

# **Annual Comprehensive Financial Report**

of the

**Hamilton Township School District**

**County of Mercer**

**Hamilton, New Jersey**

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

**Prepared by**

**Hamilton Township, Board of Education  
Finance Department**



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**INTRODUCTORY SECTION**



# HAMILTON TOWNSHIP SCHOOL DISTRICT

## OFFICE OF THE SUPERINTENDENT OF SCHOOLS

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**Scott R. Rocco, Ed. D.**

*Superintendent*

February 8, 2022

Honorable President and Members of the Board of Education  
Hamilton Township School District  
County of Mercer, New Jersey

Dear Board Members:

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

This Annual Comprehensive Financial Report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this letter of transmittal, the District's organizational chart and a list of principal officials. The financial section includes Management's Discussion & Analysis, the basic financial statements, required supplemental information and other supplemental information, as well as the auditor's report thereon. The statistical section includes selected financial and demographic information, generally presented on a multi-year comparative basis. The single audit section includes the auditor's report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations. The District is required to undergo an annual single audit in conformity with the provisions of the Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and the standards applicable to financial audits contained in Government Auditing Standards, issued by the State of New Jersey OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid Payments*. Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations, is included in the single audit section of this report.



**1) REPORTING ENTITY AND ITS SERVICES:** The Hamilton Township School District is an independent reporting entity within the criteria adopted by the Governmental Accounting Standards Board (GASB). All funds and the government-wide financial statements of the District are included in this report. The Hamilton Township Board of Education and all its schools constitute the District's reporting entity.

The District provides a full range of educational services appropriate to grade levels pre-K through 12. These include regular and special education for handicapped students. The District sends its vocational students to county vocational schools, which are more suited to provide that type of educational program. The District completed the 2020-21 fiscal year with an average daily enrollment of 11,361. The following details the changes in the student enrollment of the District over the last ten years.

**Average Daily Enrollment**

| <u>Fiscal Year</u> | <u>Student Enrollment</u> | <u>Percent Change</u> |
|--------------------|---------------------------|-----------------------|
| 2020-21            | 11,361.3                  | -1.63%                |
| 2019-20            | 11,549.7                  | +1.10%                |
| 2018-19            | 11,424.4                  | +0.05%                |
| 2017-18            | 11,419.1                  | -1.50%                |
| 2016-17            | 11,598.6                  | -0.64%                |
| 2015-16            | 11,673.1                  | -1.97%                |
| 2014-15            | 11,907.9                  | -1.32%                |
| 2013-14            | 12,067.1                  | -0.15%                |
| 2012-13            | 12,085.2                  | -1.96%                |
| 2011-12            | 12,327.4                  | -1.55%                |

**2) MAJOR INITIATIVES:**

**DISTRICT**

The District continued implementation of a \$53 million bond referendum for security and life safety improvements, roof and window replacements, and ceiling and ADA upgrades districtwide. In addition, upgrades to Hamilton High School West was completed, installation of windows at Greenwood Elementary was completed for two facades and the columns at Yardville Heights were replaced.

Through the efforts of the Department of Student Services and Programs, the district recouped \$2,026,996 in Extraordinary Aid.

The following educational initiatives took place during the **2020-2021 School Year:**

**English Language Arts**

- Continued implementation of *Schoolwide Reading Series* – Grades 3-5
- Continued implementation of *Reading A-Z Program* – Grades K-5
- Continued implementation of *Newsela, Noodle Tools, and Turnitin* (Grades 6-12)
- Continued implementation of *iReady Reading* – Grades 1-8
- Continued implementation of *Study Island Reading* – Grades 1-2
- Revised Curriculum (where applicable)
- Professional Development (where applicable)

### **English as a Second Language**

- Professional Development (where applicable)
- Curricular resources to support ELLs (particularly Newcomers)
- Continued implementation of Ellevation program
- Additional academic support for ELLs (ie: tutoring)

### **Mathematics**

- Revised Curriculum (where applicable)
- Continuation of Algebra I Units of Study
- Professional Development (where applicable)
- Continued implementation of Imagine Math (Grades 6-12)
- Continued implementation of iReady Math – Grades 1-5
- Continued implementation of Study Island Math – Grades 1-2
- Continued implementation of *Math Expressions Series* (K-5)
- New AP Comp Science, AP Statistics, and Calculus Textbooks (9-12)

### **World Language**

- Continuation of Seal of Biliteracy (9-12)
- Continuation of Middlebury Spanish Program (K-5)
- Online curricular resources;
- Revised Curriculum (where applicable)
- Professional Development (where applicable)

### **Science/Applied Tech**

- Revised Curriculum (where applicable)
- Professional Development (where applicable)
- Continuation of Lesson Design (Learner Active Technology Infused Classroom) – Grades 6-8
- Continuation of Mystery Science (K-5)
- Continued science/applied tech equipment enhancements (6-12)
- New textbooks for Environmental Science, Organic Chemistry, and Physics (9-12)

### **Social Studies**

- Revised Curriculum (where applicable)
- Professional Development (where applicable)

### **Fine & Performing Arts**

- Revised Curriculum (where applicable)
- Professional Development (where applicable)
- Continued implementation of Smart Music Program
- Continued implementation of Quaver Music Program
- Continued instrument and art equipment rotation (6-12)
- Continued band uniform rotation (9-12)
- Personalized art packs for students - due to COVID 19

### **Assessment**

- Continuation of PSAT 9, 10, 11 (all students)
- Continued payment of students taking AP exam (all students)
- Continuation of CogAT – Grade 2 (all students)

### **Teacher Leadership**

- Teacher Leadership Program with TCNJ
- Continuation of Teacher Leaders at the high school level

### **Learning Acceleration/Academic Intervention**

- Use of CARES & ESSER funds to provide additional academic support for students

### **Comprehensive Health & PE**

- Personalized PE packs for students - due to COVID 19
- Continuation of Simulator and Behind the Wheel Programs

### **Technology**

- Instructional platforms to assist with hybrid/remote learning
- Additional Devices

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

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

**3) INTERNAL ACCOUNTING CONTROLS (CONTINUED):**As part of the district's single audit described earlier, tests are made to determine the adequacy of the internal controls structure, including that portion related to federal and state financial assistance programs, as well as to determine that the district has compiled with applicable laws and regulations.

**4) 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 Board of Education. 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 which are accounted for in the capital projects fund. The original and final budget for the fiscal year is reflected in the financial section.

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either canceled or are included as reappropriations of fund balance in the subsequent year. Those amounts to be reappropriated are reported as reservations of fund balance at June 30, 2021.

**5) 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, which is explained in the "Notes to the Financial Statements," Note 1: Summary of Significant Accounting Policies.

**6) FINANCIAL INFORMATION AT FISCAL YEAR-END:** As demonstrated by the various statements and schedules included in the financial section of this report, the district continues to meet its responsibility for sound financial management.

The following schedule presents a summary of the general fund, special revenue fund, capital projects fund and debt service fund revenues for the fiscal year ended June 30, 2021 and the amount and percentage of increase in relation to prior year revenues.

|                      |        |                 |             |        |                |        |
|----------------------|--------|-----------------|-------------|--------|----------------|--------|
| Local Sources        | \$     | 126,444,727     | 50.06%      | \$     | 1,241,585      | 0.98%  |
| Intermediate Sources | \$     | 455,362         | 0.18%       | \$     | 16,688         | 3.66%  |
| State Sources        |        | 115,473,084     | 45.71%      |        | 6,708,614      | 5.81%  |
| Federal Sources      |        | 10,224,426      | 4.05%       |        | 3,353,165      | 32.80% |
| <br>Total            | <br>\$ | <br>252,597,599 | <br>100.00% | <br>\$ | <br>11,320,052 |        |

**6) FINANCIAL INFORMATION AT FISCAL YEAR-END: (CONTINUED)** The following schedule presents a summary of general fund, special revenue fund, capital projects fund and debt service fund expenditures for the fiscal year ended June 30, 2021 and the percentage of increases and decreases in relation to prior year amounts.

|   | <b>Expenditure</b>    | <b>Percentage<br/>of Total</b> | <b>(Decrease)/<br/>Increase<br/>From 2020</b> | <b>Percentage<br/>Decrease/<br/>Increase</b> |
|---|-----------------------|--------------------------------|---|--|
| <b>Current Expenditures:</b>              |                       |                                |   |  |
| Instruction                               | \$ 80,571,584         | 30.13%                         | \$ 304,371                                    | 0.38%  |
| Support Services<br>& Undistributed Costs | 148,328,777           | 55.48%                         | 9,029,866                                     | 6.09%  |
| <b>Special Revenue:</b>                   |                       |                                |   |  |
| Instruction                               | 8,036,183             | 3.01%                          | 1,590,925                                     | 19.80%                                       |
| Support Services<br>& Undistributed Costs | 3,643,298             | 1.36%                          | 2,094,002                                     | 57.48%                                       |
| <b>Debt Service:</b>                      |                       |                                |   |  |
| Principal                                 | 5,725,000             | 2.14%                          | 252,000                                       | 4.40%  |
| Interest                                  | 2,227,345             | 0.83%                          | (173,420)                                     | -7.79%                                       |
| Capital Outlay                            | 18,840,346            | 7.05%                          | (2,700,482)                                   | -14.33%                                      |
| <b>Total</b>                              | <b>\$ 267,372,533</b> | <b>100.00%</b>                 | <b>\$ 10,397,262</b>                          |  |

**7) DEBT ADMINISTRATION:** On June 30, 2021, the District reported outstanding principal debt of \$67,420,000 of general obligation bonds.

**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 2. The district has adopted a cash management plan which requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey. The law requires governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act.

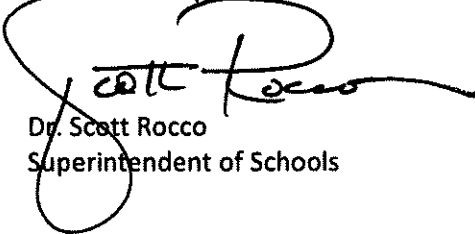
**9) RISK MANAGEMENT:** The Board carries various forms of insurance, including but not limited to general liability, automobile liability and comprehensive/collision hazard and theft insurance on property, contents and fidelity bonds.

**10) OTHER INFORMATION:**

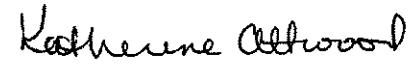
**Independent Audit** - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The Board of Education selected the accounting firm of Suplee, Clooney & Company. In addition to meeting the requirements set forth in the state statutes, the audit also was designed to meet the requirements of the Single Audit Act and the related Uniform Guidance and New Jersey OMB's Circular 15-08. The auditor's report of the ACFR is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section of this report.

11) **ACKNOWLEDGMENTS:** We would like to express our appreciation to the members of the Hamilton Township Board of Education for their concern in providing fiscal accountability to the citizens and taxpayers of the school district and thereby contributing their full support to the development and maintenance of our financial operation. The preparation of this report could not have been accomplished without the efficient and dedicated services of our business office staff.

Respectfully submitted,



Dr. Scott Rocco  
Superintendent of Schools



Katherine Attwood  
Katherine Attwood  
School Business Administrator

**HAMILTON TOWNSHIP BOARD OF EDUCATION  
HAMILTON, NEW JERSEY  
MERCER COUNTY**

**ROSTER OF OFFICIALS  
June 30, 2021**

| <b><u>Members of the Board of Education</u></b>           | <b><u>Term Expires</u></b> |
|---|----------------------------|
| Susan Lombardo, President                                 | 2023                       |
| Pamela A. Kelly, Vice President                           | 2022                       |
| Dr. Susan Ferrara   | 2021                       |
| Liam Z. Gonzales  | 2023                       |
| Angelo Hall   | 2021                       |
| Christina V. Harvey                                       | 2023                       |
| Richard Kanka   | 2021                       |
| Dr. Jason McSheene  | 2022                       |
| Dina Thornton   | 2022                       |
| <b><u>Other Officials</u></b>                             |                            |
| Dr. Scott Rocco, Superintendent                           |                            |
| Katherine Attwood, Business Administrator/Board Secretary |                            |

**HAMILTON TOWNSHIP SCHOOL DISTRICT**

**CONSULTANTS AND ADVISORS**

**AUDIT FIRM**

John Swisher, CPA, RMA, PSA  
Suplee, Clooney & Company  
308 East Broad Street  
Westfield, New Jersey 07090

**ATTORNEY**

Patrick F. Carrigg, Esq.  
Lenox, Socey, Formidoni, Giordano, Cooley, Lang & Casey  
136 Franklin Corner Road  
Lawrenceville, New Jersey 08648

**ARCHITECT**

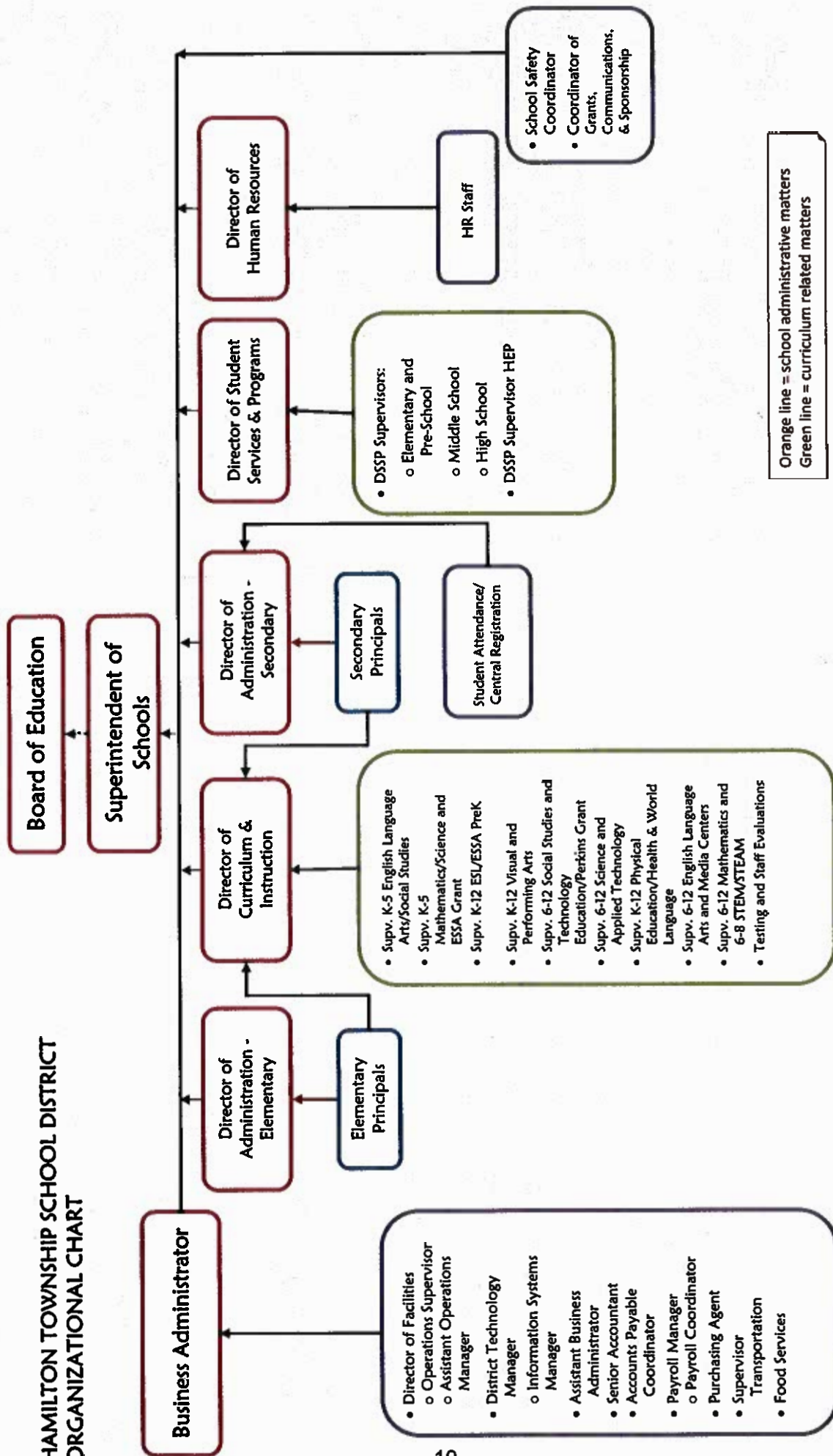
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Spiezle Architectural Group  
1395 Yardville Hamilton Square Road  
Suite 2A  
Hamilton, New Jersey 08691

**OFFICIAL DEPOSITORY**

TD Bank  
Mount Laurel, New Jersey



# HAMILTON TOWNSHIP SCHOOL DISTRICT ORGANIZATIONAL CHART



Orange line = school administrative matters  
Green line = curriculum related matters

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**FINANCIAL SECTION**



# SUPLEE, CLOONEY & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

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Fax 908-789-8535

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## **INDEPENDENT AUDITOR'S REPORT**

Honorable President and Members  
of the Board of Education  
Hamilton Township School District  
County of Mercer  
Hamilton, New Jersey 08690

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

We have audited the accompanying financial statements of the governmental activities, the business-type activities and each major fund of the Hamilton Township School District, County of Mercer, New Jersey as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

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

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

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

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, audit requirements prescribed by the Division of Finance, Department of Education, State of New Jersey, 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 State of New Jersey *OMB Circular 15-08* "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid." Those standards and provisions require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

## **SUPLEE, CLOONEY & COMPANY**

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

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

### ***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, and each major fund of the Hamilton Township School District, County of Mercer, 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***

#### *Change in Accounting Principle*

As discussed in Note 1 to the basic financial statements, in 2021, the District adopted Governmental Accounting Standards Board Statement No. 84, *Fiduciary Activities*. 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 and budgetary comparison information in Exhibit C-1 through C-3, the schedules related to accounting and reporting for pensions in Exhibit L-1 through L-4 and the schedules related to accounting and reporting for postretirement benefits other than pensions (OPEB) on Exhibit M-1 and M-2, are 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.

# SUPLEE, CLOONEY & COMPANY

## *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Hamilton Township School District's basic financial statements. The accompanying supplementary information schedules such as the introductory section, combining statements and individual fund financial statements, the statistical section and the Schedules of Expenditures of Federal Awards and State Financial Assistance, as listed in the table of contents, as required by the Uniform Guidance, New Jersey's OMB Circular 15-08, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid," and the State of New Jersey, Department of Education, Division of Finance, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements and the Schedules of Expenditures of Federal Awards and State Financial Assistance, as listed in the table of contents, as required by the Uniform Guidance, New Jersey's OMB Circular 15-08, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid," and the State of New Jersey, Department of Education, Division of Finance is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting 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 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 other information, such as the introductory and statistical sections, has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

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

In accordance with Government Auditing Standards, we have also issued our report dated February 8, 2022 on our consideration of the Hamilton Township School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 effectiveness of the Hamilton Township School District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Hamilton Township School District's internal control over financial reporting and compliance.

  
\_\_\_\_\_  
CERTIFIED PUBLIC ACCOUNTANTS

  
\_\_\_\_\_  
PUBLIC SCHOOL ACCOUNTANT NO. 948

February 8, 2022

**REQUIRED SUPPLEMENTARY INFORMATION – PART I**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**



**HAMILTON TOWNSHIP SCHOOL DISTRICT**  
**Hamilton, New Jersey**  
**Mercer County**

**MANAGEMENT DISCUSSION AND ANALYSIS (MD&A)**  
**June 30, 2021**

**UNAUDITED**

This section of the district's annual financial report presents a discussion and analysis of the district's financial performance during the fiscal year ending June 30, 2021. It should be read in conjunction with the transmittal letter at the front of this report and the district's financial statements, which immediately follow this section.

The Management's Discussion and Analysis (MD&A) is an element of the reporting model adopted by the Governmental Accounting Standards Board (GASB) in their Statement No. 34 Basic Financial Statement—and Management's Discussion and Analysis—for State and Local Governments. Certain comparative information between the current year and the prior year is required to be presented in the MD&A. In fiscal year 2021 the District implemented GASB Statement No. 84- Fiduciary Activities. Prior fiscal year 2020 information was restated where information was available.

**FINANCIAL HIGHLIGHTS**

The key financial highlights for the 2020-2021 fiscal year include the following:

In the District-Wide statements, net position of governmental activities increased \$9,700,830 which represents a 76.30% increase from fiscal year 2020.

The Board realized a positive change in net position in the District's food service program in the amount of \$61,128 resulting in total net position of \$1,673,260 for the fiscal year ended June 30, 2021.

Governmental funds reported a total fund balance of \$30,012,356 which is a 26.94% decrease from last year's total governmental fund balance. This decrease was, in large part, the result of the expenditures against the District's FY2018 Referendum. The general or operating fund balance was reported at \$20,965,381 of which \$5,000,000 was appropriated toward the 2021-22 budget. Total expenditures for all governmental funds were \$267,372,531. Total revenues, including the Other Financing Sources were \$256,407,597 resulting in a deficit of expenditures over revenues of \$11,066,133 for the year. Revenues and Other Financing Sources increased \$12,930,050 over last year. Included are \$125,697,508 in state and federal aid and \$123,713,423 in local taxes.

The district the district invested the bond proceeds and approved the interest earned to offset future debt payments on the issued bonds.

## OVERVIEW OF THE FINANCIAL STATEMENTS

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

- The first two statements are district-wide financial statements that provide both short-term and long-term information about the district's overall financial status.
- The remaining statements are fund financial statements that focus on individual parts of the district, reporting the district's operations in more detail than the district-wide statements.
- The governmental funds statements tell how basic services such as regular and special education were financed in the short term as well as what remains for future spending.
- Proprietary funds statements offer short- and long-term financial information about the activities the district operated like businesses, such as food services.

The financial statements also include notes that explain some of the information in the statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the financial statements with a comparison of the district's budget for the year. Figure A-1 shows how the various parts of this annual report are arranged and related to one another.

**Figure A-1**

### ***Organization of the School District Annual Financial Report***

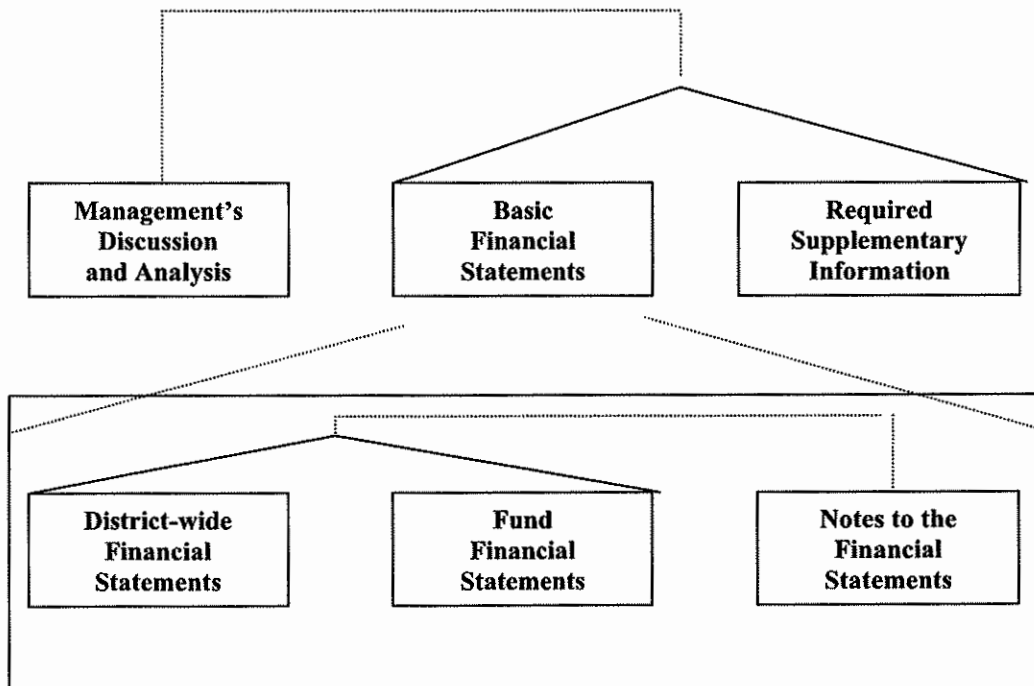


Figure A-2 summarizes the major features of the district’s financial statements, including the portion of the district’s activities they cover and the types of information they contain. The remainder of this overview section of management’s discussion and analysis highlights that structure and the contents of each of the statements.

| <b>Figure A-2<br/>Major Features of the District-Wide and Fund Financial Statements</b> |  |   |  |
|---|--|---|--|
|   | <b>District-Wide<br/>Statements</b>  | <b>Fund Financial Statements</b>  |  |
|   |  | <b>Governmental Funds</b>   | <b>Proprietary Funds</b>   |
| Scope   | Entire district  | The activities of the district that are not proprietary, such as special education and building maintenance   | Activities the district operates similar to private businesses: food services and adult education            |
| Required financial Statements   | <ul style="list-style-type: none"> <li>•Statement of net assets</li> <li>•Statement of activities</li> </ul> | <ul style="list-style-type: none"> <li>•Balance Sheet</li> <li>•Statement of revenues, expenditures, and changes in fund balances</li> </ul>                                      | <ul style="list-style-type: none"> <li>•Statement of net assets</li> <li>•Statement of cash flows</li> </ul> |
| Accounting Basis and measurement focus  | Accrual accounting and economic resources focus  | Modified accrual accounting and current financial focus   | Accrual accounting and economic resources focus  |
| Type of asset / liability information   | All assets and liabilities, both financial and capital, short-term and long-term                             | Generally assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets or long-term liabilities included                     | All assets and liabilities, both financial and capital, and short-term and long-term                         |
| Type of inflow/out-flow information   | All revenues and expenses during year, regardless of when cash is received or paid                           | Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due and payable | All revenues/expenses during the year, regardless of when cash is received or paid                           |

## **District-wide Statements**

The district-wide statements report information about the district as a whole using accounting methods similar to those used by private-sector companies. The statement of net assets includes all of the district's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two district-wide statements report the district's net assets and how they have changed. Net position - the difference between the district's assets and liabilities - is one way to measure the district's financial health or position.

- Over time, increases or decreases in the district's net position are an indicator of whether its financial position is improving or deteriorating, respectively.
- To assess the district's overall health, you need to consider that the school district's goal is to provide services to students, not to generate profits as commercial entities do. One must consider many other non-financial factors, such as the quality of the education provided and the safety of the of the schools to assess the overall health of the district.

In the district-wide financial statements, the district's activities are divided into two categories:

- **Governmental activities:** Most of the district's basic services are included here, such as regular and special education, transportation, and administration. Property taxes and state formula aid finance most of these activities.
- **Business-type activities:** The district charges fees to help it cover the costs of certain services it provides. The district's adult education programs and food services are included here.

## **Fund Financial Statements**

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

- Some funds are required by state law and by bond covenants.
- The district establishes other funds to control and manage money for particular purposes (such as repaying its long-term debt) or to show that it is properly using certain revenues (such as federal grants).

The district has two kinds of funds:

- **Governmental funds:** Most of the district's basic services are included in governmental funds, which generally focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the district's programs. Because this information does not encompass the additional long-term focus of the district-wide statements, additional information at the bottom of the governmental funds statements explains the relationship (or differences) between them.
- **Proprietary funds:** Services for which the district charges a fee are generally reported in proprietary funds. Proprietary funds are reported in the same way as the district-wide statements. The district's enterprise funds (one type of proprietary fund) are the same as its business-type activities but provide more detail and additional information, such as cash flows. The district uses internal service funds (the other kind of proprietary fund) to report activities that provide supplies and services for its other programs and activities. The district currently has one internal service fund, the workers' compensation fund.

## FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

The school district's Governmental Activities net position was a deficit \$3,012,451 at June 30, 2021 representing a decrease of 31% over fiscal year 2020. This amount included an unrestricted deficit amount of \$61,722,899. This large deficit is the result of the accrual of the District's share of the Net Pension Liability required by GASB 68 which reduced the unrestricted portion of Net Position by \$63,065,589. Restricted net position is reported separately to show legal constraints from debt covenants and enabling legislation that limit the school district's ability to use those assets for day-to-day operations. Our analysis below focuses on the net position (Figure A-3) and change in net position (Figure A-4) of the school district's governmental activities.

**Figure A-3  
Net Position**

|  | 2021                       |                        |                      | 2020 (As Restated)         |                        |                       |
|--|----------------------------|------------------------|----------------------|----------------------------|------------------------|-----------------------|
|  | Governmental<br>Activities | Business<br>Activities | Total                | Governmental<br>Activities | Business<br>Activities | Total                 |
| <b>ASSETS</b>                              |                            |                        |                      |                            |                        |                       |
| Current & Other Assets                     | \$35,666,084               | \$2,547,765            | \$38,213,849         | \$48,528,015               | \$2,448,263            | \$50,976,278          |
| Capital Assets                             | 122,153,253                | 400,018                | 122,553,271          | 108,236,898                | 452,742                | 108,689,640           |
| <b>TOTAL ASSETS</b>                        | <b>157,819,337</b>         | <b>2,947,783</b>       | <b>160,767,120</b>   | <b>156,764,913</b>         | <b>2,901,005</b>       | <b>159,665,918</b>    |
| <b>DEFERRED OUTFLOWS<br/>OF RESOURCES:</b> |                            |                        |                      |                            |                        |                       |
| Loss on Refunding of<br>Long Term Debt     | 720,086                    |                        | 720,086              | 950,513                    |                        | 950,513               |
| Premium on Refunding of<br>Long Term Debt  | 172,957                    |                        | 172,957              | 383,283                    |                        | 383,283               |
| Pension Related                            | 8,954,579                  |                        | 8,954,579            | 10,227,337                 |                        | 10,227,337            |
| <b>TOTAL DEFERRED OUTFLOWS</b>             | <b>9,847,622</b>           |                        | <b>9,847,622</b>     | <b>11,561,133</b>          |                        | <b>11,561,133</b>     |
| <b>LIABILITIES</b>                         |                            |                        |                      |                            |                        |                       |
| Long-Term Liabilities                      | 131,778,755                |                        | 131,778,755          | 138,756,191                |                        | 138,756,191           |
| Other Liabilities                          | 16,472,584                 | 1,274,523              | 17,747,107           | 19,784,423                 | 1,288,873              | 21,073,296            |
| <b>TOTAL LIABILITIES</b>                   | <b>148,251,339</b>         | <b>1,274,523</b>       | <b>149,525,862</b>   | <b>158,540,614</b>         | <b>1,288,873</b>       | <b>159,829,487</b>    |
| <b>DEFERRED INFLOWS<br/>OF RESOURCES:</b>  |                            |                        |                      |                            |                        |                       |
| Pension Related                            | 22,337,071                 |                        | 22,337,071           | 22,262,114                 |                        | 22,262,114            |
| Gain on Refunding Bonds                    | 91,000                     |                        | 91,000               | 236,600                    |                        | 236,600               |
|  | 22,428,071                 |                        | 22,428,071           | 22,498,714                 |                        | 22,498,714            |
| <b>NET POSITION</b>                        |                            |                        |                      |                            |                        |                       |
| Net investment in capital assets           | 41,991,353                 | 400,018                | 42,391,371           | 37,459,058                 | 452,742                | 37,911,800            |
| Restricted                                 | 16,719,094                 |                        | 16,719,094           | 15,045,567                 |                        | 15,045,567            |
| Unrestricted:                              |                            |                        |                      |                            |                        |                       |
| Pension related (deficit)                  | (63,065,589)               |                        | (63,065,589)         | (65,053,374)               |                        | (65,053,374)          |
| Other                                      | 1,342,690                  | 1,273,242              | 2,615,932            | (164,533)                  | 1,159,390              | 994,857               |
| <b>TOTAL NET POSITION</b>                  | <b>(\$3,012,452)</b>       | <b>\$1,673,260</b>     | <b>(\$1,339,192)</b> | <b>(\$12,713,282)</b>      | <b>\$1,612,132</b>     | <b>(\$11,101,150)</b> |

The unrestricted net position of governmental activities is broken into two elements. The deficit of \$63,065,589 represents the effect of the required accrual of the District's share of the Net Pension Liability the remainder of \$1,342,690 represents the accumulated results of all past years' operations.

