

**FAIRFIELD TOWNSHIP  
BOARD OF EDUCATION**

**COMPREHENSIVE ANNUAL  
FINANCIAL REPORT**

**of the**

**Fairfield Township Board of Education**

**Fairfield Township, New Jersey**

**For the Fiscal Year Ended June 30, 2021**

# **COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**of the**

**Fairfield Township Board of Education**

**Fairfield Township, New Jersey**

**For the Fiscal Year Ended June 30, 2021**

**Prepared by**

**Fairfield Township Board of Education**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT  
OF THE TOWNSHIP OF FAIRFIELD BOARD OF EDUCATION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
TABLE OF CONTENTS**

<b><u>INTRODUCTORY SECTION</u></b>	<b><u>Page</u></b>
Letter of Transmittal	1-13
Organizational Chart	14
Roster of Officials	15
Consultants and Advisors	16
<b><u>FINANCIAL SECTION</u></b>	
<b>Independent Auditor's Report</b>	17-19
<b>Required Supplementary Information - Part I Management's Discussion and Analysis (Unaudited)</b>	20-28
<b>Basic Financial Statements</b>	
A. District-wide Financial Statements:	
A-1 Statement of Net Assets	29
A-2 Statement of Activities	30
B. Fund Financial Statements:	
Governmental Funds:	
B-1 Balance Sheet	31
B-2 Statement of Revenues, Expenditures, and Changes in Fund Balance	32
B-3 Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	33
Proprietary Funds:	
B-4 Statement of Net Assets	34
B-5 Statement of Revenues, Expenses, and Changes in Fund Net Assets	35
B-6 Statement of Cash Flows	36
Fiduciary Funds:	
B-7 Statement of Fiduciary Net Assets	N/A
B-8 Statement of Changes in Fiduciary Net Assets	N/A
<b>Notes to the Financial Statements</b>	37-69

**COMPREHENSIVE ANNUAL FINANCIAL REPORT  
OF THE TOWNSHIP OF FAIRFIELD BOARD OF EDUCATION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
TABLE OF CONTENTS  
(Page 2)**

<b>FINANCIAL SECTION (continued)</b>	<u>Page</u>
<b>Required Supplementary Information - Part II</b>	
C. Budgetary Comparison Schedules: (Unaudited)	
C-1 Budgetary Comparison Schedule - General Fund	70-77
C-1a Combining Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual	N/A
C-2 Budgetary Comparison Schedule – Special Revenue Fund	78
<b>Notes to the Required Supplementary Information – Part II</b>	
C-3 Budget-to-GAAP Reconciliation	79
<b>Required Supplementary Information - Part III (Unaudited)</b>	
L. Schedules Related to Accounting and Reporting for Pensions (GASB 68)	
L-1 Schedule of the District’s Proportionate Share of the Net Pension Liability – PERS	80
L-2 Schedule of District Contributions – PERS	81
L-3 Schedule of the District’s Proportionate Share of the Net Pension Liability – TPAF	82
M. Schedules Related to Accounting and Reporting for OPEB (GASB 75)	
M-1 Schedule of the District’s Proportionate Share of the Net OPEB Liability – PERS	83
<b>Other Supplementary Information</b>	
D. School Based Budget Schedules	
D-1 Combining Balance Sheet	N/A
D-2 Blended Resource Fund - Schedule of Expenditures Allocated by Resource Type – Actual	N/A
D-3 Blended Resource Fund - Schedule of Blended Expenditures - Budget and Actual	N/A



**COMPREHENSIVE ANNUAL FINANCIAL REPORT  
OF THE TOWNSHIP OF FAIRFIELD BOARD OF EDUCATION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
TABLE OF CONTENTS  
(Page 3)**

<b>FINANCIAL SECTION (continued)</b>	<u>Page</u>
E. Special Revenue Fund:	
E-1 Combining Schedule of Program Revenues and Expenditures – Budgetary Basis – includes Student Activity and Scholarship Funds	84-85
E-2 Preschool Education Aid Schedule(s) of Expenditures – Budgetary Basis	86
F. Capital Projects Fund:	
F-1 Summary Schedule of Project Expenditures	87
F-2 Summary Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budgetary Basis	88
F-2a-b Schedule(s) of Project Revenues, Expenditures, Project Balance, and Project Status – Budgetary Basis	89
G. Proprietary Funds:	
Enterprise Fund:	
G-1 Combining Schedule of Net Assets	90
G-2 Combining Schedule of Revenues, Expenses, and/ Changes in Fund Net Assets	91
G-3 Combining Schedule of Cash Flow	92
Internal Service Fund:	
G-4 Combining Schedule of Net Assets	N/A
G-5 Combining Schedule of Revenues, Expenses, and/ Changes in Fund Net Assets	N/A
G-6 Combining Schedule of Cash Flows	N/A
H. Fiduciary Funds	
H-1 Combining Statement of Fiduciary Net Assets	N/A
H-2 Combining Statement of Changes in Fiduciary Net Assets	N/A
Not Used	93-95

**COMPREHENSIVE ANNUAL FINANCIAL REPORT  
OF THE TOWNSHIP OF FAIRFIELD BOARD OF EDUCATION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
TABLE OF CONTENTS  
(Page 4)**

<b>FINANCIAL SECTION (continued)</b>	<u>Page</u>
I. Long-Term Debt	
I-1 Schedule of Serial Bonds	96
I-2 Schedule of Obligations Under Capital Leases	N/A
I-3 Debt Service Fund Budgetary Comparison Schedule	97
 <b><u>STATISTICAL SECTION (Unaudited)</u></b>	
<b>Introduction to the Statistical Section</b>	
<b>Financial Trends</b>	
J-1 Net Assets by Component	98
J-2 Changes in Net Assets	99
J-3 Fund Balances - Governmental Funds	100
J-4 Changes in Fund Balances, Governmental Funds	101
J-5 General Fund Other Local Revenue by Source	102
<b>Revenue Capacity</b>	
J-6 Assessed Value and Actual Value of Taxable Property	103
J-7 Direct and Overlapping Property Tax Rates	104
J-8 Principal Property Tax Payers	105
J-9 Property Tax Levies and Collections	106
<b>Debt Capacity</b>	
J-10 Ratio of Outstanding Debt by Type	107
J-11 Ratios of General Bonded Debt Outstanding	108
J-12 Direct and Overlapping Governmental Activities Debt	109
J-13 Legal Debt Margin Information	110
<b>Demographic and Economic Information</b>	
J-14 Demographic and Economic Statistics	111
J-15 Principal Employers	112
<b>Operating Information</b>	
J-16 Full-time Equivalent District Employees by Function/Program	113
J-17 Operating Statistics	114
J-18 School Building Information	115
J-19 Schedule of Required Maintenances Expenditures by School Facility	116
J-20 Insurance Schedule	117-118

**COMPREHENSIVE ANNUAL FINANCIAL REPORT  
OF THE TOWNSHIP OF FAIRFIELD BOARD OF EDUCATION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
TABLE OF CONTENTS  
(Page 5)**

**SINGLE AUDIT SECTION**

		<b><u>Page</u></b>
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 <i>Government Auditing Standards</i>	119-120
K-2	Report on Compliance for Each Major Program; Report on Internal Control Over Compliance; and Report on Schedule of Expenditures Required by Uniform Administrative Requirements, Cost Principles/ and Audit Requirements for Federal Awards (Uniform Guidance)/ and New Jersey OMB Circular 15-08	121-122
K-3	Schedule of Expenditures of Federal Awards, Schedule A	123
K-4	Schedule of Expenditures of Financial Assistance, Schedule B	124
K-5	Notes to the Schedules of Awards and Financial Assistance	125-126
K-6	Schedule of Findings and Questioned Costs- Summary of Auditor's Reports	127-128
K-6	Schedule of Findings and Questioned Costs <ul style="list-style-type: none"> <li>• Section I – Summary of Auditor's Results</li> <li>• Section II – Financial Statement Findings</li> <li>• Section III – Federal Awards and State Financial Assistance and Questioned Costs</li> </ul>	129-132
K-7	Summary Schedule of Prior Year Audit Findings	133

## **INTRODUCTORY SECTION**

# FAIRFIELD TOWNSHIP PUBLIC SCHOOLS

375 GOULDTOWN WOODRUFF ROAD

BRIDGETON, NEW JERSEY 08302

Phone: (856) 453-1882 Fax: (856) 453-7189

**Dr. Ja'Shanna Jones-Booker**  
**Superintendent/Principal**

**Robin Henry**  
**Business Administrator**

February 2, 2022

Honorable President and  
Members of the Fairfield Township  
Board of Education  
Cumberland County, New Jersey

Dear Board Members:

The Comprehensive Annual Financial Report of the Fairfield Township Public School District for the fiscal year ended June 30, 2021, is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Board of Education. To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The comprehensive annual financial report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter, the District's organizational chart and a list of principal officials. The financial section includes the general-purpose financial statements and schedules, as well as the auditor's report thereon. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The District is required to undergo an annual single audit in conformity with the provisions of Title 2 CFR 200-Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), "Audits of States, Local Governments, and Non-Profit Organizations" and the State Treasury Circular Letter 15-08 OMB,, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid Payments." Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations, are included in the single audit section of this report.

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

The Fairfield Township Public School District is an independent reporting entity within the criteria adopted by the Government Accounting Standards Board (GASB) as established by Statement No. 14. All funds and account groups of the District are included in this report. The Fairfield Township Board of Education and its two schools constitute the District's reporting entity.

The District provides a full range of educational services appropriate to grade levels Pre-K through 8. These include regular, as well as special education for handicapped youngsters. The District completed the 2020-2021 fiscal year with a June enrollment of 561 students, which is a increase of 9 students from the previous year's enrollment of 552. The following details the changes in the student enrollment of the District over the last ten years.

**June 30 Enrollment**

<b><u>Fiscal Year</u></b>	<b><u>Student Enrollment</u></b>	<b><u>Percent Change</u></b>
2020-21	561.0	1.63%
2019-20	552.0	(0.36)%
2018-19	554.0	(3.82)%
2017-18	576.0	(8.13)%
2016-17	627.0	(5.29)%
2015-16	662.0	5.75%
2014-15	626.0	.96%
2013-14	620.0	3.00%
2011-12	613.0	(.32)%
2010-11	616.0	5.21%

**2. ECONOMIC CONDITION AND OUTLOOK:**

Fairfield Township continues to be a rural community whose main business remains agriculture. The economic condition of the community is hindered by a poor ratable base and the reality that only 54% of the community property is taxable. The remaining 46% is either wetlands or property under restriction by Federal and State authority.

Single family housing permits grew significantly in 2006 for the first time in many years, but real growth remains quite limited, and the reality of any increased tax base is offset by additional State and non-profit purchases. As a result, the community shares in the County problems of high unemployment and a high welfare presence. The fact that there are two large prisons in the area makes the hope of further growth speculative.

**3. MAJOR INITIATIVES:**

Preschool: Our preschool program continues to be recognized due to the positive relationships and rapport built with families and the community. Research has proven that Early Childhood programs have the potential to positively impact our children. The NJ state approved Creative Curriculum offers students a program that offers enrichment and hands-on inquiry-based experiences in Language Arts, Mathematics, Science, Social Studies, Social-Emotional skills, and developmentally pertinent physical activities to promote health and wellness. According to feedback from the NJDOE officials, our school continues to meet and exceed expectations. Thus, we want to continue providing resources to ensure a quality program. The aim is to increase programming and grants in order to elevate our preschool and early childhood program. Our program is currently full, with a waiting list of potential students.

Math: Fairfield Township School (FTS) strives to meet and exceed state and district achievement expectations. The district Math Coach and Supervisor of Curriculum & Instruction work to ensure that the math curriculum is aligned to NJ standards and can meet the rigor of state assessment expectations. Throughout the school year, our team meets closely with constituent districts and Cumberland Regional High School in curriculum consortium meetings to make sure instructional practices and curriculum guides are aligned so that a smooth transition is offered to students that may either be moving between districts or graduating to the high school.

FTS students participate in quarterly end of cycle benchmarks to track their progress and monitor student growth. Teachers meet bi-monthly to review data and plan various interventions and strategies to assist gifted and/or struggling learners. Program and scheduling modifications have been implemented to address Covid related learning loss and its impact on students' social-emotional well-being.

We have offered various professional workshops to FTS staff to ensure that staff can provide and implement best teaching strategies in their instructional practices, this includes the platform Simple K-12 which offers on demand professional development in a myriad of areas to increase teacher capacity. The district offers a summer enrichment and intervention program to prepare students for the academic rigor of the upcoming school year at FTS, high school, or technical school.

Literacy: FTS strives to meet and exceed state and district achievement expectations. The district ELA Coach and Supervisor of Curriculum & Instruction work to ensure that the ELA curriculum is aligned to NJ standards and can meet the rigor of state assessment expectations. Throughout the school year, our team meets closely with constituent districts and Cumberland Regional High School in curriculum consortium meetings to make sure instructional practices and curriculum guides are aligned so that a smooth transition is offered to students that may either be moving between districts or graduating to the high school.

FTS students participate in quarterly end of cycle benchmarks to track their progress and monitor student growth. Teachers meet bi-monthly to review data and plan various interventions and strategies to assist gifted and/or struggling learners. Program and scheduling modifications have been implemented to address Covid related learning loss and its impact on students' social-emotional well-being.

We have offered various professional workshops to FTS staff to ensure that staff can provide and implement best teaching strategies in their instructional practices, this includes the platform Simple K-12 which offers on demand professional development in a myriad of areas to increase teacher capacity. The district offers a summer enrichment and intervention program to prepare students for the academic rigor of the upcoming school year at FTS, high school, or technical school.

Child Study Team and Special Education: A few years ago, the district formed our own Child Study Team. The CST Supervisor collaborated with the Fairfield administrators to recruit, interview, and select CST staff. The district currently has a full-time Supervisor of CST, school psychologist, social worker, and has contracted a part-time occupational therapist and physical therapist. Currently, the District is seeking to contract a Learning Disabled Teacher Consultant (LDTC) and a speech language pathologist. Over the course of this year and upcoming years, the CST will continue to review policies, IEPs, and prepare PD presentations that will orientate the district staff to in-house CST and special education programs. Supports have been implemented to address Covid related issues and its impact on students' social-emotional well-being.

Facilities: Fairfield Township School facilities accommodate students in grades PK-8. In addition, the district re-opened the athletic fields for the public's enjoyment. The field offers additional physical educational program activities such as tennis, basketball, track, soccer, and other sports related activities. In addition, the field is open to the community after school hours and this has strengthened the relationship with the community. General and upgraded maintenance is a required concern.

Information Technology: The vision of Fairfield Township School is to implement a technology model that articulates the use of technology in all aspects of the school district. This includes classrooms that are interactive, flexible and ready for collaboration. The entire district is now equipped with high-speed networks to enhance learning and the classroom experience. Each classroom is now equipped with, or has access to, the use of mobile laptop carts in the room to enhance instruction, and 95% of classrooms have a Smart Board or Promethean Board in the room. It is the District's Vision that every room will have a Smart Board or Promethean Board by the end of this year. Training on the boards has been offered, and will continue to be offered as the needs arise. Fairfield Township will use educational software, web-based resources and instructional technology research for curriculum integration, software and program renewals will continue to be monitored and addressed. Upgrades in the area of cafeteria server and equipment systems, indoor & outdoor cameras and the coordinating DVR will be upgraded, per the District's vision.

### **Maintaining Our School System:**

Our goal in designing the proposed budget is to maintain and enhance student services and programs. In the previous budget cycle, we were able to reinstitute crucial support positions to offer students needed services that would also promote their attaining school educational goals. We reinstated the positions of Basic Skills Instructors in grades Prek-8. We not only provided staff to assist students but also thoughtfully revamped the master schedule to reflect BSI/ICA periods so that small group instruction can be offered to targeted students. We realize that the educational experiences these positions offer is paramount in providing regular education, at-risk, special education, and economically disadvantaged students the academic support needed to promote their success. In addition, these services are offered to support and improve school attendance as well as create a positive school climate where learning can take place. Another major goal is to continue regular data analysis to promote data driven instruction in order to target and remediate areas that need improvement. Professional development continues to be a facet of this process. In meeting our goals, we will be able to maintain our current staff in the proposed budget. In the areas of ELA grades K-6 we recently upgraded our instructional materials to a more current, aligned series. This coming year we will also focus on upgrading instructional materials for Grades 6-8 in the area of mathematics and in our Grades 1-8 Health & PE program. Always present and a part of our budget is the goal to continuously update and grow our technology supplies. The proposed budget also has a select number of smart boards included. We continue our efforts to provide students access and use of computers. We are also maintaining the practice of using EdConnect and AimsWeb as assessment tools.

### **Raising Standards and Expanding Opportunities:**

The proposed budget maintains and continues our work in focusing our attention to meet the needs of all of our students. We are showing improvement in the areas of math and literacy. In continuing this growth, we are implementing data driven instruction, meeting benchmark goals, using the Charlotte Danielson Framework of Teaching Model evaluation tool. We are also maintaining a positive school climate through new discipline procedures and programs, based on a Healing-Centered Environment and an ACES mindset. As a result, students believe in their abilities and want to come to school. The impact of these practices and procedures will help to continue improving student attendance. The support service positions are also an integral part in keeping students on task and building social skills, self-esteem, and positive methods for conflict resolution. Part of this process will be to review and revise as appropriate the student discipline codes in order to reflect expectations. In upgrading our technology and instructional materials, as well as analyzing data to adjust instruction, we continue our efforts to raise standards and expand education opportunities for our students.

### **Building Professionalism:**

Our professional development goals are being met. We will continue to maintain our efforts in this area. The administrative team is developing as a collaborative, cohesive unit. Professional development in school leadership is being provided for new administrators. In building professionalism among our administrative team, we meet daily for check in status and weekly to discuss district matters and team processes. Staff are provided with professional development planned days based on an analysis of need. Occasionally, outside professionals are invited to provide in-service training. We have offered various professional workshops to FTS staff to ensure that staff can provide and implement best teaching strategies in their instructional practices, this includes the platform Simple K-12 which offers on demand professional development in a myriad of areas to increase teacher capacity. Funds for these opportunities are provided through various grants, titles and local money. Also, staff often turnkey opportunities they have had with their grade level teams during team meetings or during professional day development opportunities. Staff are also engaged in PLC activities to enhance their professional growth. Professional development opportunities are based on the implementation of best practices throughout instruction. Due to the stressors and demands brought on by the pandemic, teacher and staff SEL activities and motivation practices have been put into place to build up each other, and to encourage self-care.



### **Protecting Our Investment (Capital & Maintenance Projects/Capital Reserve):**

The district will continue to meet expectations as required in the Comprehensive Maintenance Plan. We will also be replacing some carpet in high use areas. School clocks will be upgraded/replaced as needed. The budget also reflects money set aside to replace as needed HVAC compressors.

### **Planning for the Future:**

Our school district supports the need to infuse technology throughout the students' education in all instructional settings. In order to accomplish this task, we will continue our efforts to continuously upgrade and support student use of Chromebooks, Smart Boards, and desk tops to acclimate all students to not only proficiency with its use, but the role it plays in everyday life and careers. We continue to upgrade/replace as appropriate our smart boards to meet the needs of both students and staff and support instruction.

### **New Jersey Student Learning Standards (NJSLS):**

Our school district has implemented the NJSLS throughout our school district curriculum. We have updated our curriculum to include the most revised student learning standards. Fairfield Township School District is committed to ensuring a thorough and efficient education to all students. Weekly lesson plan reviews are completed by administration to safeguard the process of NJSLS implementation by staff. Additionally, walkthroughs and observations are conducted to further solidify the effective implementation of these standards into teaching these standards to fidelity to our students to become college and career ready.

At FTS, we provide a creative, engaging & exciting curriculum designed to spark children's interest and create a love of learning. We use a creative and thematic approach to learning that is mapped to the NJ curriculum standards to ensure comprehensive coverage of state expectations. We provide a rich menu of exciting and motivating learning activities that make creative links between all aspects of our children's learning. We believe children learn better when they are encouraged to use their imagination and apply their learning to engaging contexts. Our curriculum provides learning challenges throughout the academic year that will require children to solve problems, apply themselves creatively and express their knowledge and understanding effectively. We use Go Math to support the Mathematics and MyView & MyPerspective to support Language Arts Instruction, a teaching method based on student centered instruction, Universal Design for Learning, is used in all grades.

### **Math:**

The school has made great strides in terms of achieving math benchmark targets and providing intervention support to assist our students. The school employs a math coach to assist staff and students in meeting academic goals. Furthermore, the math and reading coach and reading intervention teacher meet with grade level teachers bi-monthly to participate in professional learning communities that focus on using data to drive instruction and best instructional practices in the classroom. The students are assessed quarterly using the EdConnect platform.

The school has implemented a benchmark incentive for students that pass their benchmark assessment. In addition, the coaches meet with staff as needed individually to provide staff with feedback and support to promote student achievement. The school also offers an after school program to provide students with tutorial support and other academic assistance. The students also practice math skills using IXL.

The smart goal stated that by June 2021, students in grades 3-8 will complete a post-test/benchmark for each math unit, with at least 50% of all students scoring a 60% or better. The bar of expectations will continue to be raised in future years. Fairfield Township School strives to increase student achievement in math using data driven instruction. According to the Annual School Planning System (ASPS), our school will use the EdConnect math benchmark assessments. The District will be renewing the license with EdConnect to support the school plan. The District will continue to use the digital version of the Go Math series for grades K-8. Being completely digital in many of our programs requires the district to maintain its current number of Smart Boards, laptops and carts through replenishment and repair. The District will continue to support a Math Coach position and a Math BSI teacher to develop Professional Learning Communities, implement universal design for learning, conduct small group instruction, and analyze data results to target students that do not meet expectations.

The math series is 100% digital for grades 3-6, requiring the district to maintain its current number of Smart Boards, laptops and carts through replenishment and repair. The District will continue to support a Math Coach position and a Math BSI teacher to develop Professional Learning Communities, implement universal design for learning, conduct small group instruction, and analyze data results to target students that do not meet expectations.

### **Science:**

Fairfield Township School district fosters a school environment in which students are actively working to master next generation standards. The administration works to provide staff with professional development and resources to promote science classrooms in which teachers support students in science and engineering practices for building and using science ideas to explain real phenomena and solve real problems.

Fairfield Township School strives to meet state expectations and district goals in order to meet the needs of students. The Science teachers meet twice a year for vertical articulation with other members of the Cumberland Curriculum Consortium.

### **ELA:**

The school has made great strides in terms of achieving Language Arts benchmark targets and providing intervention support to assist our students. The school employs a reading coach and reading intervention teacher to assist staff and students in meeting academic goals. Furthermore, the reading coach and reading intervention teacher meet with grade level teachers bi-monthly to participate in professional learning communities that focus on using data to drive instruction and best instructional practices in the classroom. The students are assessed quarterly using Aims web and EdConnect platforms.

The smart goal was by June 2021, students in grades 3-8 will complete a post-test/benchmark for each ELA unit, with at least 40% of all students scoring at least in the Basic Range.. The level of expectations will continue to increase in future years. The school has implemented a benchmark incentive for students that pass their Language Arts benchmark assessment. In addition, the coaches meet with staff as needed individually to provide staff with feedback and support to promote student achievement.

The school hosts two book fairs a year and participates in a school wide reading incentive to promote literacy. The school offers an after school program to provide students with tutorial support and assistance in meeting criteria for ELA standards in preparation for the next school year and the state assessment. The students also practice reading skills using IXL.

The District will continue to support a Reading Coach position, ELA Basic Skills teacher and the Reading Interventionist to better support the needs of the ELA department. The aim is to provide layers of support for students with learning deficits. Working with the Reading Interventionist & BSI, teachers in grades 1-4 are able to provide small group instruction/guided reading and implement universal design for learning. These supports are crucial as we added an additional goal to our plan, an early literacy goal which states that by June of 2021, 25% of Kindergarten and First Grade students will be reading on the suggested F&P level of C and G, respectively.

Teachers use PLC meetings to analyze data collectively in order to support students that are not meeting expectations according to their benchmark and running record results. The District will renew its license for AimsWeb which serves as our dyslexia screening tool and provides progress monitoring for literacy skills in grades K-6. The District will also renew its license with EdConnect- which is the District's benchmarking platform.

### **Social Studies:**

Our school is steadfast in providing 21<sup>st</sup>-century learners with the knowledge they need to become active and informed citizens. Our school has intentionally adopted and implemented cross curricular strategies to teach social studies. Our fairly new social studies program simultaneously ensures the understanding of the fundamental principles of American democracy and citizenship through a structured framework and allows our school to educate students through social studies to become informed and contributing members of our local and global communities. The District will use Pearson's My World Interactive Social Studies series for grade K-8. As much of the series is digital, the District will create a plan to maintain and repair technology to support students and teachers in this endeavor.

### **21<sup>st</sup> Century Life & Careers:**

Our school has embraced the fact that students need to be lifelong learners who need the skills to adapt to an ever changing world. Fairfield Township School District has strategically integrated 21<sup>st</sup> Century life and career skills across the Pre-K to 8<sup>th</sup> curriculum. We have implemented the Sanford Harmony Character Education Program. This program provides students with a foundation in effective communication, character education, and a variety of skills that address the demands of an evolving world.

Financial literacy has been encompassed throughout the math curriculum to enhance opportunities for students to make informed decisions regarding personal finance. In order to meet QSAC requirements, the District revised our enrichment period to include Financial Literacy for students in grades 5-8. Students cycle through the class by marking period. The District created curriculum is implemented by a certified math teacher. With the use of Generation Genius, a supplemental math & science program, students are exposed to careers that are math and/or science based.

### **Visual & Performing Arts:**

Our school is equipped to educate students according to the national art standards. Fairfield Township provides a variety of learning modalities in Art instruction. Our school allows students opportunities to create, present, respond, and connect through their artwork. Our art program promotes students to become innovative thinkers and encourages creative risk taking. Student work is consistently on display highlighting artistic work for presentation throughout the school. In order to meet QSAC requirements, the District conducted summer curriculum work sessions to begin the process of updating the Visually and Performance Art curriculum. The master schedule was revised to include choice specials for grades 6-8. Fairfield Township School strives to meet state expectations and district goals in order to meet the needs of students. The Visual and Performing Arts teachers meet twice a year for vertical articulation with other members of the Cumberland Curriculum Consortium. We are currently working on the new NJSL standards and plan to have revisions made and ready for BOE approval by June, 2022.

### **Comprehensive Health & Physical Education:**

Physical education is the antidote to fighting child obesity in our country. Fairfield Township provides a physical education program that incorporates the interdisciplinary connection of wellness, health, and physical education through effective instruction. Fairfield Township School has two physical education teachers that provide a variety of kinesthetic and auditory activities at high levels of student engagement. Our physical education teachers are committed to sharing knowledge, developing skills that influence life-long healthy behaviors, promoting a healthy self-image within school, family, and the global community at large. As new mandates are made, the team works to meet the curriculum requirements by attending DOE updates. We are currently working on the new NJSL standards and plan to have revisions made and ready for BOE approval by June, 2022.

### **World Language:**

Language and communication are the heart of the human experience. The United States must educate students who are equipped linguistically and culturally to communicate successfully in a pluralistic American society and abroad. This imperative envisions a future in which ALL students will develop and maintain proficiency in English and at least one other language, modern or classical. Children who come to school from non-English-speaking backgrounds should also have opportunities to develop further proficiencies in their first language. All students PK-8 are exposed to an enriched curriculum that promotes literacy, writing, comprehension, and public speaking skills in conjunction with knowledge of various cultures and backgrounds. The school also hosts a multicultural day to celebrate and acknowledge various cultural groups and their customs, languages, and practices. In order to meet QSAC requirements, the District conducted summer curriculum work sessions to begin the process of updating the World Language curriculum. We are currently working on the new NJSL standards and plan to have revisions made and ready for BOE approval by June, 2022.

### **Technology STEM:**

Fairfield Township School is planning to expand the Google education platform and supported hardware devices including Chromebooks and Google platform labs to support the integration of Google Classroom. Classroom activities, assignments and group projects are integrated across the curriculum to deepen and enhance the learning process through the integration of STEM-related activities. Fairfield Township is focusing on upgrading its Wi-Fi resources to support additional smart devices, some classrooms are equipped with smart boards and Google Chromebooks. Our goal is to integrate additional Smartboards, Chromebooks as well as Tablets to support the integration of technology in the classroom. With the use of Generation Genius, a supplemental math & science program, students are exposed to STEM activities and careers.

### **Technology:**

To assist our students' ability to become college and/or career-ready, technology is used to enhance student learning. The District Technology Plan has a strong emphasis on using technology for innovation, integration and data-driven academic interventions. Fairfield Township School District is committed to providing an infrastructure, which can support the ever-growing use of and need for technology to increase effectiveness and efficiency. The IT Department has a full time staff member dedicated to providing and maintaining the technology infrastructure needed in today's 21st century classrooms. The in-house Instructional Technology Coordinator is available full-time to assist teachers in integrating technology into their instruction. This encourages high-tech classroom lessons, which increase student engagement. All students in grades 1 to 8 have a grade level set of Chromebooks, which are accessible to them during school hours. Kindergarten students have access to desk tops and a smartboard in their classrooms and in the computer lab.

### **Child Study Team (CST):**

The CST will continue to meet the needs of students with disabilities. In order to continue to make a meaningful difference in the eyes of students with exceptionalities, our school will continue to operate with a full-time supervisor of special education, psychologist, and school social worker. Within the CST structure, there will be a part-time physical therapist, learning disabled teacher consultant, occupational therapist, and a speech therapist providing related services. Over the course of the year, the CST will continue to review policies, IEP's, and prepare PD presentations to better support and orientate staff.

### **Student Support Services:**

Fairfield Township School offers a variety of support services through Specialized Instructional Support Personnel which include prevention, intervention, transition and follow-up services for students with disabilities, English Learners, struggling students, and families. In addition, struggling students are supported through student friendly Intervention and Referral Services. Fairfield's School Nurse promotes health, safety, and wellness to all students. Fairfield implements a Character Education program that addresses SEL (Social-Emotional Learning) through interactive, engaging lessons that support student's emotional and social development. Fairfield has also befriended State Troopers to check in often to build healthy relationships amongst students and law enforcement.

### **School Culture & Safety:**

Fairfield Township School has instituted a school-wide Positive Behavior Intervention Supports character education program that emphasizes the importance of respect and responsibility; as a result there has been a significant decline in student absenteeism and office referrals. Fairfield is committed to providing staff and students with a school environment that is free from physical and psychological harm. Our commitment includes maximizing school safety, creating a positive learning environment, and promoting high expectations for behavior. Fairfield has created school wide norms to promote a common set of values for transforming school climate. Fairfield's character education initiative empowers students with communication skills, anger management, mediation skills, and positive decision making. Fairfield has created a crisis team to encourage attitudes and behaviors that build strong relationships within the school and community. The school has also established a stronger relationship with local law-enforcement and has turned key professional development to staff on a variety of topics related to school safety.

