.00%	\$ 4,236,716
Woolwich	35,301,108	100.00%	35,301,108
Gloucester County general obligation debt:			
Swedesboro	227,739,500	0.65%	1,480,032
Woolwich	227,739,500	5.10%	11,605,402
Regional high school district: (Kingsway)			
Swedesboro	32,134,000	0.64%	205,622
Woolwich	32,134,000	5.02%	1,612,344
Subtotal, overlapping debt			54,441,224
District's direct debt			29,185,000
Total direct and overlapping debt			<u>\$ 83,626,224</u>

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

SWEDESBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
 Legal Debt Margin Information
 Last Ten Fiscal Years
 Unaudited

Legal Debt Margin Calculation										
Equalized Valuation Basis										
	Swedesboro			Woolwich			Total			
	2019	\$ 181,072,706	\$ 1,331,686,017	\$ 1,512,758,723						
	2018	175,222,402	1,311,978,114	1,487,200,516						
	2017	175,098,456	1,253,939,280	1,429,037,736						
		<u>\$ 531,393,564</u>	<u>\$ 3,897,603,411</u>	<u>\$ 4,428,996,975</u>						
Average equalized valuation of taxable property		\$ 177,131,188	\$ 1,299,201,137	\$ 1,476,332,325						
Debt limit (2.5% of average equalized value)		4,428,280	32,480,028	36,908,308						
Total net debt applicable to limit				<u>29,185,000</u>						
Legal debt margin				<u>\$ 7,723,308</u>						
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Debt limit	\$ 34,224,425	\$ 33,876,636	\$ 32,952,997	\$ 32,267,566	\$ 32,181,062	\$ 32,787,118	\$ 33,770,036	\$ 34,693,110	\$ 35,947,074	\$ 36,908,308
Total net debt applicable to limit	<u>46,020,000</u>	<u>44,395,000</u>	<u>43,400,000</u>	<u>41,465,000</u>	<u>40,445,000</u>	<u>38,295,000</u>	<u>35,980,000</u>	<u>33,790,000</u>	<u>31,530,000</u>	<u>29,185,000</u>
Legal debt margin	<u>\$(11,795,575)</u>	<u>\$(10,518,364)</u>	<u>\$(10,447,003)</u>	<u>\$(9,197,434)</u>	<u>\$(8,263,938)</u>	<u>\$(5,507,882)</u>	<u>\$(2,209,964)</u>	<u>\$ 903,110</u>	<u>\$ 4,417,074</u>	<u>\$ 7,723,308</u>
Total net debt applicable to the limit as a percentage of debt limit	134.47%	131.05%	131.70%	128.50%	125.68%	116.80%	106.54%	97.40%	87.71%	79.07%

SWEDESBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
Demographic and Economic Statistics
Last Ten Fiscal Years
Unaudited

Borough of Swedesboro

Fiscal Year Ended June 30,	Population	Personal Income	Per Capita Personal Income	Unemployment Rate
2011	2,594	\$ 109,723,606	\$ 42,299	10.60%
2012	2,606	114,119,346	43,791	10.80%
2013	2,602	116,933,880	44,940	8.30%
2014	2,595	119,110,500	45,900	5.30%
2015	2,597	123,077,024	47,392	4.80%
2016	2,600	129,129,000	49,665	5.00%
2017	2,589	131,383,983	50,747	4.60%
2018	2,583	135,491,265	52,455	4.40%
2019	2,579	141,187,355	54,745	3.40%
2020	2,568	N/A *	54,745	N/A

Township of Woolwich

Fiscal Year Ended June 30,	Population	Personal Income	Per Capita Personal Income	Unemployment Rate
2011	10,303	\$ 435,806,597	\$ 42,299	7.10%
2012	10,705	468,782,655	43,791	7.30%
2013	11,009	494,744,460	44,940	4.60%
2014	11,586	531,797,400	45,900	4.80%
2015	12,114	574,106,688	47,392	3.80%
2016	12,265	609,141,225	49,665	3.40%
2017	12,292	623,782,124	50,747	3.10%
2018	12,409	650,914,095	52,455	2.80%
2019	12,783	699,805,335	54,745	2.10%
2020	12,960	N/A	54,745	N/A

* Estimated

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

Source: Data regarding School District population was provided by the Department of Education.