The results of this year's operations for the school district Governmental Activities as a whole are reported in the Statement of Activities. Figure A-4, below, takes the information from that Statement, rounds off the numbers, and rearranges them slightly so you can see our total revenues and expenses for the year.

**Figure A-4  
Changes in Net Position**

|   | 2021                       |                        |                     | 2020 (As Restated)         |                        |                     |
|---|----------------------------|------------------------|---------------------|----------------------------|------------------------|---------------------|
|   | Governmental<br>Activities | Business<br>Activities | Total               | Governmental<br>Activities | Business<br>Activities | Total               |
| <b>Revenues:</b>                                |                            |                        |                     |                            |                        |                     |
| <b>Program Revenues:</b>                        |                            |                        |                     |                            |                        |                     |
| Operating Grants & Contributions                | \$77,292,153               | \$2,669,773            | \$79,961,926        | \$49,734,052               | \$2,678,518            | \$52,412,570        |
| Charges for Services                            | 214,927                    | 11,764                 | 226,691             |                            | 807,580                | 807,580             |
| <b>General Revenues</b>                         |                            |                        |                     |                            |                        |                     |
| Property Taxes                                  | 123,713,423                |                        | 123,713,423         | 121,870,215                |                        | 121,870,215         |
| Grants (includes State Aid)<br>and Entitlements | 77,012,706                 |                        | 77,012,706          | 75,929,686                 |                        | 75,929,686          |
| Other Revenues                                  | 2,479,098                  |                        | 2,479,098           | 4,911,011                  | 98,916                 | 5,009,927           |
| Cancellation of Prior Year Account Receivable   |                            |                        |                     |                            |                        |                     |
| Disposal of Capital Assets                      |                            |                        |                     |                            |                        |                     |
|   | <u>280,712,307</u>         | <u>2,681,537</u>       | <u>283,393,844</u>  | <u>252,444,964</u>         | <u>3,585,014</u>       | <u>256,029,978</u>  |
| <b>Expenses:</b>                                |                            |                        |                     |                            |                        |                     |
| Instruction                                     | 170,046,287                |                        | 170,046,287         | 152,395,155                |                        | 152,395,155         |
| Support Services & Undistributed Costs          | 98,722,868                 |                        | 98,722,868          | 86,221,339                 |                        | 86,221,339          |
| Interest on Long-Term Debt                      | 2,242,322                  |                        | 2,242,322           | 2,418,381                  |                        | 2,418,381           |
| Unallocated Depreciation                        |                            |                        |                     | 4,140,357                  |                        | 4,140,357           |
| Business-Type                                   |                            | 2,620,409              | 2,620,409           |                            | 3,246,681              | 3,246,681           |
| Total Expenses                                  | <u>271,011,477</u>         | <u>2,620,409</u>       | <u>273,631,886</u>  | <u>245,175,232</u>         | <u>3,246,681</u>       | <u>248,421,913</u>  |
| Change in Net Position                          | 9,700,830                  | 61,128                 | 9,761,958           | 7,269,732                  | 338,333                | 7,608,065           |
| Net Position July 1, (deficit) (as restated)    | <u>(12,713,282)</u>        | <u>1,612,132</u>       | <u>(11,101,150)</u> | <u>(19,983,014)</u>        | <u>1,273,799</u>       | <u>(18,709,215)</u> |
| Net Position June 30, (deficit)                 | <u>(3,012,452)</u>         | <u>1,673,260</u>       | <u>(1,339,192)</u>  | <u>(12,713,282)</u>        | <u>1,612,132</u>       | <u>(11,101,150)</u> |

As reported in the Statement of Activities, expenditures for governmental activities this year totaled \$271,011,477. These costs were financed by \$123,713,423 in local property school taxes, \$154,304,859 in operating grants and federal and state aid, and \$2,706,176 in miscellaneous income.

In Figure A-5, below, we have presented the cost of each of the school district's seven largest functions as listed below. Providing this information allows our citizens to consider the cost of each function in comparison to the benefits they believe are provided by the function.

**Figure A-5**

|  | Total Cost of<br>Services<br><u>2021</u> | Total Cost of<br>Services<br><u>2020 (As Restated)</u> | Net Cost of<br>Services<br><u>2021</u> | Net Cost of<br>Services<br><u>2020 (As Restated)</u> |
|--|--|--|--|--|
| Instruction                            | 170,046,287                              | \$152,395,155  | \$116,288,753                          | \$116,362,353  |
| Support Services & Undistributed Costs | 98,722,868                               | 85,342,716   | 75,238,254                             | 71,926,271   |
| Interest on Long-Term Debt             | 2,242,322                                | 2,418,381  | 1,977,390                              | 2,133,575  |
| Business-Type                          | 2,620,409                                | 3,246,681  | (61,128)                               | (239,417)  |
| Other                                  |  | 4,140,357  |  | 4,140,357  |
| Total Expenses                         | <u>\$273,631,886</u>                     | <u>\$247,543,290</u>                                   | <u>\$193,443,269</u>                   | <u>\$194,323,140</u>                                 |

### Financial Analysis of the District's Funds

As we noted earlier, the school district uses funds to help it control and manage money for particular purposes. Looking at funds helps you consider whether the school district is being accountable for the resources provided to it, and also, gives more insight into the school district's overall financial health.

As the school district completed this year, our governmental funds reported a combined fund balance of \$30,012,356 which represents a decrease of \$11,066,133 from the previous year. This is due mainly to the District's second year spending of the September 2018 referendum bonds.

### General Fund Budgetary Highlights

Over the course of the year, the school district revises its budget as it attempts to deal with unexpected changes in revenues and expenditures. Budget changes/transfers are approved by the Board of Education throughout the year. Although the district's projected budget for the general fund anticipated that revenues and expenditures would be roughly equal, the actual results for the year show a surplus.

Actual revenues reflect a positive variance of \$37,002,192 This is due primarily to two factors:

1. The State reimbursement in the amount of \$6.4 million for social security contributions and \$29.3 million on behalf contributions for TPAF pension and post-retirement medical. This is always a non-budgeted item that the State requires to be included in the final audit.
2. Excess of \$1,226,996 in Extraordinary Aid.

Actual expenditures reflect a negative variance of \$23,875,476 million This again is primarily due to the State requirement to include behalf of TPAF pension and post-retirement medical benefits contributions in the audit.



## CAPITAL ASSET AND DEBT ADMINISTRATION

### Capital Assets

At June 30, 2021, the school district had \$122,153,253 invested in a broad range of capital assets, including land, buildings, building improvements, other improvements, construction in progress, vehicles, furniture and equipment. This amount represents a net increase (including additions, deductions and depreciation) of \$13,916,355 or 12.86% from fiscal year 2020.

**Figure A-6**

|                                 | Net Investment in Capital Assets |                      |
|---------------------------------|----------------------------------|----------------------|
|                                 | Governmental Activities          |                      |
|                                 | <u>2021</u>                      | <u>2020</u>          |
| Land                            | 1,248,202                        | \$1,248,202          |
| Construction in Progress        | 53,624,812                       | 35,326,151           |
| Buildings & Improvements        | 64,182,124                       | 68,246,346           |
| Furniture, Equipment & Vehicles | <u>3,098,115</u>                 | <u>3,416,199</u>     |
|                                 | <u>\$122,153,253</u>             | <u>\$108,236,898</u> |

This year's net additions are reported at \$18,707,608 Depreciation totaled \$4,791,253.

### Long-Term Debt

At the end of this year, the school district has \$138,310,259 outstanding, as detailed below, versus \$147,001,798 last year – a net decrease of 8%. The great majority of the decrease is attributable to the Net Pension Liability which decreased \$3,603,413. This was in large part due to changes in the actuarial assumptions used to calculate the liability. The long-term debt consisted of the following:

|                          | Balance              | Balance              |
|--------------------------|----------------------|----------------------|
|                          | June 30,             | June 30,             |
|                          | <u>2021</u>          | <u>2020</u>          |
| Compensated Absences     | \$3,634,406          | \$3,824,582          |
| Capital Leases           | \$20,774,242         | \$19,736,866         |
| Bonds Payable            | 67,420,000           | 73,145,000           |
| Unamortized Bond Premium | 172,957              | 383,283              |
| Net Pension Liability    | <u>46,308,654</u>    | <u>49,912,067</u>    |
|                          | <u>\$138,310,259</u> | <u>\$147,001,798</u> |

The school district's general obligation bond rating continues to be AA. The state limits the amount of general obligation debt that cities can issue to 4.0% of the average state equalized assessed value of the taxable property within the school district's corporate limits. The school district's outstanding general obligation debt of \$67,420,000 is significantly below the statutorily-imposed limit.

## **FACTORS AFFECTING THE DISTRICT'S FUTURE**

- Although the Hamilton Township School District continues to be highly efficient and financially stable, the overall status of the world and state economy could have an impact on the district's future budgets.
- The Hamilton Township School District will conduct its election in November. There is no vote required on the school budget if the election is held in November and the property tax levy does not increase by more than 2%.
- State Aid allocations have been volatile in Hamilton over the past five years. This makes the budgeting process difficult because the information comes late in the budgeting process and cannot be depended upon. We are hopeful this situation will stabilize and aid will continue to increase.
- Health benefit reforms have assisted in containing the health costs. However, these costs will continue to increase and be a major expense for this district.
- Salary increases continue to grow incrementally and will be a major expense for the foreseeable future.
- The district continues to commit significant resources in order to improve the district's buildings, infrastructure and education program. We are hopeful this will translate in a measurable increase in student performance.
- Salaries, benefits, student transportation, energy costs and private tuition continue to comprise nearly 90 percent of the entire budget.

## **CONTACTING THE SCHOOL DISTRICT'S FINANCIAL MANAGEMENT**

Our financial report is designed to provide our citizens, taxpayers, parents, students, 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 received. If you have questions about this report or wish to request additional financial information, contact the Business Administrator, at Hamilton Township Board of Education, 90 Park Avenue, Hamilton, New Jersey 08690.

## **BASIC FINANCIAL STATEMENTS**

The basic financial statements provide a financial overview of the District's operations. These financial statements present the financial position and operating results of all funds as of June 30, 2021

## **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.

HAMILTON TOWNSHIP SCHOOL DISTRICT  
STATEMENT OF NET POSITION  
JUNE 30, 2021

|  | <u>GOVERNMENTAL</u><br><u>ACTIVITIES</u> | <u>BUSINESS-TYPE</u><br><u>ACTIVITIES</u> | <u>TOTAL</u>         |
|--|--|---|----------------------|
| <b>ASSETS:</b>                           |  |   |                      |
| Cash and cash equivalents                | \$10,968,539                             | \$2,155,667                               | \$13,124,206         |
| Receivables, net                         | 4,219,756                                | 292,764                                   | 4,512,520            |
| Inventory                                |  | 99,334                                    | 99,334               |
| Interfunds                               | 549,097                                  |   | 549,097              |
| Restricted assets:                       |  |   |                      |
| Cash and cash equivalents                | 13,071,750                               |   | 13,071,750           |
| Cash with fiscal agents                  | 6,856,943                                |   | 6,856,943            |
| Capital assets:                          |  |   |                      |
| Land and Construction in progress        | 54,873,014                               |   | 54,873,014           |
| Other Capital Assets net of depreciation | 67,280,239                               | 400,018                                   | 67,680,257           |
| Total Assets                             | <u>157,819,337</u>                       | <u>2,947,783</u>                          | <u>160,767,120</u>   |
| <b>DEFERRED OUTFLOWS OF RESOURCES:</b>   |  |   |                      |
| Related to pensions                      | 8,954,579                                |   | 8,954,579            |
| Related to loss on refunding bonds       | 720,086                                  |   | 720,086              |
| Related to premium on refunding bonds    | 172,957                                  |   | 172,957              |
| Total Deferred Outflow of Resources      | <u>9,847,622</u>                         |   | <u>9,847,622</u>     |
| <b>LIABILITIES:</b>                      |  |   |                      |
| Accounts payable                         | 8,161,063                                | 240,547                                   | 8,401,610            |
| Interfunds payable                       |  | 549,097                                   | 549,097              |
| Payroll deductions payable               | 70,073                                   |   | 70,073               |
| State unemployment insurance payable     | 162,129                                  |   | 162,129              |
| Payable to state government              | 440,601                                  |   | 440,601              |
| Payable to federal government            | 1,079                                    |   | 1,079                |
| Unearned revenue                         | 193,226                                  | 66,163                                    | 259,389              |
| Accrued Interest Payable                 | 912,910                                  |   | 912,910              |
| Accrued Liability for Insurance Claims   |  | 418,716                                   | 418,716              |
| Noncurrent liabilities:                  |  |   |                      |
| Due within one year:                     |  |   |                      |
| Bonds and capital leases payable         | 8,665,157                                |   | 8,665,157            |
| Due beyond one year:                     |  |   |                      |
| Net Pension Liability                    | 46,308,654                               |   | 46,308,654           |
| Compensated absences payable             | 3,634,406                                |   | 3,634,406            |
| Bonds and capital leases payable         | 79,702,041                               |   | 79,702,041           |
| Total liabilities                        | <u>148,251,339</u>                       | <u>1,274,523</u>                          | <u>149,525,862</u>   |
| <b>DEFERRED INFLOWS OF RESOURCES:</b>    |  |   |                      |
| Related to pensions                      | 22,337,071                               |   | 22,337,071           |
| Gain on Refunding Bonds                  | 91,000                                   |   | 91,000               |
| Total Deferred Inflows of Resources      | <u>22,428,071</u>                        |   | <u>22,428,071</u>    |
| <b>NET POSITION:</b>                     |  |   |                      |
| Net investment in capital assets         | 41,991,353                               | 400,018                                   | 42,391,371           |
| Restricted for:                          |  |   |                      |
| Capital projects                         | 11,748,737                               |   | 11,748,737           |
| Debt service fund                        | 452,858                                  |   | 452,858              |
| Other purposes                           | 4,517,499                                |   | 4,517,499            |
| Unrestricted (deficit)                   | <u>(61,722,899)</u>                      | <u>1,273,242</u>                          | <u>(60,449,657)</u>  |
| Total net position                       | <u>(\$3,012,452)</u>                     | <u>\$1,673,260</u>                        | <u>(\$1,339,192)</u> |

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

HAMILTON TOWNSHIP SCHOOL DISTRICT  
STATEMENT OF ACTIVITIES  
JUNE 30, 2021

| Functions/Programs                               | Expenses       | Indirect Cost Allocation | Programs Revenues    |                                    | Net (Expense) Revenue and Changes in Net Position |                          |
|--|----------------|--------------------------|----------------------|------------------------------------|---|--------------------------|
|  |                |                          | Charges for Services | Operating Grants and Contributions | Governmental Activities                           | Business-type Activities |
| <b>Governmental Activities:</b>                  |                |                          |                      |                                    |   |                          |
| Instruction:                                     |                |                          |                      |                                    |   |                          |
| Regular  | \$ 65,757,418  | \$ 34,955,224            | \$                   | \$ 30,379,551                      | \$  | \$ (70,333,091)          |
| Special  | 31,943,739     | 25,332,801               |                      | 19,629,728                         | (37,646,812)                                      | (37,646,812)             |
| Other Instruction                                | 8,003,353      | 4,053,752                |                      | 3,748,255                          | (8,308,850)                                       | (8,308,850)              |
| Support services:                                |                |                          |                      |                                    |   |                          |
| Tuition  | 13,492,788     | (13,492,788)             |                      |                                    |   |                          |
| Student and instruction related services         | 29,528,055     | 11,412,583               | 214,927              | 13,914,978                         | (26,810,733)                                      | (26,810,733)             |
| General administrative services                  | 1,614,284      | 154,951                  |                      | 77,279                             | (1,691,956)                                       | (1,691,956)              |
| School administrative services                   | 12,005,951     | 5,475,789                |                      | 4,860,972                          | (12,620,768)                                      | (12,620,768)             |
| Central service/Admin information technology     | 3,914,680      | 994,162                  |                      | 664,598                            | (4,144,244)                                       | (4,144,244)              |
| Plant operations and maintenance                 | 15,973,474     | 3,254,455                |                      | 2,181,841                          | (17,046,088)                                      | (17,046,088)             |
| Pupil transportation                             | 9,964,649      | 177,610                  |                      | 1,570,019                          | (8,572,240)                                       | (8,572,240)              |
| Unallocated benefits                             | 71,879,512     | (67,527,287)             |                      |                                    | (4,352,225)                                       | (4,352,225)              |
| Interest on Long-Term Debt                       | 2,242,322      |                          |                      | 264,932                            | (1,977,390)                                       | (1,977,390)              |
| Unallocated depreciation                         | 4,791,253      | (4,791,253)              |                      |                                    |   |                          |
| Total governmental activities                    | 271,011,477    | (4,791,253)              | 214,927              | 77,292,153                         | (193,504,397)                                     | (193,504,397)            |
| <b>Business-type activities:</b>                 |                |                          |                      |                                    |   |                          |
| Food Service                                     | 2,620,409      |                          | 11,764               | 2,669,773                          | 61,128  | 61,128                   |
| Total business-type activities                   | 2,620,409      |                          | 11,764               | 2,669,773                          | 61,128  | 61,128                   |
| Total primary government                         | \$ 273,631,886 | \$                       | 226,691              | \$ 79,961,926                      | \$ (193,504,397)                                  | \$ (193,443,269)         |
| <b>General Revenues:</b>                         |                |                          |                      |                                    |   |                          |
| Taxes:   |                |                          |                      |                                    |   |                          |
| Property taxes, levied for general purposes, net |                |                          |                      |                                    | \$ 116,801,519                                    | \$ 116,801,519           |
| Taxes levied for debt service                    |                |                          |                      |                                    | 6,911,904   | 6,911,904                |
| Federal and state aid not restricted             |                |                          |                      |                                    | 76,344,925  | 76,344,925               |
| Federal and state aid restricted                 |                |                          |                      |                                    | 667,781   | 667,781                  |
| Miscellaneous income                             |                |                          |                      |                                    | 2,479,098   | 2,479,098                |
| Total general revenues and special items         |                |                          |                      |                                    | 203,205,227                                       | 203,205,227              |
| Change in Net Position                           |                |                          |                      |                                    | 9,700,630   | 9,761,958                |
| Net Position - beginning (as restated) (deficit) |                |                          |                      |                                    | (12,713,282)                                      | (11,101,150)             |
| Net Position ending (deficit)                    |                |                          |                      |                                    | (3,012,452)                                       | (1,339,192)              |

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

**MAJOR FUND FINANCIAL STATEMENTS**

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

HAMILTON TOWNSHIP SCHOOL DISTRICT  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2021

|  | GENERAL<br>FUND      | SPECIAL<br>REVENUE<br>FUND | CAPITAL<br>PROJECTS<br>FUND | DEBT<br>SERVICE<br>FUND | TOTAL<br>GOVERNMENTAL<br>FUNDS |
|--|----------------------|----------------------------|-----------------------------|-------------------------|--------------------------------|
| <b>ASSETS:</b>                                   |                      |                            |                             |                         |                                |
| Cash and cash equivalents                        | \$ 7,246,736         | \$ 646,355                 | \$ 2,172,161                | \$ 903,287              | \$ 10,968,539                  |
| Cash with fiscal agents                          |                      |                            | 6,856,943                   |                         | 6,856,943                      |
| Receivables from other governments               | 2,633,323            | 1,548,654                  |                             |                         | 4,181,977                      |
| Other receivables                                | 37,495               | 284                        |                             |                         | 37,779                         |
| Interfund Accounts Receivable                    | 1,843,287            | 67,079                     |                             |                         | 1,910,366                      |
| Restricted cash and cash equivalents             | 13,071,750           |                            |                             |                         | 13,071,750                     |
| <b>Total assets</b>                              | <b>\$ 24,832,590</b> | <b>\$ 2,262,373</b>        | <b>\$ 9,029,104</b>         | <b>\$ 903,287</b>       | <b>\$ 37,027,353</b>           |
| <b>LIABILITIES AND FUND BALANCES:</b>            |                      |                            |                             |                         |                                |
| <b>Liabilities:</b>                              |                      |                            |                             |                         |                                |
| Accounts payable                                 | 3,452,984            | 858,734                    | 474,902                     |                         | 4,786,620                      |
| Payroll deductions payable                       | 70,073               |                            |                             |                         | 70,073                         |
| State unemployment insurance payable             | 162,129              |                            |                             |                         | 162,129                        |
| Payable to state government                      |                      | 440,601                    |                             |                         | 440,601                        |
| Payable to federal government                    |                      | 1,079                      |                             |                         | 1,079                          |
| Interfund payables                               | 169,423              | 40,899                     | 1,150,947                   |                         | 1,361,269                      |
| Unearned revenue                                 | 12,600               | 180,626                    |                             |                         | 193,226                        |
| <b>Total liabilities</b>                         | <b>3,867,209</b>     | <b>1,521,939</b>           | <b>1,625,849</b>            |                         | <b>7,014,998</b>               |
| <b>Fund balances:</b>                            |                      |                            |                             |                         |                                |
| <b>Restricted:</b>                               |                      |                            |                             |                         |                                |
| Capital reserve account                          | 11,748,737           |                            |                             |                         | 11,748,737                     |
| Maintenance reserve account                      | 1,323,013            |                            |                             |                         | 1,323,013                      |
| State unemployment insurance                     | 2,454,053            |                            |                             |                         | 2,454,053                      |
| Student activities                               |                      | 539,059                    |                             |                         | 539,059                        |
| Scholarships                                     |                      | 201,374                    |                             |                         | 201,374                        |
| Capital Projects                                 |                      |                            | 3,074,633                   |                         | 3,074,633                      |
| Debt Service                                     |                      |                            |                             | 452,858                 | 452,858                        |
| <b>Committed for:</b>                            |                      |                            |                             |                         |                                |
| For Encumbrances                                 |                      |                            | 4,328,622                   |                         | 4,328,622                      |
| <b>Assigned:</b>                                 |                      |                            |                             |                         |                                |
| Designated for Subsequent<br>Year's Expenditures | 5,000,000            |                            |                             | 450,429                 | 5,450,429                      |
| SEMI/FFCRA                                       | 19,206               |                            |                             |                         | 19,206                         |
| Unassigned                                       | 420,371              |                            |                             |                         | 420,371                        |
| <b>Total fund balances</b>                       | <b>20,965,381</b>    | <b>740,433</b>             | <b>7,403,255</b>            | <b>903,287</b>          | <b>30,012,355</b>              |
| <b>Total liabilities and fund balances</b>       | <b>\$ 24,832,590</b> | <b>\$ 2,262,373</b>        | <b>\$ 9,029,104</b>         | <b>\$ 903,287</b>       | <b>\$ 37,027,353</b>           |

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



TOWNSHIP OF HAMILTON SCHOOL DISTRICT  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2021

|  |                        |                           |
|--|------------------------|---------------------------|
| Total Fund Balances (Brought Forward)  | ,\$                    | 30,012,355                |
| Amounts Reported for Governmental Activities in the Statement of Net Position (A-1) are different because:   |                        |                           |
| Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.  |                        |                           |
| Cost of Assets   | ,\$ 210,609,496        |                           |
| Accumulated Depreciation   | <u>(88,456,243)</u>    | 122,153,253               |
| Long term liabilities, including bonds payable, and other related amounts that are not due and payable in the current period and therefore are not reported as liabilities in the funds. |                        |                           |
| Net Pension Liability  | (46,308,654)           |                           |
| Compensated Absences   | (3,634,406)            |                           |
| Bonds Payable  | (67,420,000)           |                           |
| Deferred Amount on Gain on Refunding Bonds   | (172,957)              |                           |
| Capital Leases   | <u>(20,774,241.00)</u> | (138,310,258)             |
| Deferred Outflows and Inflows of resources are applicable to future periods and therefore are not reported in the funds.   |                        |                           |
| Pensions:  |                        |                           |
| Deferred Outflows  |                        |                           |
| Pension related  | 8,954,579              |                           |
| Loss on Refunding Bonds  | 720,086                |                           |
| Premium on Refunding Bonds   | <u>172,957</u>         | 9,847,622                 |
| Deferred Inflows:  |                        |                           |
| Pension related  | (22,337,071)           |                           |
| Gain on Refunding Bonds  | <u>(91,000)</u>        | (22,428,071)              |
| Certain liabilities are not due and payable in the current period and therefore, are not reported in the governmental funds.   |                        |                           |
| Accounts Payable - Pension Related   | (3,374,443)            |                           |
| Accrued Interest Payable   | <u>(912,910)</u>       | <u>(4,287,353)</u>        |
| Net Position of Governmental Activities  | \$                     | <u><u>(3,012,452)</u></u> |

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

**HAMILTON TOWNSHIP BOARD OF EDUCATION**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**GOVERNMENTAL FUNDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

|  | GENERAL<br>FUND    | SPECIAL<br>REVENUE<br>FUND | CAPITAL<br>PROJECTS<br>FUND | DEBT<br>SERVICE<br>FUND | TOTAL<br>GOVERNMENTAL<br>FUNDS |
|--|--------------------|----------------------------|-----------------------------|-------------------------|--------------------------------|
| <b>REVENUES:</b>   |                    |                            |                             |                         |                                |
| Local sources:   |                    |                            |                             |                         |                                |
| Local tax levy   | \$ 116,801,519     |                            |                             | \$ 6,911,904            | \$ 123,713,423                 |
| Tuition from Individuals                                     | 41,000             |                            |                             |                         | 41,000                         |
| Tuition from Other LEAs Within the State                     | 80,334             |                            |                             |                         | 80,334                         |
| Transportation Fees From Individuals                         | 5,176              |                            |                             |                         | 5,176                          |
| Transportation Fees From Other LEAs                          | 24,928             |                            |                             |                         | 24,928                         |
| Interest Earned on Capital Reserve                           | 23,891             |                            |                             |                         | 23,891                         |
| Interest Earned on Maintenance Reserve                       | 3,115              |                            |                             |                         | 3,115                          |
| Interest on Investments                                      | 393,042            |                            | 79,687                      |                         | 472,729                        |
| Restricted miscellaneous revenue                             | 6,106              |                            |                             |                         | 6,106                          |
| Unrestricted miscellaneous revenue                           | 1,682,971          | 391,055                    |                             |                         | 2,074,026                      |
| <b>Total - local sources</b>                                 | <b>119,062,081</b> | <b>391,055</b>             | <b>79,687</b>               | <b>6,911,904</b>        | <b>126,444,727</b>             |
| Intermediate Sources:  |                    |                            |                             |                         |                                |
| PILOT Payments to School District                            | 455,362            |                            |                             |                         | 455,362                        |
| <b>Total Intermediate Sources</b>                            | <b>455,362</b>     |                            |                             |                         | <b>455,362</b>                 |
| State sources  |                    |                            |                             |                         |                                |
| Federal sources  | 113,254,804        | 1,272,093                  |                             | 946,187                 | 115,473,084                    |
|  | 221,566            | 10,002,860                 |                             |                         | 10,224,426                     |
| <b>Total revenues</b>  | <b>232,993,814</b> | <b>11,666,007</b>          | <b>79,687</b>               | <b>7,858,091</b>        | <b>252,597,599</b>             |
| <b>EXPENDITURES:</b>   |                    |                            |                             |                         |                                |
| Current expense:   |                    |                            |                             |                         |                                |
| Regular instruction  | 55,006,269         |                            |                             |                         | 55,006,269                     |
| Special instruction  | 19,112,017         | 8,036,183                  |                             |                         | 27,148,200                     |
| Other Instruction  | 6,453,298          |                            |                             |                         | 6,453,298                      |
| Support services:  |                    |                            |                             |                         |                                |
| Tuition  | 13,492,788         |                            |                             |                         | 13,492,788                     |
| Student & instruction related services                       | 21,637,104         | 3,643,298                  |                             |                         | 25,280,402                     |
| General administrative services                              | 3,370,277          |                            |                             |                         | 3,370,277                      |
| School administrative services                               | 8,213,684          |                            |                             |                         | 8,213,684                      |
| Central service/Admin information technology                 | 3,583,616          |                            |                             |                         | 3,583,616                      |
| Plant operations and maintenance                             | 16,039,729         |                            |                             |                         | 16,039,729                     |
| Pupil transportation   | 9,921,891          |                            |                             |                         | 9,921,891                      |
| Unallocated benefits   | 72,069,689         |                            |                             |                         | 72,069,689                     |
| Debt Service:  |                    |                            |                             |                         |                                |
| Principal  |                    |                            |                             | 5,725,000               | 5,725,000                      |
| Interest   |                    |                            |                             | 2,227,345               | 2,227,345                      |
| Capital outlay   | 1,537,898          |                            | 17,302,448                  |                         | 18,840,346                     |
| <b>Total expenditures</b>                                    | <b>230,438,259</b> | <b>11,679,481</b>          | <b>17,302,448</b>           | <b>7,952,345</b>        | <b>267,372,534</b>             |
| Excess (deficiency) of revenues<br>over (under) expenditures | 2,555,555          | (13,474)                   | (17,222,761)                | (94,254)                | (14,774,935)                   |
| Other financing sources (uses):                              |                    |                            |                             |                         |                                |
| Transfers In/out   | 19,860             |                            | (472,897)                   | 453,037                 |                                |
| Change in Investment   |                    |                            | (101,199)                   |                         | (101,199)                      |
| Capital Lease Proceeds                                       |                    |                            | 3,810,000                   |                         | 3,810,000                      |
| <b>Total other financing sources/(uses)</b>                  | <b>19,860</b>      |                            | <b>3,235,904</b>            | <b>453,037</b>          | <b>3,708,801</b>               |
| <b>Net change in fund balances</b>                           | <b>2,575,415</b>   | <b>(13,474)</b>            | <b>(13,986,857)</b>         | <b>358,783</b>          | <b>(11,066,134)</b>            |
| Fund balances, July 1, 2020 (as restated)                    | \$ 18,389,966      | \$ 753,907                 | \$ 21,390,112               | \$ 544,504              | \$ 41,078,489                  |
| Fund balances, June 30, 2021                                 | \$ 20,965,381      | \$ 740,433                 | \$ 7,403,255                | \$ 903,287              | \$ 30,012,355                  |