### **Clubs and Activities:**

This year, the District made a conscious effort to bolster the school's offerings of clubs and sports. Due to the need for students to be able to interact, practice social skills, and explore new hobbies and interests, we felt this year it was more important than ever to give students these outlets. The program also offers transportation and hot meals, which also meet the needs of our population. Students that, in the past, could not participate due to a lack of transportation, are able to sign up. Some examples of our clubs: Scholastic Academy is a program geared towards students that excel in school and/or on the state assessment test. Students are chosen based on academic achievement and teacher recommendation to be a part of this academic club. Students participate in a variety of lessons & activities that span all content areas and ranges of student interest. Science Club is based on academic achievement & interest in Science to be a part of this academic club. Students participate in a variety of lessons & activities that span a different area of science each year. STEAM activities and project-based learning activities allow students to work together in groups, in team building scenarios. Students volunteer to run activities involving the school at our STEM Night. The students also enjoy the Drama Club, which uses Reader's Theater to promote literacy and love for the Arts. Caring Kids Club members do nice things for others, like writing cards to veterans and do acts that promote school pride. We also offer Book worms, Bookworms Jr, Art Club, and various sports and intramural teams.

### **Before and After School Program:**

We want to continue the extended day program, which is an enrichment program designed to give students extra help in math and language arts. The program is for students in grades 1-8 and operates during the hours of 3:40-5:00 PM. The Extended day program is funded by grants, and also provides transportation and a hot meal. We added a member of the Student Services department to counsel students as needed or to teach social lessons. We also added the Jags Wrap Around Program which offers affordable before- and after- school hours care.

### **Professional Learning:**

Staff professional learning is aligned with the school improvement plan. All staff participate in professional learning grounded in best practices in small group instruction, data analysis, reading intervention, diversity, team building, student discipline, and student safety. The administration seeks to ensure that all staff have the opportunity to collaborate in an effort to drive positive relationships and student academic growth and development. The opportunities include professional learning communities, committees, and weekly labor association meetings. Staff is allotted bi-monthly times to participate in team building and PLCs. Staff discuss questions and concerns regarding the day to day operations of the building, progress regarding targets, and data analysis. Bi-monthly administration meets with the school's team leaders to discuss progress toward school's goals. The administration meets weekly to discuss progress toward meeting the school's goals and objectives.

### **Student, Health, & Wellness:**

Fairfield Township offers a free breakfast program through Nutriserve, five days a week. Snack programs for early learning through Nutriserve. Food for the After-School Program is provided by the Community Foodbank. Fairfield Township students participate in daily recess as part of the lunch period and have an additional physical activity period as part of the character education program, in addition to the daily scheduled health and physical education classes. Teen outreach program consists of a total of 25 one-hour weekly club meetings throughout the school year focused on key topics related to adolescent health and development and Community Service Learning.

### **Parent Organizations:**

Parent and community involvement efforts are growing. To date, they consist of Parent Action Classes, a mentor program, partnering with local churches and community organizations, offering parental resources in relation to workshops that are career driven, finances, education, health and social services. The aim is to increase the amount of resource support. Some current partnerships include Cumberland County Library, Gateway, Family Success center, SPAN, Trinity AME Church, St. John United Methodist Church, In His Image Church, Inspira Medical Center, Complete Care, Prosecutors Office, Cumberland County College, Fairfield Township and other local organizations. The focus is to expand partnerships and networking. We now have a PTO organization that does fundraising and hosts events for the students and community.

### **Facilities:**

The primary purpose of school facilities is to support the instructional program. The School Board encourages the use of school facilities by the public for worthwhile community, education, recreational, civic and cultural activities when such use will not interfere with the basic purposes of the educational program. All of our facilities are safe, functional and aesthetically pleasing, where students want to learn, teachers want to teach and the community wants to gather in a safe and beautiful environment. The school has a gymnasium with access to state of the art technology screens, a media center with desktop computers and smart board, a technology lab with state of the art smart board, a cafe with two state of the art television monitors and tech screen, laptop carts are available to all grade levels and smart boards are in all classrooms grades K-8. The school also houses an athletic field which includes a race track, baseball field, tennis court, and basketball court to support health and physical wellness. No major renovations or upgrades to the facility are officially planned this year. Yes, we are in compliance with Alyssa's law.

### **Early Childhood:**

Fairfield Township School offers a high quality early childhood program. All preschool and kindergarten staff are highly qualified. The preschool program implements the state approved Creative Curriculum. The kindergarten program uses the basal series, MyView. The math resource used is Go Math. The math curriculum and Language Arts curriculum are posted on the school website. Currently, the program serves more than 87 students. There are no more than fifteen students in a preschool classroom with an aide. There are no more than twenty-one students in a kindergarten class and aides in kindergarten accompany the teacher and students during all academic periods.

### **Other Information:**

Parent Action Team Meetings consist of parents and students coming together with questions, answers, and resolutions regarding math, language arts, technology usage and building parent partnerships with the community. Parents and students have access to the parent portal to check the students' progress through our parent portal link on the school website. The purpose is to develop a learning partnerships between the parents and students to help aid one another and to aid use of resources. Early Childhood Advisory Council consists of parents with children from preschool to 3<sup>rd</sup> grade that come together in unison to develop new ideas that promote community collaborations and strengthen family involvement within the school. Special Education Advisory Group - parents meet with the advisory team to develop new ideas and connect with outside companies such as SPAN (Special Education Advisory Council) to obtain resources to enhance the academic development of the parents and students.

## **4. INTERNAL ACCOUNTING CONTROLS:**

Management of the District is responsible for establishing and maintaining internal control 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). Internal control is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

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

As part of the District's single audit described earlier, tests are made to determine the adequacy of internal control, including that portion related to federal awards 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 re-appropriations of fund balance in the subsequent year. Those amounts to be re-appropriated are reported as reservations of fund balance at June 30, 2021.

## **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:**

On December 8, 2009, the voters of the school district approved a referendum to construct an addition, as well as undertake various improvements, acquire equipment and make renovations to the elementary school. The total amount approved was \$3,984,772, of which \$1,984,772 was funded by a grant from the State of New Jersey and the remaining \$2,000,000 was funded through the issuance of bonds at various interest rates. Principal payments of bonds in the amount of \$100,000 were made during the 2019-20 fiscal year, resulting in a balance in bonds payable as of June 30, 2020 of \$1,070,000.

On September 15, 2014 the District refunded \$3,150,000 in Bonds Payable from the March 15, 2004 Construction of the new Elementary/Middle School, resulting in a net savings of \$56,000. Principal payments in the amount of \$315,000 were made during the 2019-20, resulting in a balance in these bonds payable as of June 30, 2020 of \$1,055,000.

## **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. The law requires governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act.

## **9. RISK MANAGEMENT:**

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

## **10. OTHER INFORMATION:**

**Independent Audit** - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Nightlinger, Colavita and Volpa, Pa. was appointed by the Board. In addition to meeting the requirements set forth in State statutes, the audit also was designed to meet the requirements of the Title 2 CFR 200-Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), and State of New Jersey Treasury Circular 15-08 OMB, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid. The auditor's report on the basic financial statements and combining and individual fund statements and schedules are included in the financial section of this report. The auditor's report 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 Fairfield Township School Board for their concern in providing fiscal accountability to the citizens and taxpayers of the public 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. We received the complete cooperation from Nightlinger, Colavita & Volpa, P.A. and appreciate the courtesies extended to us.

Respectfully Submitted,

*Dr. Ja'Shanna Jones-Booker*

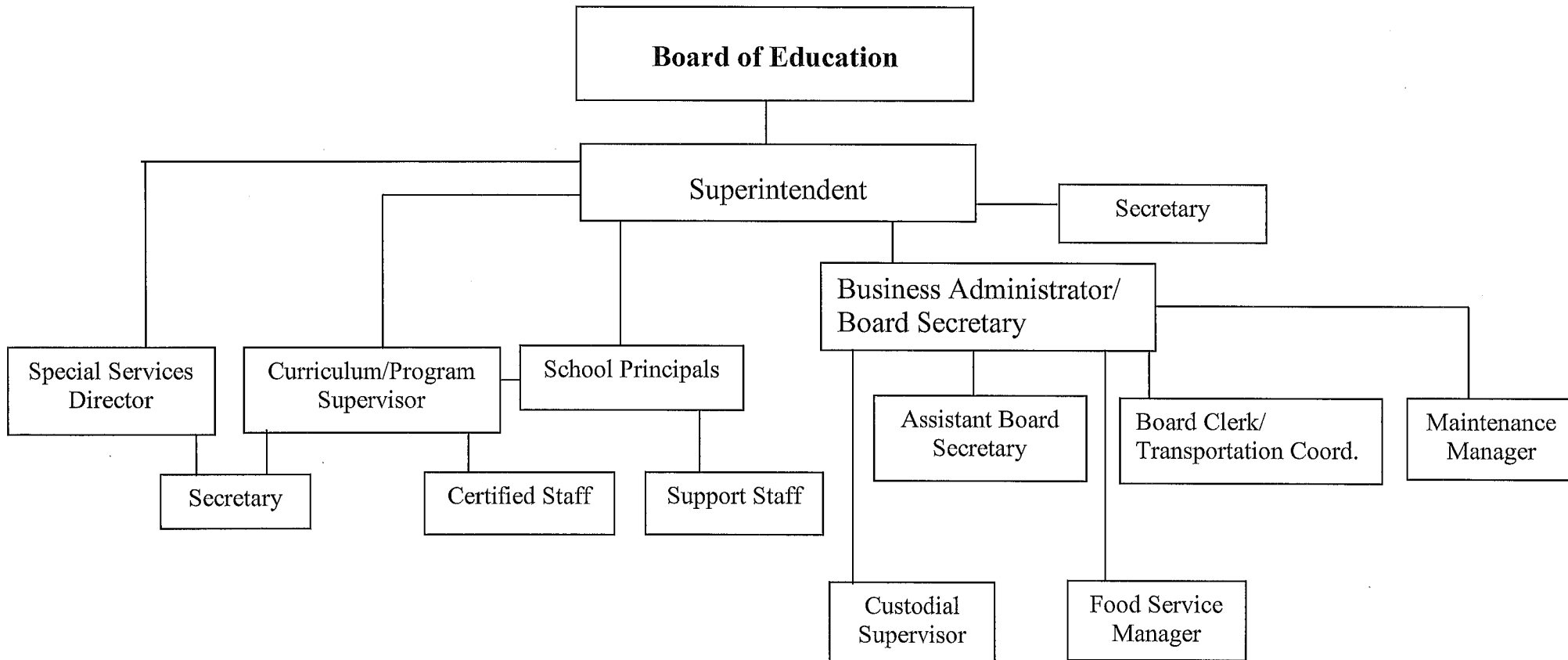
Dr. Ja'Shanna Jones-Booker  
Acting Superintendent

Respectfully Submitted,

*Robin Henry*

Robin Henry  
Business Administrator

**ORGANIZATIONAL CHART**



Approved by the Board of Education

**FAIRFIELD TOWNSHIP BOARD OF EDUCATION**  
**BRIDGETON, NEW JERSEY**  
**ROSTER OF OFFICIALS**  
**JUNE 30, 2021**

<u>MEMBERS OF THE BOARD OF EDUCATION</u>	<u>TERM EXPIRES</u>
Michelle Kennedy, President	2021
Mattie Peterson, Vice President	2022
Darlington Henry, Jr	2021
Michael Keene	2023
Erica Goodwin	2023
Alta Lloyd	2021
Judith Hedgeman	2022
Randolph Ferebee	2022
Albert Wynn	2023
<u>OTHER OFFICIALS</u>	<u>BOND</u>
Dr. Michael Knox, Superintendent/Principal (To: September 30, 2021)	
Dr. Ja'Shanna Jones-Booker, Acting Superintendent (From: November 27, 2021)	
Robin Henry, Business Administrator (From: May 10, 2021)	
William Gerson, Business Administrator (To: May 4, 2021)	
Frank DiDomenico, Solicitor	

**TOWNSHIP OF FAIRFIELD BOARD OF EDUCATION**  
**CONSULTANTS AND ADVISORS**

**AUDIT FIRM**

**Raymond Colavita, CPA, RMA**  
**Nightlinger, Colavita and Volpa, P. A.**  
Certified Public Accountants  
991 S. Black Horse Pike  
P.O. Box 799  
Williamstown, NJ 08094

**ATTORNEY**

**Frank DiDomenico**  
8 Lasalle Drive, PO Box 1356  
Vineland, NJ 08362

**OFFICIAL DEPOSITORY**

**Ocean First**  
1771 S. Lincoln Avenue  
Vineland, New Jersey 08361

**INSURANCE AGENCY**

**GCSSDJIF**  
PO Box 449  
Marlton, New Jersey 08053

**FINANCIAL SECTION**

# NIGHTLINGER, COLAVITA & VOLPA

*A Professional Association*

*Certified Public Accountants*

991 S. Black Horse Pike  
P.O. Box 799  
Williamstown, NJ 08094

(856) 629-3111  
Fax (856) 728-2245  
[www.colavita.net](http://www.colavita.net)

## **INDEPENDENT AUDITOR'S REPORT**

The Honorable President and  
Members of the Board of Education  
Fairfield Township School District  
County of Cumberland, New Jersey 08302

### **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 Fairfield Township School District in the County of Cumberland, State of New Jersey, as of and for the fiscal year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Fairfield Township School District's basic financial statements as listed in the table of contents.

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

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

### **Auditor's Responsibility**

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America 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 Division of Administration and 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 of material misstatement.

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

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

## **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the Fairfield Township Board of Education in the County of Cumberland, State of New Jersey, as of June 30, 2021, 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.

## **Emphasis of Matter**

As discussed in Note 22 to the basic financial statements, the District implemented Governmental Accounting Standards Board (GASB) Statement No. 84, *Fiduciary Activities*, during the fiscal year ended June 30, 2021. Our opinions are not modified with respect to this matter.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information and schedules related to accounting and reporting for pensions 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 Fairfield Township School Board of Education's basic financial statements. The introductory section, combining and individual non-major fund financial statements, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards and state financial assistance is presented for purposes of additional analysis as required by the Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and New Jersey OMB's Circular 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid, and is also not a required part of the basic financial statements.

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

The introductory 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 them.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued a report dated February 2, 2022, on our consideration of the Fairfield Township Board of Education's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Fairfield Township Board of Education's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Governments Auditing Standards* in considering Fairfield Township Board of Education's internal control over financial reporting and compliance.

Respectfully submitted,

**NIGHTLINGER, COLAVITA & VOLPA, P.A.**



Raymond Colavita, C.P.A., R.M.A.  
Licensed Public School Accountant  
No. 915  
February 2, 2022



**REQUIRED SUPPLEMENTARY INFORMATION – PART I**

FAIRFIELD TOWNSHIP SCHOOL DISTRICT  
FAIRFIELD TOWNSHIP

MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

UNAUDITED

The discussion and analysis of Fairfield Township Public School District's financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2021. 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 notes to the basic financial statements and financial statements to enhance their understanding of the School District's financial performance.

**Financial Highlights**

Key financial highlights for 2021 are as follows:

- ❖ The assets and deferred outflows of the School District exceeded its liabilities and deferred inflows at the close of the fiscal year ended June 30, 2021 by \$6,474,314.
- ❖ Total net position of governmental activities totaled \$6,202,256.
- ❖ General revenues accounted for \$9,721,735 in revenue, excluding the transfer to charter schools of \$218,577, or 72% of all revenues. Program specific revenues in the form of charges for services, operating grants, contributions and capital grants accounted for \$3,787,228 or 28% to total revenues of \$13,508,963.
- ❖ Total net position of governmental and Business-type activities increased by \$391,106, made up of changes in cash and cash equivalents, cash deposited with the state as fiscal agent, various receivables and various liabilities. There was also a Prior Period Adjustment, relating to the adoption of GASB #84.
- ❖ The School District had \$12,657,864 in governmental expenses, of which \$3,461,781 of these expenses was offset by program specific charges for services, grants or contributions. General revenues (primarily Federal and State aid) were adequate to provide for governmental activity programs resulting in a positive change in net position of \$307,075.
- ❖ The General Fund had \$8,956,975 in revenues, offset by \$8,517,986 in expenditures, net transfers of \$218,577. As a result, the General Fund balance increased by \$220,412 over 2020. This decrease was anticipated by the Board of Education.

**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 Fairfield Township School District as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities. The Statement of Net Assets 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. In the case of Fairfield Township School District, the General Fund is by far the most significant fund.

## **Reporting the School District as a Whole**

### **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 asks the question, "How did we do financially during 2021?" The Statement of Net Position and the Statement of Activities helps 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 companies. This basis of accounting takes into account, all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the School District's net position and changes in those assets. This change in net position is important because it tells the reader that, for the School District as a whole, the financial positions 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, but not limited to, instruction, support services, operation and maintenance of plant facilities, pupil transportation and extracurricular activities.
- ❖ **Business-type Activities** – This service is provided on a charge for goods or services basis to recover all the expense of the goods or services provided. The Food Service enterprise fund is reported as a business activity.

## **Reporting the School District's Most Significant Funds**

### **Fund Financial Statements**

The analysis of the School District's major (all) funds begins on page 31. Fund financial reports provide detailed information about the School District's major funds. The School District uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the School District's most significant funds. The School District's major 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 fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance educational programs. The 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.

**The School District as a Whole**

Recall that the Statement of Net Position provides the perspective of the School District as a whole.

Table 1 provides a comparative summary of the School District's net position for the years ended in 2021 and 2020.

Table 1  
Net Position

	2021	2020
<b>Assets</b>		
Current and Other Assets	\$ 518,721	\$ 640,137
Capital Assets, Net	11,082,691	11,418,896
Total Assets	11,601,412	12,059,033
<b>Deferred Outflows of Resources</b>	954,337	1,332,923
<b>Liabilities</b>		
Short-Term Loan Payable		709,563
Long-term Liabilities	3,942,930	5,101,911
Other Liabilities	798,868	489,247
Total Liabilities	4,741,798	6,300,721
<b>Deferred Inflows of Resources</b>	1,339,637	1,021,290
<b>Net Position</b>		
Invested in Capital Assets, Net of Debt	8,938,013	8,843,551
Restricted	20,011	101,305
Unrestricted (Deficit)	(2,483,710)	(2,874,911)
Total Net Position	\$ 6,474,314	\$ 6,069,945

Table 2 shows the changes in net position from fiscal year's 2021 and 2020.

Table 2  
Changes in Net Position

	2021	2020
<b>Revenues</b>		
Programs Revenues		
Charges for Services	\$ 43,921	\$ 22,049
Operating Grants and Contributions	3,743,307	3,786,829
General Revenues		
Property Taxes	1,611,178	1,593,255
Grants and Entitlements	8,025,513	6,330,681
Other	85,044	90,974
<b>Total Revenues</b>	<b>13,508,963</b>	<b>11,823,788</b>
<b>Program Expenses</b>		
Instruction	3,831,826	4,202,985
Support Services		
Tuition	146,107	89,662
Pupils and Instructional Staff	1,045,837	1,038,062
General Administration, School		
Administration, Business	609,282	679,688
Operations and Maintenance of Facilities	985,981	610,622
Pupil Transportation	321,103	480,845
Employee Benefits	5,275,203	3,632,768
Food Service	241,416	467,409
Other	358,209	369,592
Debt Service - Interest	84,316	260,349
<b>Total Expenses</b>	<b>12,899,280</b>	<b>11,831,982</b>
Excess of Expenditures over Revenues	609,683	(8,194)
Less:		
Prior Year and Fixed Asset Adjustments		(85,802)
Prior Period Adjustment	13,263	
Transfer to Charter School	(218,577)	(216,298)
<b>Increase (Decrease) in Net Position</b>	<b>\$ 404,369</b>	<b>\$ (310,294)</b>

### Governmental Activities

The unique nature of property taxes in New Jersey creates the need to routinely seek voter approval for the School District operations in the event that they exceed the maximum cap levy, including adjustments, in the budget of each year. The District's total governmental revenues were \$13,183,516 for the fiscal year ended June 30, 2021. Property taxes made up 12% of governmental revenues, federal state and local grants accounted for 26%, operating grants and contributions was 61% and 1% was for other revenue..

The Statement of Activities shows the cost of program services and the program specific revenues offsetting those services. Table 3 shows a comparison of the total cost of services and the net cost of services. The net cost shows the financial burden that was placed on the District's taxpayers by each of these functions.

	<u>Services 2021</u>	<u>Services 2021</u>	<u>Services 2020</u>	<u>Services 2020</u>
Instruction	\$ 3,831,826	\$ 2,532,224	\$ 4,202,985	\$ 3,039,745
Support Services				
Tuition	146,107	146,107	89,662	89,662
Pupils and Instructional Staff	1,045,837	534,422	1,038,062	479,096
General Administration, School				
Administration, Business	609,282	609,282	679,688	679,688
Operation and Maintenance of Facilities	985,981	985,981	610,622	610,622
Pupil Transportation	321,103	321,103	480,845	480,845
Employee Benefits	5,275,203	3,624,439	3,632,768	1,944,381
Interest and Fiscal Charges	84,316	84,316	260,349	260,349
Other	358,209	358,209	369,592	369,592
Total Expenses	<u>\$ 12,657,864</u>	<u>\$ 9,196,083</u>	<u>\$ 11,364,573</u>	<u>\$ 7,953,980</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 activities involve keeping the school grounds, buildings and equipment in an effective working condition.

Curriculum and staff development includes expenses related to planning, research, development and evaluation of support services, as well as the reporting of this information internally and to the public.

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 and fiscal charges involve the transactions associated with the payment of interest and other related charges to debt of the School District.

Extracurricular activities includes expenses related to student activities provided by the School district which are designated to provide opportunities for students to participate in school events, public events, or a combination of these for the purposes of motivation, enjoyment and skill improvement.

Other includes unallocated depreciation and amortization.

### Business-Type Activities

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

- ❖ Food service expenses exceeded revenues by \$84,031.
- ❖ There were no charges for services representing amounts paid by patrons for daily food services.
- ❖ Federal and state reimbursements for meals, including payments for free and reduced lunches and donated commodities were \$325,447. Expenditures were \$241,416.

### The School District's Funds

Information about the School District's major funds starts on page 30. These funds are accounted for using the modified accrual basis of accounting. All governmental funds (i.e., general fund, special revenue fund, capital projects and debt service fund presented in the fund-based statements) had total revenues of \$11,542,247 and expenditures of \$11,165,212. The net change in fund balance for the year was a decrease of \$158,458, which includes a transfer to charter school of \$218,577. There was also a prior period adjustment of \$13,263.

As demonstrated by the various statements and schedules included in the financial section of this report, the District faces challenges in meeting its responsibility for sound financial management. The following schedules present a summary of the revenues of the governmental funds (excluding capital projects) for the fiscal year ended June 30, 2021, and the amount and percentage of increases and decreases in relation to prior year revenues.

<u>Revenue</u>	<u>Amount</u>	<u>Percent of Total</u>	<u>Increase (Decrease) from 2020</u>	<u>Percent Increase (Decrease)</u>
Local Sources	\$ 1,740,143	15.1%	\$ 56,118	3.6%
State Sources	8,757,586	75.9%	(65,774)	-0.8%
Federal Sources	1,044,518	9.0%	132,234	12.7%
Total	\$ 11,542,247	100.0%	\$ 122,578	1.1%

The increase in Local Sources is attributed to increases in the tax levy of \$17,923, tuition revenue of \$3,278 and miscellaneous revenue of \$34,917.

The decrease in State Sources is attributed to decreases of \$65,774 in various State Public Aid categories and in Special Projects grants.

The increase in Federal Sources is attributed to increases in various federal grant awards of \$132,234.

The following schedule presents a summary of General Fund, Special Revenue Fund and Debt Service Fund Expenditures for the fiscal year ended June 30, 2021

<u>Expenditures</u>	<u>Amount</u>	<u>Percent of Total</u>	<u>Increase (Decrease) from 2020</u>	<u>Percent Increase (Decrease)</u>
Current:				
Instruction	\$ 3,831,826	34.3%	\$ (371,159)	-8.9%
Undistributed Expenditures	6,615,939	59.3%	137,885	2.0%
Capital Outlay	198,372	1.8%	14,203	8.3%
Debt Service:				
Principal	425,000	3.8%	10,000	2.5%
Interest	94,075	0.8%	(12,950)	-10.8%
<b>Total</b>	<b>\$ 11,165,212</b>	<b>100%</b>	<b>\$ (222,021)</b>	<b>-1.9%</b>

The decrease in current – instruction is attributed to decreases in regular instruction of \$163,593, other instruction of \$50,126 and in special instruction of \$157,440.

The increase in current – undistributed expenditures is attributed to increases in tuition of \$56,445, student and instruction services of \$7,775, plant maintenance \$217,673 and employee benefits of \$86,140, offset by decreases in administrative expenses of \$70,406 and transportation of \$159,742.

The increase in capital outlay is attributed to increases in capital equipment costs.

Debt Service decreased due to payment of scheduled interest and principal on existing bonds.

### 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 modified accrual and encumbrance accounting. The most significant budgeted fund is the General Fund.

During the course of the fiscal year 2021, 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 total program budgets but provide flexibility for program management in the following areas:

- ❖ Staffing changes based on student needs.
- ❖ Additional costs for student transportation both in regular education and special education.
- ❖ Accounting changes in maintenance and operations.
- ❖ Changes in appropriations to prevent budget overruns.

While the District’s original budget for the general fund anticipated a shortfall of \$10,105 in fund balance, the actual results for the year show an increase in fund balance of \$220,058.

- ❖ Actual revenues were \$20,836 less than expected, which excludes TPAF pension and social security of \$1,586,382.
- ❖ The actual expenditures were \$241,832 less than expected, which excludes the on-behalf state aid payments for TPAF pension and social security of \$1,586,382.



**Capital Assets**

At the end of the fiscal year 2021, the School District had \$11,082,691 invested general in land, buildings, furniture and equipment, and vehicles and food service equipment. Table 4 shows fiscal 2021 balances compared to 2020.

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

	<u>2021</u>	<u>2020</u>
Land	\$ 179,994	\$ 179,994
Sites	249,380	265,674
Building and Improvements	10,469,973	10,744,822
Machinery and Equipment	183,344	228,406
Totals	<u>\$ 11,082,691</u>	<u>\$ 11,418,896</u>

Overall capital assets decreased \$336,205 from fiscal year 2020 to fiscal year 2021. Acquisitions of capital assets were \$40,686 in general equipment and none in the enterprise fund, offset by depreciation expenses for the year of \$376,891.

**Debt Administration**

At June 30, 2021, the School District had \$3,942,930 as outstanding debt. Of this amount \$176,860 is for compensated absences, \$1,641,070 for net pension liability and \$2,125,000 for bonds for school construction.

On December 8, 2009, the voters approved a referendum to construct an addition as well as undertake various improvements and renovations to the Fairfield Township Elementary School. Also included was the acquisition of the necessary equipment and any associated site work. The total cost of the project is \$3,984,772, of which \$1,984,772 will be funded by a grant from the State of New Jersey and \$2,000,000 was funded by the issuance of Serial Bonds on March 25, 2010. The initial interest payment of \$31,397.71 was paid on September 1, 2010 and the initial principal payment of \$70,000 was paid on March 1, 2011.

On September 15, 2016, the District refunded \$3,150,000 in Bonds payable from the March 15, 2004 Construction of the new Elementary/Middle School, resulting in a net savings of \$56,000.

At June 30, 2021, the School District's overall legal debt margin was \$8,334,088 and the unvoted debt margin was \$6,209,088 or 75%.

The purpose of serial bond debt of the district is as follows:

	<u>Date of Issue</u>	<u>Amount of Issue</u>	<u>Amount Outstanding June 30, 2020</u>
Construction of a new elementary/middle School including necessary onsite and offsite improvements, furniture and equipment associated with such improvements (Refunded)	9/15/14	\$ 3,150,000	\$ 1,055,000
Construction of an addition as well as undertake various improvements and renovations to the Fairfield Township Elementary School and to acquire the necessary equipment and undertake any associated site work	3/1/10	\$ 2,000,000	\$ 1,070,000

## **For the Future**

Fairfield Township School District has planned and will be implementing a number of initiatives reflective of our continued development and implementation of best practice instructional strategies and instructional delivery to students during 2020-2021 that will flow through to the 2021-2022 school year. While funding is always a concern to all school districts it has an especially significant impact to districts such as Fairfield. In our rural setting with limited rate variables and a significant percentage of economically disadvantaged families our students face complicated situations that may impact negatively on their learning.

It is our hope that the State will continue to fund programs at or above the level they currently have funded. We as a district will continue our efforts in being proactive to secure necessary funding. We also will be expanding our efforts and program parameters to reach out to parents/guardians and the community to promote increased family and community involvement. Further we are committed to assist our families as needed in completing forms that can provide them with the resources they need as part of our school district family.

For the future, our goal is to continue to create an environment that is conducive to student learning. We will continue to provide professional development to empower staff in implementing best practice, experience-based instruction, and student assessment. We will continue to promote student success through targeted instruction. We will implement a professional staff evaluation instrument (Charlotte Danielson's, Framework for Teaching model) that is among those evaluation instruments sanctioned by the State of New Jersey.

Increased proficiency in the areas of ELA and mathematics continues to be a paramount goal. Further, we continue to refine, revise and implement a student behavior system that increases positive behavior recognition. We will also continue our efforts in working to create an environment where parents/guardians feel comfortable in working with the administration and staff to promote student success.

Our summer school program for students provides instruction in mathematics and ELA core standards and also provides both a breakfast and lunch program to those attending. This program also includes a culminating field trip activity. Another planned initiative is an after-school tutorial program with transportation provided. During the school year from early December to May we have developed an after-school tutorial program with student transportation that once again targets instructional areas of math and language.

In working toward these goals, we continue to rely on local, state and federal funding. Funding is our most pressing need to enable us to reach these goals. Fairfield Township School District's "Mission" is to continue efforts in "Pursuing Educational Excellence. Our community and Board of Education remain committed to providing the best educational opportunities for all of our students.

## **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 Robin Henry, School Business Administrator at Fairfield Township Board of Education, 375 Gouldtown Woodruff Road, Bridgeton, NJ 08302.

## **BASIC FINANCIAL STATEMENTS**

## **DISTRICT WIDE FINANCIAL STATEMENTS**

The statement of net position and the statement of activities display information about the District.

These statements include the financial activities of the overall District, except for fiduciary activities.

Eliminations have been made to minimize the double-counting of internal activities. These statements distinguish between the governmental and business-type activities of the District.