SWEDESBORO-WOOLWICH CONSOLIDATED 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
Amazon	4,500	3.01%		
Rowan University	3,500	2.34%	1,300	0.82%
Inspira Health	2,051	1.37%		
Underwood Memorial Hospital			1,825	1.16%
Jefferson Health	2,015	1.35%		
Kennedy Health Alliance			1,200	0.76%
Washington Township School District	1,550	1.04%	1,504	0.95%
Shop Rite	1,300	0.87%		
County of Gloucester	1,200	0.80%	1,500	0.95%
Missa Bay, LLC		0.00%	950	0.60%
Monroe Township School District	805	0.54%	714	0.45%
U.S. Foodservices	1,014	0.68%	800	0.51%
Walmart Turnersville	800	0.53%		
Valero		0.00%	640	0.41%
Godwin Pumps			640	0.41%
Total	18,735	12.51%	11,073	7.01%

Source: Gloucester County Economic Development Office.

Note: The information provided is for the County of Gloucester, information at the municipal level is not readily available.

SWEDESBORO-WOOLWICH CONSOLIDATED 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	103	103	108	107	101	100	91	89	89	85
Special education	42	42	44	42	36	35	42	45	50	44
Other special education	35	35	35	35	36	36	32	29	29	25
Other instruction	3	3	3	3	1	1	2	3	3	1
Support services:										
Student & instruction related services	15	15	16	16	16	17	15	17	19	19
General administration	3	4	6	6	8	9	8	8	8	8
School administrative services	13	14	14	14	13	12	13	14	14	12
Other administrative services	1	1	1	1	1	1	1	1	1	1
Central services	3	3	3	3	3	3	3	3	3	3
Administrative information technology	3	3	4	4	3	4	4	4	4	4
Plants operations and maintenance	9	9	9	9	16	16	15	14	15	16
Other support					5	6	6	6	6	6
Total	<u>230</u>	<u>232</u>	<u>243</u>	<u>240</u>	<u>239</u>	<u>240</u>	<u>232</u>	<u>233</u>	<u>241</u>	<u>224</u>

Source: Employee salary list

SWEDESBORO-WOOLWICH CONSOLIDATED 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	1,781	\$ 19,249,132	\$ 10,808	-6.67%	154	11.56:1	1,745.8	1,673.1	2.34%	95.84%
2012	1,740	19,683,083	11,312	4.66%	154	11.30:1	1,728.3	1,659.0	-1.00%	95.99%
2013	1,756	21,321,922	12,142	7.34%	155	11.41:1	1,755.8	1,677.7	1.59%	95.55%
2014	1,760	22,747,381	12,925	6.44%	152	11.62:1	1,759.6	1,691.9	0.22%	96.15%
2015	1,754	24,439,978	13,934	7.81%	138	12.71:1	1,751.3	1,679.4	-0.47%	95.90%
2016	1,732	24,875,441	14,362	3.07%	136	12.74:1	1,718.3	1,649.9	-1.88%	96.02%
2017	1,703	25,886,250	15,200	5.84%	135	12.74:1	1,695.1	1,632.3	-1.35%	96.30%
2018	1,685	26,394,432	15,664	3.05%	134	12.58:1	1,675.1	1,608.6	-1.18%	96.03%
2019	1,648	27,590,862	16,742	6.88%	139	11.86:1	1,646.5	1,576.3	-1.71%	95.74%
2020	1,603	28,854,615	18,000	7.52%	129	12.43:1	1,593.2	1,538.3	-3.23%	96.55%