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

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

Total net change in fund balances - governmental funds (from B-2) \$ (11,066,134)

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

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

|                                       |                  |  |             |
|---------------------------------------|------------------|--|-------------|
| Depreciation expense                  |                  |  | (4,791,253) |
| Capital outlays                       | \$ 18,840,346    |  |             |
| Less: Capital Outlays not capitalized | <u>(132,738)</u> |  | 18,707,608  |

Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is not reported in the statement of activities.

|                      |  |           |
|----------------------|--|-----------|
| Bonds Paid by Budget |  | 5,725,000 |
|----------------------|--|-----------|

Proceeds from debt issues are a financing source in governmental funds. They are not revenue in the statement of activities; issuing debt increases long-term liabilities in the statement of net position.

|                                       |  |             |
|---------------------------------------|--|-------------|
| Capital lease proceeds - Current Year |  | (3,810,000) |
|---------------------------------------|--|-------------|

Repayment of long-term debt is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is not reported in the statement of activities.

|                                  |  |           |
|----------------------------------|--|-----------|
| Payment of capital lease payable |  | 2,772,624 |
|----------------------------------|--|-----------|

In the statement of activities, interest on long-term debt is accrued, regardless of when due. In governmental funds, interest is reported when due. The accrued interest is an addition in the reconciliation.

|  |  |        |
|--|--|--------|
|  |  | 69,850 |
|--|--|--------|

Governmental funds report the effect of premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.

|  |  |          |
|--|--|----------|
|  |  | (84,827) |
|--|--|----------|

District pension contributions are reported as expenditures in the governmental funds when made. However, they are reported as deferred outflows of resources in the Statement of Net Position because the reported net pension liability is measured a year before the District's report date. Pension expense, which is the change in the net pension liability adjusted for changes in deferred outflows and inflows of resources related to pensions, is reported in the Statement of Activities.

|                                |                |  |                  |
|--------------------------------|----------------|--|------------------|
| District pension contributions |                |  | 3,106,527        |
| Less: Pension expense          | \$ (1,118,742) |  | <u>1,987,785</u> |

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

|  |  |                |
|--|--|----------------|
|  |  | <u>190,177</u> |
|--|--|----------------|

|   |  |  |                            |
|---|--|--|----------------------------|
| Change in net position of governmental activities (A-2) |  |  | \$ <u><u>9,700,830</u></u> |
|---|--|--|----------------------------|

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

**OTHER FUNDS**

HAMILTON TOWNSHIP SCHOOL DISTRICT  
COMBINING STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
JUNE 30, 2021

|  | <u>BUSINESS-TYPE ACTIVITIES</u> | <u>GOVERNMENTAL ACTIVITIES</u> |
|--|---------------------------------|--------------------------------|
|  | <u>ENTERPRISE FUND</u>          | <u>INTERNAL SERVICE FUND</u>   |
|  | <u>FOOD SERVICE FUND</u>        | <u>WORKERS'</u>                |
|  |                                 | <u>COMPENSATION FUND</u>       |
| <b>ASSETS:</b>                         |                                 |                                |
| Current assets:                        |                                 |                                |
| Cash and cash equivalents              | \$1,187,854                     | \$967,813                      |
| Accounts receivable                    |                                 |                                |
| State                                  | 10,315                          |                                |
| Federal                                | 241,084                         |                                |
| Other                                  | 41,365                          |                                |
| Inventories                            | 99,334                          |                                |
|  | <hr/>                           | <hr/>                          |
| Total current assets                   | 1,579,952                       | 967,813                        |
|  | <hr/>                           | <hr/>                          |
| Noncurrent assets:                     |                                 |                                |
| Furniture, machinery and equipment     | 1,269,976                       |                                |
| Less accumulated depreciation          | (869,958)                       |                                |
|  | <hr/>                           | <hr/>                          |
| Total noncurrent assets                | 400,018                         |                                |
|  | <hr/>                           | <hr/>                          |
| Total assets                           | 1,979,970                       | 967,813                        |
|  | <hr/>                           | <hr/>                          |
| <b>LIABILITIES:</b>                    |                                 |                                |
| Current liabilities:                   |                                 |                                |
| Interfund payable                      |                                 | 549,097                        |
| Accounts payable                       | 240,547                         |                                |
| Unearned revenue                       | 66,163                          |                                |
| Accrued liability for insurance claims |                                 | 418,716                        |
|  | <hr/>                           | <hr/>                          |
| Total liabilities                      | 306,710                         | 967,813                        |
|  | <hr/>                           | <hr/>                          |
| <b>NET POSITION:</b>                   |                                 |                                |
| Net investment in capital assets       | 400,018                         |                                |
| Unrestricted                           | 1,273,242                       |                                |
|  | <hr/>                           | <hr/>                          |
| Total net position                     | <u>\$1,673,260</u>              | <u></u>                        |

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

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

|  | <u>BUSINESS-TYPE ACTIVITIES</u> | <u>GOVERNMENTAL ACTIVITIES</u> |
|--|---------------------------------|--------------------------------|
|  | <u>ENTERPRISE FUND</u>          | <u>INTERNAL SERVICE FUND</u>   |
|  | <u>FOOD SERVICE FUND</u>        | <u>WORKERS'</u>                |
|  | <u>SCHOOL NUTRITION</u>         | <u>COMPENSATION FUND</u>       |
| OPERATING REVENUES:  |                                 |                                |
| Charges for services:  |                                 |                                |
| Daily sales - non-reimbursable programs                      | \$11,764                        |                                |
| Total operating revenues                                     | <u>11,764</u>                   |                                |
| OPERATING EXPENSES:  |                                 |                                |
| Salaries   | 655,190                         |                                |
| Employee benefits  | 249,759                         |                                |
| Management and consultant fees                               | 38,301                          |                                |
| Insurance  | 19,306                          |                                |
| Other Purchased Services                                     | 351,106                         |                                |
| Supplies and materials                                       | 198,777                         |                                |
| Equipment  | 10,189                          |                                |
| Depreciation   | 52,724                          |                                |
| Miscellaneous  | 62,500                          |                                |
| Cost of sales - reimbursable                                 | 981,144                         |                                |
| Cost of sales - non-reimbursable                             | 1,413                           |                                |
| Total operating expenses                                     | <u>2,620,409</u>                |                                |
| Operating income (loss)                                      | <u>(2,608,645)</u>              |                                |
| NONOPERATING REVENUES (EXPENSES):                            |                                 |                                |
| State sources  |                                 |                                |
| State school lunch program                                   | 65,819                          |                                |
| Federal sources:   |                                 |                                |
| National school lunch program                                | 1,396,716                       |                                |
| National school breakfast program                            | 884,634                         |                                |
| Healthy Hunger-Free Kids Act                                 | 27,697                          |                                |
| Fresh Fruit and Vegetable                                    | 29,763                          |                                |
| Food Distribution Program                                    | 261,879                         |                                |
| Interest & Investment Revenue                                | 3,265                           |                                |
| Total Nonoperating Revenues/(Expenses)                       | <u>2,669,773</u>                |                                |
| Excess (deficiency) of revenues<br>over (under) expenditures | 61,128                          |                                |
| Other financing sources (uses):                              |                                 |                                |
| Claims Cancelled   |                                 | \$19,831                       |
| Transfers In/out   |                                 | <u>(19,831)</u>                |
| Total other financing sources (uses)                         |                                 |                                |
| Net change in net position                                   | 61,128                          |                                |
| Total net position - beginning                               | <u>1,612,132</u>                |                                |
| Total net position - ending                                  | <u><u>\$1,673,260</u></u>       |                                |

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

HAMILTON TOWNSHIP SCHOOL DISTRICT  
COMBINING STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS - ENTERPRISE FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

|   | <u>BUSINESS-TYPE ACTIVITIES</u> | <u>GOVERNMENTAL ACTIVITIES</u>    |
|---|---------------------------------|-----------------------------------|
|   | <u>ENTERPRISE FUND</u>          | <u>INTERNAL SERVICE FUND</u>      |
|   | <u>FOOD SERVICE FUND</u>        | <u>WORKERS' COMPENSATION FUND</u> |
| Cash flows from operating activities:   |                                 |                                   |
| Receipts from customers, net  | \$7,162                         |                                   |
| Payments for employees and benefits   | (904,949)                       |                                   |
| Payments to vendors   | (1,250,914)                     |                                   |
| Cash Payments for Employee Benefits - Net   |                                 | (\$41,884)                        |
| Net cash provided by (used for) operating activities  | <u>(2,148,701)</u>              | <u>(41,884)</u>                   |
| Cash flows from noncapital financing activities:  |                                 |                                   |
| Federal and State sources   | 2,396,874                       |                                   |
| Transfers to other funds  | 102,608                         | 19,831                            |
| Net cash provided by noncapital financing activities  | <u>2,499,482</u>                | <u>19,831</u>                     |
| Cash Flows From Investing Activities:   |                                 |                                   |
| Interest on Deposits  | 3,265                           |                                   |
| Net Cash Provided/(Used) by Investing Activities  | <u>3,265</u>                    |                                   |
| Net increase (decrease) in cash and cash equivalents  | 354,046                         | (22,052)                          |
| Cash and cash equivalents, July 1, 2020   | <u>833,808</u>                  | <u>989,866</u>                    |
| Cash and cash equivalents, June 30, 2021  | <u>\$1,187,854</u>              | <u>\$967,814</u>                  |
| Reconciliation of operating income (loss) to net cash provided (used) by operating activities               |                                 |                                   |
| Operating income (loss)   | (\$2,608,645)                   |                                   |
| Adjustments to reconciling operating income (loss) to net cash provided by (used for) operating activities: |                                 |                                   |
| Depreciation  | 52,724                          |                                   |
| Federal commodities   | 261,879                         |                                   |
| (Increase) decrease in inventories  | 80,825                          |                                   |
| (Increase) decrease in other accounts receivable  | 56,815                          |                                   |
| Increase (decrease) in accounts payable   | 103,010                         |                                   |
| Increase (decrease) in unearned revenue   | (95,309)                        |                                   |
| Increase (decrease) in claims payable   |                                 | (41,884)                          |
| Total Adjustments   | <u>459,944</u>                  | <u>(41,884)</u>                   |
| Net cash provided by (used for) operating activities  | <u>(\$2,148,701)</u>            | <u>(\$41,884)</u>                 |

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

**Hamilton Township School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2021**

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

The financial statements of the Township of Hamilton School District (the "District") have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the District's accounting policies are described below:

**Reporting Entity**

The Township of Hamilton School District is a Type II District located in Mercer County, New Jersey. The School District is an instrumentality of the State of New Jersey, established to function as an educational institution. The Board of Education of the Hamilton School District, comprised of nine elected individuals, is the primary governing authority of the District. A superintendent is appointed by the Board and is responsible for the administrative control of the District.

The primary criterion for including activities within the District's reporting entity, are set forth in Statement No. 39 of the Governmental Accounting Standards Board entitled "*Determining Whether Certain Organizations are Component Units*" (GASB 39), as codified in Section 2100 of the GASB Codification of Governmental Accounting and Financial Reporting Standards.

Organizations that are legally separate, tax-exempt entities and meet *all* of the following criteria should be discretely presented as component units. These criteria are:

1. The economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government
2. The primary government, or its component unit, is entitled to, or has the ability to otherwise access, a majority of the economic resources of the organization
3. The economic resources received or held by an *individual organization* that the specific primary government, or its component units, is entitled to, or has the ability to otherwise access, are significant to that primary government



**Hamilton Township School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2021**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Reporting Entity (Continued)**

The combined financial statements include all funds of the District over which the Board exercises operating control. The operations of the District include elementary schools, middle schools and high schools, located in the Township of Hamilton. There were no additional entities required to be included in the reporting entity under the criteria as described above, in the current fiscal year. Furthermore, the District is not includable in any other reporting entity on the basis of such criteria.

**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 statement of activities display information about the District as a whole. These statements include the financial activities of the overall District.. Eliminations have been made to minimize the double-counting of internal activities. These statements distinguish generally 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.

The statement of net position presents the financial condition of the governmental and business-type activities of the District at fiscal year end. The statement of activities presents a comparison between direct expenses and program revenues for the 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. Program revenues include (a) fees and 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 requirement of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues. The comparison of direct expenses with program revenues identifies the extent to which each governmental function or business segment is self-financing or draws from the general revenues of the District.

**Hamilton Township School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2021**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Basis of Presentation (Continued)**

*Fund Financial Statements:* During the fiscal year, the District segregates transactions related to certain 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.. Separate statements are presented for each fund category- governmental, and proprietary. 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 as the oversight entity believes that the presentation of all funds as major is important for the public interest and to promote consistency among District financial reporting models.

**Governmental Funds**

**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.

As required by the New Jersey Statement Department of Education, the District includes budgeted capital outlay in this fund. U.S. 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 the current expense by Board resolution; in certain instances approval by the County Superintendent of Schools may also be required.

**Special Revenue Fund** The special revenue fund is used to account for the proceeds of specific revenue sources from State and Federal Government (other than those for major capital projects, debt service or proprietary funds) and local appropriations that are legally restricted to expenditures for specified purposes.

**Hamilton Township School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2021**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Governmental Funds (Continued)**

**Capital Projects Funds** 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 debt issued to finance major property acquisition, construction and improvement programs.

**Proprietary Funds**

**Enterprise Fund** The enterprise fund accounts for all revenues and expenses pertaining to the District's Food Service program operations. This fund is utilized to account for operations that are financed and operated in a manner similar to private business enterprises. The stated intent is that the cost (*i.e.* expenses including depreciation and indirect costs) of providing goods or services to the students on a continuing basis are financed or recovered primarily through user charges.

**Internal Service Fund** This internal service fund is used in order to account for any run-off claims related to the District's Workers' Compensation self-insurance program which was discontinued June 30, 2005.

**Recently Adopted Accounting Pronouncements**

Beginning with the year ended June 30, 2021, the District has implemented GASB Statement 84, *Fiduciary Activities*. The objective of this new Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. This Statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities.

**Hamilton Township School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2021**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Recently Adopted Accounting Pronouncements (Continued)**

An activity meeting the criteria should be reported in a fiduciary fund in the basic financial statements. Governments with activities meeting the criteria should present a statement of fiduciary net position and a statement of changes in fiduciary net position. An exception to that requirement is provided for a business-type activity that normally expects to hold custodial assets for three months or less.

As a result of the implementation of this Statement, the New Jersey Department of Education has made the following determinations as to the reporting of certain funds which, in prior years, have been reported as Fiduciary Activities:

| <u>Activity</u>                         | Prior to<br>implementation of<br><u>GASB 84</u> | After<br>Implementation of<br><u>GASB 84</u> |
|---|---|--|
| Student Activity Funds                  | Fiduciary Fund                                  | Special Revenue<br>Fund                      |
| Scholarship Funds                       | Fiduciary Fund                                  | Special Revenue<br>Fund                      |
| Payroll Agency Funds                    | Fiduciary Fund                                  | General Fund                                 |
| State Unemployment Compensation<br>Fund | Fiduciary Fund                                  | General Fund                                 |

**Basis of Accounting-Measurement Focus**

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

District-wide and Proprietary 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. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, the recording of unearned revenue, and in the presentation for expenses versus expenditures. Ad Valorem (Property) Taxes are susceptible to accrual as under New Jersey State Statute a municipality is required to remit to its school district the entire balance of taxes in the amount voted upon or certified, prior to the end of the school year. The District records the entire approved tax levy as revenue (accrued) at the start of the fiscal year, since the revenue is both measurable and available.

**Hamilton Township School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2021**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Basis of Accounting-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 are 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 transactions 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 long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds from the issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

**Budgets/Budgetary Control**

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue, and debt service funds. The budgets are submitted to the county office for approval. In accordance with P.L. 2011, c. 202, which became effective January 17, 2012, the District elected to move the April 2013 school Board election to the date of the November general election thereby eliminating the vote on the annual base budget. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6A:23-2.2(f)1. Expenditures may not legally exceed budgeted appropriations at the line item level. All budget amendments and transfers must be approved by School Board resolution. Budget amendments during the year ended June 30, 2021 totaled \$2,265,903.00.

All budget amounts presented in the accompanying supplementary information reflect the original budget and the amended budget (which have been adjusted for legally authorized revisions of the annual budgets during the year).

**Hamilton Township School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2021**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Budgets/Budgetary Control (Continued)**

Appropriations, except remaining project appropriations, encumbrances, and unexpended grant appropriations, lapse at the end of each fiscal year. The capital projects fund presents the remaining project appropriations compared to current year expenditures. Formal budgetary integration into the accounting system is employed as a management control device during the fiscal year. For governmental funds, there are no substantial differences between the budgetary basis of accounting and generally accepted accounting principles (GAAP) with the exception of the legally mandated (NJSA 18A:22-44.2) revenue recognition of one or more deferred State Aid payments for budgetary purposes only due to the State deferral of such payments into the subsequent budget year and the accounting treatment of encumbrances in the special revenue fund as described below. Encumbrance accounting is also employed as an extension of formal budgetary integration in the governmental fund types. Unencumbered appropriations lapse at fiscal year end.

The accounting records of the special revenue fund are maintained on the grant accounting budgetary basis. The grant accounting budgetary basis differs from GAAP in that the grant accounting budgetary basis recognized 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 records.

**Encumbrance Accounting**

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

Open encumbrances in the special revenue fund for which the District has received advances are reflected in the balance sheet as unearned revenues at fiscal year end.

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

**Interfunds**

Interfund receivables and payables arise from transactions between particular funds and are considered short term in duration. The interfund transactions are recorded by all funds affected in the period in which the transactions are executed and are part of the district's available spendable resources.

**Hamilton Township School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2021**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Inventories and Prepaid Expenses**

Inventories of materials and supplies held for consumption in the governmental funds are recorded as expenditures at the time of purchase and year end balances are not reported in the financial statements.

Inventories of food and/or supplies in the food service fund are recorded at cost on a first-in, first-out basis or, in the case of Food Distribution Commodities, at stated value which approximates market.

Prepaid expenses which benefit future periods, other than those recorded in the enterprise fund, are recorded as expenditures in the year of purchase.

**Capital Assets**

The District has an established formal system of accounting for its capital assets. Capital Assets used for governmental purposes, which include land, buildings and improvements and furniture and equipment, are only reported in the district- wide financial statements. The District generally defines capital assets as assets with an initial cost of \$2,000.00 or more and an estimated useful life in excess of one year. Purchased or constructed capital assets are reported at cost. Donated capital assets are valued at their estimated fair market value on the date received. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

In fiscal year 2016, the District implemented GASB 72 The objective of this Statement is to improve financial reporting by clarifying the definition of fair value for financial reporting purposes, establishing general principles for measuring fair value, providing additional fair value application guidance, and enhancing disclosures about fair value measurements. These improvements are based in part on the concepts and definitions established in Concepts Statement No. 6, Measurement of Elements of Financial Statements, and other relevant literature.

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

|                               | <u>Estimated Life</u> |
|-------------------------------|-----------------------|
| School Buildings              | 50                    |
| Building Improvements         | 20                    |
| Electrical/Plumbing           | 30                    |
| Vehicles                      | 8                     |
| Office and Computer Equipment | 10                    |
| Instructional Equipment       | 10                    |
| Grounds Equipment             | 15                    |

**Hamilton Township School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2021**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Compensated Absences**

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

District employees are granted varying amounts of vacation and sick leave in accordance with the District's personnel policy and/or collective bargaining unit contracts. Upon termination, employees are paid for accrued vacation. Sick leave benefits provide for ordinary sick pay and begin vesting with the employee after four years of service.

The liability for compensated absences was accrued using the termination payment method, whereby the liability is calculated based on the amount of sick leave and vacation days that are expected to become eligible for payment upon termination. The District estimates its accrued compensated absences liability based on the accumulated sick and vacation days at the balance sheet date by those employees who are currently eligible to receive termination payments.

For the district-wide statements, the current portion is the amount estimated to be used in the following year. For the governmental funds in the fund financial statements, a liability is reported only for to the extent of the amount actually due at year end as a result of employee resignations/retirements. Compensated absences are a reconciling item between the fund level and district-wide presentations.

**Fund Equity**

Fund balance restrictions are used to indicate that portion of the fund balance that is not available for expenditures or is legally segregated for a specific future use. Designation of portions of the fund balances are established to indicate tentative plans for financial utilization in a future period. The unassigned fund balances represent the amount available for future budgetary operations.

**Unearned Revenue**

Unearned revenue in the special revenue and proprietary funds represents funds which have been received but not yet earned. A corresponding accounts receivable has also been established for any open encumbrances at year end which is an allowable practice under generally accepted accounting principles.



**Hamilton Township School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2021**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Accrued Liabilities and Long-Term Obligations**

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

**Net Position**

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

**Fund Balance Restrictions**

GASB Statement 54, "Fund Balance Reporting and Governmental Fund Type Definitions" modifies fund balance reporting and clarifies fund type definitions. This Statement aims to enhance the usefulness of fund balance information by providing clearer fund balance clarifications that can be applied more consistently.

Under the standard, in the fund financial statements, governmental funds report the following classifications of fund balance:

**Nonspendable** – includes amounts that cannot be spent because they are either not spendable in form or are legally or contractually required to be maintained intact. The District reports Inventory as Nonspendable Fund Balance

**Restricted** – includes amounts restricted by external sources (creditors, laws of other governments, etc.) or by constitutional provision or enabling legislation. The District reports the State Unemployment Insurance, Capital Reserve, Maintenance Reserve, State Unemployment Insurance, Student Activities and Excess Surplus as Restricted Fund Balance.

**Hamilton Township School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2021**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Fund Balance Restrictions (Continued)**

Committed – includes amounts that can only be used for specific purposes. Committed fund balance is reported pursuant to resolutions passed by the Board of Education, the District's highest level of decision making authority. Commitments may be modified or rescinded only through resolutions approved by the Board of Education.

Assigned – includes amounts that the District intends to use for a specific purpose, but do not meet the definition of restricted or committed fund balance. Under the District's policy, amounts may be assigned by the Business Administrator. The District reports Encumbrances and Designated for Subsequent Years Expenditures as Assigned Fund Balance.

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

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

**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. For the District, "available" means within sixty days of the fiscal year end.

Non-exchange transactions, in which the District receives value without directly giving equal value in return, include property 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.

**Hamilton Township School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2021**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Revenues Exchange and Non-exchange Transactions (Continued)**

Revenue from property 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 the fiscal year when use is first permitted; matching requirements, in which the District must provide local resources to be used for a specific purpose; and expenditure requirements, in which the resources are provided to the 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.

**Operating Revenues and Expenses**

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

**Allocation of Indirect Expenses**

The District reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Indirect expenses are allocated to functions but are reported separately in the Statement of Activities. Employee benefits, including the employer's share of social security, workers compensation, and medical and dental benefits, were allocated based on salaries of the program. Depreciation expense, where practicable, is specifically identified by function and is included in the indirect expense column of the Statement of Activities. Depreciation expense that could not be attributed to a specific function is considered an indirect expense and is reported separately on the Statement of Activities.

**Extraordinary and Special Items**

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

**Hamilton Township School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2021**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Management Estimates**

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

**Accounting and Financial Reporting for Pensions**

In the District-Wide Financial Statements for purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the District's proportionate share of the New Jersey Public Employees Retirement System ("PERS") and the Teachers' Pension and Annuity Fund ("TPAF") and the additions to/deductions from these retirement systems' fiduciary net position have been determined on the same basis as they were reported by PERS and TPAF. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

In the Governmental Fund Financial Statements the year end Net pension liability is not required to be reflected. Pension related revenues and expenditures are reflected based on amounts that are normally expected to be liquidated with available financial resources for required pension contributions. Expenditures for PERS are recognized based upon billings made by the State of New Jersey due April 1<sup>st</sup> of each fiscal year. TPAF contributions are paid on the District's behalf by the State of New Jersey. The Governmental Fund Financial Statements reflects both a revenue and expenses for this pension contribution.

**Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. Currently, the District has three items that qualify for reporting in this category, deferred amounts from refunding debt and deferred items that are pension related.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. Currently, the District has two items that qualify for reporting in this category, deferred amounts from refunding debt and deferred items that are related to pensions.

**Hamilton Township School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2021**

**NOTE 2: CASH AND CASH EQUIVALENTS AND INVESTMENTS**

The Board considers petty cash, change funds, cash in banks, and short term investments with original maturities of three months or less as cash and cash equivalents. Investments are stated at cost, which approximates market.

**Deposits**

New Jersey statutes permit the deposit of public funds in public depositories which are located in New Jersey and which meet the requirements of the Governmental Unit Deposit Protection Act (GUDPA). GUDPA requires a bank that accepts public funds to be a public depository. A public depository is defined as a state bank, a national bank, or a savings bank, which is located in the State of New Jersey, the deposits of which are insured by the Federal Deposit Insurance Corporation. The statutes also require public depositories to maintain collateral for deposits of public funds that exceed certain insurance limits. Each depository participating in the GUDPA system must pledge collateral equal to 5% of the average amount of its public deposits and 100% of the average amount of its public funds in excess of 75% of its capital funds. No collateral is required for amounts covered by FDIC insurance. The collateral which may be pledged to support these deposits includes obligations of the State and federal governments, insured securities and other collateral approved by the Department. When the capital position of the depository deteriorates or the depository takes an unusually large amount of public deposits, the Department of Banking and Insurance requires additional collateral to be pledged. Under (GUDPA), if a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the full amount of the deposits to the governmental unit

The Township of Hamilton School District had the following cash and cash equivalents at June 30, 2021:

| <u>Fund Type</u>        | <u>Amount</u>        |
|-------------------------|----------------------|
| Cash in Bank:           |                      |
| Governmental Funds      | \$ 36,269,371        |
| Proprietary Funds       | <u>2,442,955</u>     |
| Total Cash in Bank      | \$ 38,712,326        |
| Less: Reconciling Items | <u>(5,659,427)</u>   |
| Reconciled Balance      | <u>\$ 33,052,899</u> |

**Hamilton Township School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2021**

**NOTE 2: CASH AND CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)**

**Deposits**

**Custodial Credit Risk - Deposits** - Custodial credit risk is the risk that in the event of a bank failure, the deposits may not be returned. The District does not have a specific deposit policy for custodial credit risk other than those policies that adhere to the requirements of statute. As of June 30, 2020, based upon the coverage provided by FDIC and NJGUDPA, no amount of the bank balance was exposed to custodial credit risk. Of the cash on balance in the bank of \$38,712,326, \$454,357 was covered by Federal Depository Insurance; \$31,396,213 was covered under the provisions of NJGUDPA; \$4,812 was held in escrow with fiscal agents and \$6,856,944 was on deposit with the New Jersey Assets Rebate Management (NJARM).

**Investments**

The types of investments which may be purchased by the District are strictly limited by the express authority of the N.J.S.A. 18A:20-37 Education, Administration of School Districts. Permitted investments include any of the following type of securities:

1. Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America;
2. Government money market mutual funds which are purchased from an investment company or investment trust which is registered with the Securities and Exchange Commission under the "Investment Company Act of 1940," 15 U.S.C. 80a1 et seq., and operated in accordance with 17 C.F.R. § 270.2a7 and which portfolio is limited to U.S. Government securities that meet the definition of an eligible security pursuant to 17 C.F.R. § 270.2a7 and repurchase agreements that are collateralized by such U.S. Government securities in which direct investment may be made pursuant to paragraphs (1) and (3) of N.J.S.A. 18A:2037. These funds are also required to be rated by a nationally recognized statistical rating organization.
3. Any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligation bears a fixed rate of interest not dependent on any index or other external factor;

**Hamilton Township School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2021**

**NOTE 2: CASH AND CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)**

**Investments (Continued)**

4. Bonds or other obligations of the Local Unit or bonds or other obligations of school districts of which the Local Unit is a part or within which the school district is located.
5. Bonds or other obligations, having a maturity date not more than 397 days from date of purchase, approved by the Division of Investment of the Department of Treasury for investment by School Districts;
6. Local government investment pools that are fully invested in U.S. Government securities that meet the definition of eligible security pursuant to 17 C.F.R. § 270a7 and repurchase agreements that are collateralized by such U.S. Government securities in which direct investment may be made pursuant to paragraphs (1) and (3) of N.J.S.A. 18A:2037. This type of investment is also required to be rated in the highest category by a nationally recognized statistical rating organization.
7. Deposits with the State of New Jersey Cash Management Fund established pursuant to section 1 of P.L. 1977, c.281 C. 52:18A-90.4); or
8. Agreements for the repurchase of fully collateralized securities if:
  - a. the underlying securities are permitted investments pursuant to paragraphs (1) and (3) of this subsection;
  - b. the custody of collateral is transferred to a third party;
  - c. the maturity of the agreement is not more than 30 days;
  - d. the underlying securities are purchased through a public depository as defined in section 1 of P.L. 1970, c.236 C. 17:1941); and
  - e. a master repurchase agreement providing for the custody and security of collateral is executed.

As of June 30, 2021, the District has \$6,856,944 on deposit with NJARM. Based upon the limitations set forth by New Jersey Statutes 40A:5-15.1, and existing investment practices of NJARM, the District is generally not exposed to credit risks and interest rate risks for its investments, nor is it exposed to foreign currency risk for its deposits and investments.