**FAIRFIELD TOWNSHIP SCHOOL DISTRICT**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2021**

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
<b>ASSETS</b>			
Cash and Cash Equivalents	\$	\$	\$
Receivables, Net	375,274	121,763	497,037
Inventory		21,684	21,684
Restricted Assets:			
Capital Assets, Net (Note 5):	10,942,871	139,820	11,082,691
Total Assets	11,318,145	283,267	11,601,412
<b>DEFERRED OUTFLOWS OF RESOURCES:</b>			
Deferred Pension Outflows	954,337		954,337
<b>LIABILITIES</b>			
Accounts Payable	454,801	4,828	459,629
Accrued Interest on Bonds	25,648		25,648
Cash Overdraft	240,254	2,107	242,361
Unearned Revenue	66,956	4,274	71,230
Non-current Liabilities (Note 6):			
Due Within One Year	440,000		440,000
Due Beyond One Year	3,502,930		3,502,930
Total Liabilities	4,730,589	11,209	4,741,798
<b>DEFERRED INFLOWS OF RESOURCES:</b>			
Deferred Pension Inflows	1,319,959		1,319,959
Defeasance of Debt	19,678		19,678
Total Deferred Inflows	1,339,637		1,339,637
<b>NET POSITION</b>			
Invested in Capital Assets, Net of Related Debt	8,798,193	139,820	8,938,013
Restricted:			
Capital Projects	581		581
Maintenance Reserve	4,756		4,756
Student Activities	14,674		14,674
Unrestricted (Deficit)	(2,615,948)	132,238	(2,483,710)
Total Net Position	\$ 6,202,256	\$ 272,058	\$ 6,474,314

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

**FAIRFIELD TOWNSHIP SCHOOL DISTRICT**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED JUNE 30, 2021**

<b>Functions/Programs</b>	<b>Program Revenues</b>			<b>Net (Expense) Revenue and Changes in Net Position</b>		
	<b>Expenses</b>	<b>Charges for Services</b>	<b>Operating Grants and Contributions</b>	<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>
<b>Governmental Activities:</b>						
<b>Instruction:</b>						
Regular	\$ 3,477,570	\$	\$ 1,299,602	\$ (2,177,968)	\$	\$ (2,177,968)
Special Education	323,974			(323,974)		(323,974)
Other Instruction	30,282			(30,282)		(30,282)
<b>Support Services:</b>						
Tuition	146,107			(146,107)		(146,107)
Student & Instruction Related Services	1,045,837	43,921	467,494	(534,422)		(534,422)
General and Business Administrative Services	298,235			(298,235)		(298,235)
School Administrative Services	33,700			(33,700)		(33,700)
Central Services	217,389			(217,389)		(217,389)
Information Technology	59,958			(59,958)		(59,958)
Plant Operations and Maintenance	985,981			(985,981)		(985,981)
Pupil Transportation	321,103			(321,103)		(321,103)
Employee Benefits	5,275,203		1,650,764	(3,624,439)		(3,624,439)
Interest on Debt Service	84,316			(84,316)		(84,316)
Unallocated Depreciation	358,209			(358,209)		(358,209)
<b>Total Governmental Activities</b>	<b>12,657,864</b>	<b>43,921</b>	<b>3,417,860</b>	<b>(9,196,083)</b>		<b>(9,196,083)</b>
<b>Business-type Activities:</b>						
Food Service	241,416		325,447		84,031	84,031
<b>Total Business-type Activities</b>	<b>241,416</b>		<b>325,447</b>		<b>84,031</b>	<b>84,031</b>
<b>Total Primary Government</b>	<b>\$ 12,899,280</b>	<b>\$ 43,921</b>	<b>\$ 3,743,307</b>	<b>\$ (9,196,083)</b>	<b>\$ 84,031</b>	<b>\$ (9,112,052)</b>
<b>General Revenues:</b>						
<b>Taxes:</b>						
Property Taxes, Levied for General Purposes, Net				\$ 1,142,036	\$	\$ 1,142,036
Taxes Levied for Debt Service				469,142		469,142
Federal and State Aid not Restricted				8,025,513		8,025,513
Investment Earnings				807		807
Transfer to Charter School				(218,577)		(218,577)
Miscellaneous Income				84,237		84,237
<b>Total General Revenues, Special Items, Extraordinary Items and Transfers</b>				<b>9,503,158</b>		<b>9,503,158</b>
<b>Change in Net Position</b>				<b>307,075</b>	<b>84,031</b>	<b>391,106</b>
Net Position—Beginning				5,881,918	188,027	6,069,945
Prior Period Adjustment				13,263		13,263
Net Position, July 1 (Restated)				5,895,181	188,027	6,083,208
Net Position—Ending				\$ 6,202,256	\$ 272,058	\$ 6,474,314

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

## **FUND FINANCIAL STATEMENTS**

The Individual Fund statements and schedules present more detailed information for the individual fund in a format that segregates information by fund.

**GOVERNMENTAL FUNDS**



**FAIRFIELD TOWNSHIP SCHOOL DISTRICT**  
**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
**JUNE 30, 2021**

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
<b>ASSETS</b>					
Cash and Cash Equivalents	\$ 16,491		\$ 1,009		\$ 17,500
Interfunds Receivable	72,061	428			72,489
State Aid Receivable	38,685				38,685
Federal Aid Receivable	5,594	327,700			333,294
Other Governmental Accounts Receivable	3,295				3,295
<b>Total Assets</b>	<b>\$ 136,126</b>	<b>\$ 328,128</b>	<b>\$ 1,009</b>	<b>\$</b>	<b>\$ 465,263</b>
<b>LIABILITIES AND FUND BALANCES</b>					
Liabilities:					
Accounts Payable	\$ 362,622	\$ 17,827			\$ 380,449
Payroll Deductions and withholding Payable	74,352				74,352
Cash Overdraft		257,754			257,754
Interfund Payable		72,061	428		72,489
Unearned Revenue		66,956			66,956
<b>Total Liabilities</b>	<b>436,974</b>	<b>414,598</b>	<b>428</b>		<b>852,000</b>
Fund Balances:					
Restricted For:					
Capital Projects Fund			581		581
Maintenance Reserve	4,756				4,756
Student Activities		14,674			14,674
Assigned:					
Year End Encumbrances	7,458				7,458
Unassigned, Reported In:					
General Fund (Deficit)	(313,062)	(101,144)			(414,206)
<b>Total Fund Balances (Deficit)</b>	<b>(300,848)</b>	<b>(86,470)</b>	<b>581</b>		<b>(386,737)</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 136,126</b>	<b>\$ 328,128</b>	<b>\$ 1,009</b>	<b>\$</b>	

Amounts reported for *governmental activities* in the Statement of Net Assets (A-1) are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$16,704,586 and the accumulated depreciation is \$5,761,715 (Note 5).	10,942,871
Accrued Interest is not due and payable in the current period and are, therefore, not reported as liabilities.	(25,648)
Deferred Inflows on Debt Defeasance are not reported as a Liability or Fund Balance in the Governmental funds.	(19,678)
Long Term Net Pension Liability - PERS	(1,641,070)
Deferred Outflow - PERS	954,337
Deferred Inflow - PERS	(1,319,959)
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 6).	(2,301,860)
<b>Net position of Governmental Activities</b>	<b>\$ 6,202,256</b>

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

**FAIRFIELD TOWNSHIP SCHOOL DISTRICT**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2021**

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
<b>REVENUES</b>					
Local sources:					
Local Tax Levy	\$ 1,142,036	\$	\$	\$ 469,142	\$ 1,611,178
Tuition from Other LEA'S	20,559				20,559
Interest Earned	807				807
Local Sources		43,921			43,921
Miscellaneous	63,678				63,678
Total - Local Sources	1,227,080	43,921		469,142	1,740,143
State Sources	7,718,895	1,038,691			8,757,586
Federal Sources	11,000	1,033,518			1,044,518
Total Revenues	8,956,975	2,116,130		469,142	11,542,247
<b>EXPENDITURES</b>					
Current:					
Instruction:					
Regular Instruction	2,177,968	1,299,602			3,477,570
Special Education Instruction	323,974				323,974
Other Instruction	30,282				30,282
Support Services:					
Tuition	146,107				146,107
Student & Instruction Related Services	578,343	467,494			1,045,837
General Administrative Services	298,235				298,235
School Administrative Services	33,700				33,700
Central Services	217,389				217,389
Admin. Information Technology	59,958				59,958
Plant Operations and Maintenance	828,295				828,295
Pupil Transportation	321,103				321,103
Employee Benefits	3,344,946	320,369			3,665,315
Capital Outlay	157,686		40,686		198,372
Debt Service - Principal				425,000	425,000
Debt Service - Interest				94,075	94,075
Total Expenditures	8,517,986	2,087,465	40,686	519,075	11,165,212
Excess (Deficiency) of Revenues Over Expenditures	438,989	28,665	(40,686)	(49,933)	377,035
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfer to Charter School	(218,577)				(218,577)
Total Other Financing Sources and Uses	(218,577)				(218,577)
Net Change in Fund Balances	220,412	28,665	(40,686)	(49,933)	158,458
Fund Balance—July 1 (Deficit)	(521,260)	(128,398)	41,267	49,933	(558,458)
Prior Period Adjustment		13,263			13,263
Fund Balance—July 1 Restated (Deficit)	(521,260)	(115,135)	41,267	49,933	171,721
Fund Balance-June 30 (Deficit)	\$ (300,848)	\$ (86,470)	\$ 581	\$ -	\$ (386,737)

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

**FAIRFIELD TOWNSHIP SCHOOL DISTRICT**  
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS**  
**TO THE STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED JUNE 30, 2021**

<b>Total Net Change in Fund Balances - Governmental Funds (from B-2)</b>	<b>\$</b>	<b>158,458</b>
<p>Amounts reported for governmental activities in the Statement of Activities (A-2) are different because:</p> <p>Capital outlays are reported in governmental funds as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the period.</p>		
Depreciation expense	\$	(358,209)
Capital outlays		40,686
		(317,523)
Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Assets and is not reported in the Statement of Activities.		425,000
In the Statement of Activities, the gain or loss on the refinancing of debt is reflected as a an adjustment to interest cost, whereas there is no reported revenue or loss in the Governmental Funds.		5,667
In the Statement of Activities, certain operating expenditures such as 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).		13,748
Pension contributions are reported in governmental funds as expenditures. However, in the statement of activities, the contributions are adjusted for actuarial valuation adjustments, including service and interest costs, administrative costs, investment returns, and experience/assumption. This is the amount by which net pension liability and deferred inflows/outflows related to pension changed during the period.		17,633
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.		4,092
<b>Change in Net Position of Governmental Activities (A-2)</b>	<b>\$</b>	<b>307,075</b>

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

**PROPRIETARY FUNDS**

**FAIRFIELD TOWNSHIP SCHOOL DISTRICT**  
**STATEMENT OF NET POSITION**  
**PROPRIETARY FUNDS**  
**JUNE 30, 2021**

	<b>Business-type Activities</b>	
	<b>Enterprise Funds</b>	
	<b>Food Service</b>	<b>Totals</b>
<b>ASSETS</b>		
Current Assets:		
Cash and Cash Equivalents	\$	\$
Accounts Receivable:		
Federal	115,912	115,912
State	3,690	3,690
Other	2,161	2,161
Interfund Accounts Receivable		
Inventories	21,684	21,684
Total Current Assets	143,447	143,447
Fixed Assets:		
Equipment	346,082	346,082
Accumulated Depreciation	(206,262)	(206,262)
Total Fixed Assets	139,820	139,820
Total Assets	283,267	283,267
<b>LIABILITIES</b>		
Current Liabilities:		
Accounts Payable	4,828	4,828
Interfund Payable		
Unearned Revenue	4,274	4,274
Cash Overdraft	2,107	2,107
Total Current Liabilities	11,209	11,209
<b>NET POSITION</b>		
Invested in Capital Assets, Net of Related Debt	139,820	139,820
Unrestricted	132,238	132,238
Total Net Position	\$ 272,058	\$ 272,058

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

**FAIRFIELD TOWNSHIP SCHOOL DISTRICT**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2021**

	<b>Business-type Activities - Enterprise Fund</b>	
	<b>Food Service</b>	<b>Total Enterprise</b>
Operating Revenues:		
Charges for Services:		
Daily Sales - Reimbursable Programs:		
School Breakfast Program	\$	\$
School Lunch Program		
Daily Sales - Non-Reimbursable Programs:		
Special Functions		
Total Operating Revenue		
Operating Expenses:		
Cost of Sales - Reimbursable	78,965	78,965
Salaries	75,835	75,835
Employee Benefits	13,803	13,803
Management Fees	42,975	42,975
Miscellaneous	6,422	6,422
General Supplies	4,734	4,734
Depreciation	18,682	18,682
Total Operating Expenses	241,416	241,416
Operating Income (Loss)	(241,416)	(241,416)
Non-operating Revenues (Expenses):		
State Sources:		
State School Lunch Program	13,163	13,163
Federal Sources:		
National School Breakfast Program	112,143	112,143
National School Lunch Program	185,324	185,324
Food Distribution Program	14,817	14,817
Total Non Operating Revenues (Expenses)	325,447	325,447
Income (Loss) Before Contributions & Transfers	84,031	84,031
Change in Net Position	84,031	84,031
Total Net Position—Beginning	188,027	188,027
Total Net Position—Ending	\$ 272,058	\$ 272,058

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

**FAIRFIELD TOWNSHIP SCHOOL DISTRICT**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2021**

	<b>Business-type Activities - Enterprise Funds</b>	
	<b>Food Service</b>	<b>Total Enterprise</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Receipts from Customers	\$	\$
Payments to Employees	(75,835)	(75,835)
Payments for Employee Benefits	(13,803)	(13,803)
Payments to Suppliers	(308,375)	(308,375)
	(398,013)	(398,013)
<b>Net Cash Provided by (used for) Operating Activities</b>		
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>		
State Sources	13,163	13,163
Federal Sources	312,284	312,284
Board Subsidy and Interest		
	325,447	325,447
<b>Net Cash Provided by (used for) Non-capital Financing Activities</b>		
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Purchase of Fixed Assets		
<b>Net Cash Provided by (used for) Capital and Related Financing Activities</b>		
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
<b>Net Cash Provided by (used for) Investing Activities</b>		
Net Increase (Decrease) in Cash and Cash Equivalents	(72,566)	(72,566)
Balances—Beginning of Year	72,566	72,566
Balances—End of Year	\$	\$
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided (used) by Operating Activities:</b>		
Operating Income (Loss)	\$ (241,416)	\$ (241,416)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by: (used for) Operating Activities		
Depreciation and Net Amortization	18,682	18,682
(Increase)Decrease in Accounts Receivable, Net	(109,258)	(109,258)
(Increase)Decrease in Interfund Accounts Receivable, Net		
(Increase)Decrease in Inventories	2,568	2,568
Increase(Decrease) in Accounts Payable	(15,410)	(15,410)
Increase(Decrease) in Unearned Revenue	1,185	1,185
Increase(Decrease) in Interfund Payable	(56,471)	(56,471)
Increase(Decrease) in Cash Overdraft	2,107	2,107
	(156,597)	(156,597)
<b>Total Adjustments</b>		
<b>Net Cash Provided by (used for) Operating Activities</b>	\$ (398,013)	\$ (398,013)
<b>Noncash Noncapital Financing Activities:</b>		
During the year, the District accepted \$13,829 of Food Commodities from the U. S. Department of Agriculture		

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

**Fairfield Township School District  
Notes to the Financial Statements  
June 30, 2021**

**NOTE 1. DESCRIPTION OF THE SCHOOL DISTRICT AND REPORTING ENTITY**

Fairfield Township School District is organized as a Type II District under the Constitution of the State of New Jersey. The District operates under a locally elected Board form of government consisting of nine members elected to three-year terms, which are staggered. The District provides educational services as authorized by state and federal guidelines.

The District serves an area of forty-two square miles. It is located in Cumberland County and provides education for all of Fairfield Township's grades Pre-K through 8. The District currently operates two instructional buildings with the administrative offices in the primary school building. The Fairfield Township School District had an approximate enrollment at June 30, 2021 of 561 students.

**Reporting Entity:**

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 K-8.

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

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

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

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**New Accounting Standards:**

The School District has adopted the following GASB statements:

- GASB 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 requirements of Statement will be effective for reporting periods beginning after December 15, 2019. The adoption of GASB 84 will impact the financial statements of the School District.
- GASB Statement - No. 90 - *Majority Equity Interests—an amendment of GASB Statements No. 14 and No. 61*: The primary objectives of this Statement are to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019. The adoption of GASB 90 did not impact the financial statements of the School District.



**Fairfield Township School District  
Notes to the Financial Statements  
June 30, 2021**

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**New Accounting Standards (continued):**

Other accounting standards that the School District is currently reviewing for applicability and potential impact on the financial statements include:

- **GASB 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. The requirements of Statement will be effective for reporting periods beginning after June 15, 2021. Management is evaluating the potential impact of the adoption of GASB 87 on the School District's financial statements.
- **GASB No. 89 - *Accounting for Interest Cost Incurred before the End of a Construction Period*:** The objectives of this Statement are (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period. The requirements of this Statement are effective for reporting periods beginning after December 15, 2020. Management is evaluating the potential impact of the adoption of GASB 89 on the School District's financial statements.
- **GASB Statement - No. 91 – *Conduit Debt Obligations*:** The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. The requirements of this Statement are effective for reporting periods beginning after December 15, 2021. Management is evaluating the potential impact of the adoption of GASB 91 on the School District's financial statements.
- **GASB Statement - No. 92 – *Omnibus 2020*:** The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. The requirements of this Statement are effective for reporting periods beginning after June 15, 2021. Management is evaluating the potential impact of the adoption of GASB 92 on the School District's financial statements.
- **GASB Statement - No. 93 – *Replacement of Interbank Offered Rates*:** The objective of this Statement is to address those and other accounting and financial reporting implications that result from the replacement of an IBOR. The requirements of this Statement are effective for reporting periods beginning after June 15, 2021. Management is evaluating the potential impact of the adoption of GASB 93 on the School District's financial statements.
- **GASB Statement - No. 94 – *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*:** The primary objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). The requirements of this Statement are effective for reporting periods beginning after June 15, 2022. Management is evaluating the potential impact of the adoption of GASB 94 on the School District's financial statements.

**Fairfield Township School District  
Notes to the Financial Statements  
June 30, 2021**

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**New Accounting Standards (continued):**

- GASB 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). The requirements of this Statement are effective for reporting periods beginning after June 15, 2022. Management is evaluating the potential impact of the adoption of GASB 96 on the School District's financial statements.
  
- GASB 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*: The primary objectives of this Statement are to (1) increase consistency and comparability related to the reporting of fiduciary component units; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans); and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans). The requirements of this Statement are effective for reporting periods beginning after June 15, 2021. Management is evaluating the potential impact of the adoption of GASB 97 on the School District's financial statements.

**A. Basis of Presentation:**

The District's basic financial statements consist of District-wide statements, including a statement of net position and a statement of activities, and fund financial statements, which provide a more detailed level of financial information.

District-wide Statements: The statement of net position and the statements of activities display information about the financial activities of the overall district, except for fiduciary activities. Eliminations have been made to minimize the double counting of internal activities. These statements distinguish between the *governmental* and *business-type activities* of the District. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

Fairfield Township School District  
Notes to the Financial Statements  
June 30, 2021

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**A. Basis of Presentation (Continued):**

The statement of net position presents the financial condition of the governmental and business-type activities of the District at the fiscal year end while the statement of activities presents a comparison between direct expenses and program revenues for each different business-type activity of the District and for each function of the District's governmental activities.

- Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Indirect expenses—expenses of the District related to the administration and support of the District's programs, such as personnel and accounting—are not allocated to programs.
- Program revenues include (a) charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes and state formula aid, are presented as general revenues.

**Fund Financial Statements:** During the fiscal year, the School District segregates transactions related to certain School District functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. The fund financial statements provide information about the District's funds, including its fiduciary funds. Separate statements for each fund category – *governmental*, *proprietary*, and *fiduciary* – are presented. The New Jersey Department of Education (NJDOE) has elected to require New Jersey districts to treat each governmental fund as a major fund in accordance with the option noted in GASB No. 34, paragraph 76. The NJDOE believes that the presentation of all funds as major is important for public interest and to promote consistency among district financial reporting.

**B. Fund Accounting:**

The accounts of the District are maintained in accordance with the principles of fund accounting to ensure observance of limitations and restrictions on the resources available. The principles of fund accounting require that resources be classified for accounting and reporting purposes into funds in accordance with activities or objectives specified for the resources. Each fund is a separate accounting entity with a self-balancing set of accounts. Funds are classified into three categories: governmental, proprietary and fiduciary. Each category, in turn, is divided into separate "fund types".

**GOVERNMENTAL FUND**

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

Fairfield Township School District  
Notes to the Financial Statements  
June 30, 2021

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**B. Fund Accounting (Continued):**

**GOVERNMENTAL FUND (Continued):**

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

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

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

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

**Enterprise (Food Service) Fund:** The Enterprise Funds are utilized to account for operations that are financed and operated in a manner similar to private business enterprises - where the intent of the District is that the costs (i.e. expenses including depreciation and indirect costs) of providing goods or services to the students on a continuing basis be financed or recovered primarily through user charges; or, where the District has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

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

Fairfield Township School District  
Notes to the Financial Statements  
June 30, 2021

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**B. Fund Accounting (Continued):**

**Enterprise (Food Service) Fund (Continued):**

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

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

Food Service Fund Equipment	7 – 20 Years
-----------------------------	--------------

**FIDUCIARY FUND TYPES**

**Trust and Agency Funds** - The trust and agency funds are used to account for assets held by the District on behalf of outside parties, including other governments, or on behalf of other funds within the District.

**Expendable Trust Fund** - An Expendable Trust Fund is accounted for in essentially the same manner as the governmental fund types, using the same measurement focus and basis of accounting. These Funds account for assets where both the principal and interest may be spent. Expendable Trust Funds include Unemployment Compensation Insurance and a scholarship fund.

**Nonexpendable Trust Fund** - A nonexpendable trust fund is used to account for assets held under the terms of a formal trust agreement, whereby the District is under obligation to maintain the trust principal.

**Agency Funds (Payroll and Student Activities Fund)** - Agency funds are used to account for the assets that the District holds on behalf of others as their agent. Agency funds are custodial in nature and do not involve measurement of results of operations.

**C. Basis of Accounting and Measurement Focus:**

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements.

*District-wide, Proprietary and Fiduciary Fund Financial Statements:* The District-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting; the enterprise fund and fiduciary funds use the accrual basis of accounting. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue, and in the presentation of expenses versus expenditures. Ad Valorem (Property) Taxes are susceptible to accrual as under the 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.

Fairfield Township School District  
Notes to the Financial Statements  
June 30, 2021

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**C. Basis of Accounting and Measurement Focus (Continued):**

The District is entitled to receive monies under the established payment schedule and the unpaid amount is considered to be an "accounts receivable". Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

*Governmental Fund Financial Statements:* Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

In its accounting and financial reporting, the District follows the pronouncements of the Governmental Accounting Standards Board (GASB) and the pronouncements of the Financial Accounting Standards Board (FASB) and its predecessor organizations issued on or before November 30, 1989, unless they conflict with or contradict GASB pronouncements. The District's proprietary funds have elected not to apply the standards issued by FASB after November 30, 1989. The accrual basis of accounting is used for measuring financial results of proprietary fund types and nonexpendable trust funds. Under this method, revenues are recorded in the accounting period in which they are earned and expenses are recorded at the time liabilities are incurred.

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue, and debt service funds, which are submitted to the county office. In accordance with P.L. 2011, c. 202, the School District passed a resolution to move the school board election to the first Tuesday after the first Monday in November, starting in November of 2012 and to be held simultaneously with the general election. As a result, a vote is not required on the School District's general fund tax levy for the budget year, other than the general fund tax levy required to support a proposal for additional funds, if any. Budgets are prepared using the modified accrual basis of accounting, 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 N.J.A.C. 6A:23A-16.2 (f) 1. Transfers of appropriations may be made by School Board resolution at any time during the fiscal year in accordance with N.J.A.C. 6A:23A-13.3. The Board of Education did not make any material supplemental budgetary appropriations during the fiscal year.

**D. Budgets/Budgetary Control:**

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 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.

Fairfield Township School District  
Notes to the Financial Statements  
June 30, 2021

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**D. Budgets/Budgetary Control (Continued):**

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

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

Exhibit C-3 presents a reconciliation of the general fund and special revenue fund revenues and expenditures from the budgetary basis of accounting as presented in the General fund Budgetary Comparison schedule and the Special Revenue Fund Budgetary Comparison Schedule to the GAAP basis of accounting as presented in the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds.

Note that the School District does not report encumbrances outstanding at year end as expenditures in the general fund since the general fund budget follows the modified accrual basis, with the exception of the recognition policy for the last state aid payment.

**E. Encumbrance Accounting:**

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

**F. 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.

**G. Tuition Payable:**

Tuition charges for the fiscal years 2018-2019, 2019-2020 and 2020-2021 were based on rates established by the receiving district. These rates are subject to change when the actual costs have been determined.

Fairfield Township School District  
Notes to the Financial Statements  
June 30, 2021

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**H. Inventories and Prepaid Expenses:**

Inventories and prepaid expenses, which benefit future periods, other than those recorded in the enterprise fund are recorded as an expenditure during the year of purchase.

On district-wide financial statements and in the enterprise fund inventories are valued at cost, which approximates market, using the first-in-first-out (FIFO) method. Prepaid expenses in the Enterprise Fund represent payments made to vendors for services that will benefit periods beyond June 30, 2021.

**I. Short-Term Interfund Receivables/Payables:**

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

**J. Assets, Liabilities and Equity:**

Interfund receivables/payables represent amounts that are owed, other than charges for goods or services rendered to/from a particular fund in the District and that are due within one year.

**Inventories**

On district-wide financial statements and in the enterprise fund inventories are valued at cost, which approximates market, using the first-in-first-out (FIFO) method and is expended when used. Prepaid expenses in the Enterprise Fund represent payments made to vendors for services that will benefit periods beyond June 30, 2021, included below, is Commodity Food Inventory of \$2,101.

Inventory in the Food Service Fund at June 30, 2021 consisted of the following:

Food	\$	19,021
Supplies		2,663
Total	\$	<u>21,684</u>

The value of Federal donated commodities as reflected on Schedule A (required by the Single Audit Law of 1986, as revised) 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.

**Capital Assets**

General fixed assets acquired or constructed during the year are recorded at actual cost. Donated fixed assets are valued at their estimated fair market value on the date received. The general fixed assets acquired or constructed prior to June 30, 2021 are valued at cost based on historical records or through estimation procedures performed by an independent appraisal company. General fixed assets are reflected as expenditures in the applicable governmental funds, and the related assets are reported in the Statement of Net Assets. Expenditures that enhance the asset or significantly extend the useful life of the asset are considered improvements and are added to the fixed asset's currently capitalized cost. The cost of normal repairs and maintenance are not capitalized.



Fairfield Township School District  
Notes to the Financial Statements  
June 30, 2021

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**J. Assets, Liabilities and Equity (Continued):**

**Capital Assets (Continued)**

Capital assets are depreciated in the district-wide financial statements using the straight-line method over the following estimated useful lives:

<u>Asset Class</u>	<u>Estimated Useful Lives</u>
Site Improvement	20
School Building	30-50
Building Improvements	20
Equipment	5-10

**K. Compensated Absences:**

District employees are granted vacation and sick leave in varying amounts under the District's personnel policies and negotiated contracts. In the event of termination, an employee is reimbursed for accumulated vacation. Sick leave benefits are cumulative and payable upon retirement according to contract terms.

The liability for vested compensated absences of governmental fund types is recorded in the general long-term debt account group. The current portion of the compensated absences balance is not considered material to the applicable funds total liabilities and is therefore not shown separately from the long-term liability balance of compensated absences. The liability for vested compensated absences of the proprietary fund type is recorded within those funds as the benefits accrue to employees. As of June 30, 2021, no liability existed for compensated absences in the proprietary fund types.

**L. Unearned Revenue:**

Unearned revenue in the Special Revenue Fund represents cash, which has been received but not yet earned.

**M. Operating Revenues and Expenses:**

Operating revenues are those revenues that are generated directly from the primary activity of the enterprise fund. For the School District, these revenues are sales for food service. Operating expenses are necessary costs incurred to provide the service that is the primary activity of the enterprise fund.

**N. Allocation of Indirect Expenses:**

The District reports 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 not reported separately in the Statement of Activities. Employee benefits, including the employer's share of social security, workers compensation, and medical and dental benefits, were allocated based on salaries of that program. Depreciation expense, where practicable, is specifically identified by function and is included in the 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.

Fairfield Township School District  
Notes to the Financial Statements  
June 30, 2021

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**O. Accrued Liabilities and Long-term Obligations:**

All payables, accrued liabilities, and long-term obligations are reported on the District-wide financial statements. Long-term debt is recognized as a liability of a governmental fund when due, or when resources have been accumulated in the debt service fund for payment early in the following year. For other long-term obligations, only that portion expected to be financed from expendable available financial resources is reported as a fund liability of a governmental fund. The remaining portion of such obligations is reported in the Statement of Net Assets.

**P. Fund Equity:**

Contributed capital represents the amount of fund capital contributed to the proprietary funds from other funds. Reserves represent those portions of fund equity not available for appropriation for expenditure or legally segregated for a specific future use. Designated fund balances represent plans for future use of financial resources.

**Q. Comparative Data/Reclassifications:**

Comparative total data for the prior year has been presented in order to provide an understanding of changes on the District's financial position and operations. However, comparative data has not been presented in each of the statements since their inclusion would make the statements unduly complex and difficult to read.

**R. Management Estimates:**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts of revenues and expenditures/expenses during the reporting period. Accordingly, actual results could differ from those estimates.

**S. 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 year.

**T. 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 are 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 is available.

**Fairfield Township School District  
Notes to the Financial Statements  
June 30, 2021**

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**U. Fund Balance Reserves:**

The School District reserves those portions of fund balance which are legally segregated for a specific future use or which do not represent available expendable resources and, therefore, are not available for appropriation or expenditure. Unreserved fund balance indicates that portion which is available for appropriation in future periods. A fund balance reserve has been established for encumbrances.

**V. Revenues – Exchange and Non-exchange Transactions:**

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On the modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the District, available means within sixty days of the fiscal year end. Non-exchange transactions, in which the School District receives value without directly giving equal value in return, include property taxes, income taxes, grants, entitlements, and donations. On the accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from income taxes is recognized in the period in which the income is earned.

Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or for the fiscal year when use is first permitted; matching requirements, in which the School District must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the School District on a reimbursement basis. On the modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized. Under the modified accrual basis, the following revenue sources are considered both measurable and available at fiscal year-end: property taxes available as an advance, interest, and tuition.

**W. Lease Acquisition Costs:**

As part of any long-term lease agreement, providing for the use of school buildings, payments constituting professional lease acquisition and other related professional fees will be expensed when incurred in accordance with GASB Statement No. 65. There were no such leases for the year ended June 30, 2021.