Source: District records

Note: Enrollment based on June District count.
Teaching staff information from In-District Staff List

SWEDESBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
 School Building Information
 Last Ten Fiscal Years
 Unaudited

District Buildings	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Governor Charles G Harker School (2008):										
Square feet	100,000	100,000	100,000	100,000	100,000	100,000	100,748	100,748	100,748	100,748
Capacity (students)	720	720	720	720	720	720	720	720	720	720
Enrollment	708	728	735	765	785	784	773	721	682	663
Governor Charles C. Stratton School (2004):										
Square feet	84,000	84,000	84,000	84,000	84,000	84,000	90,274	90,274	90,274	90,274
Capacity (students)	620	620	620	620	620	620	620	620	620	620
Enrollment	524	508	494	505	480	442	403	439	440	427
Walter H. Hill School (1922)										
Square feet	65,000	65,000	65,000	65,000	65,000	65,000	71,374	71,374	71,374	71,374
Capacity (students)	407	407	407	407	407	407	407	407	407	407
Enrollment	224	230	250	259	249	263	259	269	273	267
Margaret C. Clifford School (1996)										
Square feet	43,151	43,151	43,151	43,151	43,151	43,151	45,424	45,424	45,424	45,424
Capacity (students)	262	262	262	262	262	262	262	262	262	262
Enrollment	256	274	243	231	240	243	268	256	253	246

Source: District records per Long Range Facilities Plan. Enrollment records at June 30.

Number of Schools at June 30:

Elementary = 4

SWEDESBORO-WOOLWICH CONSOLIDATED 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

* School Facilities	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	Totals
Walter H. Hill School	\$ 143,794	\$ 142,440	\$ 113,157	\$ 156,143	\$ 143,974	\$ 73,006	\$ 95,058	\$ 79,864	\$ 85,419	\$ 135,992	\$ 1,168,861
Margaret C. Clifford School	113,522	112,453	89,335	106,461	116,866	81,700	62,732	62,753	69,113	60,471	875,406
Governor Charles C. Stratton School	227,043	224,905	178,669	205,825	227,639	78,420	81,254	68,849	94,209	99,000	1,485,814
Charles G. Harker School	272,452	269,886	214,403	241,312	271,000	72,245	112,938	99,485	116,142	108,143	1,778,006
Total	\$ 756,811	\$ 749,684	\$ 595,564	\$ 709,742	\$ 759,479	\$ 305,371	\$ 351,982	\$ 310,951	\$ 364,883	\$ 403,606	\$ 5,308,087

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

SWEDESBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
Insurance Schedule
June 30, 2020
Unaudited

	<u>Coverage</u>	<u>Deductible</u>
School package policy - Utica National Insurance Company		
Property - blanket buildings & contents	\$ 77,967,667	
Commercial general liability		
General aggregate limit	3,000,000	
Products - complete operations aggregate limit	3,000,000	
Personal and advertising - injury limit	1,000,000	
Each occurrence limit	1,000,000	
Damage to premises	1,000,000	
Medical expense - any one person	10,000	
Legal liability - each loss	1,000,000	
Legal liability - aggregate limit	3,000,000	
Employee benefit program liability - each loss	1,000,000	\$ 1,000
Employee benefit program liability - aggregate limit	3,000,000	
Commercial automobile liability		
Bodily injury and property damage	1,000,000	1,000
Commercial umbrella liability	4,000,000	10,000
Workers' compensation - Educational Risk Insurance Consortium South		
Bodily injury - by accident - each accident	2,000,000	None
Bodily injury - by disease - each employee	2,000,000	None
Bodily injury - by disease - aggregate limit	2,000,000	None
Public employees' faithful performance bonds - The Ohio Casualty Insurance Company		
Employee bond - Christopher J. DeStratis, Business Administrator/ Board Secretary	275,000	None