**Hamilton Township School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2021**

**NOTE 3: CAPITAL ASSETS**

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

|  | <u>Beginning<br/>Balance</u> | <u>Additions</u>    | <u>Deletions &amp;<br/>Transfers</u> | <u>Ending<br/>Balance</u> |
|--|------------------------------|---------------------|--------------------------------------|---------------------------|
| Governmental Activities:                                       |                              |                     |                                      |                           |
| Capital assets not being depreciated:                          |                              |                     |                                      |                           |
| Land   | \$1,248,202                  |                     |                                      | \$1,248,202               |
| Construction in Progress                                       | 35,326,151                   | 18,298,661          |                                      | 53,624,812                |
| Total Capital Assets not<br>being depreciated                  | <u>36,574,353</u>            | <u>18,298,661</u>   |                                      | <u>54,873,014</u>         |
| Buildings & Building Improvements                              | 139,644,869                  | 161,507             |                                      | 139,806,376               |
| Machinery & Equipment  | 15,682,666                   | 247,440             |                                      | 15,930,106                |
| Totals at historical cost                                      | <u>155,327,535</u>           | <u>408,947</u>      |                                      | <u>155,736,482</u>        |
| Gross Assets (Memo only)                                       | <u>191,901,888</u>           | <u>18,707,608</u>   |                                      | <u>210,609,496</u>        |
| Less: Accumulated Depreciation                                 |                              |                     |                                      |                           |
| Buildings & Building Improvements                              | (71,398,523)                 | (4,225,729)         |                                      | (75,624,252)              |
| Machinery & Equipment  | (12,266,467)                 | (565,524)           |                                      | (12,831,991)              |
| Total Depreciation   | <u>(83,664,990)</u>          | <u>(4,791,253)</u>  |                                      | <u>(88,456,243)</u>       |
| Total capital assets being<br>depreciated, net of depreciation | <u>71,662,545</u>            | <u>(4,382,306)</u>  |                                      | <u>67,280,239</u>         |
| Total Governmental Activities (net)                            | <u>\$108,236,898</u>         | <u>\$13,916,355</u> |                                      | <u>\$122,153,253</u>      |



**Hamilton Township School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2021**

**NOTE 3: CAPITAL ASSETS (CONTINUED)**

|                                      | <u>Beginning<br/>Balance</u> | <u>Additions</u>            | <u>Deletions &amp;<br/>Transfers</u> | <u>Ending<br/>Balance</u> |
|--------------------------------------|------------------------------|-----------------------------|--------------------------------------|---------------------------|
| Business-Type Activities:            |                              |                             |                                      |                           |
| Machinery & Equipment                | <u>\$1,269,976</u>           | <u>                    </u> | <u>                    </u>          | <u>\$1,269,976</u>        |
| Totals at historical cost            | <u>1,269,976</u>             | <u>                    </u> | <u>                    </u>          | <u>1,269,976</u>          |
| Less: Accumulated Depreciation       |                              |                             |                                      |                           |
| Machinery & Equipment                | <u>(817,234)</u>             | <u>(52,724)</u>             | <u>                    </u>          | <u>(869,958)</u>          |
| Total Depreciation                   | <u>(817,234)</u>             | <u>(52,724)</u>             | <u>                    </u>          | <u>(869,958)</u>          |
| Total Business-Type Activities (net) | <u>\$452,742</u>             | <u>(\$52,724)</u>           | <u>                    </u>          | <u>\$400,018</u>          |

Depreciation expense was charged to functional expenses areas of the District for Governmental Activities as follows:

|  |                      |
|--|----------------------|
| Instruction:                           |                      |
| Regular                                | (\$64,589)           |
| Support services:                      |                      |
| Student & Instruction Related Services | (7,589)              |
| General Administrative Services        | (15,371)             |
| School administrative services         | (39,363)             |
| Central Service/Adm Tech               | (92,846)             |
| Plant Operations & Maintenance         | (192,188)            |
| Pupil transportation                   | (27,082)             |
| Direct Expense of various functions    | <u>(4,352,225)</u>   |
|  | <u>(\$4,791,253)</u> |

**Hamilton Township School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2021**

**NOTE 4: LONG-TERM LIABILITIES**

Bonds are issued by the District pursuant to the provisions of Title 18A, Education, of the New Jersey Statutes and are required to be approved by the voters of the municipality through referendum. The proceeds of bonds are recorded in the Capital Projects Fund and are restricted to the use for which they were approved in the bond referendum. All bonds are retired in annual installments within the statutory period of usefulness.

School Bonds issued by the District are entitled to and benefit from the provision of the New Jersey School Board Reserve Act P.L. 1980 c.72. Basically, funds are held by the State of New Jersey within its State Fund for the Support of Free Public Schools as a school bond reserve pledged by law to secure payment of principal and interest due on such bonds in the event of the inability of the issuer to make payments.

The following is a summary of transactions that affect long-term liabilities for the year ended June 30, 2021:

|                          | Balance<br>June 30,<br><u>2020</u> | <u>Additions</u>          | <u>Reductions</u>          | Balance<br>June 30,<br><u>2021</u> | Amounts due<br>Within<br><u>one year</u> |
|--------------------------|------------------------------------|---------------------------|----------------------------|------------------------------------|--|
| Bonds Payable            | \$73,145,000                       |                           | \$5,725,000                | \$67,420,000                       | \$5,820,000                              |
| Unamortized Bond Premium | 383,283                            |                           | 210,326                    | 172,958                            | 137,679                                  |
| Compensated Absences     | 3,824,582                          |                           | 190,176                    | 3,634,406                          |  |
| Capital Leases Payable   | 19,736,865                         | 3,810,000                 | 2,772,624                  | 20,774,241                         | 2,707,478                                |
| Net Pension Liability    | 49,912,067                         |                           | 3,603,413                  | 46,308,654                         |  |
| <b>Totals</b>            | <b><u>\$147,001,798</u></b>        | <b><u>\$3,810,000</u></b> | <b><u>\$12,501,539</u></b> | <b><u>\$138,310,259</u></b>        | <b><u>\$8,665,157</u></b>                |

**Hamilton Township School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2021**

**NOTE 4: LONG-TERM LIABILITIES (CONTINUED)**

Debt Service Requirements:

The annual requirements to amortize all debt outstanding as of June 30, 2021, including interest payments on issued debt, are as follows:

| Fiscal Year               | <u>Principal</u>    | <u>Interest</u>     | <u>Total</u>        |
|---------------------------|---------------------|---------------------|---------------------|
| <u>June 30,</u><br>FY2022 | \$5,820,000         | \$2,047,220         | \$7,867,220         |
| FY2023                    | 4,840,000           | 1,850,160           | 6,690,160           |
| FY2024                    | 4,980,000           | 1,721,288           | 6,701,288           |
| FY2025                    | 5,065,000           | 1,584,400           | 6,649,400           |
| FY2026                    | 1,905,000           | 1,485,850           | 3,390,850           |
| FY2027                    | 2,020,000           | 1,426,975           | 3,446,975           |
| FY2028                    | 2,020,000           | 1,366,375           | 3,386,375           |
| FY2029                    | 2,020,000           | 1,305,775           | 3,325,775           |
| FY2030                    | 2,020,000           | 1,245,175           | 3,265,175           |
| FY2031                    | 2,020,000           | 1,184,575           | 3,204,575           |
| FY2032                    | 2,020,000           | 1,123,975           | 3,143,975           |
| FY2033                    | 2,020,000           | 1,063,375           | 3,083,375           |
| FY2034                    | 2,020,000           | 1,002,775           | 3,022,775           |
| FY2035                    | 2,020,000           | 942,175             | 2,962,175           |
| FY2036                    | 2,040,000           | 880,000             | 2,920,000           |
| FY2037                    | 2,040,000           | 816,250             | 2,856,250           |
| FY2038                    | 2,040,000           | 752,500             | 2,792,500           |
| FY2039                    | 2,040,000           | 687,475             | 2,727,475           |
| FY2040                    | 2,040,000           | 621,175             | 2,661,175           |
| FY2041                    | 2,040,000           | 554,875             | 2,594,875           |
| FY2042                    | 2,050,000           | 488,413             | 2,538,413           |
| FY2043                    | 2,050,000           | 420,506             | 2,470,506           |
| FY2044                    | 2,050,000           | 351,319             | 2,401,319           |
| FY2045                    | 2,060,000           | 281,963             | 2,341,963           |
| FY2046                    | 2,060,000           | 206,000             | 2,266,000           |
| FY2047                    | 2,060,000           | 123,600             | 2,183,600           |
| FY2048                    | 2,060,000           | 41,200              | 2,101,200           |
|                           | <u>\$67,420,000</u> | <u>\$25,575,368</u> | <u>\$92,995,368</u> |

**Hamilton Township School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2021**

**NOTE 4: LONG-TERM LIABILITIES (CONTINUED)**

General obligation school and refunding bonds payable with their outstanding balances are comprised of the following individual issues:

| <u>Issue</u>  | <u>Amount<br/>Outstanding<br/>June 30, 2021</u> |
|---|---|
| \$28,275,000.00 in Refunding School Bonds dated December 4, 2012, due in remaining annual installments ranging between \$2,970,000.00 and \$3,200,000.00 beginning August 15, 2021 and ending August 15, 2024 with interest from 2.00% to 2.63% | \$12,325,000                                    |
| \$9,910,000.00 in Refunding School Bonds dated November 20, 2015, due in one remaining annual installment of \$1,790,000.00 due February 15, 2022 with interest of 5.00%  | \$1,790,000                                     |
| \$55,393,000.00 in School Bonds dated December 28, 2017, due in remaining annual installments ranging between \$1,060,000.00 and \$2,060,000.00 beginning December 15, 2021 and ending December 15, 2047 with interest from 3.00% to 4.00%      | <u>\$53,305,000</u>                             |
|   | <u><u>\$67,420,000</u></u>                      |

**Refunding School Bonds**

**2006 Refunding**

The district issued \$87,650,000.00 in Refunding School bonds to advance refund \$83,425,000.00 of the districts previously issued and outstanding school bonds. The reacquisition price exceeded the net carrying amount by \$4,225,000.00. This amount is being amortized over the remaining life of the refunded debt, which is shorter than the life of the new debt issued. The current year portion charged to the Statement of Activities was \$230,426 leaving a balance of \$720,086. which is reflected on the Statement of Net Position as a Deferred Outflow. Under the escrow agreement, the escrow is irrevocably pledged to the payment of principal and interest on the refunded bonds. As a result, the \$83,425,000.00 of the refunded obligations are considered to be defeased and the liability for those bonds has been removed from the financial statements.

**Hamilton Township School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2021**

**NOTE 4: LONG-TERM LIABILITIES (CONTINUED)**

**2015 Refunding**

In October 2015, the District issued \$9,010,000 of refunding bonds to provide resources to refund a portion of the District's outstanding debt. As a result, \$9,920,000 of refunded bonds are considered defeased and the liability has been removed from the basic financial statement. This advance refunding was undertaken to reduce the total debt service payments over the next seven years by \$819,372 and resulted in a net present value savings of \$782,057. As of June 30, 2015, \$9,920,000 of the defeased debt remains outstanding. The difference between the re-acquisition price of the defeased debt of \$10,220,778 and the net carrying value amount of the old bonds of \$9,920,000 is being amortized over the remaining life of the defeased debt. The current year portion of the gain on the refunding charged to the Statement of Activities was \$145,600 leaving a balance of \$91,000 which is reflected on the Statement of Net Position as a Deferred Inflow.

**Bonds Authorized But Not Issued**

As of June 30, 2021, the District had no Bonds Authorized but not issued.

**Capital Leases Payable**

The District is leasing technology equipment and energy improvements totaling \$31,256,000 under capital leases. This capital leases are for terms of five years, with the exception of the Energy Saving Improvement Program lease which carries a term of 15 years. The following is a schedule of the future minimum lease payments under the capital lease and the present value of the net minimum lease payments at June 30, 2021:

| Fiscal Year Ended                  | Governmental |
|------------------------------------|--------------|
| <u>June 30,</u>                    | <u>Funds</u> |
| 2022                               | \$3,161,895  |
| 2023                               | 2,477,880    |
| 2024                               | 2,143,957    |
| 2025                               | 2,169,979    |
| 2026                               | 1,725,563    |
| 2027-2031                          | 6,922,097    |
| 2032-2035                          | 5,506,270    |
| Total Minimum Lease Payments       | 24,107,641   |
| Less: Amount Representing Interest | 3,333,400    |
| Present Value of Lease Payments    | \$20,774,241 |

**Hamilton Township School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2021**

**NOTE 5: PENSION PLANS**

**Description of Plans** All required employees of the District are covered by the Public Employees' Retirement System, the Teachers' Pension and Annuity Fund or the Defined Contribution Retirement Program which have been established by state statute and are administered by the New Jersey Division of Pension and Benefits (Division). According to the State of New Jersey Administrative Code, all obligations of each system will be assumed by the State of New Jersey should the system terminate. The Division issues a publicly available financial report that includes the financial statements and required supplementary information for each of the above systems. These reports may be obtained by writing to the Division of Pensions and Benefits, PO Box 295, Trenton, New Jersey, 08625 or on line at [www.state.nj.us/treasury/pensions](http://www.state.nj.us/treasury/pensions).

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

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

**Defined Contribution Retirement Program (DCRP)** The Defined Contribution Retirement Program (DCRP) was established under the provision of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007 to provide coverage elected and certain appointed officials, effective July 1, 2007. Membership is mandatory for such individuals with vesting occurring after one year of membership.

**Hamilton Township School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2021**

**NOTE 5: PENSION PLANS (CONTINUED)**

**Significant Legislation**

Effective June 28, 2011, P.L. 2011, c. 78 enacted certain changes in the operations and benefit provisions of the TPAF and the PERS systems.

As a result of these changes new members of TPAF and PERS, hired on or after June 28, 2011, will need 30 years of creditable service and have attained the age of 65 for receipt of the early retirement benefit without a reduction of 1/4 of 1% for each month that the member is under age 65. New members will be eligible for a service retirement benefit at age 65.

**Funding Changes**

Under the new legislation, the methodology for calculating the unfunded accrued liability payment portion of the employer's annual pension contribution to the PERS, and TPAF. The unfunded actuarial accrued liability (UAAL) will be amortized for each plan over an open-ended 30 year period and paid in level dollars. Beginning with the July 1, 2019 actuarial valuation (July 1, 2018 for PFRS), the UAAL will be amortized over a closed 30 year period until the remaining period reaches 20, when the amortization period will revert to an open-ended 20 year period.

**COLA Suspension**

The payment of automatic cost-of-living adjustment to current and future retirees and beneficiaries are suspended until reactivated as permitted by this law.

**Vesting and Benefit Provisions** The vesting and benefit provisions of PERS are set by N.J.S.A. 43:15A and 43.3B, and N.J.S.A. 18A:6C for TPAF. All benefits vest after ten years of service, except for post-retirement healthcare benefits that vest after 25 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.

**Contribution Requirements** The contribution policy is set by N.J.S.A. 43:15A and N.J.S.A. 18:66, and requires contributions by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. As of April 1, 2018 employee contributions rates were increased to 7.50%

**Hamilton Township School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2021**

**NOTE 5: PENSION PLANS (CONTINUED)**

**Contribution Requirements (Continued)**

Employers are required to contribute at an actuarially determined rate in both TPAF and PERS. The actuarially determined contribution includes funding for cost-of-living adjustments, noncontributory death benefits, and post-retirement medical premiums. Under current statute the District is a non-contributing employer of TPAF (i.e. the State of new Jersey makes the employer contribution on behalf of public school districts.

**Three Year Trend Information for PERS**

| <u>Year Ended</u><br><u>June 30,</u> | <u>Annual</u><br><u>Pension Cost</u><br><u>(APC)</u> | <u>Percentage</u><br><u>of APC</u><br><u>Contributed</u> | <u>Net Pension</u><br><u>Obligation</u> |
|--------------------------------------|--|--|---|
| 2021                                 | \$3,106,530.00                                       | 100%   | \$3,106,530.00                          |
| 2020                                 | \$2,706,922.00                                       | 100%   | \$2,706,922.00                          |
| 2019                                 | \$2,913,664.00                                       | 100%   | \$2,913,664.00                          |

**Three Year Trend Information for TPAF (On-behalf Contribution)**

| <u>Year Ended</u><br><u>June 30,</u> | <u>Annual</u><br><u>Pension Cost</u><br><u>(APC)</u> | <u>Percentage</u><br><u>of APC</u><br><u>Contributed</u> | <u>Net Pension</u><br><u>Obligation</u> |
|--------------------------------------|--|--|---|
| 2021                                 | \$21,892,995.00                                      | 100%   | -0-                                     |
| 2020                                 | \$17,010,984.00                                      | 100%   | -0-                                     |
| 2019                                 | \$15,359,624.00                                      | 100%   | -0-                                     |

In accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the District for the years ended June 30, 2021, 2020 and 2019 \$6,372,236, \$6,294,503 and \$6,146,733 respectively for the employer's share of social security contributions for TPAF members, as calculated on their base salaries.



**Hamilton Township School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2021**

**NOTE 6: ACCOUNTING AND FINANCIAL REPORTING FOR PENSION - GASB 68**

**Public Employees Retirement System (PERS)**

At June 30, 2021, the District reported a liability of \$46,308,654.00 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2019 which was rolled forward to June 30, 2020. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At June 30, 2020, the District's proportion was 0.2839735126 percent, which was an increase of 0.0069686866 percent from its proportion measured as of June 30, 2019.

For the year ended June 30, 2021, the District recognized pension expense of \$1,167,559.00 in the district-wide financial statements. This pension expense was based on the pension plans June 30, 2020 measurement date.

At June 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

|  | <u>Deferred<br/>Outflow of<br/>Resources</u> | <u>Deferred<br/>Inflow of<br/>Resources</u> |
|--|--|---|
| Differences between expected and actual experience   | \$843,204                                    | \$163,767                                   |
| Changes of assumptions   | 1,502,305                                    | 19,389,872                                  |
| Net difference between projected and actual earnings<br>on pension plan investments                              | 1,582,867                                    |   |
| Changes in proportion and differences between District<br>contributions and proportionate share of contributions | 1,651,760                                    | 2,783,432                                   |
| District contributions subsequent to the measurement date  | <u>3,374,443</u>                             |   |
|  | <u>\$8,954,579</u>                           | <u>\$22,337,071</u>                         |

The \$3,374,443 reported as deferred outflows of resources related to pensions resulting from school district contributions subsequent to the measurement date (i.e. for the school year ending June 30, 2021, the plan measurement date is June 30, 2020) will be recognized as a reduction of the net pension liability in the year ended June 30, 2022.

**Hamilton Township School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2021**

**NOTE 6: ACCOUNTING AND FINANCIAL REPORTING FOR PENSION - GASB 68**  
**(CONTINUED)**

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

Other 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 Ended</u><br><u>June 30</u> | <u>Amount</u>         |
|-------------------------------------|-----------------------|
| 2021                                | (\$6,037,223)         |
| 2022                                | (5,524,098)           |
| 2023                                | (3,253,871)           |
| 2024                                | (1,450,619)           |
| 2025                                | <u>(491,124)</u>      |
|                                     | <u>(\$16,756,935)</u> |

**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 rolled forward to June 30, 2020. These actuarial valuations used the following assumptions:

|                           | <u>June 30, 2020</u>         | <u>June 30, 2019</u>         |
|---------------------------|------------------------------|------------------------------|
| Inflation rate:           |                              |                              |
| Price                     | 2.75%                        | 2.75%                        |
| Wage                      | 3.25%                        | 3.25%                        |
| Salary Increases:         |                              |                              |
| Through 2026              | 2.00%-6.00%                  | 2.00%-6.00%                  |
|                           | Based on Years of<br>Service | Based on Years of<br>Service |
| Thereafter                | 3.00%-7.00%                  | 3.00%-7.00%                  |
|                           | Based on Years of<br>Service | Based on Years of<br>Service |
| Investment Rate of Return | 7.00%                        | 7.00%                        |

Pre-retirement mortality rates were based on the Pub-2010 General Below-Median Income Employee mortality table with an 82.2% adjustment for males and 101.4% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 General Below-Median Income Healthy Retiree mortality table with a 91.4% adjustment for males and 99.7% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability retirement rates used to value disabled retirees were based on the Pub-2010 Non-Safety Disabled Retiree mortality table with a 127.7% adjustment for males and 117.2% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2020.

**Hamilton Township School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2021**

**NOTE 6: ACCOUNTING AND FINANCIAL REPORTING FOR PENSION - GASB 68**  
**(CONTINUED)**

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

**Actuarial Assumptions (Continued)**

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 Rate of Return**

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at both June 30, 2020 and June 30, 2019) 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. 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:

| <u>Assets Class</u>              | <u>Target Allocation</u> | <u>Long-Term Expected Real Rate of Return</u> |
|----------------------------------|--------------------------|---|
| U.S. Equity                      | 27.00%                   | 7.71%   |
| Non-U.S. Developed Market Equity | 13.50%                   | 8.57%   |
| Emerging Market Equity           | 5.50%                    | 10.23%  |
| Private Equity                   | 13.00%                   | 11.42%  |
| Real Estate 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%   |

**Discount Rate**

The discount rate used to measure the total pension liability was 7.00% and 6.28% as of June 30, 2020 and June 30, 2019, respectively. 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.

**Hamilton Township School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2021**

**NOTE 6: ACCOUNTING AND FINANCIAL REPORTING FOR PENSION - GASB 68**  
**(CONTINUED)**

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

**Discount Rate (Continued)**

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.

**Sensitivity of the Collective Net Pension Liability to Changes in the Discount Rate**

The following presents the District's proportionate share of the net pension liability 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 was calculated using a discount rate that is 1-percentage point lower or 1-percentage-point higher than the current rate

|  | 1%<br>Decrease<br><u>6.00%</u> | At Current<br>Discount Rate<br><u>7.00%</u> | 1%<br>Increase<br><u>8.00%</u> |
|--|--------------------------------|---|--------------------------------|
| District's proportionate share<br>of the net pension liability | \$58,753,266                   | \$46,308,654                                | \$36,422,190                   |

**Pension Plan Fiduciary Net Position**

Detailed information about the pension plan's fiduciary net position is available in the separately issued Financial Report for the State of New Jersey Public Employees Retirement System (PERS). The report may be obtained at State of New Jersey Division of Pensions and Benefits P.O. Box 295 Trenton, New Jersey 08625-0295 by visiting <http://www.state.nj.us/treasury/pensions>.

**Hamilton Township School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2021**

**NOTE 6: ACCOUNTING AND FINANCIAL REPORTING FOR PENSION - GASB 68**  
**(CONTINUED)**

**Teachers Pensions and Annuity Fund (TPAF)**

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.

The portion of the TPAF Net Pension Liability that was associated with the District recognized at June 30, 2021 was as follows:

|   |                      |
|---|----------------------|
| Net Pension Liability:                                      |                      |
| Districts proportionate share                               | -0-                  |
| State's proportionate share<br>associated with the District | <u>\$510,696,426</u> |
|   | <u>\$510,696,426</u> |

The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2019 which was rolled forward to June 30, 2020. The net pension liability associated with the District was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating school districts and the State, actuarially determined. At June 30, 2020, the proportion of the TPAF net pension liability associated with the District was .7755592375% which was a decrease of .000054022707 percent from its proportion measured as of June 30, 2019.

For the year ended June 30, 2021, the District recognized on-behalf pension expense and revenue of \$31,757,278.00 in the government-wide financial statements for contributions provided by the State. This pension expense and revenue was based on the pension plans June 30, 2020 measurement date.

**Hamilton Township School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2021**

**NOTE 6: ACCOUNTING AND FINANCIAL REPORTING FOR PENSION - GASB 68**  
**(CONTINUED)**

**Teachers Pensions and Annuity Fund (TPAF) (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>June 30, 2020</u>         | <u>June 30, 2019</u>         |
|---------------------------|------------------------------|------------------------------|
| Inflation rate:           |                              |                              |
| Price                     | 2.75%                        | 2.75%                        |
| Wage                      | 3.25%                        | 3.25%                        |
| Salary Increases:         |                              |                              |
| Through 2026              | 1.55%-4.45%                  | 1.55%-4.55%                  |
|                           | Based on Years of<br>Service | Based on Years of<br>Service |
| Thereafter                | 2.75%-5.65%                  | 2.00%-5.65%                  |
|                           | Based on Years of<br>Service | Based on Years of<br>Service |
| Investment Rate of Return | 7.00%                        | 7.00%                        |

**Mortality Rate**

Pre-retirement mortality rates were based on the Pub-2010 Teachers Above-Median Income Employee mortality table with a 93.9% adjustment for males and 85.3% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 Teachers Above-Median Income Healthy Retiree mortality table with a 114.7% adjustment for males and 99.6% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability mortality rates were based on the Pub-2010 Non-Safety Disabled Retiree mortality table with a 106.3% adjustment for males and 100.3% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2020.

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, 2015 to June 30, 2018.

**Hamilton Township School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2021**

**NOTE 6: ACCOUNTING AND FINANCIAL REPORTING FOR PENSION - GASB 68**  
**(CONTINUED)**

**Teachers Pensions and Annuity Fund (TPAF) (Continued)**

**Actuarial Assumptions (Continued)**

**Long-Term Expected Rate of Return**

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% and 7.00% at June 30, 2020 and June 30, 2019 respectively) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries.

The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in TPAF's target asset allocation as of June 30, 2020 are summarized in the following table:

| <u>Assets Class</u>              | <u>Target Allocation</u> | <u>Long-Term Expected Real Rate of Return</u> |
|----------------------------------|--------------------------|---|
| U.S. Equity                      | 27.00%                   | 7.71%   |
| Non-U.S. Developed Market Equity | 13.50%                   | 8.57%   |
| Emerging Market Equity           | 5.50%                    | 10.23%  |
| Private Equity                   | 13.00%                   | 11.42%  |
| Real Estate 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%   |

**Hamilton Township School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2021**

**NOTE 6: ACCOUNTING AND FINANCIAL REPORTING FOR PENSION - GASB 68**  
**(CONTINUED)**

**Teachers Pensions and Annuity Fund (TPAF) (Continued)**

**Discount Rate**

The discount rate used to measure the total pension liability was 5.40% and 5.60% as of June 30, 2020 and 2019, respectively. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.00% for both June 30, 2020 and 2019, and a municipal bond rate of 2.21% and 3.50% as of June 30, 2020 and 2019, respectively, 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.

**Sensitivity of the Net Pension Liability to Changes in the Discount Rate**

Because the District's proportionate share of the net pension liability is zero, consideration of potential changes in the discount rate is not applicable to the District.

**Pension Plan Fiduciary Net Position**

Detailed information about the pension plan's fiduciary net position is available in the separately issued Financial Report for the State of New Jersey Teachers Public and Annuity Fund (TPAF). The report may be obtained at State of New Jersey Division of Pensions and Benefits P.O. Box 295 Trenton, New Jersey 08625-0295 by visiting <http://www.state.nj.us/treasury/pensions>



**Hamilton Township School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2021**

**NOTE 7: ACCOUNTING AND FINANCIAL REPORTING FOR POST-RETIREMENT BENEFITS OTHER THAN PENSIONS - GASB 75**

**Plan Description and Benefits Provided**

The State Health Benefit Local Education Retired Employees Plan is a multiple-employer defined benefit OPEB plan, which 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 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. Therefore, these local participating employers are considered to be in a special funding situation as defined by GASB Statement No. 75 and the State is treated as a nonemployer contributing entity. According to N.J.S.A 52:14-17.32f, the State provides employer-paid coverage to employees who retire from a board of education or county college with 25 years or more of service credit in, or retires on a disability pension from, one or more of the following plans: the Teachers' Pension and Annuity Fund (TPAF), the Public Employees' Retirement System (PERS), the Police and Firemen Retirement System (PFRS), or the Alternate Benefit Program (ABP). Pursuant to Chapter 78, P.L. 2011, future retirees eligible for postretirement medical coverage who have less than 20 years of creditable service on June 28, 2011 will be required to pay a percentage of the cost of their health care coverage in retirement provided they retire with 25 or more years of pension service credit. The percentage of the premium for which the retiree will be responsible will be determined based on the retiree's annual retirement benefit and level of coverage.

**Employees Covered by Benefit Terms**

The State Health Benefit Local Education Retired Employees Plan Membership covered by the benefit terms consisted of the following:

|  |                |
|--|----------------|
| Active Plan Members                    | 216,804        |
| Inactive Plan Members or Beneficiaries |                |
| Currently Receiving Benefits           | 149,304        |
| Inactive Plan Members or Beneficiaries |                |
| Not Yet Receiving Benefits             | <u>- 0 -</u>   |
| Total Plan Members                     | <u>366,108</u> |

**Hamilton Township School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2021**

**NOTE 7: ACCOUNTING AND FINANCIAL REPORTING FOR POST-RETIREMENT BENEFITS OTHER THAN PENSIONS - GASB 75 (CONTINUED)**

**Total Non-Employer OPEB Liability**

The portion of the total Non-Employer OPEB Liability that was associated with the District at June 30, 2021 was as follows:

|  |               |
|--|---------------|
| Total OPEB Liability:                                    |               |
| District's Proportionate Share                           | \$-0-         |
| State's Proportionate Share associated with the District | 594,039,193   |
|  | \$594,039,193 |

The total Non-Employer 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 total Non-Employer OPEB liability was determined separately based on actual data of the District.

For the year ended June 30, 2021, the District recognized on-behalf post-employment expense and revenue of \$25,759,630 in the government-wide financial statements for contributions provided by the State. This expense and revenue was based on the plans June 30, 2020 measurement date.

At June 30, 2020, the District's proportion was .8760352759 percent, which was an increase of .0016188860 from its proportion measured as of June 30, 2019.

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

**Hamilton Township School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2021**

**NOTE 7: ACCOUNTING AND FINANCIAL REPORTING FOR POST-RETIREMENT BENEFITS OTHER THAN PENSIONS - GASB 75 (CONTINUED)**

**Actuarial Assumptions and Other Inputs**

The total Non-Employer OPEB liability that was associated with the District 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>June 30, 2020</u> |             |                                |
|------------------|----------------------|-------------|--------------------------------|
|                  | <u>TPAF/ABP</u>      | <u>PERS</u> | <u>PFRS</u>                    |
| Inflation – 2.5% |                      |             |                                |
| Salary Increases |                      |             |                                |
| 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<br>All Future Years |
|                  |                      |             |                                |
|                  | <u>June 30, 2019</u> |             |                                |
|                  | <u>TPAF/ABP</u>      | <u>PERS</u> | <u>PFRS</u>                    |
| CPI – 2.5%       |                      |             |                                |
| Salary Increases |                      |             |                                |
| Through 2026     | 1.55-3.05%*          | 2.00-6.00%* | 3.25-15.25%*                   |
| Thereafter       | 1.55-3.05%*          | 3.00-7.00%* | Applied to<br>All Future Years |

\*- Based on Years of Service

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.

**Hamilton Township School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2021**

**NOTE 7: ACCOUNTING AND FINANCIAL REPORTING FOR POST-RETIREMENT BENEFITS OTHER THAN PENSIONS - GASB 75 (CONTINUED)**

**Actuarial Assumptions and Other Input (Continued)**

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%.

**Discount Rate**

The discount rate for June 30, 2020 and June 30, 2019 was 2.21% and 3.50% respectively. 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.