**NOTE 3. CASH AND CASH EQUIVALENTS AND INVESTMENTS**

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

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

**Fairfield Township School District  
Notes to the Financial Statements  
June 30, 2021**

**NOTE 3. CASH AND CASH EQUIVALENTS AND INVESTMENTS (CONT'D)**

Investments are stated at cost, or amortized cost, which approximates market. The amortized cost method involves valuing a security at its cost on the date of purchase and thereafter assuming a constant amortization to maturity for any discount or premium. The Board classifies certificates of deposit, which have original maturity dates of more than three months but less than twelve months from the date of purchase, as investments.

**Deposits:**

New Jersey statutes require that school districts deposit public funds in public depositories located in New Jersey, which are insured by the Federal Deposit Insurance Corporation, the Federal Savings and Loan Insurance Corporation, or by any other agency of the United States that insures deposits made in public depositories. School districts are also permitted to deposit public funds in the State of New Jersey Cash Management Fund. New Jersey statutes require public depositories to maintain collateral for deposits of public funds that exceed depository insurance limits as follows; the market value of the collateral must equal at least 5% of the average daily balance of collected public funds on deposit.

In addition to the above collateral requirement, if the public funds deposited exceed 75% of the capital funds of the depository, the depository must provide collateral having a market value at least equal to 100% of the amount exceeding 75%.

All collateral must be deposited with the Federal Reserve Bank of New York, the Federal Reserve Bank of Philadelphia, the Federal Home Loan Bank of New York, or a banking institution that is a member of the Federal Reserve System and has capital funds of not less than \$25,000,000.

**Investments:**

New Jersey statutes permit the Board to purchase the following types of securities:

- a.) Bonds or other obligations of or guaranteed by the United States.
- b.) Bonds of any Federal Intermediate Credit Bank, Federal Home Loan Bank, Federal National Mortgage Agency or of any United States Bank for Cooperatives, which have a maturity date not greater than twelve months from the date of purchase.
- c.) Bonds or other obligations of the school district.
- d.) New Jersey Cash Management Fund – New Jersey the School Districts are permitted to participate in the New Jersey Cash Management Fund. The Fund is governed by regulations of the State Investment Council, who prescribe standards designed to insure the quality of investments in order to minimize risk to the Funds participants. Deposits with the New Jersey Cash Management Fund are not subject to custodial credit risk as defined above. At June 30, 2021, the District had no funds on deposit with the New Jersey Cash Management Fund.

**Fairfield Township School District  
Notes to the Financial Statements  
June 30, 2021**

**NOTE 3. CASH AND CASH EQUIVALENTS AND INVESTMENTS (CONT'D)**

As of June 30, 2021, cash and cash equivalents and investments of the District consisted of the following:

	<u>Cash and Cash Equivalents</u>
Checking accounts	(\$ <u>242,361</u> )

As of June 30, 2021, the District had no other investments.

**Custodial Credit Risk** – Custodial credit risk is the risk that, in the event of a bank failure, the School District's deposits may not be recovered. Although the School District does not have a formal policy regarding custodial credit risk, NJSA 17:9-41 t seq. requires that the governmental units shall deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (GUDPA). GUDPA is a supplemental insurance program set forth by the New Jersey Legislature to protect the deposits of local government agencies. The program is administered by the Commissioner of the NJ Department of Banking and Insurance. Under the Act, the first \$250,000 of governmental deposits in each insured depository is protected by FDIC. Funds owned by the School District in excess of FDIC insured amounts are protected by GUDPA. As of June 30, 2021, the School District's bank balance of \$45,941 was exposed to custodial credit risk as follows:

Insured	\$ 250,000
Uninsured and collateralized with securities held by pledging financial institutions	\$ <u>45,941</u>
Total	\$ <u>295,941</u>

**Interest Rate Risk** - Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment.

**Credit Risk** - Credit risk is the risk that an issuer of an investment will not fulfill its obligations. The District does not have a policy that restricts investment choices beyond Title 18A:20-37.

**NOTE 4. OPERATING LEASES**

The District has entered into operating leases for copying equipment. During the year beginning July 1, 2020, there was one existing lease on copiers for a term of five years. The future minimum lease payments are as follows:

2021-2022	\$ 32,051
2022-2023	32,051
2023-2024	29,380
Total	\$ <u>93,482</u>

**Fairfield Township School District  
Notes to the Financial Statements  
June 30, 2021**

**NOTE 5. CAPITAL ASSETS**

Capital asset activity for the year ended June 30, 2021 was as follows:

	<b>Beginning Balance 7/1/2020</b>	<b>Additions</b>	<b>Adjustments/ Retirements</b>	<b>Ending Balance 6/30/2021</b>
<b>Governmental Activities:</b>				
<b>Capital Assets that are not being Depreciated:</b>				
Land	\$ 179,994	\$	\$	\$ 179,994
Construction in Progress				
<b>Total Capital Assets not being Depreciated</b>	<b>179,994</b>			<b>179,994</b>
Site Improvements	425,996			425,996
Building and Building Improvements	15,573,337	40,686		15,614,023
Machinery and Equipment	484,573			484,573
<b>Totals at Historical Cost</b>	<b>16,483,906</b>	<b>40,686</b>		<b>16,524,592</b>
<b>Less Accumulated Depreciation for :</b>				
Site Improvements	(160,322)	(16,294)		(176,616)
Building and Improvements	(4,828,515)	(315,535)		(5,144,050)
Equipment	(414,669)	(26,380)		(441,049)
<b>Total Accumulated Depreciation</b>	<b>(5,403,506)</b>	<b>(358,209)</b>		<b>(5,761,715)</b>
<b>Total Capital Assets being Depreciated, Net of Accumulated Depreciation</b>	<b>11,080,400</b>	<b>(317,523)</b>		<b>10,762,877</b>
<b>Government Activities</b>				
<b>Capital Assets, Net</b>	<b>\$11,260,394</b>	<b>\$(317,523)</b>	<b>\$</b>	<b>\$ 10,942,871</b>
	<b>To A-1</b>			<b>To A-1</b>
Business-type Activities - Equipment	\$ 346,082	\$	\$	\$ 346,082
Less Accumulated Depreciation	(187,580)	(18,682)		(206,262)
<b>Business-type Activities</b>				
<b>Capital Assets, Net</b>	<b>\$158,502.00</b>	<b>\$ (18,682)</b>	<b>\$</b>	<b>\$ 139,820</b>
Depreciation expense was charged to governmental functions as follows:				
	Unallocated		\$	358,209

**Fairfield Township School District  
Notes to the Financial Statements  
June 30, 2021**

**NOTE 6. LONG-TERM OBLIGATIONS**

During the fiscal year ended June 30, 2021, the following changes occurred in long-term obligations:

	<u>Beginning Balance 7/1/2020</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance 6/30/2021</u>	<u>Due within One Year</u>	<u>Long-term Portion</u>
<b>Governmental Activities:</b>						
General Obligation						
Bonds Payable	\$ 2,550,000	\$	\$ (425,000)	\$ 2,125,000	\$ 440,000	\$ 1,685,000
Compensated Absences						
Payable	190,608		(13,748)	176,860		176,860
Net Pension Liability	2,361,303		720,233	1,641,070		1,641,070
Total Other Liabilities	<u>\$ 5,101,911</u>	<u>\$</u>	<u>\$ 281,485</u>	<u>\$ 3,942,930</u>	<u>\$ 440,000</u>	<u>\$ 3,502,930</u>
						<b>To A-1</b>

**A. Bonds Payable:**

General obligation Bonds are authorized in accordance with State law by the voters of the municipality through referendums and retired in serial installments within the statutory period of usefulness.

As of June 30, 2021, there exists a balance of outstanding principal in the 2010 and refunded 2004 bond issues totaling \$2,550,000. Combined Principal and interest due on the two serial bond issues outstanding as of June 30, 2021 are as follows:

Year Ending June 30	Principal	Interest	Total
2022	\$ 440,000	\$ 80,825	\$ 520,825
2023	460,000	67,125	527,125
2024	475,000	49,000	524,000
2025	110,000	30,000	140,000
2026	120,000	25,600	145,600
2027	120,000	20,800	140,800
2028	130,000	16,000	146,000
2029	130,000	10,800	140,800
2030	140,000	5,600	145,600
	<u>\$ 2,125,000</u>	<u>\$ 305,750</u>	<u>\$ 2,430,750</u>

**B. Bonds Authorized But Not Issued:**

As of June 30, 2021, the Board had no bonds authorized but not issued.

**C. Capital Leases Payable:**

The District had no capital leases during the fiscal year ended June 30, 2021.

**Fairfield Township School District  
Notes to the Financial Statements  
June 30, 2021**

**NOTE 7. CAPITAL RESERVE ACCOUNT**

A capital reserve account was established by the Township of Fairfield Board of Education by the original 1994-95 annual capital outlay budget, which was certified for taxes, for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

Funds placed in the capital reserve account are restricted to capital projects in the District's approved Long-Range Facilities Plan (LRFP). 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 N.J.S.A.19:60-2. Pursuant to N.J.A.C. 6A:23A-14.1(g), the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP. The LRFP balance of local support costs of uncompleted capital projects at June 30, 2021 is \$844,237.

In the 2001-02 school-year, the District established a Capital Reserve Account by board resolution.

The Capital Reserve account had a zero balance as of June 30, 2021.

**NOTE 8. MAINTENANCE RESERVE**

A Maintenance Reserve account was established by the Township of Fairfield Board of Education by resolution in the 2008-09 school-year. At June 30, 2021 there was a \$4,756 balance, which was appropriated in the 2021-2022 budget. The maximum allowable Maintenance Reserve is \$575,398.

**NOTE 9. PENSION PLANS**

**Description of Plans** - Eligible employees of the School District can be covered by Public Employees' Retirement System (PERS), Teachers' Pension and Annuity Fund (TPAF), or Defined Contribution Retirement Program (DCRP). PERS and TPAF are administered by the New Jersey Division of Pension and Benefits (NJDPB) and the DCRP is jointly administered by Prudential and NJDPB. The NJDPB issues publicly available financial reports that include financial statements and required supplementary information for the systems. These reports may be obtained online at <https://www.nj.gov/treasury/pensions/financial-reports.shtml>.

**Public Employees' Retirement System**

The PERS is a cost sharing multiple-employer defined benefit pension plan that was established in 1955. The PERS provides retirement, death and disability, and medical benefits to qualified members. The vesting and benefit provisions for PERS are set by N.J.S.A. 43:15A. All benefits vest after ten years of service, except for medical benefits that vest after 25 years of service or under the disability provisions of PERS.



Fairfield Township School District  
Notes to the Financial Statements  
June 30, 2021

**NOTE 9. PENSION PLANS (CONT'D)**

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

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

The following represents the membership tiers for PERS:

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

**Contributions** - The contribution policy is set by N.J.S.A. 43:15A and requires contributions by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. The PERS member total contribution rate as of July 1, 2019 was 7.5% of base salary. The District employees' contributions for the year ended June 30, 2021 were 32,567. Employers in PERS are required to contribute at an actuarially determined rate which includes funding for cost-of-living adjustments, noncontributory death benefits, and post-retirement medical premiums. The PERS employer rate due in 2021 is 15.11% of covered payroll. The District is billed annually for its normal contribution plus any accrued liability. These contributions were paid by the District and equal to the required contributions for each year. The District's contributions to PERS for the years ended June 30, 2021, and 2020, were \$112,418 and \$131,412 respectively.

The total payroll for the year ended June 30, 2021 was \$4,453,953. Payroll covered by PERS was \$562,953 for fiscal year 2021.

**Components of Net Pension Liability** - At June 30, 2021, the District's proportionate share of the PERS net pension liability was \$1,641,070. The net pension liability was measured as of June 30, 2020. The District's proportion of the net pension liability was based on the District's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2020. The District's proportion measured as of June 30, 2020 was 0.010063% which was a decrease of 0.00304% from its proportion measured as of June 30, 2019.

**Fairfield Township School District  
Notes to the Financial Statements  
June 30, 2021**

**NOTE 9. PENSION PLANS (CONT'D)**

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

**Pension Expense and Deferred Outflows/Inflows of Resources** - The District's 2021 PERS pension expense, with respect to GASB 68, was \$73,460. The District's 2021 deferred outflows of resources and deferred inflows of resources were from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 29,881	\$ 5,804
Changes of assumptions	53,238	687,131
Net difference between projected and actual earnings on pension plan investments	56,093	
Changes in proportion	702,707	627,024
Contributions subsequent to the measurement date	112,418	
<b>Total</b>	<b>\$ 954,337</b>	<b>\$ 1,319,959</b>

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

<u>Year</u>		<u>PERS</u>
2021	\$	(185,125)
2022		(120,057)
2023		(22,574)
2024		(121,996)
2025		(28,289)
Thereafter		
<b>Total</b>	<b>\$</b>	<b>(478,041)</b>

**Additional Information** - Collective Balances at June 30, 2021 and 2020 are as follows:

<u>Year</u>		<u>2021</u>		<u>2020</u>
Collective deferred outflows of resources	\$	954,337	\$	1,332,923
Collective deferred inflows of resources		1,319,959		995,945
Collective Net Pension Liability		1,641,070		2,361,303
District's Proportion		0.010063%		0.013105%

Fairfield Township School District  
Notes to the Financial Statements  
June 30, 2021

**NOTE 9. PENSION PLANS (CONT'D)**

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

**Actuarial Assumptions** - The total pension liability for the June 30, 2020 measurement date was determined by an actuarial valuation as of July 1, 2019, which was rolled forward to June 30, 2020. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

	<u>PERS</u>
Investment Rate of Return	7.00%
Salary Scale (Based on Age):	
Through 2026	2.00% - 6.00%
Thereafter	3.00% - 7.00%
Inflation Rate – Price	2.75%
Inflation Rate – Wage	3.25%

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, 2019 valuation were based on the results of an actuarial experience study for the period July 1, 2014 to June 30, 2018

**Long-Term Expected Rate of Return** – In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2020) is determined by the State Treasurer, after consultation with the Directors of the Division of Investment and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

**Fairfield Township School District  
Notes to the Financial Statements  
June 30, 2021**

**NOTE 9. PENSION PLANS (CONT'D)**

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

Best estimates of arithmetic rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2020 are summarized in the following table:

Asset Class	PERS Target Allocation	Long-Term Expected Real Rate of Return
U.S. Equity	27.00%	7.71%
Non-U.S. Developed Markets Equity	13.50%	8.57%
Emerging Markets Equity	5.50%	10.23%
Private Equity	13.00%	11.42%
Real Assets	3.00%	9.73%
Real Estate	8.00%	9.56%
High Yield	2.00%	5.95%
Private Credit	8.00%	7.59%
Investment Grade Credit	8.00%	2.67%
Cash Equivalents	4.00%	0.50%
U.S. Treasuries	5.00%	1.94%
Risk Mitigation Strategies	3.00%	3.40%
Total	100.00%	

**Discount Rate** - The discount rate used to measure the total pension liability was 7.00% as of June 30, 2020. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity will be based on 78% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments to determine the total pension liability.

**Fairfield Township School District  
Notes to the Financial Statements  
June 30, 2021**

**NOTE 9. PENSION PLANS (CONT'D)**

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

**Sensitivity of the Collective Net Pension Liability to Changes in the Discount Rate** - The following presents the collective net pension liability of the participating employers as of June 30, 2020, calculated using the discount rate as disclosed above, as well as what the collective net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	1% Decrease (6.00%)	Current Discount (7.00%)	1% Increase (8.00%)
District's Proportionate Share of the Net Pension Liability	\$ <u>2,082,077</u>	\$ <u>1,641,070</u>	\$ <u>1,290,717</u>

**Teachers' Pension and Annuity Fund**

The State of New Jersey Teachers' Pension and Annuity Fund (TPAF) is a cost sharing multiple-employer defined benefit pension plan with a special funding situation that was established in 1955. 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.

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

The following represents the membership tiers for TPAF:

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

**Special Funding Situation** - The employer contributions for local participating employers are legally required to be funded by the State in accordance with N.J.S.A 18:66-33. Therefore, these local participating employers are considered to be in a special funding situation as defined by GASB Statement No. 68 and the State is treated as a nonemployer contributing entity. Since the local participating employers do not contribute directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to report in the financial statements of the local participating employers. However, the notes to the financial statements of the local participating employers must disclose the portion of the nonemployer contributing entities' total proportionate share of the net pension liability that is associated with the local participating employer. In addition, each local participating employer must recognize pension expense associated with the employer as well as revenue in an amount equal to the nonemployer contributing entities' total proportionate share of the collective pension expense associated with the local participating employer.

Fairfield Township School District  
Notes to the Financial Statements  
June 30, 2021

**NOTE 9. PENSION PLANS (CONT'D)**

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

**Contributions** - The contribution policy is set by N.J.S.A. 18A:66 and requires contributions by active members and contributing employers. The member contribution rate was 7.5% in as of July 1, 2019. The State's pension contribution is based on an actuarially determined amount which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid. For fiscal year 2019, the State's pension contribution was less than the actuarial determined amount. Under current statute, all employer contributions are made by the State of New Jersey on-behalf of the District and all other related non-contributing employers. No normal or accrued liability contribution by the District has been required over several preceding fiscal years. These on-behalf contributions by the State of New Jersey are considered a special funding situation, under the definition of GASB 68, Accounting and Financial Reporting for Pensions. The District was not required to make any contributions to the pension plan during the fiscal year ended June 30, 2021 because of the 100% special funding situation with the State of New Jersey.

During the fiscal year ended June 30, 2021, the State of New Jersey contributed \$1,012,952 to the TPAF for pension contributions, \$317,443 for post-retirement benefits on behalf of the School, and \$768 for long-term disability. Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the District \$255,219 during the year ended June 30, 2021 for the employer's share of social security contributions for TPAF members, as calculated on their base salaries.

**Components of Net Pension Liability** - At June 30, 2021, the District was not required to report a liability for its proportionate share of the net pension liability because of a 100% reduction for State of New Jersey pension support provided to the District.

**Pension Expense** - For the year ended June 30, 2021, the District recognized pension expense of \$1,508,561 and revenue of \$1,508,561 for support provided by the State.

**Actuarial Assumptions** - The total pension liability for the June 30, 2020 measurement date was determined by an actuarial valuation as of July 1, 2019, which was rolled forward to June 30, 2020. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

	<u>TPAF</u>
Investment Rate of Return	7.00%
Salary Scale (Based on Age):	
Through 2026	1.55% - 4.45%
Thereafter	2.75% - 5.65%
Inflation Rate – Price	2.75%
Inflation Rate – Wage	3.25%

Fairfield Township School District  
Notes to the Financial Statements  
June 30, 2021

**NOTE 9. PENSION PLANS (CONT'D)**

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

**Long-Term Expected Rate of Return** - Best estimates of arithmetic real rates of return for each major asset class included in TPAF's target asset allocation as of June 30, 2020 are summarized in the following table:

	TPAF	
Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
U.S. Equity	27.00%	7.71%
Non-U.S. Developed Markets Equity	13.50%	8.57%
Emerging Markets Equity	5.50%	10.23%
Private Equity	13.00%	11.42%
Real Assets	3.00%	9.73%
Real Estate	8.00%	9.56%
High Yield	2.00%	5.95%
Private Credit	8.00%	7.59%
Investment Grade Credit	8.00%	2.67%
Cash Equivalents	4.00%	0.50%
U.S. Treasuries	5.00%	1.94%
Risk Mitigation Strategies	3.00%	3.40%
Total	<u>100.00%</u>	

**Discount Rate** - The discount rate used to measure the total pension liability was 5.40% as of June 30, 2020. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.00% and a municipal bond rate of 2.21% as of June 30, 2020 based on the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be based on 78% of the actuarially determined contributions for the State. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2062. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2062 and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

**Fairfield Township School District  
Notes to the Financial Statements  
June 30, 2021**

**NOTE 9. PENSION PLANS (CONT'D)**

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

**Sensitivity of the Collective Net Pension Liability to Changes in the Discount Rate** - The following presents the collective net pension liability of the participating employers as of June 30, 2020, calculated using the discount rate as disclosed above, as well as what the collective net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	1% Decrease (4.40%)		Current Discount (5.40%)		1% Increase (6.40%)
State's Share of the Net Pension Liability associated with the District	\$ 28,558,275	\$	24,259,528	\$	20,787,714
State's Share of the Net Pension Liability	\$ <u>77,517,093,055</u>	\$	<u>65,993,498,688</u>	\$	<u>56,425,087,777</u>

**Defined Contribution Retirement Program (DCRP)**

The Defined Contribution Retirement Program (DCRP) is a multiple-employer defined contribution pension fund that was established in 2007 under the provisions of N.J.S.A 43:15C-1. The DCRP provides eligible members with a tax-sheltered, defined contribution retirement benefit, along with life insurance and long-term disability coverage. Vesting and benefit provisions are established by N.J.S.A. 43:15C-1 et seq.

The following represents the individuals eligible for membership in the DCRP:

Eligibility

1. State or Local Officials who are elected or appointed on or after July 1, 2007
2. Employees enrolled in the PERS or TPAF on or after July 1, 2007, who earn salary in excess of established "maximum compensation" limits
3. Employees enrolled in the PFRS or SPRS after May 21, 2010, who earn salary in excess of established "maximum compensation" limits
4. Employees otherwise eligible to enroll in the PERS or TPAF on or after November 2, 2008, who do not earn the minimum annual salary for PERS or TPAF Tier 3 enrollment but who earn salary of at least \$5,000 annually
5. Employees otherwise eligible to enroll in the PERS or TPAF after May 21, 2010, who do not work the minimum number of hours per week required for PERS or TPAF Tier 4 or Tier 5 enrollment but who earn salary of at least \$5,000 annually

**Contributions** – The contribution policy is set by N.J.S.A 43:15C-3 and requires contributions by active members and contributing employers. Plan members are required to contribute 5.5% of their base salary and the District's employer match is an additional 3% contribution. For the year ended June 30, 2021, employee contributions totaled \$5,352 and the District's employer contribution, recognized in pension expense, was \$2,919. There were no forfeitures during the fiscal year.

**Pension Plan Fiduciary Net Position** - Detailed information about each pension plan's fiduciary net position is available in the separately issued New Jersey Division of Pension and Benefits financial report. Information on where to obtain the report is indicated at the beginning of this note.



**Fairfield Township School District  
Notes to the Financial Statements  
June 30, 2021**

**NOTE 10. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)**

**General Information about the OPEB Plan**

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

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

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

**Special Funding Situation**

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

**Fairfield Township School District  
Notes to the Financial Statements  
June 30, 2021**

**NOTE 10. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONT'D)**

**Total OPEB Liability**

The State of New Jersey's total OPEB liability, as of the measurement date of June 30, 2020, was \$67,809,962,608. Of this amount, the total OPEB liability attributable to the School District was \$29,721,331. The State of New Jersey's proportionate share of the total OPEB liability is 100%, including the proportion attributable to the School District of 0.04383%. The total OPEB liability for the School District measured as of June 30, 2020 is zero as a result of the Special Funding Situation with the State of New Jersey. The School District's proportionate share of the total OPEB liability measured as of June 30, 2020 is 0.00%. Accordingly, the School District did not recognize any portion of the collective net OPEB liability on the Statement of Net Position.

**Total Nonemployer OPEB Liability**

The total nonemployer OPEB liability as of June 30, 2020 was determined by an actuarial valuation as of June 30, 2019, which was rolled forward to June 30, 2020. 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:

	<u>TPAF/ABP</u>	<u>PERS</u>	<u>PFRS</u>
Inflation Rate	2.50%	2.50%	2.50%
	Based on	Based on	Based on
Salary Increases:	Service Years	Service Years	Service Years
Through 2026	1.55% - 4.45%	2.00% - 6.00%	3.25% - 15.25%
Thereafter	1.55% - 4.45%	3.00% - 7.00%	Applied to all future years

Preretirement mortality rates were based on the Pub-2010 Healthy "Teachers" (TPAF/ABP), "General" (PERS), and "Safety" (PFRS) classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2020. 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-2020. 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-2020.

The actuarial assumptions used in the June 30, 2019 valuation were based on the results of actuarial experience studies for the periods July 1, 2015 – June 30, 2018, July 1, 2014 – June 30, 2018, and July 1, 2013 – June 30, 2018 for TPAF, PERS and PFRS, respectively.

**Health Care Trend Assumptions**

For pre-Medicare medical benefits, the trend rate is initially 5.6% and decreases to a 4.5% long-term trend rate after seven years. For post-65 medical benefits, the actual fully-insured Medicare Advantage trend rates for fiscal year 2021 through 2022 are reflected. The assumed post-65 medical trend is 4.5% for all future years. For prescription drug benefits, the initial trend rate is 7.0% and decreases to a 4.5% long-term trend rate after seven years. For the Medicare Part B reimbursement, the trend rate is 5.0%.

**Fairfield Township School District  
Notes to the Financial Statements  
June 30, 2021**

**NOTE 10. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONT'D)**

**Discount rate**

The discount rate for June 30, 2020 was 2.21%. This represents the municipal bond return rate as chosen by the Division. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. As the long-term rate of return is less than the municipal bond rate, it is not considered in the calculation of the discount rate, rather the discount rate is set at the municipal bond rate.

**Changes in the Total OPEB Liability**

State of New Jersey		<b>Total OPEB Liability</b>
<b>Balance as of June 30, 2019 Measurement Date</b>	\$	41,729,081,045
Changes for the year:		
Service Cost		1,790,973,822
Interest		1,503,341,357
Changes of Benefit Terms		
Differences between Expected and Actual		11,544,750,637
Changes of Assumptions		12,386,549,981
Benefit Payments		35,781,384
Contributions from Members		(1,180,515,618)
<b>Net Changes</b>		26,080,881,563
<b>Balance as of June 30, 2020 Measurement Date</b>	\$	67,809,962,608

**Sensitivity of Total Nonemployer OPEB Liability to changes in the discount rate:**

The following presents the total nonemployer OPEB liability as of June 30, 2020, respectively, calculated using the discount rate as disclosed above as well as what the total nonemployer OPEB liability would be if it was calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	<b>June 30, 2020</b>		
	At 1.00% Decrease	At Discount Rate	At 1.00% Increase
	2.50%	3.50%	4.50%
\$	81,748,410,002	67,809,962,608	56,911,439,160

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

The following presents the total nonemployer OPEB liability as of June 30, 2020, calculated using the healthcare trend rate as disclosed above as well as what the total nonemployer OPEB liability would be if it was calculated using a healthcare trend rate that is 1- percentage point lower or 1-percentage point higher than the current rate:

	<b>June 30, 2020</b>		
	1.00% Decrease	Healthcare Cost Trend Rate	1.00% Increase
\$	54,738,488,540	67,809,962,608	83,375,182,975

**Fairfield Township School District  
Notes to the Financial Statements  
June 30, 2021**

**NOTE 10. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONT'D)**

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

For the year ended June 30, 2021, the School District recognized OPEB expense of \$1,463,103. The School District reported deferred outflows of resources and deferred inflows of resources from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences Between Expected and Actual Experience	\$ 5,068,208	\$ 4,514,579
Changes of Assumptions	5,678,113	3,809,038
Net difference Between Projected and Actual Earnings on OPEB Plan Investments		
Changes in Proportion	466,642	985,065
Contributions Subsequent to the Measurement Date		
Total	<u>\$ 11,212,963</u>	<u>\$ 9,308,682</u>

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

<u>Measurement Period Ending June 30,</u>		<u>OPEB</u>
2021	\$	(3,905)
2022		(3,905)
2023		(3,905)
2024		(3,905)
2025		(3,905)
Thereafter		<u>1,923,806</u>
Total	\$	<u>1,904,281</u>

**NOTE 11. DEFERRED COMPENSATION**

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

Fairfield Township School District  
Notes to the Financial Statements  
June 30, 2021

**NOTE 12. INTERFUND RECEIVABLES AND PAYABLES**

The following interfund balances remained on the balance sheet at June 30, 2021.

<u>Fund</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
General Fund	\$ 72,061	
Special Revenue Fund	428	72,061
Capital Project Fund		428
Enterprise Fund	-	
	<u>\$ 72,489</u>	<u>\$ 72,489</u>

**NOTE 13. RISK MANAGEMENT**

The District participates in the Gloucester, Cumberland, and Salem School Districts Joint Insurance Fund (GCSSDJIF). The Fund pools together member District resources, and, through consultation with insurance professionals, purchases coverage's, which include worker's compensation, property, general, automobile and school board legal liability, and boiler and machinery insurances.

As a member of the Fund, the Board is obligated for the prompt payment of any and all sums due to the Fund in accordance with its bylaws, statutes or regulations. However, the Board is not obligated for claims and expenses of another member District that are not covered by the Fund, or for that portion of any claim or liability which exceeds the Fund's limits of coverage.

A detailed schedule of the insurance coverages provided by the Fund is included in the statistical section of the District's Comprehensive Annual Financial Report.

**NOTE 14. LITIGATION**

According to the attorney, the district is involved in one lawsuit incidental to its operations and is being defended by the Board's insurance carrier. The total maximum exposure is considered material to the financial statements taken as a whole, but the actual value of the claim is to be determined.

**NOTE 15. INVESTMENT IN CAPITAL ASSETS, NET OF RELATED DEBT**

The balance in the investment of capital assets of \$8,938,013 on Exhibit A-1 reflects the allocation of the outstanding bonded debt as a liability, whereas the proceeds of the bonds will remain in the capital projects fund until such time as the project costs are expended. At that time, the costs are transferred into the heading of Capital Assets.

**NOTE 16. FUND BALANCE**

**General Fund**

Of the (\$300,848) General Fund balance at June 30, 2021, \$7,458 is assigned for encumbrances; There is no restricted Excess Surplus; \$4,756 is restricted for Maintenance Reserve, of which none has been appropriated and included as anticipated revenue for the year ended June 30, 2022; \$0 has been restricted for Capital Reserve, of which none has been assigned and appropriated as anticipated revenue for the year ended June 30, 2022; \$0 has been assigned and appropriated as anticipated revenue for the year ended June 30, 2022 and (\$313,062) represents unassigned and an unrestricted deficit in fund balance. The above amounts exclude the 19th and 20th state aid payment received in July, 2021 in the amount of \$580,811.

Fairfield Township School District  
Notes to the Financial Statements  
June 30, 2021

**NOTE 16. FUND BALANCE (CONT'D)**

**Debt Service Fund**

There is no fund balance in the Debt Service Fund balance at June 30, 2021,

**NOTE 17. CALCULATION OF EXCESS SURPLUS**

In accordance with N.J.S.A. 18A:7F-7, as amended, the designation for Reserved Fund Balance – Excess Surplus is a required calculation pursuant to the NJ Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to reserve General Fund balance at the fiscal year end of June 30, if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. There was no excess surplus reported as of June 30, 2021.