Source: District records

SINGLE AUDIT SECTION

PETRONI & ASSOCIATES LLC

Certified Public Accountants • Registered Municipal Accountants
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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
Swedesboro-Woolwich Consolidated School District
15 Frederick Boulevard
Woolwich, New Jersey 08085

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 Swedesboro-Woolwich Consolidated School District, in the County of Gloucester, 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 Swedesboro-Woolwich Consolidated School District's basic financial statements, and have issued our report thereon dated December 16, 2020.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Swedesboro-Woolwich Consolidated 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 Swedesboro-Woolwich Consolidated 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 Swedesboro-Woolwich Consolidated 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.

However, we noted certain matters that are not required to be reported under Government Auditing Standards that we reported to management of the Swedesboro-Woolwich Consolidated Board of Education in a separate report entitled, "Auditor's Management Report," on December 16, 2020.

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 16, 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
Swedesboro-Woolwich Consolidated School District
15 Frederick Boulevard
Woolwich, New Jersey 08085

Report on Compliance for Each Major State Program

We have audited the Swedesboro-Woolwich Consolidated 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 Swedesboro-Woolwich Consolidated School District's major State programs for the year ended June 30, 2020. The Swedesboro-Woolwich Consolidated School District's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal and state programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Swedesboro-Woolwich Consolidated School District's major federal and state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), *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 Swedesboro-Woolwich Consolidated 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 Swedesboro-Woolwich Consolidated School District's compliance.

Opinion on Each Major State Program

In our opinion, the Swedesboro-Woolwich Consolidated 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 Swedesboro-Woolwich Consolidated 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 Swedesboro-Woolwich Consolidated School District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal and state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal and state program and to test and report on internal control over compliance in accordance 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 Swedesboro-Woolwich Consolidated 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 of State Financial Assistance Required by Uniform Guidance and NJ OMB's Circular 15-08

We have audited the financial statements of the Swedesboro-Woolwich Consolidated School District as of and for the year ended June 30, 2020, and have issued our report thereon dated December 16, 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 schedules of expenditures of Federal Awards and State Financial Assistance are presented for purposes of additional analysis as required by Uniform Guidance and NJ 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 and state financial assistance 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 16, 2020