**Hamilton Township School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2021**

**NOTE 7: ACCOUNTING AND FINANCIAL REPORTING FOR POST-RETIREMENT BENEFITS OTHER THAN PENSIONS - GASB 75 (CONTINUED)**

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

Shown below are details regarding The Total OPEB non-employer Liability associated with the District for the measurement period from June 30, 2019 to June 30, 2020.

|  |                     |                             |
|--|---------------------|-----------------------------|
| Balance at 6/30/19                                 |                     | \$364,885,924               |
| Changes for the year:                              |                     |                             |
| Service cost                                       | 13,935,449          |                             |
| Interest   | 13,084,763          |                             |
| Differences between expected and actual experience | 103,650,785         |                             |
| Changes in assumptions or other inputs             | 108,510,547         |                             |
| Membership Contributions                           | 313,458             |                             |
| Benefit payments - Net                             | <u>(10,341,733)</u> |                             |
| Net changes  |                     | <u>229,153,269</u>          |
| Balance at 6/30/20                                 |                     | <u><u>\$594,039,193</u></u> |

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

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

|   | June 30, 2020                           |   |   |
|---|---|---|---|
|   | <u>1.00%</u><br><u>Decrease (1.21%)</u> | <u>At Discount</u><br><u>Rate (2.21%)</u> | <u>1.00%</u><br><u>Increase (3.21%)</u> |
| State of New Jersey's Proportionate Share of the total Non-Employer OPEB Liability associated with the District | \$716,144,909                           | \$594,039,193                             | \$498,564,283                           |

**Hamilton Township School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2021**

**NOTE 7: ACCOUNTING AND FINANCIAL REPORTING FOR POST-RETIREMENT BENEFITS OTHER THAN PENSIONS - GASB 75 (CONTINUED)**

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

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

|   | June 30, 2020         |                                      |                       |
|---|-----------------------|--------------------------------------|-----------------------|
|   | <u>1.00% Decrease</u> | Healthcare Cost<br><u>Trend Rate</u> | <u>1.00% Increase</u> |
| State of New Jersey's Proportionate Share of the total Non-Employer OPEB Liability associated with the District | \$479,528,469         | \$594,039,193                        | \$730,396,014         |

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

At June 30, 2020, the State reported deferred outflows of resources and deferred inflows of resources related to retired school employee's Non-Employer OPEB Liability associated with the District from the following sources:

|  | <u>Deferred Outflow of Resources</u> | <u>Deferred Inflow of Resources</u> |
|--|--------------------------------------|-------------------------------------|
| Differences between expected and actual experience | \$ 90,190,624                        | \$ 80,338,599                       |
| Changes of assumptions                             | 101,044,110                          | 67,783,237                          |
| Changes in proportion                              | <u>876,823</u>                       | <u>12,761,480</u>                   |
|  | <u>\$ 192,111,557</u>                | <u>\$ 160,883,316</u>               |

**Hamilton Township School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2021**

**NOTE 7: ACCOUNTING AND FINANCIAL REPORTING FOR POST-RETIREMENT BENEFITS OTHER THAN PENSIONS - GASB 75 (CONTINUED)**

**OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Non-Employer OPEB Liability (Continued)**

Amounts reported as deferred outflows of resources and deferred inflows of resources related to the State's proportionate share of the total Non-Employer OPEB Liability associated with the District will be recognized in OPEB expense as follows:

| Measurement<br>Period Ended | Amount                     |
|-----------------------------|----------------------------|
| <u>June 30,</u>             |                            |
| 2021                        | (\$1,996,378)              |
| 2022                        | (\$1,996,378)              |
| 2023                        | (\$1,996,378)              |
| 2024                        | (\$1,996,378)              |
| 2025                        | (\$1,996,378)              |
| Total Thereafter            | <u>\$41,210,133</u>        |
|                             | <u><u>\$31,228,241</u></u> |

In accordance with GASBS No. 75, the District's proportionate share of school retirees OPEB is zero. There is no recognition of the allocation of proportionate share of deferred outflows of resources and deferred inflows of resources in the financial statements.

**State Health Benefit Local Education Retired Employee Plan Information**

The New Jersey Division of Pension and Benefits issues publicly available reports on the OPEB plan. Those reports may be obtained by writing to the Division of Pension and Benefits, PO Box 295, Trenton, NJ 08625-0295 or on their website at <http://www.state.nj.us/treasury/pensions/financial-reports.shtml>

**Hamilton Township School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2021**

**NOTE 8: LITIGATION**

The District's counsel advises that there is no litigation, pending litigation, claims, contingent liabilities, unasserted claims or assessments or statutory violations which involve the School District and which might materially affect the District's financial position.

A claim brought by various retirees of the Board, alleging that cash payments for prescription coverage for the retirees and their dependents had not been paid in 2013, 2014 and 2015, has been settled. As part of the settlement agreement there will be 10 payments of \$1.3 million with the first payment in the 2018-19 school year. Payments will be provided for in each future budget.

**NOTE 9: CONTINGENCIES**

The District receives financial assistance from the State of New Jersey and the U.S. Government in the form of grants. Entitlement to the funds is generally conditional upon compliance with terms and conditions of the grant agreements and applicable regulations, including the expenditure of the funds for eligible purposes. The State and Federal grants received and expended in the 2020-2021 fiscal year were subject to the Uniform Guidance and New Jersey OMB Circular 15-08 which mandates that grant revenues and expenditures be audited in conjunction with the District's annual audit if expenditures for federal or state programs exceed \$750,000.00 Findings and questioned costs, if any, relative to federal and state financial assistance programs are discussed in the Single Audit Section, Schedule of Findings and Questioned Costs. In addition, all grants and cost reimbursements are subject to financial and compliance audits by the grantors. The District's management does not believe any such audit would result in material amounts of disallowed costs.

**NOTE 10: RISK MANAGEMENT**

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

**Property and Liability Insurance** The District maintains insurance coverage covering each of those risks of loss. The administration believes such coverage is sufficient to preclude any significant uninsured losses to the District. Settled claims have not exceeded the insurance coverage in any of the past three fiscal years.



**Hamilton Township School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2021**

**NOTE 10: RISK MANAGEMENT (CONTINUED)**

**Worker's Compensation Insurance**

Effective July 1, 2006, the District obtained commercial insurance coverage for its Worker's Compensation Program. The applicable coverage's are set forth in the "Employers Liability Insurance Agreement"

Prior to this period and effective for the periods August 1, 1980 through June 30, 2005, the Board instituted a risk management program which combined risk retention and reinsurance coverage for claims relating to statutory worker's compensation. Expenditures for "run-off" claims from this program are accounted for through the District's Internal Service Fund.

The Board has engaged an outside claims service company to serve as administrator of the program. Loss reserves are established by the administrator for estimated benefits and expenses for reported claims.

Established reserves are subject to change as facts and circumstances relating to claims dictate, and no provision is made for estimated losses relating to claims incurred but not reported. At June 30, 2021 the District, based upon the plan administrator's estimate, has established a reserve for reported claims in the amount of \$418,716.

**New Jersey Unemployment Compensation Insurance** The District has elected to fund its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method". Under this plan, the District is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. Charges are applied to the Unemployment Compensation Claims Payable first, and any remaining charges are applied to the Unemployment Compensation budget appropriation. The District is billed quarterly for amounts due to the State. The following is a summary of District contributions, employee contributions, reimbursements to the State for benefits paid and the ending balance of the District for the current and previous two years:

| Year Ended<br>June 30, | Interest | Employee<br>Contributions | Amount<br>Reimbursed | Ending<br>Balance | Analysis of Balance 06/30/21            |                            |
|------------------------|----------|---------------------------|----------------------|-------------------|---|----------------------------|
|                        |          |                           |                      |                   | State Unemployment<br>Insurance Payable | Restricted<br>Fund Balance |
| 2021                   | \$6,106  | \$535,971                 | \$373,842            | \$2,616,182       | 162,129.00                              | 2,454,053.00               |
| 2020                   | 35,582   | 457,383                   | 272,730              | 2,447,947         | N/A                                     | N/A                        |
| 2019                   | 33,525   | 307,900                   | 307,900              | 2,227,712         | N/A                                     | N/A                        |

**Hamilton Township School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2021**

**NOTE 11: COMPENSATED ABSENCES**

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

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

The liability for vested compensated absences of the governmental fund types are recorded in the district - wide statement of net position. As of June 30, 2021, a liability existed for compensated absences for governmental fund-types in the district- wide statement of net position of \$3,634,406.

For additional descriptive information see Note 1, Summary of Significant Accounting Policies.

**Hamilton Township School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2021**

**NOTE 12: FUND BALANCE APPROPRIATED**

**General Fund** The table below reflects the District's Fund Balance at June 30, 2021 on both a GAAP (Exhibit B-1) and Budgetary (Exhibit C-1) basis including the required adjustment related to the last state aid payment which under GAAP is not recognized:

|  | <u>Budgetary</u><br><u>Basis</u> | <u>Adjustment</u>     | <u>GAAP</u><br><u>Basis</u> |
|--|----------------------------------|-----------------------|-----------------------------|
| Restricted:  |                                  |                       |                             |
| Maintenance Reserve  | \$ 1,323,013                     | \$                    | 1,323,013                   |
| Capital Reserve  | 11,748,737                       |                       | 11,748,737                  |
| State Unemployment Insurance                               | 2,454,053                        |                       | 2,454,053                   |
| Assigned:  |                                  |                       |                             |
| Designated for Subsequent<br>Year's Expenditures           | 5,000,000                        |                       | 5,000,000                   |
| Encumbrances   | 2,119,381                        | (2,119,381)           |                             |
| SEMI/FFCRA - designated for<br>subsequent year expenditure | 19,206                           |                       | 19,206                      |
| Unassigned   | <u>5,241,262</u>                 | <u>(4,820,890)</u>    | <u>420,372</u>              |
|  | <u>\$ 27,905,652</u>             | <u>\$ (6,940,271)</u> | <u>\$ 20,965,381</u>        |

**Debt Service Fund** Debt Service Fund Balance at June 30, 2021 was \$903,287. \$450,429 is assigned for Subsequent years expenditure. The remaining \$452,858 is restricted for future debt service expenditures.

**Hamilton Township School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2021**

**NOTE 13: CALCULATION OF EXCESS SURPLUS – BUDGETARY BASIS**

**Calculation of Excess Surplus** In accordance with N.J.S.A. 18A:7F-7, as amended by P.L. 2007, c73 (S1701), the Restricted Fund Balance- Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to reserve General Fund fund balance at the fiscal year end of June 30 if the District did not appropriate a required minimum amount as budgeted fund balance in the subsequent year's budget.

|   |             |               |
|---|-------------|---------------|
| General Fund Expenditures:                              |             |               |
| Fiscal Year Ended, June 30 2021                         |             | \$230,438,259 |
| Less:   |             |               |
| Reimb. TPAF Social Security Contributions               | \$6,372,236 |               |
| Reimb. TPAF Pension Contributions                       | 29,312,836  |               |
|   |             | 35,685,072    |
| Adjusted General Fund Expenditures                      |             | 194,753,187   |
| Excess Surplus Percentage                               |             | 4.00%         |
|   |             | 7,790,127     |
| Increased by:   |             |               |
| Extraordinary Aid (unbudgeted)                          | 1,226,996   |               |
| Non-Public Transportation Aid (unbudgeted)              | 152,633     |               |
|   |             | 1,379,629     |
| Maximum Unreserved/Undesignated<br>General Fund Balance |             | 9,169,756     |
| Actual Unassigned<br>General Fund Balance               |             | 5,241,262     |
| Excess Surplus  |             | -0-           |

Based on the preceding calculation, as of June 30, 2021, the District has no Excess Surplus

**Hamilton Township School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2021**

**NOTE 14: INTERFUND RECEIVABLES AND PAYABLES**

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

| <u>Fund</u>           | <u>Interfund Balance</u> |                |
|-----------------------|--------------------------|----------------|
|                       | <u>Receivable</u>        | <u>Payable</u> |
| General Fund          | \$ 1,843,287             | \$ 169,423     |
| Special Revenue Fund  | 67,079                   | 40,899         |
| Capital Projects Fund |                          | 1,150,947      |
| Enterprise Fund       |                          | 549,097        |
|                       | \$ 1,910,366             | \$ 1,910,366   |

All balances resulted from the time lag between the dates that short-term loans were disbursed and payments between funds were received.

**NOTE 15: CAPITAL RESERVE ACCOUNT**

A capital reserve account has been established by the Township of Hamilton Board of Education for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

Funds placed in the capital reserve account are restricted to capital projects in the district's approved Long Range Facilities Plan (LRFP). Upon submission of the LRFP to the Department of Education, a district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes or by transfer by Board resolution at year end (June 1 to June 30) of any unanticipated revenue or unexpended line item appropriations, or both. A district may also appropriate additional amounts when the express approval of the voters has been obtained by either a separate proposal at budget time or by a special question at one of the four special election dates authorized by 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.

**Hamilton Township School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2021**

**NOTE 15: CAPITAL RESERVE ACCOUNT (CONTINUED)**

The activity of the capital reserve for the July 1, 2020 to June 30, 2021 fiscal year is as follows:

|  |    |                             |
|--|----|-----------------------------|
| Balance, July 1, 2020 (Budgetary Basis)  | \$ | 8,739,507.00                |
| Interest Earnings                        |    | <u>23,891.00</u>            |
| Deposits:                                |    |                             |
| By Board Resolution                      | \$ | 5,000,000.00                |
| Unexpended Appropriations                |    | <u>92,481.00</u>            |
|  |    | <u>5,092,481.00</u>         |
|  |    | <u>13,855,879.00</u>        |
| Withdrawals:                             |    |                             |
| By Board Resolution                      | \$ | <u>2,107,142.00</u>         |
|  |    | <u>2,107,142.00</u>         |
| Balance, June 30, 2021 (Budgetary Basis) | \$ | <u><u>11,748,737.00</u></u> |

**NOTE 16: MAINTENANCE RESERVE ACCOUNT**

In accordance with N.J.S.A. 18A:7G-13, a Maintenance reserve account was established by the District. The Maintenance reserve account is maintained in the general fund.

A district board of education or board of school estimate, as appropriate, may increase the balance in the maintenance reserve account by appropriating funds in the annual general fund budget certified for taxes.

A district board of education or board of school estimate, as appropriate, may by resolution withdraw such funds from the maintenance reserve account and appropriate into the required maintenance account lines at budget time or any time during the year for use on required maintenance activities for a school facility as reported in the comprehensive maintenance plan pursuant to N.J.A.C. 6A:26A-4.

**Hamilton Township School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2021**

**NOTE 16: MAINTENANCE RESERVE ACCOUNT (CONTINUED)**

The district board of education shall ensure that the maintenance reserve account balance does not, at any time, exceed four percent of the replacement cost of the school district's school facilities for the current year. If the account exceeds this maximum amount at June 30, the district board of education shall reserve and designate such excess in the subsequent year's budget.

At June 30, 2021, the balance of the Maintenance Reserve Account was within the statutory limitations. The activity of the maintenance reserve for the July 1, 2020 to June 30, 2021 fiscal year is as follows:

|  |    |              |
|--|----|--------------|
| Balance, July 1, 2020 (Budgetary Basis)  | \$ | 1,803,468.26 |
| Interest Earnings                        |    | 3,114.55     |
| Deposits:                                |    |              |
| By Board Resolution                      | \$ | 300,000.00   |
|  |    | 300,000.00   |
|  |    | 2,106,582.81 |
| Withdrawals:                             |    |              |
| Budgeted Withdrawal                      | \$ | 200,000.00   |
| By Board Resolution                      |    | 583,570.07   |
|  |    | 783,570.07   |
| Balance, June 30, 2021 (Budgetary Basis) | \$ | 1,323,012.74 |

**NOTE 17: EMERGENCY RESERVE ACCOUNT**

In accordance with N.J.S.A. 18A:7F-41c(1), an emergency reserve account was established by the District. The emergency reserve account is maintained in the general fund.

The account balance is not to exceed \$250,000 or one percent of the district's general fund budget up to a maximum of \$1,000,000, whichever is greater. Withdrawals require approval by the Commissioner.

The balance at June 30, 2020 of \$600,000.00 was appropriated in fully by resolution of the Board of Education on 03/21/21 and was fully expended.

**Hamilton Township School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2021**

**NOTE 18: INVENTORY**

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

|                   |                     |
|-------------------|---------------------|
| Food and Supplies | <u>\$99,334.00.</u> |
|-------------------|---------------------|

The value of Federal donated commodities as reflected on Schedule A (required by the Single Audit Act Amendment of 1996) 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.

**NOTE 19: DEFERRED COMPENSATION**

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

|                        |                                   |
|------------------------|-----------------------------------|
| Ameriprise             | Metropolitan Life                 |
| Axa Equitable          | Oppenheimer                       |
| Lincoln Investment     | The Legend Group/NEA Valuebuilder |
| Mass Mutual (Hartford) | Thrivent .                        |

**NOTE 20: TAX ABATEMENTS**

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



**Hamilton Township School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2021**

**NOTE 20: TAX ABATEMENTS (CONTINUED)**

The District has identified several agreements that have been entered into by Hamilton Township that require disclosure under this statement. The gross dollar amount, on an accrual basis, by which the District's property tax revenues were potentially reduced during the reporting period as a result of tax abatement agreements totaled \$457,609. It is important to note that the District Tax Levy is guaranteed to be paid in full by the municipalities and that the District collected its full tax levy for FY2021.

The property owner under the terms of these agreements are required to pay the municipalities an annual service charge in lieu of taxes. In certain cases, a portion of this fee is remitted to the school district. During FY2021 the District received \$455,362 under the terms of the agreements

**NOTE 21: SUBSEQUENT EVENTS**

The Board of Education has evaluated subsequent events occurring after the financial statement date through February 8, 2022 which is the date the financial statements were available to be issued. The District has determined that there are no material subsequent events that need to be disclosed.

**Hamilton Township School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2021**

**NOTE 22: PRIOR PERIOD ADJUSTMENTS**

As of July 1, 2020 the District implemented GASB Statement No. 84 Fiduciary Activities (GASB 84). Certain agency funds previously accounted for activities that are not considered fiduciary in nature and are now reported in the Governmental Funds. The District restated the net position and fund balance of the funds indicated below to appropriately reflect the June 30, 2020 balances as follows:

District-Wide Financial Statements:

|  | <u>Governmental<br/>Activities</u> |
|--|------------------------------------|
| Beginning Net Position 06/30/20<br>(deficit)               | (\$15,915,136.00)                  |
| Adjustments:   |                                    |
| Unemployment Compensation                                  | 2,447,947.00                       |
| Student Activity Fund Balance                              | 539,920.00                         |
| Scholarships   | <u>213,987.00</u>                  |
| Beginning Net Position<br>06/30/20 (Deficit) (As restated) | <u><u>(\$12,713,282.00)</u></u>    |

|                                     | <u>General Fund</u>           | <u>Special<br/>Revenue<br/>Fund</u> | <u>Fiduciary Fund</u> |
|-------------------------------------|-------------------------------|-------------------------------------|-----------------------|
| Fund Balance 06/30/20               | 15,942,019                    |                                     | \$2,661,934.00        |
| Adjustments:                        |                               |                                     |                       |
| Unemployment Compensation Fund      | 2,447,947                     |                                     | (2,447,947.00)        |
| Student Activity Fund Balance       |                               | 539,920.45                          |                       |
| Scholarships                        | <u>213,987.00</u>             | <u>213,987.00</u>                   | <u>(213,987.00)</u>   |
| Fund Balance 06/30/20 (As restated) | <u><u>\$18,389,966.00</u></u> | <u><u>\$753,907.45</u></u>          | <u><u>-0-</u></u>     |

|                                     | <u>Fiduciary Fund</u> |
|-------------------------------------|-----------------------|
| Liabilities Balance 06/30/20        | \$620,412.00          |
| Payroll deductions and withholdings | (\$80,491.00)         |
| Due to student groups               | <u>(539,921.00)</u>   |
| Liabilities 06/30/20 (As restated)  | <u><u>\$-0-</u></u>   |

**REQUIRED SUPPLEMENTARY INFORMATION - PART II**

**BUDGETARY COMPARISON SCHEDULES**

HAMILTON TOWNSHIP SCHOOL DISTRICT  
GENERAL FUND  
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

|   | ORIGINAL<br>BUDGET | BUDGET<br>TRANSFERS AND<br>AMENDMENTS | FINAL BUDGET   | ACTUAL         | VARIANCE<br>FAVORABLE/<br>(UNFAVORABLE) |
|---|--------------------|---------------------------------------|----------------|----------------|---|
| <b>REVENUES:</b>                                    |                    |                                       |                |                |   |
| Local Sources:                                      |                    |                                       |                |                |   |
| Local Tax Levy                                      | \$ 116,801,519     | \$                                    | \$ 116,801,519 | \$ 116,801,519 | \$ (89,000)                             |
| Tuition from Individuals                            | 130,000            |                                       | 130,000        | 41,000         | (77,886)                                |
| Tuition from Other LEAs Within State                | 158,000            |                                       | 158,000        | 80,334         | (74,825)                                |
| Transportation Fees From Individuals                | 30,000             |                                       | 30,000         | 5,176          | (24,825)                                |
| Transportation Fees From Other LEAs                 | 100,000            |                                       | 100,000        | 24,928         | (75,073)                                |
| Unrestricted Miscellaneous Revenues                 | 1,856,000          |                                       | 1,856,000      | 2,076,013      | 220,013                                 |
| Interest Earned on Maintenance Reserve              | 8,300              |                                       | 8,300          | 3,115          | (5,185)                                 |
| Interest Earned on Capital Reserve Funds            | 65,000             |                                       | 65,000         | 23,891         | (41,109)                                |
| Other Restricted Miscellaneous Revenues             |                    |                                       |                | 6,106          | 6,106                                   |
| Total Local Sources                                 | 119,148,819        |                                       | 119,148,819    | 119,062,081    | (86,738)                                |
| Intermediate Sources:                               |                    |                                       |                |                |   |
| PILOT Payments to School District                   | 416,000            |                                       | 416,000        | 455,362        | 39,362                                  |
| Total Intermediate Sources                          | 416,000            |                                       | 416,000        | 455,362        | 39,362                                  |
| State Sources:                                      |                    |                                       |                |                |   |
| Categorical Transportation Aid                      | 1,446,373          |                                       | 1,446,373      | 1,446,373      |   |
| Extraordinary Aid                                   | 800,000            |                                       | 800,000        | 2,026,996      | 1,226,996                               |
| Categorical Special Education Aid                   | 8,426,598          | (228,314)                             | 8,198,284      | 8,198,284      |   |
| Equalization Aid                                    | 66,653,438         | (1,458,546)                           | 65,194,892     | 65,194,892     |   |
| Categorical Security Aid                            | 630,559            |                                       | 630,559        | 630,559        |   |
| Other State Aids                                    |                    |                                       |                | 152,633        | 152,633                                 |
| On-behalf TPAF Contributions-non-budgeted           |                    |                                       |                | 21,892,995     | 21,892,995                              |
| On-behalf TPAF N.C.G.I.-non-budgeted                |                    |                                       |                | 416,544        | 416,544                                 |
| Post Retirement Medical-non budgeted                |                    |                                       |                | 6,991,462      | 6,991,462                               |
| Long Term Disability Insurance                      |                    |                                       |                | 11,835         | 11,835                                  |
| Reimbursed TPAF Soc. Sec. Contribution-non-budgeted |                    |                                       |                | 6,372,236      | 6,372,236                               |
| Total State Sources                                 | 77,956,968         | (1,686,860)                           | 76,270,108     | 113,334,509    | 37,064,701                              |
| Federal Sources:                                    |                    |                                       |                |                |   |
| Medicaid Reimbursement                              | 236,700            |                                       | 236,700        | 202,360        | (34,340)                                |
| Medicaid Reimbursement-FFRC                         | 236,700            |                                       | 236,700        | 19,206         | (19,206)                                |
| Total Federal Sources                               | 473,400            |                                       | 473,400        | 221,566        | (15,134)                                |
| Total Revenues                                      | 197,758,487        | (1,686,860)                           | 196,071,627    | 233,073,819    | 37,002,192                              |
| <b>EXPENDITURES:</b>                                |                    |                                       |                |                |   |
| CURRENT EXPENSE:                                    |                    |                                       |                |                |   |
| Instruction - Regular Programs:                     |                    |                                       |                |                |   |
| Kindergarten  | 2,715,767          | (154,268)                             | 2,561,499      | 2,558,383      | 3,116                                   |
| Grades 1-5  | 17,373,115         | (22,192)                              | 17,350,923     | 17,321,906     | 29,017                                  |
| Grades 6-8  | 11,943,536         | (245,673)                             | 11,697,863     | 11,631,216     | 66,647                                  |
| Grades 9-12   | 17,975,102         | 247,503                               | 18,222,605     | 18,221,435     | 1,170                                   |
| Regular programs - home instruction:                |                    |                                       |                |                |   |
| Salaries of teachers                                | 225,000            | (160)                                 | 224,840        | 10,870         | 213,970                                 |
| Purchased professional educational services         | 158,000            |                                       | 158,000        | 21,027         | 136,973                                 |
| Regular programs - undistributed instruction:       |                    |                                       |                |                |   |
| Other salaries for instruction                      | 96,900             | 5,873                                 | 102,773        | 49,030         | 53,743                                  |
| Purchased professional - educational services       | 1,562,153          | (30,568)                              | 1,531,584      | 1,248,344      | 273,240                                 |
| Purchased technical services                        | 55,123             | 800                                   | 55,923         | 13,055         | 42,868                                  |
| Other purchased services (400 - 500 series)         | 2,783,834          | 141,512                               | 2,925,346      | 2,895,180      | 230,166                                 |
| General supplies                                    | 1,270,658          | (99,716)                              | 1,170,942      | 922,157        | 248,785                                 |
| Textbooks   | 701,438            | (301,796)                             | 399,642        | 285,327        | 114,315                                 |
| Other objects                                       | 53,975             | 17,621                                | 71,596         | 28,337         | 43,258                                  |
| Total regular programs                              | 56,904,588         | (441,065)                             | 56,463,523     | 55,006,259     | 1,457,264                               |

HAMILTON TOWNSHIP SCHOOL DISTRICT  
GENERAL FUND  
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

|   | ORIGINAL BUDGET | BUDGET TRANSFERS AND AMENDMENTS | FINAL BUDGET | ACTUAL     | VARIANCE FAVORABLE/ (UNFAVORABLE) |
|---|-----------------|---------------------------------|--------------|------------|-----------------------------------|
| <b>Instruction - Special Education:</b>     |                 |                                 |              |            |                                   |
| Learning and/or Language Disabilities:      |                 |                                 |              |            |                                   |
| Salaries of Teachers                        | 3,274,532       | 3,459                           | 3,277,991    | 3,277,814  | 176                               |
| Other salaries for Instruction              | 1,213,858       | 101,033                         | 1,314,891    | 1,275,556  | 39,336                            |
| Purchased Professional-Educational Services |                 | 50,000                          | 50,000       | 10,890     | 39,110                            |
| General Supplies                            | 25,876          | 7                               | 25,883       | 15,465     | 10,418                            |
| Total Learning and/or Language Disabilities | 4,514,266       | 154,499                         | 4,668,765    | 4,579,725  | 89,039                            |
| Auditory Disabilities:                      |                 |                                 |              |            |                                   |
| Salaries of Teachers                        |                 | 1                               | 1            |            | 1                                 |
| Total Auditory Impairments                  |                 | 1                               | 1            |            | 1                                 |
| Behavioral Disabilities:                    |                 |                                 |              |            |                                   |
| Salaries of Teachers                        | 992,238         | 178,194                         | 1,170,432    | 1,126,988  | 43,444                            |
| Other Salaries for Instruction              | 929,182         | (86,814)                        | 842,368      | 813,828    | 28,540                            |
| Purchased Professional-Educational Services | 3,180           | 159                             | 3,339        | 3,339      |                                   |
| General Supplies                            | 12,300          | (159)                           | 12,141       | 8,111      | 4,030                             |
| Total Behavioral Disabilities               | 1,938,900       | 91,380                          | 2,028,280    | 1,952,266  | 76,014                            |
| Multiple Disabilities:                      |                 |                                 |              |            |                                   |
| Salaries of Teachers                        | 1,054,141       | 46,013                          | 1,100,154    | 1,087,426  | 12,729                            |
| Other Salaries for Instruction              | 730,804         | (148,947)                       | 581,857      | 502,144    | 79,714                            |
| General Supplies                            | 19,000          | 7,904                           | 26,904       | 18,022     | 8,882                             |
| Total Multiple Disabilities                 | 1,803,945       | (95,030)                        | 1,708,915    | 1,607,592  | 101,323                           |
| Resource Room / Resource Center:            |                 |                                 |              |            |                                   |
| Salaries of Teachers                        | 7,056,851       | (160,767)                       | 6,896,084    | 6,882,814  | 13,270                            |
| Other salaries for Instruction              | 1,182,075       | (40,532)                        | 1,141,543    | 1,033,042  | 108,501                           |
| Purchased Professional-Educational Services | 65,000          | 18,094                          | 83,094       | 2,400      | 80,694                            |
| Purchased Technical Services                | 6,000           |                                 | 6,000        | 1,975      | 6,025                             |
| General Supplies                            | 69,395          | (10,810)                        | 58,585       | 25,204     | 33,382                            |
| Total Resource Room / Resource Center       | 8,381,321       | (194,015)                       | 8,187,306    | 7,945,435  | 241,871                           |
| <b>Autism:</b>                              |                 |                                 |              |            |                                   |
| Salaries of Teachers                        | 1,012,279       | (32,358)                        | 979,921      | 979,921    |                                   |
| Other Salaries for Instruction              | 743,516         | 39,618                          | 783,134      | 782,296    | 838                               |
| General Supplies                            | 22,600          | (1,667)                         | 20,933       | 12,219     | 8,714                             |
| Total Autism                                | 1,778,395       | 5,592                           | 1,783,987    | 1,774,436  | 9,552                             |
| Preschool Disabilities - Part - Time:       |                 |                                 |              |            |                                   |
| Salaries of Teachers                        | 296,390         | 20,960                          | 316,340      | 315,235    | 1,105                             |
| Other Salaries for Instruction              | 330,870         | 41,288                          | 372,158      | 345,592    | 26,566                            |
| Total Preschool Disabilities - Part - Time  | 626,260         | 62,238                          | 688,498      | 660,827    | 27,671                            |
| Preschool Disabilities - Full - Time:       |                 |                                 |              |            |                                   |
| Salaries of Teachers                        | 376,285         | (285)                           | 376,020      | 305,857    | 70,163                            |
| Other Salaries for Instruction              | 311,184         | (18,909)                        | 292,275      | 277,960    | 14,315                            |
| Purchased Professional-Educational Services |                 | 15,000                          | 15,000       | 7,920      | 7,080                             |
| Total Preschool Disabilities - Full - Time  | 687,469         | (4,174)                         | 683,295      | 591,737    | 91,558                            |
| Total Special Education                     | 19,728,556      | 20,492                          | 19,749,048   | 19,112,017 | 637,030                           |