**NOTE 18. DEFICIT FUND BALANCES**

The District had a deficit in Unassigned fund balance of (\$313,062) in the General Fund and (\$101,144) in the Special Revenue Fund as of June 30, 2021 as reported in the fund statements (modified accrual basis). P.L. 2004, c.97 provides that in the event a state school aid payment is not made until the following school budget year, districts must record the last state aid payment as revenue, for budgeted 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 as asset, the other government recognizes a liability. Since the state is recording the last state aid payment in the subsequent fiscal year, the school district cannot recognize the last state aid payment on the GAAP financial statements until the year the state records the payable. Due to the timing difference of recording the last state aid payment, the General and Special Revenue Fund balances do not alone indicate that the district is facing financial difficulties.

Pursuant to N.J.S.A. 18A:22-44.2, any negative unreserved, undesignated general fund balance that is reported as a direct result from a delay in the payment of state aid until the following fiscal year is not considered in violation of New Jersey statute and regulation nor in need of corrective action. The District's general fund deficit is less than the last state aid payments of \$580,811 and the special revenue fund deficit of \$101,144 is equal to the last state aid payments.

**NOTE 19. STATE SCHOOL ANTICIPATION NOTES**

There were two short-term notes payable on June 30, 2020, each at an interest rate of 1.95% and maturing on July 10, 2020. The principal amounts were \$354,782 and \$354,781. There were no loans payable as of June 30, 2021.

**Fairfield Township School District**  
**Notes to the Financial Statements**  
**June 30, 2021**

**NOTE 20. RECEIVABLES**

Receivables at June 30, 2021 consisted of accounts (fees) and intergovernmental grants. All receivables are considered collectible in full due to the stable condition of State programs and the current fiscal year guarantee of federal funds. Receivables as of year-end for the School District's individual major and fiduciary funds, in the aggregate, are as follows:

<u>Receivables:</u>	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Proprietary Funds</u>	<u>Total</u>
Federal	\$ 5,594	\$ 327,700	\$ 115,912	\$ 449,206
State	38,685		3,690	42,375
Other Intergovernmental	3,295		2,161	5,456
Totals	<u>\$ 47,574</u>	<u>\$ 327,700</u>	<u>\$ 121,763</u>	<u>\$ 497,037</u>

**NOTE 21. LAND PURCHASE**

On August 28, 1996 the Board completed the purchase of a 62-acre tract of land on Buckshutem Road. The Board's intention was to utilize the land as future school building site. The purchase price of the land was \$156,750, which was appropriated by the Board from fund balance and encumbered in the general fund during the 1995-96 fiscal year.

With the choice of the Board-owned property on Gouldtown-Woodruff Road to build the new school also having adequate land for possible future expansion, the Buckshutem Road property became excess. On September 22, 2004, the DOE granted the Board request for approval to sell the Buckshutem Road property. When the pre-sale appraisal came in at only \$116,000, the Board elected to hold the property in anticipation of a future increase in value.

Fairfield Township School District  
Notes to the Financial Statements  
June 30, 2021

**NOTE 22. PRIOR YEAR ADJUSTMENT**

GASB 84, *Fiduciary Activities*, was implemented during the fiscal year June 30, 2021. As part of this implementation, the Student Activities Fund is now reported in the Special Revenue Fund. The ending balances as of June 30, 2020 were restated due to the implementation as follows:

	Balance June 30, 2020 as Previously Reported	Retroactive Adjustments	Balance June 30, 2020 Restated
Statement of Net Activities - Governmental Activities			
Net Position	\$ 5,881,918	\$ 13,263	\$ 5,895,181
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds:			
General Fund	(521,260)	-	(521,260)
Special Revenue	(128,398)	13,263	(115,135)
Statement of Changes in Fiduciary Net Position - Fiduciary Funds:			
Student Activities	13,263	(13,263)	

**NOTE 23. SUBSEQUENT EVENTS**

There were no other events noted, between the year-end and the date of the audit report, requiring disclosure.

End of Notes to the Financial Statements



**REQUIRED SUPPLEMENTARY INFORMATION – PART II**

**BUDGETARY COMPARISON SCHEDULES**

**FAIRFIELD TOWNSHIP SCHOOL DISTRICT**  
**BUDGETARY COMPARISON SCHEDULE**  
**GENERAL FUND**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual Favorable (Unfavorable)</u>
<b>Revenues:</b>					
Local Sources:					
Local Tax Levy	\$ 1,142,036	\$	\$ 1,142,036	\$ 1,142,036	\$
Tuition from Other LEAs Within State	12,627		12,627	20,559	7,932
Interest on Investments				797	797
Interest Earned on Capital Reserve	5		5	5	
Interest on Maintenance Reserve	5		5	5	
Miscellaneous	74,014		74,014	63,678	(10,336)
<b>Total Local Sources</b>	<b>1,228,687</b>		<b>1,228,687</b>	<b>1,227,080</b>	<b>(1,607)</b>
State Sources:					
Equalization Aid	5,178,123		5,178,123	5,178,123	
Categorical Transportation Aid	163,986		163,986	163,986	
Categorical Special Education Aid	357,285		357,285	357,285	
Categorical Security Aid	168,555		168,555	168,555	
Adjustment Aid	238,708		238,708	238,708	
Other State Aids:					
Additional Non-Public Transportation Aid				1,160	1,160
Extraordinary Aid				24,342	24,342
On Behalf TPAF Pension					
Contribution (Non-budgeted)				1,012,952	1,012,952
On Behalf TPAF Post Retirement					
Contribution (Non-budgeted)				317,443	317,443
On Behalf TPAF Long-Term Disability					
Contribution (Non-budgeted)				768	768
Reimbursed TPAF Social Security					
Contribution (Non-budgeted)				255,219	255,219
<b>Total State Sources</b>	<b>6,106,657</b>		<b>6,106,657</b>	<b>7,718,541</b>	<b>1,611,884</b>
Federal Sources:					
Medicaid	14,059		14,059	11,000	(3,059)
<b>Total Federal Sources</b>	<b>14,059</b>		<b>14,059</b>	<b>11,000</b>	<b>(3,059)</b>
<b>Total Revenues</b>	<b>7,349,403</b>		<b>7,349,403</b>	<b>8,956,621</b>	<b>1,607,218</b>

**FAIRFIELD TOWNSHIP SCHOOL DISTRICT**  
**BUDGETARY COMPARISON SCHEDULE**  
**GENERAL FUND**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual Favorable (Unfavorable)</u>
<b>Expenditures:</b>					
<b>Current Expense:</b>					
Instruction - Regular Program:					
Salaries of Teachers:					
Preschool Inclusion	\$	\$	\$	\$	\$
Kindergarten	112,738		112,738	112,738	
Grades 1-5	1,092,922	42,413	1,135,335	1,135,335	
Grades 6-8	684,889	8,582	693,471	693,471	
Home Instruction:					
Salaries of Teachers	18,843	(2,750)	16,093	14,874	1,219
Undistributed Instruction - Regular:					
Other Salaries for Instruction	93,807		93,807	93,807	
Purchased Professional - Educational Services	76,606	(18,839)	57,767	49,184	8,583
Other Purchased Services					
General Supplies	34,125	45,609	79,734	78,559	1,175
Total Regular Programs	<u>2,113,930</u>	<u>75,015</u>	<u>2,188,945</u>	<u>2,177,968</u>	<u>10,977</u>
Learning and Language Disabilities:					
Salaries of Teachers	59,754	2,582	62,336	62,336	
Other Salaries for Instruction	57,613	(24,587)	33,026	33,026	
General Supplies	500		500		500
Total Learning and/or Language Disabilities	<u>117,867</u>	<u>(22,005)</u>	<u>95,862</u>	<u>95,362</u>	<u>500</u>
Behavioral Disabilities:					
Salaries of Teachers					
General Supplies					
Total Behavioral Disabilities					
Multiple Disabilities:					
Salaries of Teachers	131,472	(99,945)	31,527	31,527	
Total Multiple Disabilities	<u>131,472</u>	<u>(99,945)</u>	<u>31,527</u>	<u>31,527</u>	
Resource Room:					
Salaries of Teachers	302,209	(107,141)	195,068	195,068	
Purchased Professional - Educational Services		9,000	9,000	2,017	6,983
Total Resource Room	<u>302,209</u>	<u>(98,141)</u>	<u>204,068</u>	<u>197,085</u>	<u>6,983</u>
Total Special Education	<u>551,548</u>	<u>(220,091)</u>	<u>331,457</u>	<u>323,974</u>	<u>7,483</u>
Basic Skills/Remedial - Instruction:					
Salaries of Teachers					
General Supplies					
Total Basic Skills/Remedial					

**FAIRFIELD TOWNSHIP SCHOOL DISTRICT**  
**BUDGETARY COMPARISON SCHEDULE**  
**GENERAL FUND**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual Favorable (Unfavorable)</u>
<b>Expenditures (Continued):</b>					
<b>Current Expense (Continued):</b>					
Bilingual Education - Instruction					
Salaries of Teachers	\$ 60,954	\$ (21,000)	\$ 39,954	\$ 24,382	\$ 15,572
Total Bilingual Education - Instruction	60,954	(21,000)	39,954	24,382	15,572
School - Sponsored Co-curricular Activities - Instruction:					
Salaries	9,750		9,750	5,900	3,850
Total School - Sponsored Co-curricular Activities	9,750		9,750	5,900	3,850
School - Sponsored Athletics - Instruction:					
Salaries	1,800		1,800		1,800
Total School - Sponsored Athletics - Instruction	1,800		1,800		1,800
Total Instruction	2,737,982	(166,076)	2,571,906	2,532,224	39,682
<b>Undistributed Expenditures:</b>					
Instruction:					
Tuition - Other LEAs within the State - Regular					
Tuition - Other LEAs within the State - Special	62,000	(62,000)			
Tuition to CSSD & Regional Day Schools	126,000	20,298	146,298	146,107	191
Tuition - Other		984	984		984
Total Instruction	188,000	(40,718)	147,282	146,107	1,175
Attendance and Social Work:					
Salaries					
Salaries of Family Liaisons					
Other Purchased Services					
Supplies and Materials					
Total Attendance and Social Work					
Health Services:					
Salaries	48,714		48,714	48,714	
Other Purchased Services	1,781	(6)	1,775	1,775	
Supplies & Materials	1,485	4,063	5,548	5,153	395
Total Health Services	51,980	4,057	56,037	55,642	395
Other Support Services - Student - Related Services:					
Purchased Professional - Educational Services	22,000	4,728	26,728	22,989	3,739
Total - Other Support Serv - Student - Related Serv	22,000	4,728	26,728	22,989	3,739

**FAIRFIELD TOWNSHIP SCHOOL DISTRICT**  
**BUDGETARY COMPARISON SCHEDULE**  
**GENERAL FUND**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual Favorable (Unfavorable)</u>
<b>Expenditures (Continued):</b>					
<b>Current Expense (Continued):</b>					
<b>Undistributed Expenditures: (Continued):</b>					
Other Support Services-Students-Extraordinary Services					
Salaries - Aides	\$ 37,334	\$	\$ 37,334	\$ 37,334	\$
Supplies & Materials	575		575		575
<b>Total - Special Education - Extraordinary Services</b>	<b>37,909</b>		<b>37,909</b>	<b>37,334</b>	<b>575</b>
Guidance					
Salaries of Other Professional Staff	62,494		62,494	62,494	
Supplies & Materials	100		100		100
<b>Total - Other Support Services - Students - Regular</b>	<b>62,594</b>		<b>62,594</b>	<b>62,494</b>	<b>100</b>
Child Study Teams					
Salaries of Other Professional Staff	120,625	7,117	127,742	124,795	2,947
Salaries of Secretarial and Clerical Assistance	5,000	(5,000)			
Supplies & Materials	1,455		1,455	282	1,173
<b>Total - Other Support Services - Students - Special</b>	<b>127,080</b>	<b>2,117</b>	<b>129,197</b>	<b>125,077</b>	<b>4,120</b>
Improvement of Instruction Services/Other Support:					
Salaries of Facilitators, Math, Literacy Coaches		56,431	56,431	53,184	3,247
Purchased Professional - Educational Services		1,794	1,794	1,794	
Supplies & Materials	225		225		225
<b>Total - Improvement of Instruction Services/Other Support Services - Instructional Staff</b>	<b>225</b>	<b>58,225</b>	<b>58,450</b>	<b>54,978</b>	<b>3,472</b>
Educational Media Services - School Library:					
Salaries - Technology Coordinators	30,780	12,039	42,819	42,819	
Purchased Professional & Technical Services	36,230	100,945	137,175	137,175	
Supplies & Materials	15,150	28,193	43,343	39,835	3,508
Other Objects	1,000		1,000		1,000
<b>Total Educational Media Services - School Library</b>	<b>83,160</b>	<b>141,177</b>	<b>224,337</b>	<b>219,829</b>	<b>4,508</b>
Instructional Staff Training Services:					
Supplies and Materials	250		250		250
<b>Total - Instructional Staff Training Services</b>	<b>250</b>		<b>250</b>		<b>250</b>

**FAIRFIELD TOWNSHIP SCHOOL DISTRICT**  
**BUDGETARY COMPARISON SCHEDULE**  
**GENERAL FUND**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Final to Actual Favorable (Unfavorable)
<b>Expenditures (Continued):</b>					
<b>Current Expense (Continued):</b>					
<b>Undistributed Expenditures: (Continued):</b>					
Support Services - General Administration:					
Salaries	\$ 196,397	\$ 5,000	\$ 201,397	\$ 196,397	\$ 5,000
Legal Services	19,200	501	19,701	19,701	
Audit Fees	16,330	1,800	18,130	16,738	1,392
Purchased Technical Services	11,000	(1,800)	9,200	9,165	35
Communications/Telephone	33,317	14,676	47,993	47,549	444
BOE Other Purchased Services	4,200		4,200	3,883	317
Misc. Purchased Services	750	900	1,650	1,637	13
General Supplies	5,165	(332)	4,833	1,415	3,418
Miscellaneous Expenditures	2,700	(900)	1,800	1,750	50
BOE Membership Dues and Fees	4,500	(653)	3,847		3,847
<b>Total Support Services - General Administration</b>	<b>293,559</b>	<b>19,192</b>	<b>312,751</b>	<b>298,235</b>	<b>14,516</b>
Support Services - School Administration:					
Salaries - Principals/Assistant Principals	5,000	(5,000)			
Salaries - Secretarial & Clerical Assistants	36,005	(7,398)	28,607	28,607	
Other Purchased Services	1,000		1,000	254	746
Supplies & Materials	1,835	1,551	3,386	2,430	956
Other Objects	3,000	(81)	2,919	2,409	510
<b>Total Support Series - School Administration</b>	<b>46,840</b>	<b>(10,928)</b>	<b>35,912</b>	<b>33,700</b>	<b>2,212</b>
Central Services					
Salaries	206,897	3,026	209,923	205,158	4,765
Purchased Technical Services	17,800	(10,140)	7,660	6,184	1,476
Supplies and Materials	2,700	2,694	5,394	5,394	
Other Objects	500	919	1,419	653	766
<b>Total Central Services</b>	<b>227,897</b>	<b>(3,501)</b>	<b>224,396</b>	<b>217,389</b>	<b>7,007</b>
Admin. Info. Technology					
Purchased Technical Services	62,172		62,172	59,958	2,214
<b>Total Admin. Info. Technology</b>	<b>62,172</b>		<b>62,172</b>	<b>59,958</b>	<b>2,214</b>
Required Maintenance - School Facilities					
Salaries	60,668	(4,137)	56,531	56,531	
Cleaning, Repair, Maintenance Services	132,953	92,184	225,137	220,924	4,213
General Supplies	25,150	(2,657)	22,493	16,664	5,829
<b>Total - Required Maintenance - School Facilities</b>	<b>218,771</b>	<b>85,390</b>	<b>304,161</b>	<b>294,119</b>	<b>10,042</b>

**FAIRFIELD TOWNSHIP SCHOOL DISTRICT**  
**BUDGETARY COMPARISON SCHEDULE**  
**GENERAL FUND**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Final to Actual Favorable (Unfavorable)
<b>Expenditures (Continued):</b>					
<b>Current Expense (Continued):</b>					
<b>Undistributed Expenditures: (Continued):</b>					
Other Operation & Maintenance - Plant Services					
Cleaning, Repair, Maintenance Services	\$ 238,710	\$ (14,129)	\$ 224,581	\$ 224,581	\$
Other Purchased Property Services	9,654	(2,300)	7,354	1,917	5,437
Insurance	54,427	(1,272)	53,155	52,426	729
General Supplies	2,500	(924)	1,576	131	1,445
Energy (Natural Gas)	9,000	1,000	10,000	8,927	1,073
Energy (Electricity)	146,000	35,460	181,460	179,851	1,609
<b>Total - Other Operation &amp; Maintenance - Plant Services</b>	<b>460,291</b>	<b>17,835</b>	<b>478,126</b>	<b>467,833</b>	<b>10,293</b>
Care & Upkeep of Grounds					
Cleaning, Repair, Maintenance Services	22,000	45,470	67,470	66,343	1,127
<b>Total - Care &amp; Upkeep of Grounds</b>	<b>22,000</b>	<b>45,470</b>	<b>67,470</b>	<b>66,343</b>	<b>1,127</b>
Security					
Other Objects	100		100		100
<b>Total - Security</b>	<b>100</b>		<b>100</b>		<b>100</b>
<b>Total - Operation &amp; Maintenance - Plant Services</b>	<b>701,162</b>	<b>148,695</b>	<b>849,857</b>	<b>828,295</b>	<b>21,562</b>
Student Transportation Services:					
Salaries - Between Home & School - Regular	5,000		5,000	5,000	
Management Fee - ESC & CTSA Trans. Program	19,396		19,396	19,396	
Contracted Services - Aid in Lieu of Payments	27,000		27,000	6,620	20,380
Contracted Services - Aid in Lieu of Payments Choice	11,000	7,492	18,492	7,223	11,269
Contracted Services (Home/School) - Joint Agreements	362,808	(24,443)	338,365	261,695	76,670
Contracted Services (Special Ed) - Vendors	125,000	(98,744)	26,256	21,169	5,087
<b>Total - Student Transportation Services</b>	<b>550,204</b>	<b>(115,695)</b>	<b>434,509</b>	<b>321,103</b>	<b>113,406</b>
<b>UNALLOCATED BENEFITS:</b>					
Social Security Contributions	75,754	95,626	171,380	171,380	
Other Retirement Contributions - PERS	75,087	50,481	125,568	125,568	
Unemployment Compensation	13,500		13,500	8,402	5,098
Workmen's Compensation	53,736		53,736	53,736	
Health Benefits	1,539,827	(150,814)	1,389,013	1,389,013	
Tuition Reimbursement	17,600	(13,978)	3,622	1,600	2,022
Other Employee Benefits	3,200	5,665	8,865	8,865	
<b>Total - UNALLOCATED BENEFITS</b>	<b>1,778,704</b>	<b>(13,020)</b>	<b>1,765,684</b>	<b>1,758,564</b>	<b>7,120</b>



**FAIRFIELD TOWNSHIP SCHOOL DISTRICT**  
**BUDGETARY COMPARISON SCHEDULE**  
**GENERAL FUND**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual Favorable (Unfavorable)</u>
<b>Expenditures (Continued):</b>					
<b>Current Expense (Continued):</b>					
<b>Undistributed Expenditures: (Continued):</b>					
On-behalf TPAF Pension Contributions (Non-Budgeted)	\$	\$	\$	\$ 1,012,952	\$ (1,012,952)
On-behalf TPAF Post Retirement Med. Contributions (Non-Budgeted)				317,443	(317,443)
On Behalf TPAF Long-Term Disability Contributions (Non-Budgeted)				768	(768)
Reimbursement TPAF Social Security Contributions (Non-Budgeted)				255,219	(255,219)
<b>Total - UNDISTRIBUTED EXPENDITURES</b>	<u>4,233,736</u>	<u>194,329</u>	<u>4,428,065</u>	<u>5,828,076</u>	<u>(1,400,011)</u>
Interest on Maintenance Reserve	5		5		5
<b>TOTAL EXPENDITURES - CURRENT EXPENSE</b>	<u>6,971,723</u>	<u>28,253</u>	<u>6,999,976</u>	<u>8,360,300</u>	<u>(1,360,324)</u>
<b>CAPITAL OUTLAY:</b>					
Increase in Capital Reserve:					
Interest Deposit to Capital Reserve	5		5		5
Undistributed Expenditures - Equipment Custodial Services					
Total Equipment					
Facilities Acquisition & Construction Services					
Assessment for Debt Service on SDA Funding	157,686	15,769	173,455	157,686	15,769
Total - Facilities Acquisition & Construction Services	<u>157,686</u>	<u>15,769</u>	<u>173,455</u>	<u>157,686</u>	<u>15,769</u>
<b>TOTAL - CAPITAL OUTLAY</b>	<u>157,691</u>	<u>15,769</u>	<u>173,460</u>	<u>157,686</u>	<u>15,774</u>
<b>TOTAL EXPENDITURES</b>	<u>7,129,414</u>	<u>44,022</u>	<u>7,173,436</u>	<u>8,517,986</u>	<u>(1,344,550)</u>

**FAIRFIELD TOWNSHIP SCHOOL DISTRICT**  
**BUDGETARY COMPARISON SCHEDULE**  
**GENERAL FUND**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Final to Actual Favorable (Unfavorable)
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ 219,989	\$ (44,022)	\$ 175,967	\$ 438,635	\$ 262,668
Other Financing Sources (Uses):					
Transfer to Charter School	(230,094)		(230,094)	(218,577)	11,517
Transfer from Capital Project Fund - Interest					
Total Other Financing Sources (Uses)	<u>(230,094)</u>		<u>(230,094)</u>	<u>(218,577)</u>	<u>11,517</u>
Excess (Deficiency) of Revenues & Other Financing Sources Over (Under) Expenditures & Other Financing Uses	(10,105)	(44,022)	(54,127)	220,058	274,185
Fund Balances, July 1	59,905		59,905	59,905	
Prior Period Adjustment					
Fund Balances, June 30	<u>\$ 49,800</u>	<u>\$ (44,022)</u>	<u>\$ 5,778</u>	<u>\$ 279,963</u>	<u>\$ 274,185</u>

**RECAPITULATION OF FUND BALANCE:**

<b>Restricted Fund Balance:</b>	
Maintenance Reserve	\$ 4,756
<b>Assigned Fund Balance:</b>	
Encumbrances	7,458
<b>Unassigned Fund Balance</b>	<u>267,749</u>
	279,963
Reconciliation to Governmental Fund Statements (GAAP):	
Last State Aid Payment not Recognized on GAAP Basis	<u>(580,811)</u>
<b>TOTAL</b>	<u>\$ (300,848)</u>

**FAIRFIELD TOWNSHIP SCHOOL DISTRICT**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE - BUDGET AND ACTUAL**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**  
*(UNAUDITED)*

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>REVENUES:</b>					
Local Sources	\$	\$	\$ 42,510	\$ 43,921	\$ 1,411
State Sources	1,044,113	(32,676)	1,011,437	1,011,437	
Federal Sources	1,279,875	(7,768)	1,272,107	1,068,158	(203,949)
<b>Total Revenues</b>	<b>2,323,988</b>	<b>(40,444)</b>	<b>2,326,054</b>	<b>2,123,516</b>	<b>(202,538)</b>
<b>EXPENDITURES:</b>					
<b>Instruction</b>					
Salaries of teachers	910,160	(13,118)	897,042	769,129	127,913
Other Professional Salaries	13,810		13,810	10,000	3,810
Other Salaries for Instruction	172,529	6,597	179,126	173,979	5,147
Purchased Prof/Ed. Services	65,625		65,625	65,625	
Other Purchased Services	98,971	(97,011)	1,960		1,960
Tuition		101,607	101,607	101,607	
General Supplies	219,957	3,629	223,586	213,902	9,684
<b>Total Instruction</b>	<b>1,481,052</b>	<b>1,704</b>	<b>1,482,756</b>	<b>1,334,242</b>	<b>148,514</b>
<b>Support Services</b>					
Salaries	9,494	(8,225)	1,269	1,269	
Salaries of Resource Assistant	5,000		5,000	5,000	
Salaries of Principals/Asst Prin/Prog Dir	94,787		94,787	94,787	
Other Professional Salaries	10,701		10,701		10,701
Salaries of Other Professional Services	69,844		69,844	67,329	2,515
Salaries of Secretarial/Clerical	37,742	(16,509)	21,233	21,233	
Other Salaries - Security	25,893	(13,776)	12,117	8,739	3,378
Salaries of Master Teachers/Math Coach	67,218	(4,507)	62,711	62,711	
Salaries of Tech. Coordinator	28,644		28,644	28,644	
Personal Services - Employee Benefits	321,969	4,330	326,299	320,369	5,930
Purchased Prof. and Technical Services	20,300	16,276	36,576	32,567	4,009
Cleaning, Repair & Maintenance Services - Preschool	48,251	(17,875)	30,376	30,376	
Contracted Transp Grants	80,062	(12,017)	68,045	45,749	22,296
Travel	150	(150)			
Supplies and Materials	11,419	6,606	18,025	11,419	6,606
Student Activities			42,510	42,510	-
Other Objects/ Indirect Costs	11,462	3,699	15,161	15,161	
<b>Total Support Services</b>	<b>842,936</b>	<b>(42,148)</b>	<b>843,298</b>	<b>787,863</b>	<b>55,435</b>
<b>Facilities Acquisition and Construction Services:</b>					
Instructional Equipment					
<b>Total Facilities Acquisition and Construction Services</b>					
<b>Total Expenditures</b>	<b>2,323,988</b>	<b>(40,444)</b>	<b>2,326,054</b>	<b>2,122,105</b>	<b>203,949</b>
<b>Other Financing Sources (Uses)</b>					
<b>Total Outflows</b>	<b>2,323,988</b>	<b>(40,444)</b>	<b>2,326,054</b>	<b>2,122,105</b>	<b>203,949</b>
<b>Excess (Deficiency) of Revenues Over (Under)</b>					
<b>Expenditures and Other Financing Sources (Uses)</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$ 1,411</b>	<b>\$ 1,411</b>
Fund Balance, July 1				\$ 13,263	
Prior Period Adjustment				13,263	
Fund Balance, July 1 (Restated)				14,674	
Fund Balance, June 30				14,674	
<b>Recapitulation:</b>					
<b>Restricted:</b>					
Student Activities				\$ 14,674	
Total Fund Balance				\$ 14,674	

**NOTES TO THE REQUIRED SUPPLEMENTARY  
INFORMATION - PART II**

**FAIRFIELD TOWNSHIP SCHOOL DISTRICT**  
**NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION**  
**BUDGET - TO - GAAP RECONCILIATION**  
**NOTE TO RSI**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**  
**(UNAUDITED)**

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

	General Fund		Special Revenue Fund
<b>Sources/inflows of resources</b>			
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedule	[C-1] \$ 8,956,621	[C-2]	\$ 2,123,516
Difference - budget to GAAP:			
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.			
Current Year			(34,640)
Prior Year			
State aid payment recognized for GAAP statements in current year, previously recognized for budgetary purposes.	581,165		128,398
State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year	(580,811)		(101,144)
Total revenues as reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds.	[B-2] \$ 8,956,975	[B-2]	\$ 2,116,130
<b>Uses/outflows of resources</b>			
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	[C-1] \$ 8,517,986	[C-2]	\$ 2,122,105
Differences - budget to GAAP			
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for <i>budgetary</i> purposes, but in the year the supplies are received for <i>financial reporting</i> purposes.			
Current Year			(34,640)
Prior Year			
Transfers to and from other funds are presented as outflows of budgetary resources but are not expenditures for financial reporting purposes.			
Net transfers (outflows) to general fund			
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	[B-2] \$ 8,517,986	[B-2]	\$ 2,087,465

**REQUIRED SUPPLEMENTARY INFORMATION - PART III**

**FAIRFIELD TOWNSHIP SCHOOL DISTRICT**  
**Schedule of the District's Proportionate Share of the Net Pension Liability**  
**Public Employees' Retirement System (PERS)**  
**Last Ten Fiscal Years\***

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
District's Proportion of the Net Pension Liability	0.010063%	0.013105%	0.008104%	0.008716%	0.008635%	0.009151%	0.009397%	0.009766%
District's Proportionate Share of the Net Pension Liability	\$ 1,641,070	\$ 2,361,303	\$ 1,595,585	\$ 2,028,884	\$ 2,557,502	\$ 2,054,136	\$ 1,759,386	\$ 1,866,431
District's Covered-Employee Payroll	\$ 562,953	\$ 762,533	\$ 722,934	\$ 773,440	\$ 538,876	\$ 539,382	\$ 589,032	\$ 619,353
District's Proportionate Share of the Net Pension Liability as a percentage of its Covered-Employee Payroll	291.51%	309.67%	220.71%	262.32%	474.60%	380.83%	298.69%	301.35%
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	58.32%	56.27%	53.60%	48.10%	40.14%	47.93%	52.08%	48.72%

Note: The amounts presented for each fiscal year were determined as of the prior fiscal year end measurement date.

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

**FAIRFIELD TOWNSHIP SCHOOL DISTRICT**  
**Schedule of District Contributions**  
**Public Employees' Retirement System (PERS)**  
**Last Ten Fiscal Years\***

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Contractually Required Contribution	\$ 112,418	\$ 131,412	\$ 38,801	\$ 86,068	\$ 79,993	\$ 80,910	\$ 77,468	\$ 73,583
Contributions in relation to the Contractually Required Contribution	(112,418)	(131,412)	(38,801)	(86,068)	(79,993)	(80,910)	(77,468)	(73,583)
Contribution Deficiency (Excess)	\$	\$	\$	\$	\$	\$	\$	\$
District's Covered-Employee Payroll	\$ 562,953	\$ 762,533	\$ 722,934	\$ 773,440	\$ 538,876	\$ 539,382	\$ 589,032	\$ 619,353
Contributions as a Percentage of Covered-Employee Payroll	19.97%	17.23%	5.37%	11.13%	14.84%	15.00%	13.15%	11.88%

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



**FAIRFIELD TOWNSHIP SCHOOL DISTRICT**  
**Schedule of the District's Proportionate Share of the Net Pension Liability**  
**Teachers' Pension and Annuity Fund (TPAF)**  
**Last Ten Fiscal Years\***

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
District's Proportion of the Net Pension Liability	0.036841%	0.031534%	0.033077%	0.033213%	0.034818%	0.034161%	0.036360%	0.036295%
District's Proportionate Share of the Net Pension Liability	\$ 24,259,528	\$ 19,352,466	\$ 21,042,651	\$ 22,393,237	\$ 27,390,015	\$ 21,591,343	\$ 19,433,469	\$ 18,343,063
District's Covered-Employee Payroll	\$ 3,479,790	\$ 3,851,471	\$ 3,775,518	\$ 3,790,981	\$ 3,282,673	\$ 3,318,640	\$ 3,277,879	\$ 3,460,718
District's Proportionate Share of the Net Pension Liability as a percentage of its Covered-Employee Payroll	697.15%	502.47%	557.34%	590.70%	834.38%	650.61%	592.87%	530.04%
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	24.60%	26.95%	26.49%	25.41%	22.33%	28.71%	33.64%	33.76%

Note: The amounts presented for each fiscal year were determined as of the prior fiscal year end measurement date.