SWEDESBORO-WOOLWICH CONSOLIDATED 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 Years' 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:																
General Fund:																
Medical Assistance Program	93.778	2005NJ5MAP	n/a	\$ 20,648	07/1/19 - 06/30/20				\$ 20,648	\$ (20,648)						\$ 20,648
Medical Assistance Program	93.778	1905NJ5MAP	n/a	10,486	07/1/18 - 06/30/19		(649)		649							10,486
Total General Fund							(649)		21,297	(20,648)						31,134
U.S. Department of Education																
Passed-through State Department of Education:																
Special Revenue Fund:																
Title I - Part A	84.010	S010A190030	ESEA512020	107,153	07/1/19 - 06/30/20				107,153	(107,153)						107,153
Title I - Part A	84.010	S010A180030	ESEA512019	115,367	07/1/18 - 06/30/19		(48,065)		48,065							115,367
Subtotal							(48,065)		155,218	(107,153)						222,520
Title II A, Teacher & Principal Training	84.367	S367A190029	ESEA512020	28,745	07/1/19 - 06/30/20				28,745	(28,745)						28,745
Title II A, Teacher & Principal Training	84.367	S367A180029	ESEA512019	26,310	07/1/18 - 06/30/19		(2,810)		2,810							26,310
Subtotal							(2,810)		31,555	(28,745)						55,055
Title III	84.365	S365A190030	ESEA512020	4,946	07/1/19 - 06/30/20				3,398	(4,946)			(1,548)			4,946
Title III	84.365	S365A170030	ESEA512018	6,335	07/1/17 - 06/30/18		(223)						\$ (223)			223
Subtotal							(223)		3,398	(4,946)			(1,771)			5,169
Title IV-Student Support & Academic Enrichment	84.424	S424A190031	ESEA512020	10,000	07/1/19 - 06/30/20				8,392	(8,517)			(125)			10,000
Title IV-Student Support & Academic Enrichment	84.424	S424A180031	ESEA512019	10,497	07/1/18 - 06/30/19		(2,997)		2,997							10,000
							(2,997)		11,389	(8,517)			(125)			10,000
Special Education Cluster																
IDEA Part B, Basic Regular	84.027A	H027A190100	IDEA512020	284,648	07/1/19 - 06/30/20				233,230	(284,648)			(51,418)			284,648
IDEA Part B, Basic Regular	84.027A	H027A180100	IDEA512019	281,716	07/1/18 - 06/30/19		(34,716)		34,716							281,716
IDEA Part B, Preschool	84.173	H173A190114	IDEA512020	17,766	07/1/19 - 06/30/20					(17,766)			(17,766)			17,766
Total Special Education Cluster							(34,716)		267,946	(302,414)			(69,184)			584,130
Total Special Revenue Fund							(88,811)		469,506	(451,775)			(71,080)			876,874
U.S. Department of Agriculture																
Passed-through State Department of Education:																
Enterprise Fund:																
Child Nutrition Cluster																
Food Distribution Program	10.555	201NJ304N1099	N/A	45,242	07/1/19 - 06/30/20				45,242	(41,617)			\$ 3,625			41,617
Food Distribution Program	10.555	191NJ304N1099	N/A	35,454	07/1/18 - 06/30/19		1,646			(1,646)						35,454
National School Lunch Program	10.555	201NJ304N1099	N/A	137,160	07/1/19 - 06/30/20				127,280	(137,160)			(9,880)			137,160
National School Lunch Program	10.555	191NJ304N1099	N/A	165,898	07/1/18 - 06/30/19		(12,840)		12,840							165,898
Total Enterprise Fund/Child Nutrition Cluster							(11,194)		185,362	(180,423)			(9,880)	3,625		380,129
Total Federal Financial Awards							\$ (100,654)		\$ 676,165	\$ (652,846)			\$ (80,960)	\$ 3,625		\$ 1,288,137

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

SWEDESBORO-WOOLWICH CONSOLIDATED 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		Carryover/ (Walkover) Amount	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					(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	\$ 5,910,622	07/1/19	06/30/20				\$ 5,910,622	\$ (5,910,622)					\$ 573,997	\$ 5,910,622
Special Education Categorical Aid	20-495-034-5120-089	1,357,452	07/1/19	06/30/20				1,357,452	(1,357,452)					131,826	1,357,452
Security Aid	20-495-034-5120-084	162,836	07/1/19	06/30/20				162,836	(162,836)					15,813	162,836
Transportation Aid	20-495-034-5120-014	665,956	07/1/19	06/30/20				665,956	(665,956)					64,673	665,956
Extraordinary Special Education Aid	20-495-034-5120-044	102,774	07/1/19	06/30/20							\$ (102,774)				102,774
Extraordinary Special Education Aid	19-495-034-5120-044	75,670	07/1/18	06/30/19	\$ (75,670)			75,670							75,670
Reimbursement for Nonpublic Transportation	n/a	20,010	07/1/18	06/30/19	(20,010)			20,010							20,010
Reimbursed TPAF Social Security Contributions	20-495-034-5094-003	815,964	07/1/19	06/30/20				775,681	(815,964)		(40,283)				815,964
Reimbursed TPAF Social Security Contributions	19-495-034-5094-003	791,267	07/1/18	06/30/19	(38,573)			38,573							791,267
On-Behalf TPAF Pension	20-495-034-5094-002	2,227,934	07/1/19	06/30/20				2,227,934	(2,227,934)						2,227,934
On-Behalf TPAF Post-retirement Medical Contribution	20-495-034-5094-001	826,523	07/1/19	06/30/20				826,523	(826,523)						826,523
On-Behalf TPAF Long-Term Disability Insurance	20-495-034-5094-004	1,711	07/1/19	06/30/20				1,711	(1,711)						1,711
Total General Fund					(134,253)			12,062,968	(12,071,772)		(143,057)			786,309	12,958,719
Debt Service Fund:															
Debt Service Aid Type II	20-495-034-5120-075	586,118	07/1/19	06/30/20				586,118	(586,118)						586,118
State Department of Agriculture															
Enterprise Fund:															
National School Lunch Program (State Share)	20-100-010-3350-023	6,656	07/1/19	06/30/20				4,846	(6,656)		(1,810)				6,656
National School Lunch Program (State Share)	19-100-010-3350-023	6,958	07/1/18	06/30/19	(563)			563							6,958
Total Enterprise Fund					(563)			5,409	(6,656)		(1,810)				13,614
Total State Financial Assistance					\$ (134,816)			\$ 12,654,495	\$ (12,664,546)		\$ (144,867)			\$ 786,309	\$ 13,558,451
Less: On-Behalf TPAF Pension System Contributions															
On-Behalf TPAF Pension															
On-Behalf TPAF Post-retirement Medical Contribution								\$ (2,227,934)							
On-Behalf TPAF Long-Term Disability Insurance								(826,523)							
								(1,711)							
								(3,056,168)							
Total for State Financial Assistance - Major Program Determination								\$ (9,608,378)							