HAMILTON TOWNSHIP SCHOOL DISTRICT  
GENERAL FUND  
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

|   | ORIGINAL<br>BUDGET | BUDGET<br>TRANSFERS AND<br>AMENDMENTS | FINAL BUDGET | ACTUAL     | VARIANCE<br>FAVORABLE/<br>(UNFAVORABLE) |
|---|--------------------|---------------------------------------|--------------|------------|---|
| Basic Skills / Remedial:                        |                    |                                       |              |            |   |
| Salaries of Teachers                            | 2,549,070          | 155,956                               | 2,705,026    | 2,697,668  | \$ 37,358                               |
| General Supplies                                | 8,300              |                                       | 8,300        | 288        | 8,012                                   |
| Total Basic Skills / Remedial                   | 2,557,370          | 155,956                               | 2,713,326    | 2,697,956  | 45,370                                  |
| Bilingual Education Instruction:                |                    |                                       |              |            |   |
| Salaries of Teachers                            | 1,240,183          | 67,099                                | 1,307,282    | 1,266,527  | 48,755                                  |
| Purchased Professional-Educational Services     |                    | 5,000                                 | 5,000        |            | 5,000                                   |
| General Supplies                                | 9,500              |                                       | 9,500        | 7,019      | 2,481                                   |
| Textbooks                                       | 6,645              |                                       | 6,645        |            | 6,645                                   |
| Total Bilingual Education Instruction           | 1,256,328          | 72,099                                | 1,328,427    | 1,285,546  | 62,882                                  |
| School Sponsored Co-Curricular Activities:      |                    |                                       |              |            |   |
| Salaries  | 680,423            | (151,229)                             | 529,194      | 497,819    | 31,374                                  |
| Purchased Services (300-500 series)             | 19,084             |                                       | 19,084       |            | 19,084                                  |
| Supplies and Materials                          | 79,987             | (5,700)                               | 74,287       | 12,138     | 62,149                                  |
| Other Objects                                   | 29,141             | (3,159)                               | 25,982       | 8,154      | 17,828                                  |
| Total School Sponsored Co-Curricular Activities | 808,635            | (160,088)                             | 648,547      | 518,112    | 130,435                                 |
| School Sponsored Athletics:                     |                    |                                       |              |            |   |
| Salaries  | 1,493,181          | 2,281                                 | 1,495,462    | 1,495,461  | 0                                       |
| Purchased Services (300-500 Series)             | 12,650             | 195                                   | 12,845       | 7,669      | 5,176                                   |
| Supplies and Materials                          | 296,617            | 12,435                                | 309,052      | 167,135    | 141,917                                 |
| Other Objects                                   | 253,651            | (10,400)                              | 243,251      | 103,944    | 139,306                                 |
| Total School Sponsored Athletics                | 2,055,099          | 4,511                                 | 2,060,610    | 1,774,210  | 286,400                                 |
| Instructional ALT ED Prog Instruction:          |                    |                                       |              |            |   |
| Salaries of Teachers                            | 155,000            | (4,588)                               | 150,412      | 150,412    | 2,000                                   |
| General Supplies                                | 2,000              |                                       | 2,000        |            | 2,000                                   |
| Total Instructional ALT ED Prog Instruction     | 157,000            | (4,588)                               | 152,412      | 150,412    | 2,000                                   |
| Instructional ALT ED Prog Support:              |                    |                                       |              |            |   |
| Salaries  | 134,500            | 4,588                                 | 139,088      | 75,042     | 64,046                                  |
| Total Instructional ALT ED Prog Support         | 134,500            | 4,588                                 | 139,088      | 75,042     | 64,046                                  |
| Total Instructional ALT ED Program              | 291,500            |                                       | 291,500      | 225,454    | 66,046                                  |
| Other Instructional Programs Instruction:       |                    |                                       |              |            |   |
| Salaries  | 4,000              | (4,000)                               |              |            |   |
| Total Other Instructional Programs Instruction  | 4,000              | (4,000)                               |              |            |   |
| Community Services Programs/Operation:          |                    |                                       |              |            |   |
| Salaries  | 6,000              |                                       | 6,000        |            | 6,000                                   |
| Other Objects                                   | 8,750              |                                       | 8,750        | 2,021      | 6,730                                   |
| Total Community Services Programs/Operation     | 14,750             |                                       | 14,750       | 2,021      | 12,730                                  |
| Total Other Instructional Programs              | 6,988,662          | 68,478                                | 7,057,160    | 8,453,298  | 603,861                                 |
| Total - Instruction                             | 83,621,836         | (352,095)                             | 83,269,741   | 80,571,584 | 2,698,155                               |

HAMILTON TOWNSHIP SCHOOL DISTRICT  
GENERAL FUND  
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

|  | ORIGINAL<br>BUDGET | BUDGET<br>TRANSFERS AND<br>AMENDMENTS | FINAL BUDGET     | ACTUAL           | VARIANCE<br>FAVORABLE/<br>(UNFAVORABLE) |
|--|--------------------|---------------------------------------|------------------|------------------|---|
| <b>Undistributed Expenditures:</b>                               |                    |                                       |                  |                  |   |
| Instruction:   |                    |                                       |                  |                  |   |
| Tuition to Other LEA's within the State - Regular                | 87,600             | 40,762                                | 128,362          | 124,792          | 3,570                                   |
| Tuition to Other LEA's within the State - Special                | 81,426             | 6,665                                 | 88,091           | 84,493           | 3,598                                   |
| Tuition to County Vocational School District - Regular           | 865,170            | 122,130                               | 987,300          | 960,573          | 26,728                                  |
| Tuition to County Vocational School District - Sp Ed             | 375,900            | 40,280                                | 416,180          | 400,605          | 15,555                                  |
| Tuition to CSSD & Regional Day Schools                           | 3,186,862          | (173,054)                             | 3,013,808        | 3,010,272        | 3,535                                   |
| Tuition to Private Schools for the Handicapped w/in State        | 4,200,000          | 217,143                               | 4,417,143        | 4,394,446        | 22,697                                  |
| Tuition - State Facilities                                       | 199,360            |                                       | 199,360          | 199,360          |   |
| Tuition - Other  | 372,000            | 372,000                               | 744,000          | 744,000          |   |
| Total Undistributed Expenditures - Instruction                   | <u>9,368,318</u>   | <u>259,908</u>                        | <u>9,628,226</u> | <u>9,500,443</u> | <u>127,783</u>                          |
| Attendance and Social Work Services:                             |                    |                                       |                  |                  |   |
| Salaries   | 664,632            | (318,563)                             | 346,069          | 323,112          | 22,957                                  |
| Purchased Professional and Technical Services                    | 64,500             | 38,835                                | 103,335          | 59,893           | 43,442                                  |
| Other Purchased Services (400-500 series)                        | 6,120              | 6,120                                 | 12,240           | 3,375            | 8,865                                   |
| Supplies and Materials   | 1,500              | 1,500                                 | 3,000            | 756              | 2,244                                   |
| Total Attendance and Social Work Services                        | <u>736,752</u>     | <u>(278,728)</u>                      | <u>458,024</u>   | <u>387,137</u>   | <u>70,887</u>                           |
| Health Services:   |                    |                                       |                  |                  |   |
| Salaries   | 2,151,022          | (24,773)                              | 2,126,249        | 2,072,193        | 54,056                                  |
| Purchased Professional and Technical Services                    | 165,915            | (1,000)                               | 164,915          | 162,415          | 2,500                                   |
| Other Purchased Services   | 1,250              | (1,250)                               | -                | -                | -                                       |
| Supplies and Materials   | 31,325             | 8,543                                 | 39,868           | 36,262           | 3,606                                   |
| Total Health Services  | <u>2,349,512</u>   | <u>(18,480)</u>                       | <u>2,331,032</u> | <u>2,270,870</u> | <u>60,162</u>                           |
| Other Support Services - Speech, OT, PT & Related Services:      |                    |                                       |                  |                  |   |
| Salaries   | 2,249,312          | (204,330)                             | 2,044,982        | 2,040,706        | 4,276                                   |
| Purchased Professional - Educational Services                    | 845,000            | 336,517                               | 1,181,517        | 1,125,760        | 55,757                                  |
| Supplies and Materials   | 21,743             | 7,097                                 | 28,840           | 27,329           | 1,511                                   |
| Total Other Support Services - Speech, OT, PT & Related Services | <u>3,116,055</u>   | <u>139,284</u>                        | <u>3,255,339</u> | <u>3,193,794</u> | <u>61,545</u>                           |
| Other Support Services - Students - Extra Services               |                    |                                       |                  |                  |   |
| Salaries   | 988,322            | (73,645)                              | 914,677          | 895,089          | 19,588                                  |
| Purchased Professional - Educational Services                    | 1,720,500          | (318,574)                             | 1,401,926        | 977,062          | 424,864                                 |
| Total Other Support Services - Students - Extra Services         | <u>2,708,822</u>   | <u>(392,219)</u>                      | <u>2,316,603</u> | <u>1,872,151</u> | <u>544,452</u>                          |



HAMILTON TOWNSHIP SCHOOL DISTRICT  
GENERAL FUND  
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

|  | ORIGINAL BUDGET | BUDGET TRANSFERS AND AMENDMENTS | FINAL BUDGET | ACTUAL       | VARIANCE FAVORABLE/ (UNFAVORABLE) |
|--|-----------------|---------------------------------|--------------|--------------|-----------------------------------|
| Guidance:  |                 |                                 |              |              |                                   |
| Salaries of Other Professional Staff   | \$ 3,801,499    | \$ 99,021                       | \$ 3,900,520 | \$ 3,607,927 | \$ 92,594                         |
| Salaries of Secretarial and Clerical Assistants  | 580,622         | (6,068)                         | 574,554      | 571,019      | 3,515                             |
| Other Salaries   |                 | 3,531                           | 3,531        |              |                                   |
| Unused Vacation Payment to Terminated/Retired Staff                                      |                 | 10,037                          | 10,037       | 10,037       |                                   |
| Purchased Professional - Educational Services  | 59,085          | 3,107                           | 62,192       | 59,517       | 2,675                             |
| Supplies and Materials   | 13,881          | (1,001)                         | 12,880       | 7,786        | 5,094                             |
| Other Objects  | 5,820           |                                 | 5,820        | 1,319        | 4,501                             |
| Total Guidance   | 4,460,907       | 108,608                         | 4,569,515    | 4,461,137    | 108,378                           |
| Child Study Teams:   |                 |                                 |              |              |                                   |
| Salaries of Other Professional Staff   | 4,872,536       | 49,328                          | 4,921,864    | 4,864,283    | 57,580                            |
| Salaries of Secretarial and Clerical Assistants  | 510,026         | 17,892                          | 527,918      | 519,781      | 8,137                             |
| Salaries of ABA In Home Therapy  |                 | 11,311                          | 11,311       |              |                                   |
| Unused Vac. Payment to Terminated/Retired Staff  |                 | 13,840                          | 13,840       | 13,840       |                                   |
| Purchased Professional Educational Services  | 844,881         | (13,967)                        | 830,914      | 806,023      | 24,891                            |
| Other Purchased Professional and Technical Svcs.   |                 | (2,973)                         | 3,777        | 1,250        | 2,527                             |
| Other Purchased Services (400-500 series)  | 32,832          | (2,148)                         | 30,684       | 15,778       | 14,906                            |
| Supplies and Materials   | 27,000          | (4,000)                         | 23,000       | 16,652       | 6,348                             |
| Other Objects  | 300             |                                 | 300          |              | 300                               |
| Total Child Study Teams  | 6,294,325       | 69,283                          | 6,363,608    | 6,248,918    | 114,690                           |
| Improvement of Instruction Services  |                 |                                 |              |              |                                   |
| Other Support Services - Instructional Staff:  |                 |                                 |              |              |                                   |
| Summer Curriculum Development  |                 |                                 |              |              |                                   |
| Salaries of Supervisors of Instruction   | 1,175,317       | (25,000)                        | 1,150,317    | 1,140,114    | 10,203                            |
| Salaries of Other Professional Staff   | 233,368         | 2,163                           | 235,531      | 235,531      |                                   |
| Salaries of Secretarial and Clerical Assis.  | 241,712         | (11,655)                        | 230,057      | 160,437      | 69,620                            |
| Unused Vacation Payment to Terminated/Retired Staff                                      |                 | 9,895                           | 9,895        | 9,895        |                                   |
| Other Purchased Services (400-500)   | 14,988          |                                 | 14,988       | 13,985       | 983                               |
| Supplies and materials   | 188,284         |                                 | 188,284      | 124,259      | 64,035                            |
| Total Improvement of Instruction Services / Other Support Services - Instructional Staff | 1,853,679       | (24,597)                        | 1,829,082    | 1,684,231    | 144,851                           |
| Educational Media Services / School Library:   |                 |                                 |              |              |                                   |
| Salaries   | 1,226,454       | (8,920)                         | 1,217,534    | 1,092,676    | 124,857                           |
| Unused Vacation Payment to Terminated/Retired Staff                                      |                 | 8,920                           | 8,920        | 8,920        |                                   |
| Purchased Professional and Technical Services  | 90,122          | (9,437)                         | 80,685       | 52,797       | 27,888                            |
| Supplies and materials   | 108,162         | (4,672)                         | 103,490      | 82,499       | 20,991                            |
| Total Educational Media Services / School Library  | 1,424,738       | (14,109)                        | 1,410,629    | 1,236,893    | 173,735                           |
| Instructional Staff Training Services:   |                 |                                 |              |              |                                   |
| Salaries of Other Professional Staff   | 18,000          | 5,000                           | 23,000       | 11,105       | 11,895                            |
| Other Purchased Professional - Educational Svcs.   | 270,420         |                                 | 270,420      | 227,411      | 43,009                            |
| Other Purchased Services (400- 500)  | 30,823          | 24,818                          | 55,643       | 47,088       | 8,555                             |
| Supplies and materials   | 28,370          | 50,528                          | 78,898       | 56,350       | 22,548                            |
| Total Instructional Staff Training Services  | 347,615         | 80,346                          | 427,961      | 341,953      | 86,008                            |

HAMILTON TOWNSHIP SCHOOL DISTRICT  
GENERAL FUND  
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

|   | \$               | ORIGINAL BUDGET | BUDGET TRANSFERS AND AMENDMENTS | FINAL BUDGET     | ACTUAL | VARIANCE FAVORABLE/ (UNFAVORABLE) |
|---|------------------|-----------------|---------------------------------|------------------|--------|-----------------------------------|
| Support Services General Administration:                |                  |                 |                                 |                  |        |                                   |
| Salaries  | 338,776          | 2,993           | \$                              | 341,769          | \$     | 341,698                           |
| Legal Services  | 271,000          | 14,040          |                                 | 285,040          |        | 224,473                           |
| Audit Fees  | 63,240           | 1,056           |                                 | 64,296           |        | 63,750                            |
| Architectural/Engineering Services                      | 133,968          | 201,782         |                                 | 335,760          |        | 285,258                           |
| Other Purchased Professional Services                   | 108,800          | 380             |                                 | 109,180          |        | 99,347                            |
| Communications / Telephone                              | 284,280          | (80,779)        |                                 | 203,501          |        | 15,304                            |
| Board Travel Expense                                    | 3,500            | (3,000)         |                                 | 500              |        | 500                               |
| Miscellaneous Expenditures                              | 886,664          | 6,228           |                                 | 902,892          |        | 39,880                            |
| General Supplies  | 19,800           | (7,900)         |                                 | 11,900           |        | 2,642                             |
| BOE In- House Training/ Meeting Supplies                | 2,500            | 2,500           |                                 | 2,500            |        | 2,500                             |
| Judgements against the District                         | 1,300,000        | 15,075          |                                 | 1,315,075        |        | 64,516                            |
| Miscellaneous Expenditures                              | 7,350            | 14,377          |                                 | 21,727           |        | 2,766                             |
| BOE Membership Dues and Fees                            | 29,000           |                 |                                 | 29,000           |        | 1,437                             |
| <b>Total Support Services General Administration</b>    | <b>3,459,878</b> | <b>184,253</b>  |                                 | <b>3,643,131</b> |        | <b>272,854</b>                    |
| Support Services School Administration:                 |                  |                 |                                 |                  |        |                                   |
| Salaries of Principals / Asst. Principals               | 5,558,426        | 26,925          |                                 | 5,585,351        |        | 5,585,351                         |
| Salaries of Secretarial and Clerical Assistants         | 2,363,817        | 53,022          |                                 | 2,416,839        |        | 2,393,617                         |
| Other Salaries  | 40,000           | 13,888          |                                 | 53,888           |        | 12,375                            |
| Unused Vacation Payment to Terminated/Retired Staff     | 10,767           | (5,101)         |                                 | 5,666            |        | 34,899                            |
| Purchased Professional and Technical Services           | 79,890           | (2,308)         |                                 | 77,582           |        | 5,859                             |
| Other Purchased Services(400-500 series)                | 120,790          | 36,567          |                                 | 157,357          |        | 96,373                            |
| Supplies and Materials                                  | 64,148           | (25,124)        |                                 | 39,024           |        | 44,385                            |
| Other Objects   | 8,237,858        | 1,737           |                                 | 8,239,595        |        | 51,281                            |
| <b>Total Support Services School Administration</b>     | <b>1,717,213</b> | <b>99,557</b>   |                                 | <b>1,816,770</b> |        | <b>15,260</b>                     |
| Central Service:  |                  |                 |                                 |                  |        |                                   |
| Salaries  | 1,720,630        | 3,417           |                                 | 1,724,047        |        | 1,724,047                         |
| Unused Vacation Payment to Terminated/Retired Staff     | 26,165           | (2,000)         |                                 | 24,165           |        | 26,165                            |
| Purchased Professional Services                         | 2,000            | 8,000           |                                 | 10,000           |        | 300                               |
| Other Purchase Professional Service                     | 18,300           | (5,246)         |                                 | 13,054           |        | 34,033                            |
| Misc. Purch Services (400-500)                          | 124,090          | (3,651)         |                                 | 120,439          |        | 898                               |
| Supplies and Materials                                  | 15,996           | 1,633           |                                 | 17,629           |        | 2,262                             |
| Miscellaneous Expenditures                              | 65,400           | 1,633           |                                 | 67,033           |        | 64,771                            |
| <b>Total Central Service</b>                            | <b>1,942,959</b> | <b>28,319</b>   |                                 | <b>1,971,278</b> |        | <b>140,896</b>                    |
| Administrative Information Technology:                  |                  |                 |                                 |                  |        |                                   |
| Salaries  | 1,226,252        | 83,314          |                                 | 1,309,566        |        | 1,309,566                         |
| Purchased Technical Services                            | 403,778          | (5,000)         |                                 | 398,778          |        | 398,778                           |
| Other Purchased Services                                | 90,160           | 85,160          |                                 | 175,320          |        | 175,320                           |
| Supplies and Materials                                  | 47,900           | 38,705          |                                 | 86,605           |        | 79,634                            |
| <b>Total Administrative Information Technology</b>      | <b>1,768,090</b> | <b>117,019</b>  |                                 | <b>1,885,109</b> |        | <b>131,915</b>                    |
| Required Maintenance for School Facilities:             |                  |                 |                                 |                  |        |                                   |
| Salaries  | 2,432,042        | 32,831          |                                 | 2,464,873        |        | 2,464,873                         |
| Cleaning, Repair and Maintenance Services               | 730,913          | 50,468          |                                 | 781,381          |        | 690,911                           |
| Lead Testing of Drinking Water                          | 11,200           | 11,200          |                                 | 22,400           |        | 11,200                            |
| General Supplies  | 465,323          | (19,489)        |                                 | 445,834          |        | 402,358                           |
| Other Objects   | 11,100           | 9,003           |                                 | 20,103           |        | 20,103                            |
| <b>Total Required Maintenance for School Facilities</b> | <b>3,650,578</b> | <b>72,813</b>   |                                 | <b>3,723,390</b> |        | <b>166,973</b>                    |

HAMILTON TOWNSHIP SCHOOL DISTRICT  
GENERAL FUND  
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

|   | ORIGINAL BUDGET   | BUDGET TRANSFERS AND AMENDMENTS | FINAL BUDGET      | ACTUAL            | VARIANCE FAVORABLE/ (UNFAVORABLE) |
|---|-------------------|---------------------------------|-------------------|-------------------|-----------------------------------|
| <b>Custodial Services:</b>  |                   |                                 |                   |                   |                                   |
| Salaries  | \$ 6,216,712      | \$ (44,156)                     | \$ 6,172,556      | \$ 6,036,654      | \$ 135,702                        |
| Unused Vacation Payment to Terminated/Retired Staff                         |                   | 56,846                          | 56,846            | 56,846            |                                   |
| Purchased Professional and Technical Services                               | 42,830            | 224                             | 43,054            | 43,054            |                                   |
| Cleaning, Repair and Maintenance Services                                   | 796,590           | 247,052                         | 943,642           | 915,166           | 69,476                            |
| Rental of Land and Building   | 100,000           |                                 | 100,000           | 92,661            | 7,339                             |
| Lease Purchase Pymts- Energy Savings Impr Prog                              | 1,229,550         | (20,000)                        | 1,209,550         | 1,229,550         | 0                                 |
| Other Purchased Property Services   | 388,700           | (1,886)                         | 386,814           | 260,421           | 108,279                           |
| Insurance   | 260,823           | (424)                           | 258,937           | 257,634           | 1,303                             |
| Miscellaneous Purchased Services  | 7,500             | (7,076)                         | 424               | 6,800             | 276                               |
| General Supplies  | 563,135           | (27,925)                        | 535,210           | 523,313           | 11,897                            |
| Energy (Natural Gas)  | 873,438           | 229,613                         | 1,103,051         | 768,547           | 336,504                           |
| Energy (Heat and Electricity)   | 1,482,654         | (294,900)                       | 1,187,754         | 993,352           | 188,402                           |
| Energy (Gasoline)   | 42,250            | (3,237)                         | 39,013            | 36,820            | 193                               |
| Other Objects   | 11,300            |                                 | 11,300            | 10,719            | 582                               |
| <b>Total Custodial Services</b>   | <b>11,955,482</b> | <b>141,207</b>                  | <b>12,096,689</b> | <b>11,237,735</b> | <b>858,954</b>                    |
| <b>Care and Upkeep of Grounds:</b>  |                   |                                 |                   |                   |                                   |
| Salaries  | 644,583           | (49,954)                        | 594,629           | 594,629           |                                   |
| Unused Vacation Payment to Terminated/Retired Staff                         |                   | 17,598                          | 17,598            | 17,598            |                                   |
| Cleaning, Repair And Maintenance  | 51,000            |                                 | 51,000            | 21,687            | 29,313                            |
| General Supplies  | 100,000           | (12,340)                        | 87,660            | 50,303            | 37,357                            |
| <b>Total Care and Upkeep of Grounds</b>                                     | <b>795,583</b>    | <b>(44,696)</b>                 | <b>750,887</b>    | <b>684,216</b>    | <b>66,671</b>                     |
| <b>Security:</b>  |                   |                                 |                   |                   |                                   |
| Salaries  | 583,838           | (66,270)                        | 517,568           | 505,961           | 11,607                            |
| Purchased Professional and Technical Services                               | 165,140           | (18,172)                        | 146,968           | 43,838            | 103,130                           |
| General Supplies  | 53,543            | (5,349)                         | 48,194            | 10,436            | 37,758                            |
| Other Objects   | 7,300             |                                 | 7,300             | 1,124             | 6,176                             |
| <b>Total Security</b>   | <b>809,821</b>    | <b>(89,791)</b>                 | <b>720,030</b>    | <b>561,359</b>    | <b>158,671</b>                    |
| <b>Student Transportation Services:</b>                                     |                   |                                 |                   |                   |                                   |
| Salaries for Pupil Transportation (Between Home and School) - Regular       | 247,844           | 8,106                           | 255,950           | 255,402           | 549                               |
| Salaries for Pupil Transportation (Between Home and School) - Special       | 305,168           | (2,947)                         | 302,221           | 289,330           | 12,891                            |
| Transportation- Other Purchased Prof & Tech                                 | 13,800            | (3,000)                         | 10,800            | 6,097             | 7,703                             |
| Cleaning, Repair and Maintenance Services                                   | 13,000            | 200                             | 13,200            | 9,563             | 4,377                             |
| Rental Payments   | 43,000            |                                 | 43,000            | 43,200            | (200)                             |
| Contracted Services - Aid in Lieu Payments-NonPub Sch and School) - Vendors | 500,000           |                                 | 500,000           | 310,948           | 189,052                           |
| Contracted Services (Between Home & School) - Vendors                       | 3,525,000         | 14,800                          | 3,539,800         | 2,976,330         | 563,470                           |
| Contracted Services (Other than Between Home and School) - Vendors          | 750,802           | (66,741)                        | 684,061           | 265,528           | 418,532                           |
| Contract Services (Sp. Ed. Sids.) - Vendors                                 | 6,423,821         | (198,975)                       | 6,224,846         | 5,338,216         | 886,630                           |
| Contracted Svcs - (Spec.Ed. Stud) - ESCs & CTSA                             | 1,100,000         | (15,000)                        | 1,085,000         | 397,352           | 687,648                           |
| Miscellaneous Purchased Services - Transportation                           | 1,800             |                                 | 1,800             | 400               | 1,400                             |
| General Supplies  | 2,300             | (600)                           | 1,700             | 764               | 936                               |
| Transportation Supplies   | 33,000            | 2,000                           | 35,000            | 27,983            | 7,017                             |
| Other Objects   | 2,265             |                                 | 2,265             | 778               | 1,487                             |
| <b>Total Student Transportation Services</b>                                | <b>12,961,800</b> | <b>(262,157)</b>                | <b>12,699,643</b> | <b>9,921,891</b>  | <b>2,777,752</b>                  |

HAMILTON TOWNSHIP SCHOOL DISTRICT  
GENERAL FUND  
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

|   | ORIGINAL BUDGET | BUDGET TRANSFERS AND AMENDMENTS | FINAL BUDGET | ACTUAL      | VARIANCE FAVORABLE/ (UNFAVORABLE) |
|---|-----------------|---------------------------------|--------------|-------------|-----------------------------------|
| Unallocated Benefits - Employee Benefits:                 |                 |                                 |              |             |                                   |
| Group Insurance   | \$ 145,000      | \$                              | 145,000      | \$ 143,647  | \$ 1,353                          |
| Social Security Contributions                             | 2,159,320       | (1,690)                         | 2,157,630    | 2,105,882   | 51,748                            |
| T.P.A.F. Contributions - ERIP                             | 250             | 862                             | 1,112        | 873         | 240                               |
| Other Retirement Contributions - PERS                     | 2,950,834       | 174,683                         | 3,125,517    | 3,125,104   | 412                               |
| Workmen's Compensation                                    | 953,040         | (25,228)                        | 927,812      | 888,762     | 359,050                           |
| Health Benefits   | 29,988,472      | (475,915)                       | 29,512,557   | 29,050,796  | 461,801                           |
| Tuition Reimbursements                                    | 265,000         |                                 | 265,000      | 255,770     | 9,230                             |
| Unused sick payment                                       | 1,120,000       | 13,823                          | 1,133,823    | 1,133,823   |                                   |
| Total Unallocated Benefits - Employee Benefits            | 37,581,916      | (313,466)                       | 37,268,450   | 36,384,617  | 883,833                           |
| On-Behalf TPAF Contributions (Non-Budgeted):              |                 |                                 |              |             |                                   |
| On-behalf TPAF Contributions-non-budgeted                 |                 |                                 |              | 21,882,995  | (21,882,995)                      |
| NCGI-non-budgeted   |                 |                                 |              | 416,544     | (416,544)                         |
| Post Retirement Medical-non budgeted                      |                 |                                 |              | 6,991,462   | (6,991,462)                       |
| Reimbursed TPAF Social Security Contribution-non-budgeted |                 |                                 |              | 6,372,236   | (6,372,236)                       |
| Long Term Disability Insurance                            |                 |                                 |              | 11,835      | (11,835)                          |
| Total TPAF Pension/Social Security                        |                 |                                 |              | 35,685,072  | (35,685,072)                      |
| Total Undistributed Expenditures                          | 115,823,708     | (144,650)                       | 115,679,058  | 144,336,432 | (28,657,373)                      |
| General Current Expense:                                  |                 |                                 |              |             |                                   |
| Interest Earned on Maintenance Reserve                    | 8,300           |                                 | 8,300        |             | 8,300                             |
| Total General Current Expense                             | 8,300           |                                 | 8,300        |             | 8,300                             |
| TOTAL EXPENDITURES - CURRENT EXPENSE                      | 199,453,844     | (486,745)                       | 198,967,099  | 224,908,016 | (25,950,917)                      |
| CAPITAL OUTLAY:   |                 |                                 |              |             |                                   |
| Equipment:  |                 |                                 |              |             |                                   |
| Grades 9-12 - Equipment                                   |                 | 4,370                           | 4,370        | 4,370       |                                   |
| Multiple Disabilities                                     |                 | 3,585                           | 3,585        | 3,585       |                                   |
| Undistributed-Admin. Info Technology                      |                 | 19,635                          | 19,635       | 19,987      | 648                               |
| Total Equipment   |                 | 27,590                          | 27,590       | 28,942      | 648                               |
| Facilities Acquisition and Construction Services:         |                 |                                 |              |             |                                   |
| Construction services                                     | 972,974         | 2,376,512                       | 3,349,486    | 1,984,786   | 1,984,699                         |
| Assessment for Debt Service on SDA Funding                | 146,170         |                                 | 146,170      | 146,170     |                                   |
| Total Facilities Acquisition and Construction Services    | 1,119,144       | 2,376,512                       | 3,495,656    | 1,510,956   | 1,984,699                         |
| Interest Deposit to Capital Reserve                       | 65,000          |                                 | 65,000       |             | 65,000                            |
| TOTAL CAPITAL OUTLAY                                      | 1,184,144       | 2,404,102                       | 3,589,246    | 1,537,898   | 2,050,347                         |
| Transfer of funds to charter schools                      | 3,658,893       | 358,546                         | 4,017,439    | 3,992,345   | 25,094                            |
| TOTAL EXPENDITURES  | 204,296,861     | 2,265,903                       | 206,562,763  | 230,438,259 | (23,875,476)                      |

HAMILTON TOWNSHIP SCHOOL DISTRICT  
GENERAL FUND  
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

|   | ORIGINAL BUDGET | BUDGET TRANSFERS AND AMENDMENTS | FINAL BUDGET    | ACTUAL       | VARIANCE FAVORABLE/ (UNFAVORABLE) |
|---|-----------------|---------------------------------|-----------------|--------------|-----------------------------------|
| Excess (deficiency) of revenues over (under) expenditures   | \$ (6,538,394)  | \$ (3,952,763)                  | \$ (10,491,156) | \$ 2,835,560 | \$ 13,126,716                     |
| Other financing sources (uses)  |                 |                                 |                 | 19,860       | 19,860                            |
| Transfers from Other Funds  |                 |                                 |                 | 19,860       | 19,860                            |
| Total other financing sources(uses)   | (6,538,394)     | (3,952,763)                     | (10,491,156)    | 2,855,420    | 13,146,576                        |
| Excess of revenues and other financing sources over expenditures and other expenditures and other financing sources | 25,250,232      |                                 | 25,250,232      |              |                                   |
| Fund balances, July 1 (as restated)   | 18,711,838      | (3,952,763)                     | 14,759,075      | 27,905,652   | 13,146,576                        |
| Fund balances, June 30  |                 |                                 |                 |              |                                   |