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

**FAIRFIELD TOWNSHIP SCHOOL DISTRICT**  
**Required Supplementary Information - Part III**  
**Schedule of Changes in the Total OPEB Liability and Related Ratios**  
**State Health Benefit Local Education Retired Employees Plan**  
**Last Ten Fiscal Years**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
<b>Total OPEB Liability</b>				
Service Cost	\$ 850,789	\$ 774,152	\$ 798,815	\$ 963,147
Interest Cost	687,804	844,258	873,673	758,803
Changes of Benefit Terms				
Differences Between Expected and Actual Experiences	4,205,950	(3,607,869)	(1,231,137)	
Changes of Assumptions	5,429,066	284,029	(2,446,843)	(3,236,996)
Member Contributions	15,683	17,334	19,705	20,365
Gross Benefit Payments	(517,424)	(584,762)	(570,151)	(553,071)
<b>Net Change in Total OPEB Liability</b>	<u>10,671,868</u>	<u>(2,272,858)</u>	<u>(2,555,938)</u>	<u>(2,047,752)</u>
<b>Total OPEB Liability - Beginning</b>	<u>19,049,463</u>	<u>21,322,321</u>	<u>23,878,259</u>	<u>25,926,011</u>
<b>Total OPEB Liability - Ending</b>	<u>\$ 29,721,331</u>	<u>\$ 19,049,463</u>	<u>\$ 21,322,321</u>	<u>\$ 23,878,259</u>
<b>Covered-Employee Payroll</b>	<u>\$ 4,042,743</u>	<u>\$ 4,614,004</u>	<u>\$ 4,498,452</u>	<u>\$ 4,564,421</u>
<b>Total OPEB Liability as a Percentage of Covered-Employee Payroll</b>	735.18%	412.86%	473.99%	523.14%

Notes to Schedule:

Changes of Benefit Terms: None

Differences Between Expected and Actual Experiences: The decrease in the Total OPEB Liability from June 30, 2018 to June 30, 2019 is due to changes in the census, claims and premium experiences. The increase in liability from June 30, 2019 to June 30, 2020 is due to changes in the census, claims and premiums experience.

Changes in Assumptions: The increase in the liability from June 30, 2018 to June 30, 2019 is due to the decrease in the assumed discount rate from 3.87% as of June 30, 2018 to 3.50% as of June 30, 2019; and changes in the trend, excise tax, updated decrements, future spouse election, PPO/HMO future retiree elections, salary scale and mortality assumptions. The increase in the liability from June 30, 2019 to June 30, 2020 is due to the combined effect of the decrease in the assumed discount rate from 3.50% as of June 30, 2019 to 2.21% as of June 30, 2020; and changes in the trend, repeal of the excise tax, and updated mortality improvement assumptions.

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

**OTHER SUPPLEMENTARY INFORMATION**

## **SPECIAL REVENUE FUND DETAIL STATEMENTS**

The Special Revenue Fund is used to account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specific purposes.

**FAIRFIELD TOWNSHIP SCHOOL DISTRICT**  
**SPECIAL REVENUE FUND**  
**COMBINING SCHEDULE OF REVENUES AND EXPENDITURES**  
**SPECIAL REVENUE FUND - BUDGETARY BASIS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	Title I		Title II Part A		COVID		Preschool Education	Student Activity	Sub-Total Per E-1(2)	Totals 2021
	Part A	Reallocated	20-21	19-20	Relief Fund	CARES				
<b>REVENUES:</b>										
State Sources							\$ 1,011,437			\$ 1,011,437
Federal Sources	\$ 332,062	\$ 15,456	\$ 34,139	\$ 450	\$ 34,603	\$ 171,751		\$ 479,697		1,068,158
Local Sources								\$ 43,921		43,921
<b>Total Revenues</b>	<b>332,062</b>	<b>15,456</b>	<b>34,139</b>	<b>450</b>	<b>34,603</b>	<b>171,751</b>	<b>1,011,437</b>	<b>43,921</b>	<b>479,697</b>	<b>2,123,516</b>
<b>EXPENDITURES:</b>										
<b>Instruction:</b>										
Salaries of Teachers	228,527	15,370	24,700			100,748	387,957		11,827	769,129
Other Professional Salaries									10,000	10,000
Other Salaries for Instruction							169,190		4,789	173,979
Purchased Professional/Educ Services									65,625	65,625
Tuition									101,607	101,607
General Supplies					34,603		13,342		165,957	213,902
<b>Total Instruction</b>	<b>228,527</b>	<b>15,370</b>	<b>24,700</b>	<b>-</b>	<b>34,603</b>	<b>100,748</b>	<b>570,489</b>		<b>359,805</b>	<b>1,334,242</b>
<b>Support Services:</b>										
Salaries									1,269	1,269
Salaries of Resource Assistant									5,000	5,000
Salaries of Principals/Asst Prin/Prog Dir							94,787			94,787
Salaries of Other Professional Staff			9			42,359	24,961			67,329
Salaries of Secretarial/Clerical							21,233			21,233
Other Salaries - Security							8,739			8,739
Salaries of Master Teachers/Math Coach							62,711			62,711
Salaries of Tech. Coordinator						28,644				28,644
Personal Services-Employee Benefits	103,535	86	9,430	450			198,141		8,727	320,369
Purchased Prof. and Technical Services									32,567	32,567
Cleaning, Repair & Maint. Services							30,376			30,376
Contractual Transport									45,749	45,749
Supplies and Materials									11,419	11,419
Student Activities								42,510		42,510
Other Objects - Indirect Costs									15,161	15,161
<b>Total Support Services</b>	<b>103,535</b>	<b>86</b>	<b>9,439</b>	<b>450</b>	<b>-</b>	<b>71,003</b>	<b>440,948</b>	<b>42,510</b>	<b>119,892</b>	<b>787,863</b>
<b>Facilities Acquisition:</b>										
Instructional Equipment										
Non-Instructional Equipment										
<b>Total Facilities Acquisition</b>										
<b>Total Expenditures</b>	<b>\$ 332,062</b>	<b>\$ 15,456</b>	<b>\$ 34,139</b>	<b>\$ 450</b>	<b>\$ 34,603</b>	<b>\$ 171,751</b>	<b>\$ 1,011,437</b>	<b>\$ 42,510</b>	<b>\$ 479,697</b>	<b>\$ 2,122,105</b>
Excess (Deficiency of Revenues Over (Under) Expenditures								1,411		1,411
Fund Balance, July 1								13,263		13,263
Prior Period Adjustment										
Fund Balance, July 1 (Restated)								13,263		13,263
Fund Balance, June 30	\$	\$	\$	\$	\$	\$	\$	14,674	\$	\$ 14,674

**FAIRFIELD TOWNSHIP SCHOOL DISTRICT**  
**SPECIAL REVENUE FUND**  
**COMBINING SCHEDULE OF REVENUES AND EXPENDITURES SPECIAL REVENUE FUND - BUDGETARY BASIS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	IDEA		Title IV	REAP	School Improvement	Totals 2021
	B-Basic	Pre K				
<b>REVENUES:</b>						
Federal Sources	\$ 192,270	\$ 5,532	\$ 23,415	\$ 15,110	\$ 243,370	\$ 479,697
Total Revenues	192,270	5,532	23,415	15,110	243,370	479,697
<b>EXPENDITURES:</b>						
Instruction:						
Salaries of Teachers					11,827	11,827
Other Professional Salaries	10,000					10,000
Other Salaries for Instruction					4,789	4,789
Security						
Purchased Professional/Educ Services	65,625					65,625
Tuition	101,607					101,607
General Supplies	8,004	2,780	8,225	15,110	131,838	165,957
Total Instruction	185,236	2,780	8,225	15,110	148,454	359,805
Support Services:						
Salaries			1,269			1,269
Salaries of Resource Assistant	5,000					5,000
Personal Services-Employee Benefits					8,727	8,727
Purchased Professional/Tech Services		1,485	5,803		25,279	32,567
Contracted Services - Transportation					45,749	45,749
Supplies and Materials	2,034	1,267	8,118			11,419
Other Objects - Indirect Costs					15,161	15,161
Total Support Services	7,034	2,752	15,190		94,916	119,892
Facilities Acquisition:						
Instructional Equipment						
Total Facilities Acquisition						
Total Expenditures	\$ 192,270	\$ 5,532	\$ 23,415	\$ 15,110	\$ 243,370	\$ 479,697

**FAIRFIELD TOWNSHIP SCHOOL DISTRICT**  
**SPECIAL REVENUE FUND**  
**SCHEDULE OF PRESCHOOL EDUCATION AID**  
**BUDGETARY BASIS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	<u>Budgeted</u>	<u>Actual</u>	<u>Variance</u>
<b>EXPENDITURES:</b>			
<b>Instruction:</b>			
Salaries of Teachers	\$ 387,957	\$ 387,957	\$
Other Salaries of Instruction	169,190	169,190	
General Supplies	13,342	13,342	
<b>Total Instruction</b>	570,489	570,489	
<b>Support Services:</b>			
Salaries of Program Directors	94,787	94,787	
Salaries of Other Professional Staff	24,961	24,961	
Salaries of Secretarial & Clerical Assistants	37,742	21,233	16,509
Other Salaries - Security	8,739	8,739	
Salaries of Master Teachers/Math Coach	68,218	62,711	5,507
Personal Services-Employee Benefits	198,141	198,141	
Cleaning Repair and Maint. Services	40,676	30,376	10,300
<b>Total Support Services</b>	473,264	440,948	32,316
<b>Facilities Acquisition and Construction Services:</b>			
Instruction Equipment			
Non-Instructional Equipment			
<b>Total Facilities Acquisition and Construction Services</b>			
<b>Contribution to Charter Schools</b>			
<b>Total Expenditures</b>	\$ 1,043,753	\$ 1,011,437	\$ 32,316

**CALCULATION OF BUDGET & CARRYOVER**

Total Revised 2020-2021 Preschool Education Aid Allocation	\$ 1,011,437	(1)
Add: Actual ECPA/PEA Carryover (June 30, 2020)	32,316	(2)
Add: Budgeted Transfer from the General Fund 2020-2021		(3)
Total Preschool Education Aid Funds Available for 2020-2021 Budget	1,043,753	(4)
Less: 2020-2021 Budgeted Preschool Education Aid (including prior year budget carryover)	1,043,753	(5)
Available & Unbudgeted Preschool Education Aid Funds as of June 30, 2021	-	(6)
Add: June 30, 2021 Unexpended Preschool Education Aid	32,316	(7)
Less: 2020-2021 Commissioner-approved Transfer to the General Fund		(8)
2020-2021 Carryover -Preschool Education Aid Programs	\$ 32,316	(9)
2020-21 Preschool Education Aid Carryover Budgeted for Preschool Programs 2021-2022	\$	(10)

Note: Since the 2019-20 Actual Carryover is less than the amount budgeted in 2020-21, the District should consider revising its 2021-22 Preschool Education Program Budget. \$ 32,316

## **CAPITAL PROJECTS FUND DETAIL STATEMENTS**

The Capital Projects Fund is used to account for the acquisition and construction of major capital facilities and equipment purchases other than those financed by proprietary funds.



**FAIRFIELD TOWNSHIP SCHOOL DISTRICT**  
**CAPITAL PROJECTS FUND**  
**SUMMARY SCHEDULE OF PROJECT EXPENDITURES**  
**FOR THE YEAR ENDED JUNE 30, 2021**

<b><u>Project Title/Issue</u></b>	<b><u>Original Date</u></b>	<b><u>Appropriations</u></b>	<b><u>Expenditures to Date</u></b>		<b><u>Unexpended Balance June 30, 2021</u></b>
			<b><u>Prior Years</u></b>	<b><u>Current Year</u></b>	
Construction of new Elementary/Middle School, necessary onsite and offsite improvements, furniture, and equipment associated with such improvements.	1/15/04	\$ 5,238,509	\$ 5,197,242	\$ 40,686	\$ 581
		<u>\$ 5,238,509</u>	<u>\$ 5,197,242</u>	<u>\$ 40,686</u>	<u>\$ 581</u>

FAIRFIELD TOWNSHIP SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE - BUDGETARY BASIS  
FOR THE YEAR ENDED JUNE 30, 2021

**Revenues and Other Financing Sources**

State Sources - SCC Grant	\$	
Interest		
Total Revenues		

**Expenditures and Other Financing Uses**

Construction Services		40,686
Total Expenditures		40,686
Excess (Deficiency) of Revenues Over (Under) Expenditures		(40,686)
Transfer to Debt Service Fund		
Fund Balance - Beginning		41,267
Fund Balance - Ending	\$	581

**FAIRFIELD TOWNSHIP SCHOOL DISTRICT**  
**CAPITAL PROJECTS FUND**  
**SUMMARY SCHEDULE OF PROJECT EXPENDITURES**  
**PROJECT STATUS - BUDGETARY BASIS**  
**CONSTRUCTION OF NEW ELEMENTARY/MIDDLE SCHOOL**  
**FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2021**

	Prior Periods	Current Year	Totals	Revised Authorized Cost
<b>Revenues and Other Financing Sources</b>				
State Sources - SCC Grant	\$	\$	\$	\$
Bond Proceeds and Transfers	4,981,000		4,981,000	4,981,000
Transfer to Demolition Project	(283,187)		(283,187)	(283,187)
Transfer from Capital Reserve	600,000		600,000	600,000
<b>Total Revenues</b>	<b>5,297,813</b>		<b>5,297,813</b>	<b>5,297,813</b>
<b>Expenditures and Other Financing Uses</b>				
Construction Services	5,197,242	40,686	5,237,928	5,297,813
<b>Total Expenditures</b>	<b>5,197,242</b>	<b>40,686</b>	<b>5,237,928</b>	<b>5,297,813</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	100,571		59,885	
Less: Transfer to Debt Service Fund	(59,304)		(59,304)	
	<b>\$ 41,267</b>	<b>\$ 40,686</b>	<b>\$ 581</b>	<b>\$</b>

**Additional project information:**

Project Number	1460-050-02-0530
Grant Date	January 15, 2004
Bond Authorization Date	January 15, 2004
Bond Authorized	\$4,981,000
Bonds Issued	4,981,000
Original Authorization Cost	5,481,898
Additional Authorized Cost	(184,085)
Revised Authorized Cost	5,297,813
Percentage Increase over Original Authorized Cost	N/A
Percentage Completion	100%
Original Target Completion Date	August 31, 2005
Revised Target Completion Date	December 8, 2005

## **PROPRIETARY FUND DETAIL STATEMENTS**

Proprietary Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises – where the intent of the District’s Board is that the costs of providing goods or services be financed through user charges.

**Food Services Fund** – This fund provides for the operation of food services in all schools within the School District.

**THIS SECTION HAS ALREADY BEEN INCLUDED IN STATEMENTS B-4, B-5  
AND B-6.**

**FAIRFIELD TOWNSHIP SCHOOL DISTRICT**  
**ENTERPRISE FUND**  
**COMBINING STATEMENT OF NET POSITION**  
**AS OF JUNE 30, 2021 AND 2020**

	<u>Food Service</u> <u>Fund</u>	<u>Totals</u>	
		<u>2021</u>	<u>2020</u>
<b>ASSETS:</b>			
Current Assets:			
Cash and Cash Equivalents	\$	\$	\$ 72,566
Accounts Receivable:			
State	3,690	3,690	1,253
Federal	115,912	115,912	11,252
Other	2,161	2,161	
Inventories	21,684	21,684	24,252
Total Current Assets	<u>143,447</u>	<u>143,447</u>	<u>109,323</u>
Fixed Assets:			
Equipment	346,082	346,082	346,082
Accumulated Depreciation	(206,262)	(206,262)	(187,580)
Total Fixed Assets	<u>139,820</u>	<u>139,820</u>	<u>158,502</u>
Total Assets	<u>283,267</u>	<u>283,267</u>	<u>267,825</u>
<b>LIABILITIES:</b>			
Current Liabilities:			
Unearned Revenue	4,274	4,274	3,089
Interfund Payable			56,471
Accounts Payable	4,828	4,828	20,238
Cash Overdraft	2,107	2,107	
Total Current Liabilities	<u>11,209</u>	<u>11,209</u>	<u>79,798</u>
<b>NET POSITION:</b>			
Invested in Capital Assets, Net of Related Debt	139,820	139,820	158,502
Unrestricted	132,238	132,238	29,525
Total Net Position	<u>\$ 272,058</u>	<u>\$ 272,058</u>	<u>\$ 188,027</u>

**FAIRFIELD TOWNSHIP SCHOOL DISTRICT**  
**ENTERPRISE FUND**  
**COMBINING STATEMENT OF REVENUES, EXPENSES AND**  
**CHANGES IN FUND NET POSITION**  
**AS OF JUNE 30, 2021 AND 2020**

	Food Service	Totals	
	Fund	2021	2020
<b>OPERATING REVENUES:</b>			
Local Sources:			
Daily Sales - Reimbursable Programs:			
School Breakfast Program	\$	\$	\$
School Lunch Program			
Daily Sales - Non-Reimbursable Programs:			21,729
Special Functions			320
Total Operating Revenue			22,049
<b>OPERATING EXPENSES:</b>			
Salaries	75,835	75,835	149,241
Employee Benefits	13,803	13,803	15,005
Management Fees	42,975	42,975	42,110
Supplies	4,734	4,734	16,904
Miscellaneous	6,422	6,422	23,757
Depreciation	18,682	18,682	20,987
Cost of Sales - Reimbursable	78,965	78,965	185,196
Cost of Sales - Non-Reimbursable			14,209
Total Operating Expenses	241,416	241,416	467,409
Operating Loss	(241,416)	(241,416)	(445,360)
<b>Non-Operating Revenues:</b>			
State Sources:			
State School Lunch Program	13,163	13,163	4,708
Federal Sources:			
National School Breakfast Program	112,143	112,143	110,827
National School Lunch Program	185,324	185,324	226,761
National School Snack Program			10,101
Food Distribution Program	14,817	14,817	23,839
Interest			204
Total Non-Operating Revenues	325,447	325,447	376,440
<b>Non-Operating Expenses and (Income):</b>			
Total Non-Operating Expenses			
Net Income	84,031	84,031	(68,920)
Net Position - July 1	188,027	188,027	186,013
Prior Year Adjustment			70,934
Net Position - June 30	\$ 272,058	\$ 272,058	\$ 188,027

**FAIRFIELD TOWNSHIP SCHOOL DISTRICT**  
**ENTERPRISE FUND**  
**COMBINING STATEMENT OF CASH FLOW**  
**AS OF JUNE 30, 2021 AND 2020**

	<u>Food Service</u>	<u>Totals</u>	
	<u>Fund</u>	<u>2021</u>	<u>2020</u>
Cash Flows from Operating Activities:			
Receipts from Customers	\$ -	\$ -	\$ 22,049
Payments to Employees	(75,835)	(75,835)	(149,241)
Payments for Employee Benefits	(13,803)	(13,803)	(15,005)
Payments to Suppliers	(308,375)	(308,375)	(59,020)
Net Cash Used by Operating Activities	(398,013)	(398,013)	(201,217)
Cash Flows from Noncapital Financing Activities:			
Cash Received from State and Federal Reimbursements	325,447	325,447	376,236
Net Cash Provided by Noncapital Financing Activities	325,447	325,447	376,236
Cash Flows from Capital Financing Activities:			
Purchase of Fixed Assets	-	-	(26,944)
Cash Flows from Investing Activities:			
Interest on Investments			204
Net Increase/(Decrease) in Cash and Cash Equivalents	(72,566)	(72,566)	148,279
Cash and Cash Equivalents, July 1	72,566	72,566	(75,713)
Cash and Cash Equivalents, June 30	\$	\$	\$ 72,566
Operating Income (Loss)	\$ (241,416)	\$ (241,416)	\$ (445,360)
Adjustments to Reconcile Operating Income (Loss) to Cash Used by Operating Activities:			
Depreciation	18,682	18,682	20,987
Change in Assets and Liabilities:			
(Increase)/Decrease in Accounts Receivable	(109,258)	(109,258)	19,453
(Increase)/Decrease in Interfund Receivable	-	-	64,002
(Increase)/Decrease in Inventory	2,568	2,568	(9,138)
Increase/(Decrease) in Accounts Payable	(15,410)	(15,410)	20,238
Increase/(Decrease) in Interfund Payable	(56,471)	(56,471)	127,405
Increase/(Decrease) in Cash Overdraft	1,185	1,185	1,196
Increase/(Decrease) in Unearned Revenue	2,107	2,107	
Total Adjustments	(156,597)	(156,597)	244,143
Net Cash Used by Operating Activities	\$ (398,013)	\$ (398,013)	\$ (201,217)

## **LONG-TERM DEBT SCHEDULES**

The Long-Term Schedules are used to reflect the outstanding principal balances of the general long-term liabilities of the school district. This includes serial bonds outstanding and obligations under capital leases.



**FAIRFIELD TOWNSHIP BOARD OF EDUCATION**  
**SCHEDULE OF SERIAL BONDS**  
**AS OF JUNE 30, 2021**

Issue	Date of Issue	Amount of Issue	Annual Maturities		Interest Rate	Balance July 1, 2020	Issued	Redeemed	Balance June 30, 2021
			Date	Amount					
Construction of an addition as well as undertake various improvements and renovations to the Fairfield Township Elementary School and to acquire the necessary equipment and undertake any necessary site work.	3/1/10	\$ 2,000,000	3/1/22	\$ 100,000	3.500%	\$ 1,170,000	\$	\$ 100,000	\$ 1,070,000
			3/1/23	110,000	3.750%				
			3/1/24-25	110,000	4.000%				
			3/1/26-27	120,000	4.000%				
			3/1/28-29	130,000	4.000%				
	3/1/30	140,000	4.000%						
Refunding of 3/15/04 School Bond Issue for the Construction of a new Elementary/Middle School, etc.	9/15/15	3,150,000	3/15/22	340,000	4.000%	1,380,000		325,000	1,055,000
			3/15/23	350,000	4.125%				
			3/15/24	365,000	4.125%				
Totals						\$ 2,550,000	\$	\$ 425,000	\$ 2,125,000

**FAIRFIELD TOWNSHIP SCHOOL DISTRICT**  
**DEBT SERVICE FUND**  
**BUDGETARY COMPARISON SCHEDULE**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
<b>REVENUES:</b>					
Local Sources:					
Local Tax Levy	\$ 469,142	\$	\$ 469,142	\$ 469,142	\$
Total Revenues - Local Sources	<u>469,142</u>		<u>469,142</u>	<u>469,142</u>	
State sources:					
Debt Service Aid Type II					
Total Revenues - State Sources					
Total Revenues	<u>469,142</u>		<u>469,142</u>	<u>469,142</u>	
<b>EXPENDITURES</b>					
Regular Debt Service:					
Redemption of Principal	425,000		425,000	425,000	
Interest	94,075		94,075	94,075	
Total Regular Debt Service	<u>519,075</u>		<u>519,075</u>	<u>519,075</u>	
Total Expenditures	<u>519,075</u>		<u>519,075</u>	<u>519,075</u>	
Excess (Deficiency) of Revenues Over (Under) Expenditures	(49,933)		(49,933)	(49,933)	
Fund Balances, July 1	49,933		49,933	49,933	
Transfer from Capital Projects Fund					
Fund Balances, June 30	\$ -	\$	\$ -	\$ -	\$
Recapitulation of Excess (Deficiency) of Revenues Over (Under) Expenditures					
Budgeted Fund Balance	\$	\$	\$	\$	\$

**STATISTICAL SECTION**

**FAIRFIELD TOWNSHIP SCHOOL DISTRICT**  
**NET POSITION BY COMPONENT**  
**LAST TEN FISCAL YEARS**  
*(Accrual Basis of Accounting)*  
*(UNAUDITED)*

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>Governmental Activities</b>										
Invested in Capital Assets, Net of Related Debt	\$ 7,872,940	\$ 8,012,695	\$ 7,979,459	\$ 8,136,619	\$ 8,488,233	\$ 8,528,057	\$ 8,609,885	\$ 8,640,784	\$ 8,685,049	\$ 8,798,193
Restricted	1,056,002	766,964	725,006	435,960	421,509	137,050	544,242	406,703	101,305	20,011
Unrestricted (Deficit)	(287,595)	(647,914)	(566,736)	(2,275,457)	(2,294,934)	(2,089,620)	(2,643,360)	(2,853,261)	(2,904,436)	(2,615,948)
<b>Total Governmental Activities Net Position</b>	<b>\$ 8,641,347</b>	<b>\$ 8,131,745</b>	<b>\$ 8,137,729</b>	<b>\$ 6,297,122</b>	<b>\$ 6,614,808</b>	<b>\$ 6,575,487</b>	<b>\$ 6,510,767</b>	<b>\$ 6,194,226</b>	<b>\$ 5,881,918</b>	<b>\$ 6,202,256</b>
<b>Business-Type Activities</b>										
Invested in Capital Assets, Net of Related Debt	\$ 118,951	\$ 104,117	\$ 89,283	\$ 74,449	\$ 83,132	\$ 75,115	\$ 172,436	\$ 152,545	\$ 158,502	\$ 139,820
Restricted										
Unrestricted		12,312	75,034	180,316	248,116	322,376	97,068	33,468	29,525	132,238
<b>Total Business-Type Activities Net Position</b>	<b>\$ 118,951</b>	<b>\$ 116,429</b>	<b>\$ 164,317</b>	<b>\$ 254,765</b>	<b>\$ 331,248</b>	<b>\$ 397,491</b>	<b>\$ 269,504</b>	<b>\$ 186,013</b>	<b>\$ 188,027</b>	<b>\$ 272,058</b>
<b>District-Wide</b>										
Invested in Capital Assets, Net of Related Debt	\$ 7,991,891	\$ 8,116,812	\$ 8,068,742	\$ 8,211,068	\$ 8,571,365	\$ 8,603,172	\$ 8,782,321	\$ 8,793,329	\$ 8,843,551	\$ 8,938,013
Restricted	1,056,002	766,964	578,762	435,960	421,509	137,050	544,242	406,703	101,305	20,011
Unrestricted (Deficit)	(287,595)	(635,602)	(491,702)	(2,095,141)	(2,046,818)	(1,767,244)	(2,546,292)	(2,819,793)	(2,874,911)	(2,483,710)
<b>Total District-Wide Net Position</b>	<b>\$ 8,760,298</b>	<b>\$ 8,248,174</b>	<b>\$ 8,155,802</b>	<b>\$ 6,551,887</b>	<b>\$ 6,946,056</b>	<b>\$ 6,972,978</b>	<b>\$ 6,780,271</b>	<b>\$ 6,380,239</b>	<b>\$ 6,069,945</b>	<b>\$ 6,474,314</b>

Source: CAFR Schedule A-1

**FAIRFIELD TOWNSHIP SCHOOL DISTRICT**  
**CHANGES IN NET POSITION**  
**LAST TEN FISCAL YEARS**  
*(Accrual Basis of Accounting)*  
**(UNAUDITED)**