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

**SWEDESBORO-WOOLWICH CONSOLIDATED 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, Swedesboro-Woolwich Consolidated 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 Schedules of Expenditures of Federal Awards and State Financial Assistance.

NOTE 2: BASIS OF ACCOUNTING

The accompanying Schedules of Expenditures of Awards and Financial Assistance are presented on the budgetary basis of accounting with the exception of programs recorded in the Food Service Fund, which are presented using the accrual basis of accounting. These bases 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, Costs Principles, Audit Requirements for Federal Awards, Audits of States, Local Governments, and Non-Profit Organizations, New Jersey State Aid/Grant Compliance Supplement*, 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 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 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 (\$48,768) for the General Fund and \$14 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):

**SWEDESBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
NOTES TO THE SCHEDULES OF AWARDS
AND FINANCIAL ASSISTANCE
JUNE 30, 2020**

NOTE 3: RELATIONSHIP TO BASIC FINANCIAL STATEMENTS (CONTINUED)

	Federal	State	Total
General fund	\$ 20,648	\$ 12,023,004	\$ 12,043,652
Special revenue fund	450,227		450,227
Debt service fund		586,118	586,118
Food service fund	182,402	6,656	189,058
Total financial assistance	<u>\$ 653,277</u>	<u>\$ 12,615,778</u>	<u>\$ 13,269,055</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, Swedesboro-Woolwich Consolidated School District has food commodities inventory was \$3,625.

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: 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.

NOTE 8: INDIRECT COST RATE

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

**SWEDSBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

Section I – Summary of Auditor’s Results

Financial Statements:

Type of auditor’s report issued: Unmodified

Internal control over financial reporting:

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

Noncompliance material to basic financial statements noted? Yes X 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? X Yes No

Internal control over major programs:

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

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

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

**SWEDESBORO-WOOLWICH CONSOLIDATED SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

Section I – Summary of Auditor’s Results

Identification of major programs:

GMIS Numbers	Name of State Program
495-034-5120-078	State Aid Public: Equalization Aid
495-034-5120-089	Special Education Categorical Aid
495-034-5120-084	Security Aid
495-034-5094-003	TPAF Social Security Contributions

Section II – Financial Statement Findings

No matters reported.

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

FEDERAL AWARDS

N/A

STATE AWARDS

No matters reported.

**SWEDSBORO-WOOLWICH CONSOLIDATED 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

N/A

Findings

N/A

Condition

N/A

Current Status

N/A