Recapitulation:

|  |               |
|--|---------------|
| Assigned - year-end encumbrances   | \$ 2,119,381  |
| Restricted:  |               |
| Capital reserve  | 11,748,737    |
| Maintenance reserve  | 1,323,013     |
| State Unemployment Insurance   | 2,454,053     |
| Unassigned fund balance  | 5,241,262     |
| Assigned - designated for subsequent years expenditures                      | 5,000,000     |
| Assigned fund balance SEMIFFCRA - designated for subsequent year expenditure | 19,205        |
|  | \$ 27,905,652 |
| Reconciliation to governmental funds statements (GAAP):                      |               |
| Prior Year aid payment not recognized on GAAP basis                          | (6,940,271)   |
| Fund balance per governmental funds (GAAP)                                   | \$ 20,965,381 |

HAMILTON TOWNSHIP SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
SPECIAL REVENUE FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

|  | ORIGINAL<br>BUDGET | BUDGET<br>TRANSFERS/<br>AMENDMENTS | FINAL<br>BUDGET   | ACTUAL               | VARIANCE<br>FINAL TO ACTUAL |
|--|--------------------|------------------------------------|-------------------|----------------------|-----------------------------|
| <b>REVENUES:</b>   |                    |                                    |                   |                      |                             |
| State sources  | \$ 1,384,186       | \$ 322,112                         | \$ 1,706,298      | \$ 1,203,656         | (502,642)                   |
| Federal sources  | 8,814,811          | 8,794,536                          | 17,609,347        | 9,840,553            | (7,768,795)                 |
| Other sources  | <u>1,122,189</u>   | <u>143,441</u>                     | <u>1,265,630</u>  | <u>380,551</u>       | <u>(905,079)</u>            |
| Total revenues   | <u>11,321,186</u>  | <u>9,260,090</u>                   | <u>20,581,275</u> | <u>11,404,760</u>    | <u>(9,176,516)</u>          |
| <b>EXPENDITURES:</b>   |                    |                                    |                   |                      |                             |
| Instruction:   |                    |                                    |                   |                      |                             |
| Salaries of teachers   | 1,040,452          | 811,887                            | 1,852,339         | 862,883              | 989,456                     |
| Other salaries for instruction                               | 363,068            | (171,395)                          | 191,673           | 163,314              | 28,359                      |
| Purchased professional services                              | 12,045             | 151,281                            | 163,326           | 149,296              | 14,030                      |
| Purchased professional - educational services                | 1,020,395          | 436,825                            | 1,457,220         | 951,129              | 506,091                     |
| Other Purchased Services                                     |                    | 177,286                            | 177,286           | 177,286              |                             |
| Telephone/Communications                                     |                    | 3,601                              | 3,601             | 3,601                |                             |
| Tuition  | 2,718,634          | 136,542                            | 2,855,176         | 2,855,176            |                             |
| Supplies and materials                                       | 623,972            | 3,132,000                          | 3,755,972         | 2,634,892            | 1,121,080                   |
| Textbooks  | 69,261             | 22,914                             | 92,175            | 81,295               | 10,880                      |
| Other Objects  | <u>56</u>          | <u>571</u>                         | <u>627</u>        | <u>450</u>           | <u>177</u>                  |
| Total instruction  | <u>5,847,883</u>   | <u>4,701,512</u>                   | <u>10,549,395</u> | <u>7,879,322</u>     | <u>2,670,073</u>            |
| Support services:  |                    |                                    |                   |                      |                             |
| Salaries of Other professional staff                         | 534,750            | 163,018                            | 697,768           | 538,269              | 159,499                     |
| Personal services - employee benefits                        | 59,015             | 426,018                            | 485,033           | 471,099              | 13,934                      |
| Purchased professional services                              | 79,902             | 1,539,473                          | 1,619,375         | 805,273              | 814,102                     |
| Purchased professional - educational services                | 128,506            | 755,263                            | 883,769           | 180,189              | 703,580                     |
| Purchased professional - technical services                  | 15,000             | 92,584                             | 107,584           | 92,584               | 15,000                      |
| Other Purchased Services                                     | 750                | 11,360                             | 12,110            | 7,560                | 4,550                       |
| Travel   | 149,195            | 128,158                            | 277,354           | 16,110               | 261,244                     |
| Supplies and materials                                       | 286,185            | 1,415,196                          | 1,701,381         | 1,188,791            | 512,590                     |
| Miscellaneous expenditures                                   | <u>970,000</u>     | <u>14,652</u>                      | <u>984,652</u>    | <u>231,537</u>       | <u>753,115</u>              |
| Total support services                                       | <u>2,223,303</u>   | <u>4,545,722</u>                   | <u>6,769,025</u>  | <u>3,531,412</u>     | <u>3,237,613</u>            |
| Facilities acquisition and construction services:            |                    |                                    |                   |                      |                             |
| Instructional equipment                                      | 3,250,000          | 7,630                              | 3,257,630         | 7,500                | 3,250,130                   |
| Non-Instructional equipment                                  |                    | <u>5,226</u>                       | <u>5,226</u>      |                      | <u>5,226</u>                |
| Total facilities acquisition and construction serv.          | <u>3,250,000</u>   | <u>12,856</u>                      | <u>3,262,856</u>  | <u>7,500</u>         | <u>3,255,356</u>            |
| Total expenditures   | <u>11,321,186</u>  | <u>9,260,089</u>                   | <u>20,581,275</u> | <u>11,418,234</u>    | <u>9,163,042</u>            |
| Excess (deficiency) of revenues over<br>(under) expenditures | <u>-</u>           | <u>-</u>                           | <u>-</u>          | <u>(13,474)</u>      | <u>13,474</u>               |
| Fund Balance, July 1   |                    |                                    |                   | <u>753,907.00</u>    |                             |
| Prior Period Adjustment                                      |                    |                                    |                   |                      |                             |
| Fund Balance, July 1 (Restated)                              |                    |                                    |                   | <u>753,907.00</u>    |                             |
| Fund Balance, June 30  |                    |                                    |                   | <u>\$ 740,433.00</u> |                             |

HAMILTON TOWNSHIP SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
BUDGET TO GAAP RECONCILIATION  
NOTE TO RSI  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Note A - Explanation of difference between budgetary inflows and outflows and GAAP Revenues and Expenditures

|   | <u>GENERAL FUND</u> | <u>SPECIAL REVENUE FUND</u> |
|---|---------------------|-----------------------------|
| Sources/inflows of resources  |                     |                             |
| Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedule   | \$233,073,818.68    | \$11,404,759.50             |
| Difference - budget to GAAP:  |                     |                             |
| Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.  |                     |                             |
| Add prior year encumbrances   |                     | 335,990.00                  |
| Less current year encumbrances  |                     | (74,742.35)                 |
| State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year   | (6,940,271.00)      |                             |
| State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes.   | 6,860,266.00        |                             |
| Total revenues as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds.  | \$232,993,813.68    | \$11,666,007.15             |
| Uses/outflows of resources  |                     |                             |
| Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule.   | \$230,438,259.12    | \$11,418,233.50             |
| Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes. |                     |                             |
| Add prior year encumbrances   |                     | 335,990.00                  |
| Less current year encumbrances  |                     | (74,742.35)                 |
| Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds  | \$230,438,259.12    | \$11,679,481.15             |

**REQUIRED SUPPLEMENTARY INFORMATION - PART III**



**SCHEDULES RELATED TO ACCOUNTING AND REPORTING FOR PENSION (GASB 68)**

HAMILTON TOWNSHIP SCHOOL DISTRICT  
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
PUBLIC EMPLOYEES RETIREMENT SYSTEM  
LAST TEN YEARS

|   | Measurement Date Ending June 30, 2020 | Measurement Date Ending June 30, 2019 | Measurement Date Ending June 30, 2018 | Measurement Date Ending June 30, 2017 | Measurement Date Ending June 30, 2016 | Measurement Date Ending June 30, 2015 | Measurement Date Ending June 30, 2014 | Measurement Date Ending June 30, 2013 |
|---|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|
| District's proportion of the net pension liability (asset)  | 0.2839735126%                         | 0.2770048260%                         | 0.2914616700%                         | 0.2903429124%                         | 0.3033493165%                         | 0.2901148926%                         | 0.2798236728%                         | 0.2730809259%                         |
| District's proportionate share of the net pension liability (asset)   | \$46,308,654                          | \$49,912,067                          | \$57,387,350                          | \$67,587,189                          | \$89,843,367                          | \$65,124,980                          | \$52,390,645                          | \$52,191,191                          |
| District's covered-employee payroll   | 21,019,464                            | 20,031,559                            | 19,590,657                            | 20,287,601                            | 19,844,925                            | 18,447,735                            | 19,754,726                            | 19,395,974                            |
| District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll | 220.31%                               | 249.17%                               | 292.93%                               | 333.15%                               | 452.73%                               | 353.02%                               | 265.21%                               | 269.08%                               |
| Plan fiduciary net position as a percentage of the total pension liability  | 58.32%                                | 56.27%                                | 53.60%                                | 48.10%                                | 40.14%                                | 47.92%                                | 52.08%                                | 48.72%                                |

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

HAMILTON TOWNSHIP SCHOOL DISTRICT  
 SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS  
 PUBLIC EMPLOYEES RETIREMENT SYSTEM  
 Last Ten Years

|  | Fiscal Year<br>Ending<br>June 30,<br>2021 | Fiscal Year<br>Ending<br>June 30,<br>2020 | Fiscal Year<br>Ending<br>June 30,<br>2019 | Fiscal Year<br>Ending<br>June 30,<br>2018 | Fiscal Year<br>Ending<br>June 30,<br>2017 | Fiscal Year<br>Ending<br>June 30,<br>2016 | Fiscal Year<br>Ending<br>June 30,<br>2015 | Fiscal Year<br>Ending<br>June 30,<br>2014 |
|--|---|---|---|---|---|---|---|---|
| Contractually required contribution                                  | \$ 3,106,527                              | \$ 2,694,454                              | \$ 2,899,102                              | \$ 2,913,664                              | \$ 2,689,717                              | \$ 2,694,912                              | \$ 2,494,210                              | \$ 2,306,826                              |
| Contributions in relation to the contractually required contribution | 3,106,527                                 | 2,694,454                                 | 2,899,102                                 | 2,913,664                                 | 2,689,717                                 | 2,694,912                                 | 2,494,210                                 | 2,306,826                                 |
| Contribution deficiency (excess)                                     | \$ -                                      | \$ -                                      | \$ -                                      | \$ -                                      | \$ -                                      | \$ -                                      | \$ -                                      | \$ -                                      |
| District's covered-employee payroll                                  | 21,131,337                                | 21,019,464                                | 20,031,559                                | 19,590,657                                | 20,287,601                                | 19,844,925                                | 18,447,735                                | 19,754,726                                |
| Contributions as a percentage of covered-employee payroll            | 14.70%                                    | 12.82%                                    | 14.47%                                    | 14.87%                                    | 13.26%                                    | 13.58%                                    | 13.52%                                    | 11.68%                                    |

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

HAMILTON TOWNSHIP SCHOOL DISTRICT  
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
TEACHERS PENSION AND ANNUITY FUND  
LAST TEN YEARS

|  | Measurement Date Ending June 30, 2020 | Measurement Date Ending June 30, 2019 | Measurement Date Ending June 30, 2018 | Measurement Date Ending June 30, 2017 | Measurement Date Ending June 30, 2016 | Measurement Date Ending June 30, 2015 | Measurement Date Ending June 30, 2014 | Measurement Date Ending June 30, 2013 |
|--|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|
| District's proportion of the net pension liability (asset)   | 0.775592375%                          | 0.7809615082%                         | 0.7576597172%                         | 0.7920642357%                         | 0.7949697212%                         | 0.7972856278%                         | 0.7890660282%                         | 0.7844176179%                         |
| State's proportionate share of the net pension liability (asset) associated with the District  | \$510,696,426                         | \$479,283,449                         | \$482,004,929                         | \$534,038,268                         | \$625,373,799                         | \$503,918,690                         | \$421,730,111                         | \$396,438,495                         |
| District's covered-employee payroll  | 84,852,660                            | 81,657,147                            | 82,274,742                            | 80,182,382                            | 78,043,603                            | 79,890,797                            | 78,364,476                            | 77,482,940                            |
| District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll                                    | 0%                                    | 0%                                    | 0%                                    | 0%                                    | 0%                                    | 0%                                    | 0%                                    | 0%                                    |
| State's Proportionate Share of the Total Net Pension Liability associated with the District as a percentage of the District's Covered-Employee Payroll | 601.86%                               | 586.95%                               | 585.85%                               | 666.03%                               | 801.31%                               | 630.76%                               | 538.16%                               | 511.65%                               |
| 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: This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

HAMILTON TOWNSHIP SCHOOL DISTRICT  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION PART III  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

PUBLIC EMPLOYEES RETIREMENT SYSTEM (PERS)

Change in benefit terms:

None

Change in assumptions:

The following assumptions were used in calculating the net pension liability in their respective accounting periods:

| Measurement<br>Date Ending<br><u>June 30,</u> | Discount<br><u>Rate</u> | Long-Term<br>Expected<br>Rate of<br><u>Return</u> | Actuarial<br>Experience<br><u>Study Period</u> |
|---|-------------------------|---|--|
| 2020  | 7.00%                   | 7.00%   | 07/01/14-06/30/18                              |
| 2019  | 6.28%                   | 7.00%   | 07/01/14-06/30/18                              |
| 2018  | 5.66%                   | 7.00%   | 07/01/11-06/30/14                              |
| 2017  | 5.00%                   | 7.00%   | 07/01/11-06/30/14                              |
| 2016  | 3.98%                   | 7.65%   | 07/01/11-06/30/14                              |
| 2015  | 4.90%                   | 7.90%   | 07/01/08-06/30/11                              |
| 2014  | 5.39%                   | 7.90%   | 07/01/08-06/30/11                              |
| 2013  | 5.55%                   | 7.90%   | 07/01/08-06/30/11                              |

TEACHERS PENSION AND ANNUITY FUND (TPAF)

Change in benefit terms:

None

Change in assumptions:

The following assumptions were used in calculating the net pension liability in their respective accounting periods:

| Measurement<br>Date Ending<br><u>June 30,</u> | Discount<br><u>Rate</u> | Long-Term<br>Expected<br>Rate of<br><u>Return</u> | Actuarial<br>Experience<br><u>Study Period</u> |
|---|-------------------------|---|--|
| 2020  | 5.40%                   | 7.00%   | 07/01/15-06/30/18                              |
| 2019  | 5.60%                   | 7.00%   | 07/01/15-06/30/18                              |
| 2018  | 4.86%                   | 7.00%   | 07/01/12-06/30/15                              |
| 2017  | 4.25%                   | 7.00%   | 07/01/12-06/30/15                              |
| 2016  | 3.22%                   | 7.65%   | 07/01/12-06/30/15                              |
| 2015  | 4.13%                   | 7.90%   | 07/01/09-06/30/12                              |
| 2014  | 4.68%                   | 7.90%   | 07/01/09-06/30/12                              |
| 2013  | 4.95%                   | 7.90%   | 07/01/09-06/30/12                              |

**REQUIRED SUPPLEMENTARY INFORMATION - PART IV**

**SCHEDULE RELATED TO ACCOUNTING AND REPORTING FOR POST-RETIREMENT BENEFITS  
OTHER THAN PENSION (GASB 75)**

HAMILTON TOWNSHIP SCHOOL DISTRICT  
SCHEDULE OF CHANGES IN THE DISTRICT'S  
TOTAL OPEB LIABILITY AND RELATED RATIOS  
LAST TEN YEARS

|  | Measurement Date Ended June 30, |                      |                      |
|--|---------------------------------|----------------------|----------------------|
|  | <u>2020</u>                     | <u>2019</u>          | <u>2017</u>          |
| Total Non-Employer OPEB Liability - State's Proportionate Share of Total OPEB Liability Associated with the School District                                  |                                 |                      |                      |
| Balance at 6/30  | \$364,885,924                   | \$412,156,727        | \$522,308,236        |
| Changes for the year:  |                                 |                      |                      |
| Service cost   | 13,935,449                      | 13,548,164           | 18,915,951           |
| Interest   | 13,084,763                      | 16,266,463           | 15,272,477           |
| Changes of benefit terms   |                                 |                      |                      |
| Differences between expected and actual experience   | 103,650,785                     | (71,657,025)         | (62,909,302)         |
| Changes in assumptions or other inputs   | 108,510,547                     | 5,440,479            |                      |
| Membership Contributions   | 313,458                         | 332,026              | 411,788              |
| Benefit payments - Net   | (10,341,733)                    | (11,200,910)         | (11,183,046)         |
| Net changes  | <u>229,153,269</u>              | <u>(47,270,803)</u>  | <u>(39,492,132)</u>  |
| Balance at 6/30  | <u>\$594,039,193</u>            | <u>\$364,885,924</u> | <u>\$482,816,104</u> |
| Covered Employee Payroll   | 105,872,124                     | 101,688,706          | 101,549,847          |
| District's Proportionate Share of the Total Non-Employer OPEB Liability as a percentage of the District's Covered Employee Payroll                           | -0-                             | -0-                  | -0-                  |
| State's Proportionate Share of the Total Non-Employer OPEB Liability associated with the District as a percentage of the District's Covered Employee Payroll | 561.09%                         | 358.83%              | 475.45%              |

Note: Schedule is intended to show ten year trend. Additional years will be reported as they become available.



HAMILTON TOWNSHIP SCHOOL DISTRICT  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION PART IV  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Change in benefit terms:       None

Change in assumptions:

The following assumptions were used in calculating the net OPEB liability in their respective accounting periods:

| Measurement<br>Date Ending | Discount<br>Rate |
|----------------------------|------------------|
| <u>June 30,</u><br>2020    | 2.21%            |
| 2019                       | 3.50%            |
| 2018                       | 3.87%            |

**OTHER SUPPLEMENTARY INFORMATION**

**SPECIAL REVENUE FUND  
DETAIL STATEMENTS**

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

|  | TITLE I A           | TITLE I S/A       | TITLE I REALLOCATION | TITLE I A        | TITLE III E/E     | TITLE III IMMIGRANT | TITLE IV         | IDEA PART B         | IDEA PRESCHOOL   | CARL D PERKINS   |
|--|---------------------|-------------------|----------------------|------------------|-------------------|---------------------|------------------|---------------------|------------------|------------------|
| <b>REVENUES:</b>   |                     |                   |                      |                  |                   |                     |                  |                     |                  |                  |
| State sources  | \$ 1,948,191        | \$ 135,760        | \$ 24,629            | \$ 96,246        | \$ 115,004        | \$ 51,407           | \$ 73,480        | \$ 3,502,957        | \$ 13,502        | \$ 60,805        |
| Federal sources  |                     |                   |                      |                  |                   |                     |                  |                     |                  |                  |
| Local sources  |                     |                   |                      |                  |                   |                     |                  |                     |                  |                  |
| <b>Total revenues</b>  | <b>\$ 1,948,191</b> | <b>\$ 135,760</b> | <b>\$ 24,629</b>     | <b>\$ 96,246</b> | <b>\$ 115,004</b> | <b>\$ 51,407</b>    | <b>\$ 73,480</b> | <b>\$ 3,502,957</b> | <b>\$ 13,502</b> | <b>\$ 60,805</b> |
| <b>EXPENDITURES:</b>   |                     |                   |                      |                  |                   |                     |                  |                     |                  |                  |
| <b>Instruction:</b>  |                     |                   |                      |                  |                   |                     |                  |                     |                  |                  |
| Salaries of teachers   | \$ 881,141          | \$ 51,410         | \$ 400               | \$               | \$ 28,100         | \$ 40               | \$               | \$                  | \$               | \$ 5,979         |
| Other salaries for instruction                                   | 165,314             |                   |                      |                  |                   |                     |                  |                     |                  |                  |
| Purchased professional - technical services                      |                     |                   | 6,833                |                  | 54,420            | 389                 | 37,175           |                     |                  | 22,384           |
| Purchased professional - educational services                    | 14,379              | 220               |                      |                  |                   |                     |                  |                     |                  |                  |
| Other Purchased Services   |                     |                   |                      |                  |                   |                     |                  |                     |                  |                  |
| Communication/telephone  |                     |                   |                      |                  |                   |                     |                  |                     |                  |                  |
| Tuition  |                     |                   |                      |                  |                   |                     |                  |                     |                  |                  |
| Supplies and materials   | 76,488              | 1,268             | 8,118                |                  | 25,554            | 50,988              | 33,219           | 2,855,176           | 13,502           | 7,162            |
| Textbooks  |                     |                   |                      |                  |                   |                     |                  | 79,041              |                  |                  |
| Other Objects  |                     |                   |                      |                  |                   |                     |                  |                     |                  |                  |
|  | 917,322             | 52,898            | 15,351               |                  | 108,074           | 51,407              | 70,394           | 2,934,217           | 13,502           | 35,525           |
| <b>Support services:</b>   |                     |                   |                      |                  |                   |                     |                  |                     |                  |                  |
| Salaries of Other professional staff                             | 479,761             | 14,383            |                      | 10,659           |                   |                     |                  |                     |                  | 7,136            |
| Personal services - employee benefits                            | 471,069             |                   |                      |                  |                   |                     |                  |                     |                  |                  |
| Purchased professional services                                  | 48,151              | 64,329            | 7,600                | 80,061           | 6,930             |                     | 3,086            | 561,180             |                  | 18,144           |
| Purchased professional - educational services                    |                     |                   |                      |                  |                   |                     |                  |                     |                  |                  |
| Purchased professional - technical services                      |                     |                   |                      |                  |                   |                     |                  |                     |                  |                  |
| Other Purchased Services   |                     |                   |                      |                  |                   |                     |                  |                     |                  |                  |
| Travel   | 6,375               | 2,950             | 1,678                | 3,726            |                   |                     |                  | 7,560               |                  |                  |
| Supplies and materials   | 25,383              | 1,600             |                      | 1,800            |                   |                     |                  |                     |                  |                  |
| Miscellaneous  | 100                 |                   |                      |                  |                   |                     |                  |                     |                  |                  |
|  | 1,030,869           | 82,862            | 9,278                | 96,246           | 6,930             |                     | 3,086            | 568,740             |                  | 26,280           |
| <b>Total support services</b>                                    |                     |                   |                      |                  |                   |                     |                  |                     |                  |                  |
| <b>Facilities acquisition and construction serv:</b>             |                     |                   |                      |                  |                   |                     |                  |                     |                  |                  |
| Instructional equipment  |                     |                   |                      |                  |                   |                     |                  |                     |                  |                  |
| <b>Total facilities acquisition and construction serv.</b>       |                     |                   |                      |                  |                   |                     |                  |                     |                  |                  |
| <b>Total expenditures</b>  | <b>\$ 1,948,191</b> | <b>\$ 135,760</b> | <b>\$ 24,629</b>     | <b>\$ 96,246</b> | <b>\$ 115,004</b> | <b>\$ 51,407</b>    | <b>\$ 73,480</b> | <b>\$ 3,502,957</b> | <b>\$ 13,502</b> | <b>\$ 60,805</b> |
| <b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b> | <b>\$</b>           | <b>\$</b>         | <b>\$</b>            | <b>\$</b>        | <b>\$</b>         | <b>\$</b>           | <b>\$</b>        | <b>\$</b>           | <b>\$</b>        | <b>\$</b>        |
| <b>Fund Balance, July 1</b>                                      |                     |                   |                      |                  |                   |                     |                  |                     |                  |                  |
| <b>Prior Period Adjustment</b>                                   |                     |                   |                      |                  |                   |                     |                  |                     |                  |                  |
| <b>Fund Balance, July 1 (Restated)</b>                           |                     |                   |                      |                  |                   |                     |                  |                     |                  |                  |
| <b>Fund Balance, June 30</b>                                     |                     |                   |                      |                  |                   |                     |                  |                     |                  |                  |

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

|   | CARES ACT    | DIGITAL DIVIDE | CORONAVIRUS BELIEF FUND | CRRSA ACT ESSERJI | CRRSA ACT LEARN | NONPUBLIC TEXTBOOKS | COMPENSATORY EDUCATION | ENGLISH AS SECOND LANGUAGE | NON-PUBLIC NJ CH 192 | HOME INSTRUCTION |
|---|--------------|----------------|-------------------------|-------------------|-----------------|---------------------|------------------------|----------------------------|----------------------|------------------|
| REVENUES:   |              |                |                         |                   |                 |                     |                        |                            |                      |                  |
| State sources   | \$ 1,187,612 | \$ 1,584,003   | \$ 877,187              | \$ 107,407        | \$ 713          | \$ 78,296           | \$ 344,001             | \$ 12,259                  | \$ 37,939            | \$ 457           |
| Federal sources   |              |                |                         |                   |                 |                     |                        |                            |                      |                  |
| Local sources   |              |                |                         |                   |                 |                     |                        |                            |                      |                  |
| Total revenues  | \$ 1,187,612 | \$ 1,584,003   | \$ 877,187              | \$ 107,407        | \$ 713          | \$ 78,296           | \$ 344,001             | \$ 12,259                  | \$ 37,939            | \$ 457           |
| EXPENDITURES:   |              |                |                         |                   |                 |                     |                        |                            |                      |                  |
| Instruction:  |              |                |                         |                   |                 |                     |                        |                            |                      |                  |
| Salaries of teachers                                      | \$ 48,389    | \$             | \$ 36,100               | \$ 30,631         | \$ 713          | \$                  | \$                     | \$                         | \$                   | \$               |
| Other salaries for instruction                            | 28,115       |                |                         |                   |                 |                     |                        |                            |                      |                  |
| Purchased professional - technical services               | 128,207      |                |                         |                   |                 |                     |                        |                            |                      |                  |
| Purchased professional - educational services             | 154,840      |                |                         | 22,646            |                 |                     | 344,001                | 12,259                     | 37,939               | 457              |
| Other Purchased Services                                  | 2,003        |                |                         | 1,598             |                 |                     |                        |                            |                      |                  |
| Communication/telephone                                   |              |                |                         |                   |                 |                     |                        |                            |                      |                  |
| Tuition   |              |                |                         |                   |                 |                     |                        |                            |                      |                  |
| Supplies and materials                                    | 228,345      | 1,584,003      | 450,345                 |                   |                 | 78,296              |                        |                            |                      |                  |
| Textbooks   |              |                |                         |                   |                 |                     |                        |                            |                      |                  |
| Other Objects   |              |                |                         |                   |                 |                     |                        |                            |                      |                  |
| Total instruction   | \$ 877,679   | \$ 1,584,003   | \$ 877,187              | \$ 54,875         | \$ 713          | \$ 78,296           | \$ 344,001             | \$ 12,259                  | \$ 37,939            | \$ 457           |
| Support services:   |              |                |                         |                   |                 |                     |                        |                            |                      |                  |
| Salaries of Other professional staff                      |              |                |                         | 26,330            |                 |                     |                        |                            |                      |                  |
| Personal services - employee benefits                     | 15,792       |                |                         |                   |                 |                     |                        |                            |                      |                  |
| Purchased professional services                           | 88,972       |                | 48,830                  | 3,612             |                 |                     |                        |                            |                      |                  |
| Purchased professional - educational services             |              |                |                         |                   |                 |                     |                        |                            |                      |                  |
| Purchased professional - technical services               |              |                |                         |                   |                 |                     |                        |                            |                      |                  |
| Other Purchased Services                                  |              |                |                         |                   |                 |                     |                        |                            |                      |                  |
| Travel  | 495,169      |                | 343,922                 | 22,590            |                 |                     |                        |                            |                      |                  |
| Supplies and materials                                    |              |                |                         |                   |                 |                     |                        |                            |                      |                  |
| Miscellaneous   |              |                |                         |                   |                 |                     |                        |                            |                      |                  |
| Total support services                                    | \$ 599,933   |                | \$ 390,752              | \$ 52,532         |                 |                     |                        |                            |                      |                  |
| Facilities acquisition and construction serv:             |              |                |                         |                   |                 |                     |                        |                            |                      |                  |
| Instructional equipment                                   |              |                |                         |                   |                 |                     |                        |                            |                      |                  |
| Total facilities acquisition and construction serv.       |              |                |                         |                   |                 |                     |                        |                            |                      |                  |
| Total expenditures  | \$ 1,477,612 | \$ 1,584,003   | \$ 877,187              | \$ 107,407        | \$ 713          | \$ 78,296           | \$ 344,001             | \$ 12,259                  | \$ 37,939            | \$ 457           |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | \$           | \$             | \$                      | \$                | \$              | \$                  | \$                     | \$                         | \$                   | \$               |
| Fund Balance, July 1                                      |              |                |                         |                   |                 |                     |                        |                            |                      |                  |
| Prior Period Adjustment                                   |              |                |                         |                   |                 |                     |                        |                            |                      |                  |
| Fund Balance, July 1 (Restated)                           |              |                |                         |                   |                 |                     |                        |                            |                      |                  |
| Fund Balance, June 30                                     |              |                |                         |                   |                 |                     |                        |                            |                      |                  |