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>Expenses</b>										
<b>Governmental Activities</b>										
Instruction										
Regular	\$ 3,367,316	\$ 3,150,130	\$ 3,188,568	\$ 3,123,441	\$ 3,095,716	\$ 3,478,821	\$ 3,481,838	\$ 3,516,225	\$ 3,641,163	\$ 3,477,570
Special Education	497,594	494,964	506,463	630,653	668,579	776,959	779,269	596,693	481,414	323,974
Other Special Instruction	159,433	166,931	195,664	19,200	18,971	8,333				
Other Instruction	70,424	85,260	84,956	87,796	71,955	63,111	75,651	79,871	80,408	30,282
Support Services										
Tuition	383,558	524,146	551,519	543,974	623,880	399,745	43,253	241,925	89,662	146,107
Student and Instruction Related Services	889,763	871,912	933,660	941,324	1,023,367	906,367	1,345,633	1,287,039	1,038,062	1,045,837
General Administrative Services	276,763	280,209	314,833	295,408	274,270	246,523	309,582	282,600	302,805	298,235
School Administrative Services	210,345	208,571	193,112	202,296	156,795	99,028	82,984	82,206	164,855	33,700
Central Services & Info Technology	207,822	204,782	230,556	219,693	222,990	265,937	213,968	197,522	212,028	277,347
Plant Operations and Maintenance	553,394	581,351	1,258,057	577,560	537,585	578,376	609,103	525,270	610,622	985,981
Security			17,647	13,418	15,700	12,780	1,577			
Pupil Transportation	526,476	554,280	524,881	460,219	462,588	576,813	543,984	578,646	480,845	321,103
Employee Benefits	1,798,555	2,628,187	2,075,641	2,043,158	3,454,425	4,408,981	5,163,724	4,808,797	3,632,768	5,275,203
Interest on Long-Term Debt	216,960	322,410	353,504	270,156	298,284	292,458	284,408	259,219	260,349	84,316
Amortization of Debt Issue Costs	3,735									
Unallocated Depreciation and Amortization	357,611	365,805	351,304	365,553	339,643	380,691	384,835	387,349	369,592	358,209
<b>Total Governmental Activities Expenses</b>	<b>9,519,749</b>	<b>10,438,938</b>	<b>10,780,355</b>	<b>9,793,849</b>	<b>11,264,728</b>	<b>12,494,923</b>	<b>13,319,809</b>	<b>12,843,362</b>	<b>11,364,573</b>	<b>12,657,864</b>
<b>Business-Type Activities</b>										
Food Service	447,826	449,175	474,964	425,630	446,639	493,139	665,789	608,511	467,409	241,416
<b>Total Business-Type Activities Expense</b>	<b>447,826</b>	<b>449,175</b>	<b>474,964</b>	<b>425,630</b>	<b>446,639</b>	<b>493,139</b>	<b>665,789</b>	<b>608,511</b>	<b>467,409</b>	<b>241,416</b>
<b>Total District Expenses</b>	<b>\$ 9,967,575</b>	<b>\$ 10,888,113</b>	<b>\$ 11,255,319</b>	<b>\$ 10,219,479</b>	<b>\$ 11,711,367</b>	<b>\$ 12,988,062</b>	<b>\$ 13,985,598</b>	<b>\$ 13,451,873</b>	<b>\$ 11,831,982</b>	<b>\$ 12,899,280</b>
<b>Program Revenues</b>										
<b>Governmental Activities</b>										
Operating Grants and Contributions	\$ 2,369,566	\$ 2,485,404	\$ 2,721,094	\$ 2,526,651	\$ 4,124,951	\$ 4,888,909	\$ 4,654,805	\$ 4,271,315	\$ 3,410,593	\$ 3,417,860
Charges for Services										43,921
<b>Total Governmental Activities Program Revenues</b>	<b>2,369,566</b>	<b>2,485,404</b>	<b>2,721,094</b>	<b>2,526,651</b>	<b>4,124,951</b>	<b>4,888,909</b>	<b>4,654,805</b>	<b>4,271,315</b>	<b>3,410,593</b>	<b>3,461,781</b>
<b>Business-Type Activities</b>										
Charges for Services										
Food Service	91,200	75,899	121,855	101,869	64,863	44,772	36,624	32,956	22,049	
Operating Grants and Contributions	329,303	370,764	400,997	414,209	458,259	514,610	501,178	491,902	376,236	325,447
<b>Total Business-Type Activities Program Revenues</b>	<b>420,503</b>	<b>446,653</b>	<b>522,852</b>	<b>516,078</b>	<b>523,122</b>	<b>559,382</b>	<b>537,802</b>	<b>524,858</b>	<b>398,285</b>	<b>325,447</b>
<b>Total District Program Revenues</b>	<b>\$ 2,790,069</b>	<b>\$ 2,932,057</b>	<b>\$ 3,243,946</b>	<b>\$ 3,042,729</b>	<b>\$ 4,648,073</b>	<b>\$ 5,448,291</b>	<b>\$ 5,192,607</b>	<b>\$ 4,796,173</b>	<b>\$ 3,808,878</b>	<b>\$ 3,787,228</b>
<b>Net (Expense)/Revenue</b>										
<b>Governmental Activities</b>	<b>\$ (7,150,183)</b>	<b>\$ (7,953,534)</b>	<b>\$ (8,059,261)</b>	<b>\$ (7,267,198)</b>	<b>\$ (7,139,777)</b>	<b>\$ (7,606,014)</b>	<b>\$ (8,665,004)</b>	<b>\$ (8,572,047)</b>	<b>\$ (7,953,980)</b>	<b>\$ (9,196,083)</b>
<b>Business-Type Activities</b>	<b>(27,323)</b>	<b>(2,522)</b>	<b>47,888</b>	<b>90,448</b>	<b>76,483</b>	<b>66,243</b>	<b>(127,987)</b>	<b>(83,653)</b>	<b>(69,124)</b>	<b>84,031</b>
<b>Total District-Wide Net Expense</b>	<b>\$ (7,177,506)</b>	<b>\$ (7,956,056)</b>	<b>\$ (8,011,373)</b>	<b>\$ (7,176,750)</b>	<b>\$ (7,063,294)</b>	<b>\$ (7,539,771)</b>	<b>\$ (8,792,991)</b>	<b>\$ (8,655,700)</b>	<b>\$ (8,023,104)</b>	<b>\$ (9,112,052)</b>
<b>General Revenues and Other Changes in Net Position</b>										
<b>Governmental Activities</b>										
Property Taxes Levied for General Purposes, Net	\$ 696,863	\$ 710,800	\$ 725,016	\$ 754,016	\$ 784,176	\$ 874,176	\$ 941,822	\$ 994,658	\$ 1,071,230	\$ 1,142,036
Taxes Levied for Debt Service	514,917	514,661	519,042	475,379	475,379	423,250	521,700	519,525	522,025	469,142
Unrestricted Grants and Contributions	6,158,940	6,092,595	6,639,326	6,095,707	6,009,367	6,096,926	7,175,550	6,796,195	6,330,681	8,025,513
Tuition Received										
Adjustment to Fixed Assets		175,856	(5,021)							
Investment Earnings	1,814	18,690	6,564	6,447	2,060	2,504	71,685	1,840	(33,303)	2,447
Prior Year Adjustments							1,436		(123,433)	807
Transfer to Charter School			(35,706)	(35,706)			(193,153)	(117,711)	(216,298)	(218,577)
Miscellaneous Income	6,113	(12,780)	69,780	69,840	186,481	169,837	81,244	60,999	88,323	84,237
<b>Total Governmental Activities</b>	<b>7,378,647</b>	<b>7,499,822</b>	<b>7,919,001</b>	<b>7,365,683</b>	<b>7,457,463</b>	<b>7,566,693</b>	<b>8,600,284</b>	<b>8,255,506</b>	<b>7,641,672</b>	<b>9,503,158</b>
<b>Business-Type Activities</b>										
Board Subsidy	3,921									
Interest Earnings										
Prior Year Adjustments									204	
<b>Total Business-Type Activities</b>	<b>3,921</b>								<b>70934</b>	
<b>Total District-Wide</b>	<b>\$ 7,382,568</b>	<b>\$ 7,499,822</b>	<b>\$ 7,919,001</b>	<b>\$ 7,365,683</b>	<b>\$ 7,457,463</b>	<b>\$ 7,566,693</b>	<b>\$ 8,600,284</b>	<b>\$ 8,255,506</b>	<b>\$ 7,712,810</b>	<b>\$ 9,503,158</b>
<b>Change in Net Position</b>										
<b>Governmental Activities</b>	<b>\$ 228,464</b>	<b>\$ (453,712)</b>	<b>\$ (140,260)</b>	<b>\$ 98,485</b>	<b>\$ 317,686</b>	<b>\$ (39,321)</b>	<b>\$ (64,720)</b>	<b>\$ (316,541)</b>	<b>\$ (312,308)</b>	<b>\$ 307,075</b>
<b>Business-Type Activities</b>	<b>(23,402)</b>	<b>(2,522)</b>	<b>47,888</b>	<b>90,448</b>	<b>76,483</b>	<b>66,243</b>	<b>(127,987)</b>	<b>(83,653)</b>	<b>2,014</b>	<b>84,031</b>
<b>Total District-Wide</b>	<b>\$ 205,062</b>	<b>\$ (456,234)</b>	<b>\$ (92,372)</b>	<b>\$ 188,933</b>	<b>\$ 394,169</b>	<b>\$ 26,922</b>	<b>\$ (192,707)</b>	<b>\$ (400,194)</b>	<b>\$ (310,294)</b>	<b>\$ 391,106</b>

Source: CAFR Schedule A-2

**FAIRFIELD TOWNSHIP SCHOOL DISTRICT**  
**FUND BALANCES-GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
*(Modified Accrual Basis of Accounting)*  
**(UNAUDITED)**

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Fund										
Restricted										
Maintenance Reserve	\$ 316,497	\$ 267,000	\$	\$	\$	\$	\$	\$	\$	\$
Capital Reserve			10,000	10,000	10,000	10,000	10,050	10,100		
Excess Surplus						30,346	30,498	30,650		
Assigned:					334,638	137,741	263,184			
Maintenance Reserve			17,500							
Capital Reserve			337,314	337,314	30,346				10,105	4,756
Designated for Subsequent Year's Expenditures										
Excess Surplus Designated for Subsequent Year's Expenditures						30,130	15,199	18,055		
Year End Encumbrances			135,000							
Unassigned (Deficit)	(284,018)	(414,558)	(331,601)	7,045	9,040	334,638	137,741	263,184	44,022	7,458
<b>Total General Fund</b>	<b>\$ 32,479</b>	<b>\$ (147,558)</b>	<b>\$ 168,213</b>	<b>\$ 78,575</b>	<b>\$ 118,770</b>	<b>\$ 243,054</b>	<b>\$ 243,054</b>	<b>\$ (206,717)</b>	<b>\$ (521,260)</b>	<b>\$ (300,848)</b>
All Other Governmental Funds										
Restricted:										
Special Revenue Fund (Deficit)	\$ (105,899)	\$ (113,166)	\$ (146,244)	\$ (140,150)	\$ (146,244)	\$ (143,806)	\$ (145,025)	\$ (147,215)	\$ (128,398)	\$ (101,144)
Capital Projects Fund	845,693	613,130	172,692	206,152	86,296	86,296	86,296	86,296	41,267	581
Student Activities										14,674
Debt Service										
Assigned:									33,460	
Debt Service			52,500	22,644	106,473	16,473	16,473	16,473	16,473	
<b>Total All Other Governmental Funds</b>	<b>\$ 739,794</b>	<b>\$ 499,964</b>	<b>\$ 78,948</b>	<b>\$ 88,646</b>	<b>\$ 46,525</b>	<b>\$ (41,037)</b>	<b>\$ (41,037)</b>	<b>\$ (44,446)</b>	<b>\$ (37,198)</b>	<b>\$ (85,889)</b>

Source: CAFR Schedule B-1

**FAIRFIELD TOWNSHIP SCHOOL DISTRICT**  
**CHANGES IN FUND BALANCES-GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
**(UNAUDITED)**

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>Revenues</b>										
Tax Levy	\$ 1,211,780	\$ 1,225,461	\$ 1,244,058	\$ 1,229,395	\$ 1,259,555	\$ 1,297,426	\$ 1,463,522	\$ 1,514,183	\$ 1,593,255	\$ 1,611,178
Tuition Charges							27,938	58,172	17,281	20,559
Interest Earnings	1,814	18,690	6,564	6,447	2,060	2,504	1,436	1,840	2,447	807
Miscellaneous	10,034	28,328	69,780	69,840	185,826	169,837	53,306	2,827	71,042	107,599
State Sources	7,583,256	7,982,445	8,711,066	8,183,291	8,512,291	8,525,655	8,603,822	8,766,112	8,823,360	8,757,586
Federal Sources	945,250	595,554	649,354	623,755	582,447	775,780	1,124,228	1,042,161	912,284	1,044,518
<b>Total Revenues</b>	<b>9,752,134</b>	<b>9,850,478</b>	<b>10,680,822</b>	<b>10,112,728</b>	<b>10,542,179</b>	<b>10,771,202</b>	<b>11,274,252</b>	<b>11,385,295</b>	<b>11,419,669</b>	<b>11,542,247</b>
<b>Expenditures</b>										
Instruction	497,594									
Regular Instruction	3,367,316	3,150,130	3,188,568	3,123,441	3,095,716	3,478,821	3,481,838	3,516,225	3,641,163	3,477,570
Special Education Instruction		494,964	506,453	630,653	668,579	776,959	779,269	596,693	481,414	323,974
Other Special Instruction	159,433	166,931	195,664	19,200	18,971	8,333				
Other Instruction	70,424	85,260	84,956	87,796	71,955	63,111	75,651	79,871	80,408	30,282
Support Services										
Tuition	383,558	524,146	551,519	543,974	623,880	399,745	43,253	241,925	89,662	146,107
Student and Instruction Related Services	889,763	871,912	933,660	941,324	1,023,367	906,367	1,345,633	1,287,039	1,038,062	1,045,837
General Administrative Services	276,763	280,209	314,833	295,408	274,270	246,523	309,582	282,600	302,805	298,235
School Administrative Services	210,345	208,571	193,112	202,296	156,795	99,028	82,984	82,206	164,855	33,700
Central Services & Info. Technology	207,822	204,782	230,556	219,693	222,990	265,937	213,968	197,522	212,028	277,347
Plant Operations and Maintenance	553,394	581,351	532,119	577,560	537,585	578,376	609,103	525,270	610,622	828,295
Security			17,647	13,418	15,700	12,780		1,577		
Pupil Transportation	526,476	554,280	524,881	460,219	462,568	576,813	543,984	578,646	480,845	321,103
Unallocated Employee Benefits	1,839,633	2,092,265	2,070,638	2,245,887	2,376,839	2,605,214	3,005,076	3,552,780	3,579,175	3,665,315
Capital Outlay	120,916	675,631	886,713	290,858	483,484	203,223	157,686	170,257	184,169	198,372
Debt Service:										
Principal	295,000	305,000	320,000	385,000	360,000	370,000	390,000	400,000	415,000	425,000
Interest and Other Charges	219,917	209,661	199,042	120,235	151,406	143,250	131,700	119,525	107,025	94,075
<b>Total Expenditures</b>	<b>9,120,760</b>	<b>10,405,093</b>	<b>10,750,361</b>	<b>10,156,962</b>	<b>10,544,105</b>	<b>10,734,480</b>	<b>11,171,304</b>	<b>11,630,559</b>	<b>11,387,233</b>	<b>11,165,212</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	631,374	(554,615)	(69,539)	(44,234)	(1,926)	36,722	102,948	(245,264)	32,436	377,035
<b>Other Financing Sources (Uses)</b>										
Proceeds from NJSDA		175,856								
Transfer to Charter School		(19,540)	(35,706)	(35,706)			(193,153)	(117,711)	(216,298)	(218,577)
Prior Year Adjustments									(123,433)	13,263
Transfers (Net)	(3,921)	(21,588)								
<b>Total Other Financing Sources (Uses)</b>	<b>(3,921)</b>	<b>134,748</b>	<b>(35,706)</b>	<b>(35,706)</b>			<b>(193,153)</b>	<b>(117,711)</b>	<b>(339,731)</b>	<b>(205,314)</b>
<b>Net Change in Fund Balances</b>	<b>\$ 627,453</b>	<b>\$ (419,867)</b>	<b>\$ (105,245)</b>	<b>\$ (79,940)</b>	<b>\$ (1,926)</b>	<b>\$ 36,722</b>	<b>\$ (90,205)</b>	<b>\$ (362,975)</b>	<b>\$ (307,295)</b>	<b>\$ 171,721</b>
Debt Service as a Percentage of Noncapital Expenditures	5.6%	4.9%	4.80%	4.70%	4.80%	4.8%	4.7%	4.5%	4.6%	4.6%

Source: CAFR Schedule B-2

**FAIRFIELD TOWNSHIP SCHOOL DISTRICT**  
**GENERAL FUND OTHER LOCAL REVENUE BY SOURCE**  
**LAST TEN FISCAL YEARS**  
*(UNAUDITED)*

<b>Fiscal Year Ended June 30,</b>	<b>Interest on Investments</b>	<b>Tuition Revenue</b>	<b>Prior Year Refunds</b>	<b>Prior Year P.O. Adjustment</b>	<b>Atlantic Electric Energy Rebate</b>	<b>Misc.</b>	<b>Total</b>
2021	\$ 807	\$ 20,559	\$ 401			\$ 63,277	\$ 85,044
2020	2,447	17,281	-			71,042	90,770
2019	1,419	58,172	2,161		(1,630)	2,296	62,418
2018	987	27,938	468	30,246	19,281	3,513	82,433
2017	2,176	97,482	198		40,901	31,256	172,013
2016	1,583	42,588	(4,117)	32,441	52,444	62,470	187,409
2015	5,111		14,264		37,124	18,252	74,751
2014	5,756		38,705		22,960	7,515	74,936
2013	10,982		2,159	3,933	21,058	1,178	39,310
2012	931					10,034	10,965

Source: District Records



**FAIRFIELD TOWNSHIP SCHOOL DISTRICT**  
**ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY**  
**LAST TEN FISCAL YEARS**  
 (UNAUDITED)

Fiscal Year Ended June 30,	Vacant Land	Residential	Farm Reg.	Qfarm	Commercial	Industrial	Apartment	Total Assessed Value	a Public Utilities	Net Valuation Taxable	Total Direct School Rate <sup>b</sup>	Estimated Actual County Equalized Value
2021	\$ 15,628,800	\$ 254,107,900	\$ 10,146,600	\$ 2,739,500	\$ 27,350,400	\$ 1,630,200	\$ 257,900	\$ 311,861,300	\$ 720,421	\$ 312,581,721	\$ 1.124	\$ 301,490,043
2020	16,180,800	254,421,700	9,806,800	2,682,600	26,548,200	1,630,200	257,900	311,528,200	715,886	312,244,086	1.031	283,852,574
2019	15,853,700	251,861,200	10,861,700	2,732,600	26,136,500	1,630,200	300,000	309,375,900	703,242	310,079,142	1.002	270,551,727
2018	16,388,000	251,762,000	11,729,200	2,612,200	26,632,800	1,630,200	300,000	311,054,400	705,607	311,760,007	1.023	274,831,596
2017	16,830,200	252,057,800	11,396,500	2,538,000	29,632,900	1,630,200	344,200	314,429,800	695,519	315,125,319	0.992	293,201,977
2016	18,269,100	250,625,000	12,490,800	2,924,600	25,601,100	1,630,200	344,200	311,885,000	713,142	312,598,142	0.916	287,213,371
2015	19,017,700	250,704,700	12,843,500	2,887,500	26,053,500	1,630,200	344,200	313,481,300	743,541	314,224,841	0.875	292,697,443
2014	19,175,800	241,140,500	13,644,400	2,863,100	2,689,700	1,630,200	344,200	281,487,900	734,782	282,222,682	0.875	308,715,419
2013	19,555,400	251,576,200	14,020,900	2,774,300	26,080,900	1,630,200	344,200	315,982,100	1,057,941	317,040,041	0.843	321,672,120
2012	19,497,200	253,567,700	13,290,100	2,819,800	27,921,353		344,200	317,440,353	1,127,247	318,567,600	0.854	323,221,997

Source: District records Tax list summary & Municipal Tax Assessor

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

Reassessment occurs when ordered by the County Board of Taxation

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

b) Tax rates are per \$100

c) First year of revaluation

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

Year Ended June 30,	Fairfield Township Board of Education			Overlapping Rates			Total
	a Basic Rate	b General Obligation Debt Service	Total Direct	Cumberland Regional High School	Fairfield Township	Cumberland County	
2021	\$ 0.383	\$ 0.157	\$ 0.540	\$ 0.584	\$ 0.439	\$ 1.111	\$ 2.674
2020	0.316	0.200	0.516	0.515	0.439	1.135	2.605
2019	0.315	0.199	0.514	0.488	0.440	1.051	2.493
2018	0.298	0.188	0.486	0.537	0.430	1.037	2.490
2017	0.282	0.178	0.460	0.532	0.429	1.083	2.504
2016	0.255	0.161	0.416	0.500	0.430	2.375	3.721
2015	0.246	0.155	0.401	0.474	0.407	1.03	2.312
2014	0.227	0.163	0.39	0.485	0.383	1.017	2.275
2013	0.222	0.161	0.383	0.460	0.393	0.976	2.212
2012	0.221	0.163	0.384	0.47	0.384	0.965	2.203

\* First year of revaluation

Source: District Records and Municipal Tax Collector

**Note:**

NJSA 18A:7F-5d limits the amount that the district can submit for a general fund tax levy . The levy when added to other components of the district's net budget may not exceed the pre-budget year net budget by more than the spending growth limitation calculation.

- a) The district's basic tax rate is calculated from the A4F form which is submitted with the budget and the Net Valuation Taxable.
- b) Rates for debt service are based on each year's requirements.

**FAIRFIELD TOWNSHIP SCHOOL DISTRICT**  
**PRINCIPAL PROPERTY TAX PAYERS**  
**CURRENT YEAR AND NINE YEARS AGO**  
 (UNAUDITED)

Taxpayer	2021		2012	
	Taxable Assessed Value	% of Total District Net Assessed Value	Taxable Assessed Value	% of Total District Net Assessed Value
South State Inc c/o So St Materials	\$ 4,813,800	1.54%	\$ 4,926,900	1.54%
Tip's Trailer Park Inc c/o J Stanger	3,935,600	1.26%	3,935,600	1.23%
Fairton Oaks Village LLC	2,403,100	0.77%		
Arthur Boss, MK Boss & MB McDowell			2,800,100	0.88%
Laning Bros Farms Inc	2,491,500	0.80%	2,528,900	0.79%
Milner Corp.			2,031,300	0.64%
Cumberland Self Storage LLC	1,950,000	0.62%	1,971,700	0.62%
NJ Oak Solar LLC c/o Lincoln Renew	1,630,200	0.52%	1,630,200	0.51%
Taxpayer #1	1,154,900	0.37%	1,211,800	0.38%
Taxpayer #2	1,005,200	0.32%		
T Zander & Sons, Inc Profit Sharing			1,525,000	0.48%
Halka Nurseries Inc	1,019,600	0.33%		
Taxpayer #3		0.00%		
Madison Garden Apartments LLC	1,603,100	0.51%	1,231,000	0.39%
<b>Total</b>	<b>\$ 22,007,000</b>	<b>7.04%</b>	<b>\$ 23,792,500</b>	<b>7.44%</b>

Source: District CAFR & Municipal Tax Assessor

**FAIRFIELD TOWNSHIP SCHOOL DISTRICT**  
**PROPERTY TAX LEVIES AND COLLECTIONS**  
**LAST TEN FISCAL YEARS**  
*(UNAUDITED)*

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected Within the Fiscal Year of the Levy		Collections in Subsequent Years
		Amount	% of Levy	
2021	\$ 1,611,178	\$ 1,611,178	100.00%	\$
2020	1,593,255	1,514,183	95.04%	
2019	1,514,183	1,514,183	100.00%	
2018	1,463,522	1,390,674	95.02%	72,848
2017	1,297,426	1,224,578	94.39%	72,848
2016	1,259,555	1,259,555	100.00%	
2015	1,229,395	1,229,395	100.00%	
2014	1,244,058	1,123,222	90.29%	120,836
2013	1,225,461	1,225,461	100.00%	
2012	1,211,780	1,211,780	100.00%	

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

**FAIRFIELD TOWNSHIP SCHOOL DISTRICT**  
**RATIOS OF OUTSTANDING DEBT BY TYPE**  
**LAST TEN FISCAL YEARS**  
 (UNAUDITED)

Fiscal Year Ended June 30,	Governmental Activities			Business-Type Activities		Total District	Percentage of Personal Income <sup>a</sup>	
	General Obligation Bonds <sup>b</sup>	Capital Leases	Bond Anticipation Notes (BANs)	Capital Leases	Per Capita <sup>a</sup>			
2021	\$ 2,125,000	\$	\$	\$	\$ 2,125,000	0.9%	\$ 359	
2020	2,550,000				2,550,000	1.2%	430	
2019	2,965,000				2,965,000	1.3%	468	
2018	3,365,000				3,365,000	1.5%	558	
2017	3,755,000				3,755,000	1.7%	661	
2016	4,125,000				4,125,000	1.8%	668	
2015	4,485,000				4,485,000	1.9%	711	
2014	4,926,000				4,926,000	2.2%	766	
2013	5,246,000				5,246,000	2.3%	806	
2012	5,551,000				5,551,000	2.5%	841	

Source: District CAFR Schedules I-1, I-2

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

- a) See Exhibit NJ J-14 for personal income and population data. These ratios are calculated using personal income and population for the prior calendar year.
- b) Includes Early Retirement Incentive Plan (ERIP) refunding

**FAIRFIELD TOWNSHIP SCHOOL DISTRICT**  
**RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING**  
**LAST TEN FISCAL YEARS**  
*(UNAUDITED)*

Fiscal Year Ended June 30,	General Bonded Debt Outstanding		Net General Bonded Debt Outstanding	Percentage of Actual Taxable Value <sup>a</sup> of Property	Per Capita <sup>b</sup>
	General Obligation Bonds	Deductions			
2021	\$ 2,125,000	\$	\$ 2,125,000	0.74%	\$ 344
2020	2,550,000		2,550,000	0.89%	413
2019	2,965,000		2,965,000	1.03%	482
2018	3,365,000		3,365,000	1.15%	534
2017	3,755,000		3,755,000	1.31%	596
2016	4,125,000		4,125,000	1.41%	654
2015	4,485,000		4,485,000	1.45%	698
2013	4,926,000		4,926,000	1.53%	756
2012	5,551,000		5,551,000	1.72%	841

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

a) See Exhibit NJ J-6 for property tax data.

b) Population data can be found in Exhibit NJ J-14.

If a district has resources that are restricted to repaying the principal of debt outstanding, these amounts should be shown in a separate column "Deductions" and be subtracted from the total, and the schedule should be named ratios of net general bonded debt outstanding.

**FAIRFIELD TOWNSHIP SCHOOL DISTRICT**  
**RATIOS OF OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT**  
**AS OF JUNE 30, 2021**  
*(UNAUDITED)*

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable <sup>a</sup></u>	<u>Estimated Share of Overlapping Debt</u>
<b>Debt Repaid with Property Taxes</b>			
Fairfield Township	\$ 2,519,989	100.00%	\$ 2,519,989
<b>Other Debt</b>			
Regional School District	4,727,000	16.726%	790,643
County of Cumberland - Township Share	101,224,050	3.221%	3,260,295
Subtotal, Overlapping Debt			<u>6,570,927</u>
<b>Fairfield Township School District Direct Debt</b>			<u>2,125,000</u>
<b>Total Direct and Overlapping Debt</b>			<u><u>\$ 8,695,927</u></u>

**Sources:** Fairfield Township Finance Officer and Cumberland County Finance Office

**Note:** Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the District. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of Fairfield. This process recognizes that, when considering the District's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping payment.

a) For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable value that is within the district's boundaries and dividing it by each unit's total taxable value.

**FAIRFIELD TOWNSHIP SCHOOL DISTRICT**  
**LEGAL DEBT MARGIN INFORMATION**  
**LAST TEN FISCAL YEARS**  
 (UNAUDITED)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Debt Limit	\$ 9,401,299	\$ 9,401,299	\$ 9,475,900	\$ 9,154,457	\$ 8,891,833	\$ 8,718,874	\$ 8,573,263	\$ 8,406,625	\$ 8,317,250	\$ 8,334,088
Total Net Debt Applicable to Limit	5,551,000	5,551,000	4,926,000	4,485,000	4,125,000	3,755,000	3,365,000	2,965,000	2,550,000	2,125,000
Legal Debt Margin	\$ 3,850,299	\$ 3,850,299	\$ 4,549,900	\$ 4,669,457	\$ 4,766,833	\$ 4,963,874	\$ 4,963,874	\$ 5,441,625	\$ 5,767,250	\$ 6,209,088
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	59%	59%	52%	49%	46%	43%	39%	35%	31%	25%

	Equalized Valuation Basis		
	2020	\$ 279,497,757	
	2019	281,891,481	
	2018	272,019,589	
	[A]	\$ 833,408,827	
Average Equalized Valuation of Taxable Property	[A/3]	\$ 277,802,942	
Debt Limit (3% of Average Equalization Value)	[B]	8,334,088	
Net Bonded School Debt		2,125,000	
Legal Debt Margin	[B-C]	\$ 6,209,088	

Source: Abstract of Ratables and District Records CAFR Schedule J-7

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



**FAIRFIELD TOWNSHIP SCHOOL DISTRICT**  
**DEMOGRAPHIC AND ECONOMIC STATISTICS**  
**LAST TEN FISCAL YEARS**  
*(UNAUDITED)*

<u>Year</u>	<u>Population</u> <sup>a</sup>	<u>Personal Income (Thousands of Dollars)</u> <sup>b</sup>	<u>Per Capita Personal Income</u> <sup>c</sup>	<u>Unemployment Rate</u> <sup>d</sup>
2021 *	5,847	\$ 244,776,808	\$ 41,320	11.59%
2020	5,778	216,913,910	41,278	12.20%
2019	5,906	231,841,951	41,237	7.40%
2018	5,924	220,279,491	39,587	7.90%
2017	6,081	227,630,366	38,807	8.90%
2016	6,180	230,994,400	37,617	9.20%
2015	6,320	232,369,968	36,916	10.50%
2014	6,435	227,332,648	35,526	11.50%
2013	6,517	223,680,688	34,467	14.70%
2012	6,606	225,085,291	34,182	15.40%

\* Estimate

**Source:**

<sup>a</sup> Population information provided by the NJ Dept of Labor and Workforce Development

<sup>b</sup> Personal income

<sup>c</sup> Per Capita

<sup>d</sup> Unemployment data provided by the NJ Dept of Labor and Workforce Development

**FAIRFIELD TOWNSHIP SCHOOL DISTRICT**  
**PRINCIPAL EMPLOYERS**  
**CURRENT YEAR AND NINE YEARS AGO**  
*(UNAUDITED)*

<u>Employer</u>	<u>2021</u>		<u>2012</u>	
	<u>Employees</u>	<u>Percentage of Total Employment</u>	<u>Employees</u>	<u>Percentage of Total Employment</u>
Inspira Health Network	3,659	5.47%		
Durand Glass Manufacturing Co.	1,260	1.88%		
Shop-Rite	1,066	1.59%		
Wal-Mart	820	1.23%		
F&S Produce/Pipco Transportation	750	1.12%		
Agro Merchants Group	712	1.06%		
Sheppard Bus Service	707	1.06%		
Elwyn New Jersey	658	0.98%		
Omni Baking	594	0.89%		
Seabrook Brothers & Sons	430	0.64%		
	<u>10,656</u>	<u>15.93%</u>		
				<b>NOT AVAILABLE</b>

**Source:**

This information is for the County of Cumberland.

**FAIRFIELD TOWNSHIP SCHOOL DISTRICT**  
**FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM**  
**LAST TEN FISCAL YEARS**  
*(UNAUDITED)*

<b>Function/Program</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>
Instruction										
Regular	51.0	51.0	51.0	54.0	56.0	45.0	54.0	45.0	60.0	54.0
Special Education	18.0	21.0	18.0	21.0	15.0	28.0	18.0	10.0	12.5	12.0
Other Special Education										
Vocational										
Other Instruction					1.0	1.0	1.0	0.0	0.0	0.0
Support Services:										
Tuition										
Student & Instruction Related Services	8.0	5.0	4.7	6.0	5.0	9.0	12.0	22.0	5.0	10.0
General Administrative Services	2.2	2.0	2.0	3.0	2.0	2.0	2.5	5.0	2.5	2.0
School Administrative Services	5.0	5.0	5.0	4.0	4.0	3.0	3.0	3.0	1.5	1.0
Business Administrative Services		1.8	2.5	2.8	2.8	2.6	2.6	1.6	2.5	2.0
Plant Operations and Maintenance	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Security			1.3	2.0	2.0	1.0	1.0	1.0	1.0	1.0
Pupil Transportation	0.2	0.2	0.2	0.2	0.2	0.2	0.4	0.4	0.5	0.5
Food Service						0.2	1.0	0.0	0.5	0.5
<b>Total</b>	<b>85.4</b>	<b>87.0</b>	<b>85.6</b>	<b>94.0</b>	<b>89.0</b>	<b>93.0</b>	<b>96.5</b>	<b>89.0</b>	<b>87.0</b>	<b>84.0</b>

**Source:** District Personnel Records

**FAIRFIELD TOWNSHIP SCHOOL DISTRICT**  
**OPERATING STATISTICS**  
**LAST TEN FISCAL YEARS**  
 (UNAUDITED)

Fiscal Year	Enrollment	Operating Expenditures <sup>a</sup>	Cost Per Pupil	Percentage Change	Teaching Staff <sup>b</sup>	Pupil/Teacher Ratio		Average Daily Enrollment (ADE) <sup>c</sup>	Average Daily Attendance (ADA) <sup>c</sup>	% Change in Average Daily Enrollment	Student Attendance Percentage
						K-8	Middle School				
2021	491	\$ 10,447,765	\$ 21,279	16.82%	54	9:01:01		491.0	444.0	-10.65%	90.43%
2020	552	10,681,039	19,350	6.23%	60	9.2:1		538.0	521.8	-2.09%	96.99%
2019	554	10,940,777	19,749	8.42%	54	10.1:1		549.5	511.3	-2.01%	93.05%
2018	576	10,491,918	18,215	14.00%	54	10.1:1		560.8	531.7	-7.72%	92.25%
2017	627	10,018,007	15,978	10.77%	57	11.1:1		607.7	560.6	-8.17%	92.25%
2016	662	9,549,215	14,425	-3.54%	56	8.1:1		661.8	628.9	5.06%	95.03%
2015	626	9,360,869	14,953	-0.79%	63	9.1:1		629.9	597.9	2.76%	94.92%
2014	620	9,344,606	15,072	-1.54%	57	10.9:1		613.0	586.5	2.52%	95.68%
2013	602	9,214,801	15,307	10.59%	60	10.1:1		598.0	571.7	-0.03%	95.62%
2012	613	8,484,927	13,842	0.12%	60	10.2:1		598.1	576.1	-3.20%	96.32%

**Sources:** District records

**Note:** Enrollment based on annual October district count.

a Operating expenditures equal total expenditures less debt service and capital outlay; Schedule J-4

b Teaching staff includes only full-time equivalents of certificated staff.

c Average daily enrollment and average daily attendance are obtained from the School Register Summary (SRS).

\* Schools combined beginning with the 2006/2007 School Year

**FAIRFIELD TOWNSHIP SCHOOL DISTRICT**  
**SCHOOL BUILDING INFORMATION**  
**LAST TEN FISCAL YEARS**  
*(UNAUDITED)*

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
<b>District Building</b>										
<b>Elementary</b>										
<b>Fairfield Township School</b>										
Square Feet	100,594	100,594	100,594	100,594	100,594	100,594	100,594	100,594	100,594	100,594
Capacity (Students)	622	622	622	622	622	622	622	622	622	622
Enrollment	2,013	602	620	626	662	627	576	576	552	491

Number of Schools at June 30, 2021

  Elementary = 0

  Middle School = 0

  Combined = 1

\* The Fairfield Primary and Middle Schools were combined into one new building beginning in the 2006/2007 School Year

Source: District records, ASSA

Note: Year of original construction is shown in parentheses. Increases in square footage and capacity are the result of any additions. Enrollment is based on the annual October district count.

**FAIRFIELD TOWNSHIP SCHOOL DISTRICT**  
**GENERAL FUND**  
**SCHEDULE OF REQUIRED MAINTENANCE EXPENDITURES BY SCHOOL FACILITIES**  
**LAST TEN FISCAL YEARS**  
**(UNAUDITED)**

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

School Facilities	Gross Square Footage	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Fairfield Twp. Primary School		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Fairfield Twp. Middle School											
Fairfield Township School *	100,594	294,119	134,620	60,468	100,790	62,497	572,952	58,092	47,257	58,279	44,555
<b>Total School Facilities</b>		<u>294,119</u>	<u>134,620</u>	<u>60,468</u>	<u>100,790</u>	<u>62,497</u>	<u>572,952</u>	<u>58,092</u>	<u>47,257</u>	<u>58,279</u>	<u>44,555</u>
Other Facilities											
<b>Grand Total</b>		<u>\$ 294,119</u>	<u>\$ 134,620</u>	<u>\$ 60,468</u>	<u>\$ 100,790</u>	<u>\$ 62,497</u>	<u>\$ 572,952</u>	<u>\$ 58,092</u>	<u>\$ 47,257</u>	<u>\$ 58,279</u>	<u>\$ 44,555</u>

\* The Fairfield Primary and Middle Schools were combined into one new building beginning in the 2006/2007 School Year

**FAIRFIELD TOWNSHIP SCHOOL DISTRICT**  
**INSURANCE SCHEDULE**  
**JUNE 30, 2020**  
**(UNAUDITED)**

The Board of Education of the Township of Fairfield is a member of the Gloucester, Cumberland, Salem School Districts Joint Insurance Fund (GCSSDJIF).

The GCSSDJIF is a Joint Insurance Fund as defined under the Provisions of NJSA 18A:18B 1-10. The Fund was formed by its member districts on July 1, 1998 to provide a long-term alternative to the conventional insurance market as a means of stabilizing the otherwise cyclical nature of insurance expenditures. It achieves this goal by pooling together member district resources, deciding on what insurance coverage/s it will offer and/or purchase and at what retention, and by hiring professionals to run the Fund.

The Fund's underwriting includes workers' compensation, property, general liability, automobile liability, crime, educator's legal liability, boiler and machinery, and pollution legal liability insurances.

The coverage provided to members of the GCSSDJIF for the period of July 1, 2018 to June 30, 2019 are as follows:

I. Property, Inland Marine and Automobile Physical Damages		
A. Limit of Liability:		\$175,000,000 Per Occurrence
1. GCSSDJIF Self Insured Retention		250,000 Per Occurrence
2. Member District Deductible		500 Per Occurrence
3. Perils Included		"All Risk"
B. Property Valuation		
1. Buildings and Contents		Replacement Cost
2. Contractors Equipment		Actual Cash Value
3. Automobiles		Replacement Cost
II. Boiler and Machinery		
A. Limit of Liability		125,000,000
1. GCSSDJIF Self Insured Retention		None
2. Member District Deductible		1,000
III. Crime		
A. Limits of Liability		500,000
1. GCSSDJIF Self Insured Retention		250,000
2. Member District Deductible		500
IV. General and Automobile Liability		
A. Limit of Liability:		20,000,000
1. GCSSDJIF Self Insured Retention (SIR)		250,000
2. Member District Deductible		None
V. Workers' Compensation		
A. Limits of Liability:		Statutory
1. GCSSDJIF Self Insured Retention		250,000
2. Member District Deductible		None
VI. Educator's Legal Liability		
A. Limits of Liability:		20,000,000
1. GCSSDJIF Self Insured Retention		250,000
2. Member District Deductible		None

**FAIRFIELD TOWNSHIP SCHOOL DISTRICT**  
**INSURANCE SCHEDULE**

**JUNE 30, 2020**

***(UNAUDITED)***

VII. Pollution Legal Liability	
A. Limits of Liability:	
1. GCSSDJIF Self Insured Retention	3,000,000
2. Member District Deductible	None
3. Member District Deductible - Mold Incident	25,000
	100,000-250,000
VII. Cyber Liability	
A. Limits of Liability:	
1. GCSSDJIF Self Insured Retention	2,000,000
2. Member District Deductible	None
	50,000-100,000
IX. Crisis Protection & Disaster Management Services	
A. Limits of Liability:	
1. GCSSD JIF Self Insured Retention	1,000,000
2. Member District Deductible	None
	10,000

**Excess and Reinsurance Carriers Involved**

Property and Crime

- SPELLJIF, Great American Ins. Co.
- Westchester Fire Ins. Co.
- Mitsui Sumitomo Ins. Co. of America
- Everest Insurance Co.
- Evanston Insurance Co.
- RSUI Indemnity Company
- James River Insurance Co.
- BRIT / Lloyd's of London
- Hallmark Specialty Insurance Co.
- Houston Casualty Co.
- Arch Specialty Insurance Co.
- Endurance American Specialty Insurance Co.
- Colony Insurance Co.
- Ategrity Specialty Insurance Co.
- Independent Specialty Insurance Co.
- Interstate Fire & Casualty Insurance Co.
- QBE Specialty Insurance Co.
- Starstone Specialty Insurance Co.
- General Security Indemnity Co.
- Allied World Assurance Co.
- Axis Insurance Company

General Liability and Automobile Liability

Worker's Compensation

Educator's Legal Liability

SPELLJIF, Great American Ins. Co., General Reinsurance Corp.

SPELLJIF, Great American Ins. Co., Safety National Casualty Corp.

SPELLJIF, Great American Ins. Co., General Reinsurance Corp.

**Group Purchase of Primary Insurance Coverage Carrier Array**

Boiler and Machinery

Pollution Legal Liability

Cyber Liability

Crisis Protection & Disaster Management Services

Travelers Insurance Company

Beazley / Lloyd's of London

Starr Surplus Lines Ins. Co.

Lloyd's of London



**SINGLE AUDIT SECTION**

# **NIGHTLINGER, COLAVITA & VOLPA**

*A Professional Association  
Certified Public Accountants*

991 S. Black Horse Pike  
P.O. Box 799  
Williamstown, NJ 08094

(856) 629-3111  
Fax (856) 728-2245  
[www.colavita.net](http://www.colavita.net)

## **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  
Fairfield Township School District  
County of Cumberland, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, the 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 Fairfield Township School District, in the County of Cumberland, State of New Jersey, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Board of Education of the Fairfield Township School District's basic financial statements, and have issued our report thereon dated February 2, 2022

#### **Internal Control Over Financial Reporting**

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

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis.

*A material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis.

*A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We considered the deficiencies described in the accompanying schedule of findings and questioned costs to be significant, labeled 2021-1 and 2.

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

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Fairfield Township Board of Education'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 financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed one instance of noncompliance, or other matters that are required to be reported under *Government Auditing Standards* and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey and are described in the accompanying schedule of findings and questioned costs as items labeled finding 2021-2.

### **Fairfield Township Board of Education's Response to Findings**

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

### **Purpose of this Report**

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

Respectfully submitted,

**NIGHTLINGER, COLAVITA & VOLPA, PA**



Raymond Colavita, CPA  
Licensed Public School Accountant  
No. 915  
February 2, 2022

# NIGHTLINGER, COLAVITA & VOLPA

*A Professional Association  
Certified Public Accountants*

991 S. Black Horse Pike  
P.O. Box 799  
Williamstown, NJ 08094

(856) 629-3111  
Fax (856) 728-2245  
[www.colavita.net](http://www.colavita.net)

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

### INDEPENDENT AUDITOR'S REPORT

The Honorable President and  
Members of the Board of Education  
Fairfield Township School District  
County of Cumberland, New Jersey

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

We have audited the Board of Education of the Fairfield Township School District, in the County of Cumberland, State of New Jersey, 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 Fairfield Township School District's major federal and state programs for the fiscal year ended June 30, 2021. The Fairfield Township Board of Education's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

#### Management's Responsibility

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

#### Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Fairfield Township Board of Education'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; the audit requirements of *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and as prescribed by the Office of School Finance, *Department of Education, State of New Jersey, New Jersey OMB 15-08*. Those standards, Uniform Guidance and New Jersey OMB 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 federal and state program occurred.

An audit includes examining, on a test basis, evidence about the Fairfield Township Board of Education's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal and state program. Our audit does not provide a legal determination of Fairfield Township Board of Education's compliance.

### Opinion on Each Federal and State Major Program

In our opinion, the Board of Education of the Fairfield Township School District, in the County of Cumberland, State of New Jersey, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the fiscal year ended June 30, 2021.

### Report on Internal Control Over Compliance

Management of the Fairfield Township School District's Board of Education 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 Fairfield Township Board of Education's internal control over compliance with the types of requirements that could have a direct and material effect on a major federal or state program as a basis for designing auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for each major federal or state program and to test and report on internal control over compliance in accordance with Uniform Guidance and New Jersey OMB Treasury 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 Fairfield Township School District Board of Education's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct noncompliance with a type of compliance requirement of a federal or state program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance; such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal or state program will not be prevented or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal or 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. We identified one deficiency in internal control over compliance that we consider to be a significant weakness, as described in the accompanying schedule of findings and questioned costs, labeled 2021-1.

Our consideration of the 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. However, material weaknesses may exist that have not been identified.

Fairfield Township Board of Education's response to the internal control over compliance findings identified in our audit is described in the accompanying schedule of findings and questioned costs. Fairfield Township Board of Education's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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 15-08. Accordingly, this report is not suitable for any other purpose.

Respectfully submitted,

**NIGHTLINGER, COLAVITA & VOLPA, PA**



Raymond Colavita, CPA  
Licensed Public School Accountant  
No. 915  
February 2, 2022



**FAIRFIELD TOWNSHIP SCHOOL DISTRICT  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (SCHEDULE A)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

Federal Grantor/Pass-Through Grantor/ Program Title	Federal CFDA No.	Federal FAIN Number	Grant or State Project Number	Program or Award Amount	Grant Period From/To	June 30, 2020			Carryover Amount	Cash Received	Budgetary Expenditures Pass Through Funds	Budgetary Expenditures Direct	Total Budgetary Expenditures (A)	Adj.	June 30, 2021		
						(Accounts Receivable)	Unearned Revenue	Due to Grantor							(Accounts Receivable)	Unearned Revenue	Due to Grantor
<b>U S Department of Education</b>																	
General Fund:																	
Medical Assistance Program(SEMI)	93.778	2005NJ5MAP	N/A	\$ 16,173	7/1/19-6/30/20	\$ (148)				\$ 148							
Medical Assistance Program(SEMI)	93.778	2105NJ5MAP	N/A	11,000	7/1/20-6/30/21					5,406	\$ (11,000)		(11,000)		\$ (5,594)		
						(148)				5,554	(11,000)		(11,000)		(5,594)		
<b>U.S. Department of Agriculture Passed through State Department of Education</b>																	
Non-Cash Assistance:																	
Food Distribution Program	10.565	Unknown	N/A	25,035	7/1/19-6/30/20		\$ 3,089				(3,089)		(3,089)				
Food Distribution Program	10.565	Unknown	N/A	13,829	7/1/20-6/30/21					13,829	(11,728)		(11,728)			\$ 2,101	
Child Nutrition Cluster:																	
Cash Assistance:																	
National School Lunch Program	10.555	201NJ304N1099	N/A	228,761	7/1/19-6/30/20	(6,909)				6,909							
National School Lunch Program	10.555	211NJ304N1099	N/A	185,324	7/1/20-6/30/21					97,544	(185,324)		(185,324)		(87,780)		
School Breakfast Program	10.553	201NJ304N1099	N/A	110,827	7/1/19-6/30/20	(4,343)				4,343							
School Breakfast Program	10.553	211NJ304N1099	N/A	112,143	7/1/20-6/30/21					84,011	(112,143)		(112,143)		(28,132)		
<b>Total U.S. Department of Agriculture</b>						<b>(11,252)</b>	<b>3,089</b>			<b>206,636</b>	<b>(312,284)</b>		<b>(312,284)</b>		<b>(115,912)</b>	<b>2,101</b>	
<b>U.S. Department of Education Passed Through State Dept. of Education: Special Education Fund:</b>																	
<b>E.S.E.A.</b>																	
Title I	84.010	S010A200030	ESEA-146020	348,330	7/1/19-9/30/20	(10,469)				10,469							
Title I	84.010	S010A200030	ESEA-146021	332,062	7/1/20-6/30/21					227,460	(332,062)		(332,062)		(104,602)		
Title I - Reallocated	84.010	S010A190030	ESEA-146021	15,456	7/1/20-9/30/21					14,372	(15,456)		(15,456)		(1,084)		
Title II - A	84.367A	S367A200029	ESEA-146020	35,954	7/1/19-9/30/20		450				(450)		(450)				
Title II - A	84.367A	S367A200029	ESEA-146021	34,589	7/1/20-6/30/21					28,041	(34,139)		(34,139)		(6,098)		
Title IV	84.424A	S424A200031	ESEA-146021	23,415	7/1/20-9/30/21					18,666	(23,415)		(23,415)		(4,749)		
<b>IDEA Cluster:</b>																	
I.D.E.A. Part B Basic	84.027A	H027A200100	IDEA-146020	171,116	7/1/19-9/30/20	(50,417)				50,417							
I.D.E.A. Part B Basic	84.027A	H027A200100	IDEA-146021	192,270	7/1/20-6/30/21					90,174	(192,270)		(192,270)		(102,096)		
I.D.E.A. Pre School	84.173	H173A200114	IDEAPS-146020	5,532	7/1/20-6/30/21						(5,532)		(5,532)		(5,532)		
School Improvement Grant	84.377A	S377A190031	20000570	280,244	9/1/19-8/31/20	(6,792)				2,598				\$ 4,194			
School Improvement Grant	84.377A	S377A180031	21000569	354,249	9/1/20-8/31/21					164,468	(243,370)		(243,370)		(78,902)		
REAP	84.358A	S358B190030	REAP-146020	23,878	7/1/19-9/30/20	(149)				15,259	(15,110)		(15,110)				
COVID Relief Fund	21.019	N/A	21E00041	34,603	7/1/20-12/31/20					34,603	(34,603)		(34,603)				
CARES ACT 2020/ESSER	84.425D	S425D200027	CARES-146020	254,934	3/13/20-9/30/22	(80,660)				227,774	(171,751)		(171,751)		(24,637)		
<b>Total U.S. Department of Education</b>						<b>(148,487)</b>	<b>450</b>			<b>884,301</b>	<b>(1,068,158)</b>		<b>(1,068,158)</b>	<b>4,194</b>	<b>(327,700)</b>		
<b>Total Federal Financial Awards</b>						<b>\$(159,887)</b>	<b>\$ 3,539</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$1,096,491</b>	<b>\$(1,391,442)</b>	<b>\$ -</b>	<b>\$(1,391,442)</b>	<b>\$ 4,194</b>	<b>\$(449,206)</b>	<b>\$ 2,101</b>	<b>\$ -</b>

(A) There were no awards passed through to subrecipients.  
 ith the Uniform Guidance since the total of all grant expenditures exceeded \$750,000.

**FAIRFIELD TOWNSHIP SCHOOL DISTRICT**  
**SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE (SCHEDULE B)**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

State Grantor/Program Title	Grant or State Project No.	Program or Award Amount	Grant Period From/To	Balance at June 30, 2020			Carryover (Walkover) Amount	Cash Received	Budgetary Expenditures	Balance at June 30, 2021			Memo		
				(Accounts Receivable)	Unearned Revenue	Due to Grantor				(Accounts Receivable)	Unearned Revenue	Due to Grantor	Budgetary Receivable	Cumulative Total Expenditures	
State Dept. of Education:															
General Fund:															
Equalization Aid	20-495-034-5120-078	\$ 5,178,123	7/1/19-6/30/20	\$ (492,798)			\$ 492,798								
Equalization Aid	21-495-034-5120-078	5,178,123	7/1/20-6/30/21					4,685,626	\$ (5,178,123)	\$ (492,497)			* \$ (492,497)	\$ (5,178,123)	
Transportation Aid	20-495-034-5120-014	163,986	7/1/19-6/30/20	(15,606)			15,606								
Transportation Aid	21-495-034-5120-014	163,986	7/1/20-6/30/21				148,389	(163,986)	(15,597)				* (15,597)	(163,986)	
Special Education Aid	20-495-034-5120-089	357,285	7/1/19-6/30/20	(34,002)			34,002								
Special Education Aid	21-495-034-5120-089	357,285	7/1/20-6/30/21				323,303	(357,285)	(33,982)				* (33,982)	(357,285)	
Security Aid	20-495-034-5120-084	168,555	7/1/19-6/30/20	(16,041)			16,041								
Security Aid	21-495-034-5120-084	168,555	7/1/20-6/30/21				152,524	(168,555)	(16,031)				* (16,031)	(168,555)	
Adjustment Aid	20-495-034-5120-085	238,708	7/1/19-6/30/20	(22,718)			22,718								
Adjustment Aid	21-495-034-5120-085	238,708	7/1/20-6/30/21				216,004	(238,708)	(22,704)				* (22,704)	(238,708)	
Additional Non-Public Transp. Aid	21-495-034-5120-014	1,160	7/1/20-6/30/21					(1,160)	(1,160)				*	(1,160)	
Extraordinary Aid	21-495-034-5120-044	24,342	7/1/20-6/30/21					(24,342)	(24,342)				*	(24,342)	
Reimb TPAF Soc Sec Contrib	21-495-034-5094-003	255,219	7/1/19-6/30/20				242,036	(255,219)	(13,183)				*	(255,219)	
On-Behalf TPAF Pension Contribution	21-495-034-5094-002	1,012,952	7/1/19-6/30/20				1,012,952	(1,012,952)					*	(1,012,952)	
On-Behalf TPAF Post Retirement Medical	21-495-034-5094-001	317,443	7/1/19-6/30/20				317,443	(317,443)					*	(317,443)	
On-Behalf Long-term Disability	21-495-034-5094-004	768	7/1/19-6/30/20				768	(768)					*	(768)	
<b>Total General Fund</b>				<b>(581,165)</b>				<b>7,680,210</b>	<b>(7,718,541)</b>	<b>(619,496)</b>				<b>(580,811)</b>	<b>(7,718,541)</b>
Special Revenue Fund:															
Preschool Education Aid	20-495-034-5120-086	1,283,976	7/1/19-6/30/20	(128,398)	\$ 32,316		\$ (32,316)	128,398							
Preschool Education Aid	21-495-034-5120-086	1,011,437	7/1/20-6/30/21				32,316	910,293	(1,011,437)	(101,144)	\$ 32,316		* (101,144)	(1,011,437)	
<b>Total Special Revenue Fund</b>				<b>(128,398)</b>	<b>32,316</b>			<b>1,038,691</b>	<b>(1,011,437)</b>	<b>(101,144)</b>	<b>32,316</b>			<b>(101,144)</b>	<b>(1,011,437)</b>
State Dept. of Agriculture:															
Enterprise Fund:															
State School Lunch Pgm.	20-100-010-3350-023	4,708	7/1/19-6/30/20	(1,253)			1,253								
State School Lunch Pgm.	21-100-010-3350-023	13,163	7/1/20-6/30/21				9,473	(13,163)	(3,690)				*	(13,163)	
<b>Total Enterprise Fund</b>				<b>(1,253)</b>				<b>10,726</b>	<b>(13,163)</b>	<b>(3,690)</b>				<b>(13,163)</b>	
<b>Total State Financial Assistance</b>				<b>\$ (710,816)</b>	<b>\$ 32,316</b>		<b>\$</b>	<b>\$ 8,729,627</b>	<b>\$ (8,743,141)</b>	<b>\$ (724,330)</b>	<b>\$ 32,316</b>			<b>\$ (681,955)</b>	<b>\$ (8,743,141)</b>
Less: On-Behalf TPAF Pension System Contributions															
On-Behalf TPAF Pension Contribution	21-495-034-5094-002	1,012,952	7/1/20-6/30/21				\$ 1,012,952	\$ (1,012,952)							
On-Behalf TPAF Post Retirement Medical	21-495-034-5094-001	317,443	7/1/20-6/30/21				317,443	(317,443)							
On-Behalf Long-term Disability	21-495-034-5094-004	768	7/1/20-6/30/21				768	(768)							
<b>Total State Financial Assistance - Major Program Determination</b>							<b>\$ 7,398,464</b>	<b>\$ (7,411,978)</b>							

See Accompanying Notes to the Schedules of Financial Assistance

**FAIRFIELD TOWNSHIP SCHOOL DISTRICT**  
**NOTES TO THE SCHEDULES OF AWARDS**  
**AND FINANCIAL ASSISTANCE**  
**JUNE 30, 2021**

**NOTE 1: GENERAL**

The accompanying schedules of expenditures of federal awards and state financial assistance include federal and state award activity of the Board of Education, Township of Fairfield 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, Cost Principles, and Audit Requirements for Federal Awards*, and New Jersey OMB 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. The District has elected not to use the 10-percent de minimis indirect cost rate allowed under Uniform Guidance.

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



**FAIRFIELD TOWNSHIP SCHOOL DISTRICT**  
**NOTES TO THE SCHEDULES OF AWARDS**  
**AND FINANCIAL ASSISTANCE**

**JUNE 30, 2021**

(Continued)

**NOTE 3: RELATIONSHIP TO BASIC FINANCIAL STATEMENTS (Continued)**

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$354 for the general fund and (\$7,386) for the special revenue fund. See Note 2 (The Notes to Required Supplementary Information) for 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 statement on a GAAP basis as presented on the following page:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ 11,000	\$ 7,718,895	\$ 7,729,895
Special Revenue Fund	1,033,518	1,038,691	2,072,209
Food Service Fund	312,284	13,163	325,447
Total Awards and Financial Assistance	<u>\$ 1,356,802</u>	<u>\$ 8,770,749</u>	<u>\$ 10,127,551</u>

**NOTE 4: RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS**

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

**NOTE 5: FEDERAL AND STATE LOANS OUTSTANDING**

The Fairfield Township School District had no SDA Loan balance at June 30, 2021 and the New Jersey SDA is no longer holding cash for the project, as they transferred the balance to the District during the year under audit.

**NOTE 6: OTHER**

Revenues and expenditures reported under the Food Distribution Program represent current year value received and current year distribution respectively. The amount reported as TPAF Pension Contributions, if any, represents the amount paid by the state on behalf of the district for the year ended June 30, 2021. TPAF Social Security Contributions represents the amount reimbursed by the state for the employer's share of social security contributions for TPAF members for the year ended June 30, 2021.

**NOTE 7: SCHOOLWIDE PROGRAM FUNDS**

As the District's Federal Programs are on a targeted student group basis, there are no schoolwide programs in the District.

**NOTE 8: ADJUSTMENTS**

There was an adjustment of \$4,194 on Schedule A, relating to the School Improvement Grant and none on Schedule B.

FAIRFIELD TOWNSHIP SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

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?  X  yes \_\_\_\_\_ no

Noncompliance material to basic financial statements noted?  X  yes \_\_\_\_\_ no

**Federal Awards**

Internal control over major programs:

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

2) Significant deficiencies identified? \_\_\_\_\_ yes  X  no

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

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

Identification of major programs:

<u>CFDA Number(s)</u>	<u>FAIN Number(s)</u>	<u>Name of Federal Program or Cluster</u>
10.553, 10.555 84.010	201NJ304N1099 S010A190030	Child Nutrition Cluster Title I, Title I Reallocated

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

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

FAIRFIELD TOWNSHIP SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
(continued)

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

State Awards

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

Auditee qualified as low-risk auditee? \_\_\_\_\_ yes  X  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?  X  yes \_\_\_\_\_ none reported

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

Any audit findings disclosed that are required to be reported in accordance with NJOMB Circular Letter 15-08  X  yes \_\_\_\_\_ no

Identification of major programs:

<u>GMIS Number(s)</u>	<u>Name of State Program</u>
21-495-034-5120-078	Equalization Aid
21-495-034-5120-089	Special Education Categorical Aid
21-495-034-5120-084	Security Aid
21-495-034-5120-085	Adjustment Aid
21-495-034-5120-086	Preschool Aid

**FAIRFIELD TOWNSHIP SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
(continued)**

**Section II - Financial Statement Findings**

This section identifies the significant deficiencies, material weakness, fraud, noncompliance with provisions of laws, regulations, contracts, and grant agreements, and abuse related to the financial statements for which Government Auditing Standards requires reporting and with audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey that requires reporting in the Uniform Guidance, New Jersey OMB Treasury Circular 15-08 audit.

**Finding – 2021-1 (AMR 2021-2):**

**Criteria or specific requirement:**

Year-end payroll withholdings and deductions should be reported as a liability on the General Fund balance sheet and reconciled to the payroll agency bank account.

**Condition:**

A detailed list of balances was not available in the Payroll Agency fund that reconciled to the bank statement. This includes the Flexible Spending account.

**Context:**

There remained a significant balance within the payroll agency bank account after subsequent year transactions were posted.

**Effect:**

There is an unallocated balance requiring further analysis in the subsequent year.

**Cause:**

There were several changes in key business office positions throughout the year, including management.

**Recommendation:**

Procedures to record and reconcile the Payroll Agency records should be reviewed and revised, in order to provide a list of agency balances that reconciles to the bank statement.

**Management's response:**

Management is aware of the necessary procedures to be updated and followed.

FAIRFIELD TOWNSHIP SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
(continued)

Section II - Financial Statement Findings (continued)

**Finding: 2021-2 (AMR 2021-5)**

**Criteria or specific requirement:**

The State Department of Education requires that school districts maintain a capital assets record that accounts for all assets whose historical value or estimated historical value is at least \$2,000.

**Condition:**

Building additions in the capital projects fund were not included in the fixed asset accounting report prepared by an outside vendor and adjustments were required to be reflected, as part of the audit.

**Context:**

The June 30, 2021 fixed assets accounting report did not reconcile with the capital projects fund building additions.

**Effect:**

It was necessary, as part of the audit, to adjust the fixed asset amounts for inclusion in the financial statements.

**Cause:**

Inadvertent oversight

**Recommendation:**

Procedures to update the fixed asset records need to be reviewed and revised, in order to assure that all additions and deletions are reflected in the report supporting the financial statements.

**Management's response:**

Management is aware of the necessary procedures to be updated and followed.

FAIRFIELD TOWNSHIP SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
(continued)

Section III - Federal Awards and State Financial Assistance  
Findings and Questioned Costs

This section identifies audit findings required to be reported by 2 CFR 200 section .516 of the *Uniform Administrative Requirements, Cost principles, and Audit Requirements for Federal Awards* and NJOMB Circular Letter 15-08, as applicable.

**FEDERAL AWARDS**

**Finding:** *NONE*

**Information on the federal program:**

**Criteria or specific requirement:**

**Condition:**

**Questioned Costs:**

**Context:**

**Effect:**

**Cause:**

**Recommendation:**

**Views of responsible officials and planned corrective actions:**

FAIRFIELD TOWNSHIP SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Section III - Federal Awards and State Financial Assistance  
Findings and Questioned Costs (Continued)

**STATE AWARDS**

**Information on the state program:**

21-495-034-5120-078	Equalization Aid
21-495-034-5120-089	Special Education Categorical Aid
21-495-034-5120-084	Security Aid
21-495-034-5120-085	Adjustment Aid

**Finding 2021- 1 (AMR 2021-2):**

**Criteria or specific requirement:**

Year-end payroll withholdings and deductions should be reported as liabilities on the General Fund balance sheet and reconciled to the payroll agency bank statement.

**Condition:**

A detailed list of balances was not available in the Payroll Agency fund that reconciled to the bank statement. This includes the Flexible Spending account.

**Questioned Costs:** None

**Context:**

There remained a significant balance within the payroll agency bank account after subsequent year transactions were posted.

**Effect:**

There is an unallocated balance requiring further analysis in the subsequent year.

**Cause:**

There were several changes in key business office positions throughout the year, including management.

**Recommendation:**

Procedures to record and reconcile the Payroll Agency records should be reviewed and revised, in order to provide a list of agency balances that reconciles to the bank statement.

**Management's response:**

Management is aware of the necessary procedures to be updated and followed.

**FAIRFIELD TOWNSHIP SCHOOL DISTRICT  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
AND QUESTIONED COSTS AS PREPARED BY MANAGEMENT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

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

**STATUS OF PRIOR - YEAR FINDINGS**

**Finding 2020-1**

**Condition:**

As a result of previous years issues with identifying and recording interfund receivables, involving the general and food service funds, a prior year adjustment was reported in the financial statements, as determined by the business office.

**Current Status:**

Resolved

**Finding 2020-2:**

**Condition:**

Several open purchase orders were inaccurately recorded in the previous year, requiring a prior year adjustment that was recorded by the business office to properly reflect current year disbursements.

**Current Status:**

Resolved