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

|   | SUPPLEMENTAL INSTRUCTION | NON-PUBLIC INJ. CH. 193 EXAMINATION AND CLASSIFICATION | CORRECTIVE SPEECH | NON-PUBLIC NURSING | NON-PUBLIC TECHNOLOGY | NON-PUBLIC SECURITY AID | SAFETY GRANT | STUDENT ACTIVITIES | SCHOLARSHIPS | OTHER LOCAL | TOTAL         |
|---|--------------------------|--|-------------------|--------------------|-----------------------|-------------------------|--------------|--------------------|--------------|-------------|---------------|
| REVENUES:   |                          |  |                   |                    |                       |                         |              |                    |              |             |               |
| State sources   | 143,005 \$               | 180,041 \$   | 92,621 \$         | 133,359 \$         | 61,640 \$             | 181,678 \$              | 84,353 \$    | 214,927 \$         | 387 \$       | 60,884 \$   | 1,203,656 \$  |
| Federal sources   |                          |  |                   |                    |                       |                         |              |                    |              |             | 9,840,553 \$  |
| Local sources   |                          |  |                   |                    |                       |                         |              |                    |              |             | 360,651 \$    |
| Total revenues  | 143,005 \$               | 180,041 \$   | 92,621 \$         | 133,359 \$         | 61,640 \$             | 181,678 \$              | 84,353 \$    | 214,927 \$         | 387 \$       | 60,884 \$   | 11,404,760 \$ |
| EXPENDITURES:   |                          |  |                   |                    |                       |                         |              |                    |              |             |               |
| Instruction:  |                          |  |                   |                    |                       |                         |              |                    |              |             |               |
| Salaries of teachers                                      |                          |  |                   |                    |                       |                         |              |                    |              |             | 862,883 \$    |
| Other salaries for instruction                            |                          |  |                   |                    |                       |                         |              |                    |              |             | 163,314 \$    |
| Purchased professional - technical services               |                          |  |                   |                    |                       |                         |              |                    |              |             | 149,296 \$    |
| Purchased professional - educational services             | 143,005                  | 180,041  | 92,621            |                    |                       |                         |              |                    |              |             | 951,129 \$    |
| Other Purchased Services                                  |                          |  |                   |                    |                       |                         |              |                    |              |             | 177,286 \$    |
| Communication/telephone                                   |                          |  |                   |                    |                       |                         |              |                    |              |             | 3,601 \$      |
| Tuition   |                          |  |                   |                    |                       |                         |              |                    |              |             | 2,855,176 \$  |
| Supplies and materials                                    |                          |  |                   |                    | 61,640                |                         |              |                    |              | 13,209      | 2,634,892 \$  |
| Textbooks   |                          |  |                   |                    |                       |                         |              |                    |              | 2,999       | 81,295 \$     |
| Other Objects   |                          |  |                   |                    |                       |                         |              |                    |              | 450         | 450 \$        |
| Total instruction   | 143,005                  | 180,041  | 92,621            |                    | 61,640                |                         |              |                    |              | 16,658      | 7,879,322 \$  |
| Support services:   |                          |  |                   |                    |                       |                         |              |                    |              |             |               |
| Salaries of Other professional staff                      |                          |  |                   |                    |                       |                         |              |                    |              |             | 538,269 \$    |
| Personal services - employee benefits                     |                          |  |                   |                    |                       |                         |              |                    |              |             | 471,099 \$    |
| Purchased professional services                           |                          |  |                   | 133,359            |                       |                         |              |                    |              |             | 805,273 \$    |
| Purchased professional - educational services             |                          |  |                   |                    |                       |                         |              |                    |              |             | 180,189 \$    |
| Purchased professional - technical services               |                          |  |                   |                    |                       |                         |              |                    |              |             | 92,584 \$     |
| Other Purchased Services                                  |                          |  |                   |                    |                       |                         |              |                    |              |             | 7,960 \$      |
| Travel  |                          |  |                   |                    |                       |                         |              |                    |              | 1,781       | 16,110 \$     |
| Supplies and materials                                    |                          |  |                   |                    |                       | 181,678                 | 84,353       | 215,788            | 13,000       | 32,296      | 1,188,791 \$  |
| Miscellaneous   |                          |  |                   |                    |                       |                         |              |                    |              | 2,649       | 231,537 \$    |
| Total support services                                    |                          |  |                   | 133,359            |                       | 181,678                 | 84,353       | 215,788            | 13,000       | 36,726      | 3,531,412 \$  |
| Facilities acquisition and construction serv:             |                          |  |                   |                    |                       |                         |              |                    |              |             |               |
| Instructional equipment                                   |                          |  |                   |                    |                       |                         |              |                    |              | 7,500       | 7,500 \$      |
| Total facilities acquisition and construction serv.       |                          |  |                   |                    |                       |                         |              |                    |              | 7,500       | 7,500 \$      |
| Total expenditures  | 143,005 \$               | 180,041 \$   | 92,621 \$         | 133,359 \$         | 61,640 \$             | 181,678 \$              | 84,353 \$    | 215,788 \$         | 13,000 \$    | 60,884 \$   | 11,418,234 \$ |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | \$                       | \$   | \$                | \$                 | \$                    | \$                      | \$           | (661) \$           | (12,613) \$  | \$          | (13,474) \$   |
| Fund Balance, July 1                                      |                          |  |                   |                    |                       |                         |              |                    |              |             |               |
| Prior Period Adjustment                                   |                          |  |                   |                    |                       |                         |              |                    |              |             | 753,907 \$    |
| Fund Balance, July 1 (Restated)                           |                          |  |                   |                    |                       |                         |              |                    |              |             | 753,907 \$    |
| Fund Balance, June 30                                     |                          |  |                   |                    |                       |                         |              |                    |              |             | 740,433 \$    |

**CAPITAL PROJECTS FUND  
DETAIL STATEMENTS**

HAMILTON 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:   |    |                          |
| Interest  | \$ | <u>79,687</u>            |
| Total revenues  |    | <u>79,687</u>            |
| Expenditures and Other Financing Uses:                    |    |                          |
| Architectural Services                                    |    | (110,061)                |
| Purchased professional and technical services             |    | 1,157,727                |
| Equipment   |    | 3,356,179                |
| Construction services                                     |    | <u>2,326,917</u>         |
| Total expenditures  |    | <u>6,730,762</u>         |
| Excess (deficiency) of revenues over (under) expenditures |    | (6,651,075)              |
| Other financing sources (uses):                           |    |                          |
| Transfers out   |    | (472,897)                |
| Change in Investment                                      |    | (101,199)                |
| Proceeds of Capital Lease                                 |    | <u>3,810,000</u>         |
| Total other financing sources (uses)                      |    | <u>3,235,904</u>         |
| Net change in fund balance                                |    | (3,415,171)              |
| Fund balance - beginning                                  |    | <u>6,489,804</u>         |
| Fund balance - ending                                     | \$ | <u><u>3,074,633</u></u>  |
| Fund Balance - budgetary basis                            | \$ | 3,074,633                |
| Current Year Encumbrances                                 |    | <u>4,328,622</u>         |
| Fund Balance - GAAP basis (B-1)                           | \$ | <u><u>7,403,255</u></u>  |
| Expenditures - budgetary basis                            | \$ | 6,730,762                |
| Add: prior year encumbrances                              |    | <u>14,900,308</u>        |
|   |    | 21,631,070               |
| Less:   |    |                          |
| Current year encumbrances                                 |    | <u>4,328,622</u>         |
| Expenditures - GAAP basis (B-2)                           | \$ | <u><u>17,302,448</u></u> |



HAMILTON TOWNSHIP SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SUMMARY SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS - BUDGETARY BASIS  
RICHARD C. CROCKETT MIDDLE SCHOOL - ROOF REPLACEMENT PROJECT  
FOR THE YEAR ENDED JUNE 30, 2021

|   | Prior Periods | Current Year | Totals    | Revised Authorized Cost |
|---|---------------|--------------|-----------|-------------------------|
| Revenues and Other Financing Sources:                     |               |              |           |                         |
| State Sources - ROD Grant                                 | \$ 1,303,140  | \$           | 1,303,140 | 1,303,140               |
| Transfer from capital reserve                             | 1,395,270     |              | 1,395,270 | 1,395,270               |
| Total reserve   | 2,698,410     |              | 2,698,410 | 2,698,410               |
| Expenditures and Other Financing Uses:                    |               |              |           |                         |
| Purchased professional and technical services             | 101,592       |              | 101,592   | 101,592                 |
| Construction services                                     | 2,282,829     | (14,304)     | 2,268,525 | 2,596,818               |
| Total expenditures and other financing uses               | 2,384,421     | (14,304)     | 2,370,117 | 2,698,410               |
| Excess (deficiency) of revenues over (under) expenditures | \$ 313,989    | 14,304       | 328,293   |                         |

Additional project information:

|  |                  |
|--|------------------|
| Project Number                         | 1950-083-14-1005 |
| Grant Date                             | 2014-2015        |
| Bond Authorization Date                | N/A              |
| Bonds Authorized                       | N/A              |
| Bonds Issued                           | N/A              |
| Original Authorized Cost               | \$3,257,851      |
| Additional Authorized Cost             | -0-              |
| Revised Authorized Cost                | \$3,257,851      |
| Percentage of Original Authorized Cost | 100.00%          |
| Percentage completion                  | 98.00%           |
| Original target completion date        | 2014-2015        |
| Revised target completion date         | 2016-2017        |

HAMILTON TOWNSHIP SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SUMMARY SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS - BUDGETARY BASIS  
TECHNOLOGY EQUIPMENT LEASE PURCHASE  
FOR THE YEAR ENDED JUNE 30, 2021

|   | Prior Periods | Current Year | Totals    | Revised Authorized Cost |
|---|---------------|--------------|-----------|-------------------------|
| Expenditures and Other Financing Uses:                    |               |              |           |                         |
| Purchased professional and technical services             | \$ 8,936      | \$           | 8,936     | 23,936                  |
| Equipment   | 2,490,946     |              | 2,490,946 | 2,476,064               |
| Total expenditures and other financing uses               | 2,499,882     |              | 2,499,882 | 2,500,000               |
| Other financing sources                                   |               |              |           |                         |
| Capital lease proceeds                                    | 2,500,000     | (118)        | 2,499,882 | 2,500,000               |
| Other financing sources                                   | 2,500,000     | (118)        | 2,499,882 | 2,500,000               |
| Excess (deficiency) of revenues over (under) expenditures | \$ 118        | \$ (118)     | \$        |                         |

Additional project information:

|  |             |
|--|-------------|
| Project Number                         | N/A         |
| Grant Date                             | N/A         |
| Bond Authorization Date                | N/A         |
| Bonds Authorized                       | N/A         |
| Bonds Issued                           | N/A         |
| Original Authorized Cost               | \$2,500,000 |
| Additional Authorized Cost             | -0-         |
| Revised Authorized Cost                | \$2,500,000 |
| Percentage of Original Authorized Cost | 100.00%     |
| Percentage completion                  | 99.00%      |
| Original target completion date        | 2015-2016   |
| Revised target completion date         | 2017-2018   |

HAMILTON TOWNSHIP SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SUMMARY SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS - BUDGETARY BASIS  
TECHNOLOGY EQUIPMENT LEASE PURCHASE - FY2018.1  
FOR THE YEAR ENDED JUNE 30, 2021

|   | Prior Periods | Current Year | Totals    | Revised<br>Authorized<br>Cost |
|---|---------------|--------------|-----------|-------------------------------|
| Expenditures and Other Financing Uses:                    |               |              |           |                               |
| Purchased professional and technical services             | \$ 5,244      | \$ 5,244     | \$ 5,244  | 5,244                         |
| Equipment   | 1,514,043     |              | 1,514,043 | 1,514,756                     |
| Total expenditures and other financing uses               | 1,519,287     | 0            | 1,519,287 | 1,520,000                     |
| Other financing sources                                   |               |              |           |                               |
| Capital lease proceeds                                    | 1,520,000     | (713)        | 1,519,287 | 1,520,000                     |
| Other financing sources                                   | 1,520,000     | (713)        | 1,519,287 | 1,520,000                     |
| Excess (deficiency) of revenues over (under) expenditures | \$ 713        | \$ (713)     | \$ 0      | 0                             |

Additional project information:

|  |             |
|--|-------------|
| Project Number                         | N/A         |
| Grant Date                             | N/A         |
| Bond Authorization Date                | N/A         |
| Bonds Authorized                       | N/A         |
| Bonds Issued                           | N/A         |
| Original Authorized Cost               | \$1,520,000 |
| Additional Authorized Cost             | -0-         |
| Revised Authorized Cost                | \$1,520,000 |
| Percentage of Original Authorized Cost | 100.00%     |
| Percentage completion                  | 99.00%      |
| Original target completion date        | FY2019      |
| Revised target completion date         | FY2019      |

HAMILTON TOWNSHIP SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SUMMARY SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS - BUDGETARY BASIS  
TECHNOLOGY EQUIPMENT LEASE PURCHASE - FY2018 II  
FOR THE YEAR ENDED JUNE 30, 2021

|  | Prior Periods    | Current Year     | Totals           | Revised<br>Authorized<br>Cost |
|--|------------------|------------------|------------------|-------------------------------|
| Expenditures and Other Financing Uses:                           |                  |                  |                  |                               |
| Purchased professional and technical services                    | \$ 30,029        | \$               | \$ 30,029        | \$ 33,247                     |
| Equipment  | 2,929,516        |                  | 2,929,516        | 2,930,753                     |
| <b>Total expenditures and other financing uses</b>               | <b>2,959,545</b> |                  | <b>2,959,545</b> | <b>2,964,000</b>              |
| Other financing sources  |                  |                  |                  |                               |
| Capital lease proceeds   | 2,964,000        | (4,455)          | 2,959,545        | 2,964,000                     |
| Other financing sources  | 2,964,000        | (4,455)          | 2,959,545        | 2,964,000                     |
| <b>Excess (deficiency) of revenues over (under) expenditures</b> | <b>\$ 4,455</b>  | <b>\$(4,455)</b> | <b>\$</b>        |                               |

Additional project information:

|  |             |
|--|-------------|
| Project Number                         | N/A         |
| Grant Date                             | N/A         |
| Bond Authorization Date                | N/A         |
| Bonds Authorized                       | N/A         |
| Bonds Issued                           | N/A         |
| Original Authorized Cost               | \$2,964,000 |
| Additional Authorized Cost             | -0-         |
| Revised Authorized Cost                | \$2,964,000 |
| Percentage of Original Authorized Cost | 100.00%     |
| Percentage completion                  | 100.00%     |
| Original target completion date        | FY2020      |
| Revised target completion date         | FY2020      |

HAMILTON TOWNSHIP SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SUMMARY SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS - BUDGETARY BASIS  
2018 REFERENDUM  
FOR THE YEAR ENDED JUNE 30, 2021

|   | Prior Periods   | Current Year   | Totals          | Revised Authorized Cost |
|---|-----------------|----------------|-----------------|-------------------------|
| <b>Revenues and Other Financing Sources:</b>              |                 |                |                 |                         |
| Bond proceeds   | \$55,393,000.00 |                | \$55,393,000.00 | \$55,393,000.00         |
| Total reserve   | 55,393,000.00   |                | 55,393,000.00   | 55,393,000.00           |
| <b>Expenditures and Other Financing Uses:</b>             |                 |                |                 |                         |
| Architectural Services                                    | \$ 3,511,028    | (110,061) \$   | 3,400,967       | 3,812,706               |
| Purchased professional and technical services             | 15,592          | 1,150,123      | 1,165,715       | 1,167,780               |
| Construction Services                                     | 47,092,882      | 2,341,221      | 49,434,103      | 50,402,514              |
| Miscellaneous Expenditures                                | 1,095           |                | 1,095           | 10,000                  |
| Total expenditures  | 50,619,502.00   | 3,381,283      | 54,001,880      | 55,393,000              |
| Excess (deficiency) of revenues over (under) expenditures | \$ 4,773,498.00 | (3,381,283) \$ | 1,391,120       | -                       |

Additional project information:

|  |              |
|--|--------------|
| Project Number                         | N/A          |
| Grant Date                             | N/A          |
| Bond Authorization Date                | 9/26/2017    |
| Bonds Authorized                       | \$55,393,658 |
| Bonds Issued                           | \$55,393,000 |
| Original Authorized Cost               | \$55,393,000 |
| Additional Authorized Cost             | -0-          |
| Revised Authorized Cost                | \$55,393,000 |
| Percentage of Original Authorized Cost | 100.00%      |
| Percentage completion                  | 91.38%       |
| Original target completion date        | FY2020       |
| Revised target completion date         | FY2021       |

HAMILTON TOWNSHIP SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SUMMARY SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS - BUDGETARY BASIS  
VARIOUS CAPITAL EQUIPMENT LEASE PURCHASES - FY2019  
FOR THE YEAR ENDED JUNE 30, 2021

|   | Prior Periods | Current Year | Totals    | Revised<br>Authorized<br>Cost |
|---|---------------|--------------|-----------|-------------------------------|
| Expenditures and Other Financing Uses:                    |               |              |           |                               |
| Equipment   | \$ 1,785,469  | \$           | 1,785,469 | 1,800,000                     |
| Total expenditures and other financing uses               | 1,785,469     |              | 1,785,469 | 1,800,000                     |
| Other financing sources                                   |               |              |           |                               |
| Capital lease proceeds                                    | 1,800,000     | (14,531)     | 1,785,469 | 1,800,000                     |
| Other financing sources                                   | 1,800,000     | (14,531)     | 1,785,469 | 1,800,000                     |
| Excess (deficiency) of revenues over (under) expenditures | \$ 14,531     | \$ (14,531)  | \$        |                               |

Additional project information:

|  |             |
|--|-------------|
| Project Number                         | N/A         |
| Grant Date                             | N/A         |
| Bond Authorization Date                | N/A         |
| Bonds Authorized                       | N/A         |
| Bonds Issued                           | N/A         |
| Original Authorized Cost               | \$1,800,000 |
| Additional Authorized Cost             | -0-         |
| Revised Authorized Cost                | \$1,800,000 |
| Percentage of Original Authorized Cost | 100.00%     |
| Percentage completion                  | 100.00%     |
| Original target completion date        | FY2020      |
| Revised target completion date         | FY2020      |

HAMILTON TOWNSHIP SCHOOL DISTRICT  
 CAPITAL PROJECTS FUND  
 SUMMARY SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS - BUDGETARY BASIS  
 VARIOUS CAPITAL EQUIPMENT LEASE PURCHASES - FY2020  
 FOR THE YEAR ENDED JUNE 30, 2021

|   | Prior Periods |            | Current Year | Totals       | Revised<br>Authorized<br>Cost |
|---|---------------|------------|--------------|--------------|-------------------------------|
| Expenditures and Other Financing Uses:                    |               |            |              |              |                               |
| Purchased professional and technical services             | \$            | 20,122 \$  | \$           | 20,122 \$    | 20,122                        |
| Equipment   |               | 1,996,824  | 182,994      | 2,179,818 \$ | 2,179,878                     |
| Total expenditures and other financing uses               |               | 2,016,946  | 182,994      | 2,199,940    | 2,200,000                     |
| Other financing sources                                   |               |            |              |              |                               |
| Capital lease proceeds                                    |               | 2,200,000  |              | 2,200,000    | 2,200,000                     |
| Other financing sources                                   |               | 2,200,000  |              | 2,200,000    | 2,200,000                     |
| Excess (deficiency) of revenues over (under) expenditures | \$            | 183,054 \$ | (182,994) \$ | 60 \$        |                               |

Additional project information:

|  |             |
|--|-------------|
| Project Number                         | N/A         |
| Grant Date                             | N/A         |
| Bond Authorization Date                | N/A         |
| Bonds Authorized                       | N/A         |
| Bonds Issued                           | N/A         |
| Original Authorized Cost               | \$2,200,000 |
| Additional Authorized Cost             | -0-         |
| Revised Authorized Cost                | \$2,200,000 |
| Percentage of Original Authorized Cost | 100.00%     |
| Percentage completion                  | 100.00%     |
| Original target completion date        | FY2020      |
| Revised target completion date         | FY2020      |

HAMILTON TOWNSHIP SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SUMMARY SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS - BUDGETARY BASIS  
VARIOUS CAPITAL EQUIPMENT LEASE PURCHASES - FY2021  
FOR THE YEAR ENDED JUNE 30, 2021

|   | Prior Periods | Current Year | Totals    | Revised<br>Authorized<br>Cost |
|---|---------------|--------------|-----------|-------------------------------|
| Expenditures and Other Financing Uses:                    |               |              |           |                               |
| Purchased professional and technical services             | \$            | \$           | \$        | \$                            |
| Equipment   |               | 2,259,345    | 2,259,345 | 2,300,000                     |
| Total expenditures and other financing uses               |               | 2,259,345    | 2,259,345 | 2,300,000                     |
| Other financing sources                                   |               |              |           |                               |
| Capital lease proceeds                                    |               | 2,300,000    | 2,300,000 | 2,300,000                     |
| Other financing sources                                   |               | 2,300,000    | 2,300,000 | 2,300,000                     |
| Excess (deficiency) of revenues over (under) expenditures | \$            | 40,655       | 40,655    | \$                            |

Additional project information:

|  |             |
|--|-------------|
| Project Number                         | N/A         |
| Grant Date                             | N/A         |
| Bond Authorization Date                | N/A         |
| Bonds Authorized                       | N/A         |
| Bonds Issued                           | N/A         |
| Original Authorized Cost               | \$2,300,000 |
| Additional Authorized Cost             | -0-         |
| Revised Authorized Cost                | \$2,300,000 |
| Percentage of Original Authorized Cost | 100.00%     |
| Percentage completion                  | 98.23%      |
| Original target completion date        | FY2022      |
| Revised target completion date         | FY2022      |



HAMILTON TOWNSHIP SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SUMMARY SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS - BUDGETARY BASIS  
VARIOUS CAPITAL EQUIPMENT LEASE PURCHASES - FY2022  
FOR THE YEAR ENDED JUNE 30, 2021

|  | <u>Prior Periods</u> | <u>Current Year</u> | <u>Totals</u>     | <u>Revised<br/>Authorized<br/>Cost</u> |
|--|----------------------|---------------------|-------------------|--|
| Expenditures and Other Financing Uses:                           |                      |                     |                   |  |
| Purchased professional and technical services                    | \$                   | 7,604 \$            | 7,604 \$          | 7,604                                  |
| Equipment  |                      | 913,841             | 913,841 \$        | 1,502,396                              |
| <b>Total expenditures and other financing uses</b>               |                      | <b>921,445</b>      | <b>921,445</b>    | <b>1,510,000</b>                       |
| Other financing sources  |                      |                     |                   |  |
| Capital lease proceeds   |                      | 1,510,000           | 1,510,000         | 1,510,000                              |
| Other financing sources  |                      | 1,510,000           | 1,510,000         | 1,510,000                              |
| <b>Excess (deficiency) of revenues over (under) expenditures</b> | <b>\$</b>            | <b>588,555 \$</b>   | <b>588,555 \$</b> |  |

Additional project information:

|  |             |
|--|-------------|
| Project Number                         | N/A         |
| Grant Date                             | N/A         |
| Bond Authorization Date                | N/A         |
| Bonds Authorized                       | N/A         |
| Bonds issued                           | N/A         |
| Original Authorized Cost               | \$1,510,000 |
| Additional Authorized Cost             | -0-         |
| Revised Authorized Cost                | \$1,510,000 |
| Percentage of Original Authorized Cost | 100.00%     |
| Percentage completion                  | 61.02%      |
| Original target completion date        | FY2022      |
| Revised target completion date         | FY2022      |

HAMILTON TOWNSHIP SCHOOL DISTRICT  
 CAPITAL PROJECTS FUND  
 SUMMARY STATEMENT OF PROJECT EXPENDITURES - BUDGETARY BASIS  
 AS OF JUNE 30, 2021

| ISSUE/PROJECT TITLE                                      | ORIGINAL DATE | APPROPRIATIONS    | EXPENDITURES TO DATE |                  | (MEMO ONLY) UNEXPENDED PROJECT BALANCE |
|--|---------------|-------------------|----------------------|------------------|--|
|  |               |                   | PRIOR YEAR           | CURRENT YEAR     |  |
| Richard C. Crockett Middle School Roof Replacement       | N/A           | 2,698,410         | 2,384,421            | (14,304)         | 328,293                                |
| ESIP Lease Purchase - Energy Savings Projects            | 7/17/2014     | 18,939,561        | 18,939,561           |                  |  |
| Educational Equipment - Lease Purchase                   | 2/3/2015      | 3,064,958         | 3,064,958            |                  |  |
| Technology Equipment and Infrastructure (PARCC) - FY2016 | 9/30/2015     | 2,499,882         | 2,499,882            |                  |  |
| Technology Equipment and Infrastructure I - FY2016       | 7/12/2016     | 1,520,787         | 1,520,787            |                  |  |
| Technology Equipment and Infrastructure II - FY2016      | 6/16/2017     | 2,959,545         | 2,959,545            |                  |  |
| 2018 Referendum  | 9/26/2017     | 55,393,000        | 50,620,597           | 3,381,283        | 1,391,120                              |
| Various Capital Lease Purchases - FY2019                 | 7/12/2018     | 1,785,469         | 1,785,469            |                  |  |
| Various Capital Lease Purchases - FY2020                 | 7/18/2019     | 2,200,000         | 2,016,946            | 182,994          | 60                                     |
| Various Capital Lease Purchases I - FY2021               | 7/31/2020     | 2,300,000         |                      | 2,259,345        | 40,655                                 |
| Various Capital Lease Purchases II - FY2021              | 5/26/2021     | 1,510,000         |                      | 921,445          | 588,555                                |
| <b>Totals</b>  |               | <b>94,871,612</b> | <b>85,792,166</b>    | <b>6,730,762</b> | <b>2,348,684</b>                       |

## 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 within the school district.

**INTERNAL SERVICE FUNDS:**

This funds accounts for the activity of the District's self-insurance workers' compensation claims activity

HAMILTON TOWNSHIP SCHOOL DISTRICT  
STATEMENT OF NET POSITION  
PROPRIETARY FUNDS - ENTERPRISE FUNDS  
JUNE 30, 2021

|                                  |    | <u>BUSINESS-TYPE ACTIVITIES</u><br><u>ENTERPRISE FUND</u><br><u>FOOD SERVICE</u> |
|----------------------------------|----|--|
| <b>ASSETS:</b>                   |    |  |
| Current assets:                  |    |  |
| Cash and cash equivalents        | \$ | 1,187,854  |
| Accounts receivable:             |    |  |
| State                            |    | 10,315   |
| Federal                          |    | 241,084  |
| Other                            |    | 41,365   |
| Inventories                      |    | 99,334   |
| Total current assets             |    | <u>1,579,952</u>   |
| Noncurrent assets:               |    |  |
| Furniture, machinery & equipment |    | 1,269,976  |
| Less accumulated depreciation    |    | <u>(869,958)</u>   |
| Total noncurrent assets          |    | <u>400,018</u>   |
| Total assets                     |    | <u>1,979,970</u>   |
| <b>LIABILITIES:</b>              |    |  |
| Current liabilities:             |    |  |
| Accounts payable                 |    | 240,547  |
| Unearned revenue                 |    | <u>66,163</u>  |
| Total liabilities                |    | <u>306,710</u>   |
| <b>NET POSITION:</b>             |    |  |
| Net investment in capital assets |    | 400,018  |
| Unrestricted                     |    | <u>1,273,242</u>   |
| Total net position               | \$ | <u><u>1,673,260</u></u>  |

HAMILTON TOWNSHIP SCHOOL DISTRICT  
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION  
PROPRIETARY FUNDS - ENTERPRISE FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

|   | <u>BUSINESS-TYPE ACTIVITIES -<br/>ENTERPRISE FUND<br/>FOOD SERVICE</u> |
|---|--|
| OPERATING REVENUES:                       |  |
| Charges for services:                     |  |
| Daily sales - non-reimbursable programs   | \$ 11,764  |
| Total operating revenues                  | <u>\$ 11,764</u>   |
| OPERATING EXPENSES:                       |  |
| Salaries                                  | 655,190  |
| Employee benefits                         | 249,759  |
| Management and consultant fees            | 38,301   |
| Insurance                                 | 19,306   |
| Other Purchased Services                  | 351,106  |
| Supplies and materials                    | 198,777  |
| Equipment                                 | 10,189   |
| Depreciation                              | 52,724   |
| Miscellaneous                             | 62,500   |
| Cost of sales - reimbursable              | 981,144  |
| Cost of sales - non-reimbursable          | <u>1,413</u>   |
| Total operating expenses                  | <u>2,620,409</u>   |
| Operating income (loss)                   | <u>(2,608,645)</u>   |
| Nonoperating Revenues (Expenses):         |  |
| State sources                             |  |
| State school lunch program                | 65,819   |
| Federal sources:                          |  |
| National school lunch program             | 1,396,716  |
| National school breakfast program         | 884,634  |
| Supplemental Nutrition Assistance Program | 27,697   |
| Fresh Fruit and Vegetable                 | 29,763   |
| Food Distribution Program                 | 261,879  |
| Interest & Investment Revenue             | <u>3,265</u>   |
| Total nonoperating revenues (expenses)    | <u>\$ 2,669,773</u>  |
| Change in net position                    | 61,128   |
| Total net position - beginning            | <u>1,612,132</u>   |
| Total net position - ending               | <u>\$ 1,673,260</u>  |

HAMILTON TOWNSHIP SCHOOL DISTRICT  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS - ENTERPRISE FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

|   | BUSINESS-TYPE ACTIVITIES -<br>ENTERPRISE FUND<br>FOOD SERVICE |
|---|---|
| Cash flows from operating activities:   |   |
| Receipts from customers, net  | \$ 7,162  |
| Cash Payments to Vendors for Goods & Services   | (1,250,914)   |
| Cash Payments for Employees' Salaries & Benefits  | (904,949)   |
|   | (2,148,701)   |
| Net cash provided by (used for) operating activities  |   |
| Cash flows from noncapital financing activities:  |   |
| Cash Received from State & Federal Sources  | 2,396,874   |
| Operating subsidies and transfers to other funds  | 102,608   |
|   | 2,499,482   |
| Net cash provided by noncapital financing activities  |   |
| Cash Flows From Investing Activities:   |   |
| Interest on Deposits  | 3,265   |
|   | 3,265   |
| Net Cash Provided/(Used) by Investing Activities  |   |
| Net increase (decrease) in cash and cash equivalents  | 354,046   |
| Balances - Beginning of Year  | 833,808   |
| Balances - End of Year  | \$ 1,187,854  |
| <b>Reconciliation of operating income (loss) to net cash provided (used) by operating activities</b>        |   |
| Operating income (loss)   | \$ (2,608,645)  |
| Adjustments to reconciling operating income (loss) to net cash provided by (used for) operating activities: |   |
| Depreciation and Amortization   | 52,724  |
| Federal commodities   | 261,879   |
| (Increase) decrease in inventories  | 80,825  |
| (Increase) decrease in other accounts receivable  | 56,815  |
| Increase (decrease) in accounts payable for operating purposes  | 103,010   |
| Increase (decrease) in unearned revenue   | (95,309)  |
|   | 459,944   |
| Total Adjustments   |   |
| Net cash provided by (used for) operating activities  | \$ (2,148,701)  |

EXHIBIT "G-4"

HAMILTON TOWNSHIP SCHOOL DISTRICT  
STATEMENT OF NET POSITION  
PROPRIETARY FUNDS - INTERNAL SERVICE FUNDS  
JUNE 30, 2021

|                           | <u>GOVERNMENTAL ACTIVITIES</u> |
|---------------------------|--------------------------------|
|                           | <u>INTERNAL SERVICE FUND</u>   |
|                           | <u>WORKERS'</u>                |
|                           | <u>COMPENSATION FUND</u>       |
| ASSETS:                   |                                |
| Current assets:           |                                |
| Cash and cash equivalents | \$ 967,813                     |
| Total current assets      | 967,813                        |
| Total assets              | 967,813                        |
| LIABILITIES:              |                                |
| Interfund payable         | 549,097                        |
| Claims payable            | 418,716                        |
| Total liabilities         | \$ 967,813                     |
| NET POSITION:             |                                |
| Unrestricted              |                                |
| Total net position        | -                              |

HAMILTON TOWNSHIP SCHOOL DISTRICT  
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION  
PROPRIETARY FUNDS - INTERNAL SERVICE FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

GOVERNMENTAL ACTIVITIES  
INTERNAL SERVICE FUND  
WORKERS'  
COMPENSATION FUND

|                                      |    |             |
|--------------------------------------|----|-------------|
| Other financing sources (uses):      |    |             |
| Prior Year Claims                    | \$ | 283,843     |
| Transfers out                        |    | (283,843)   |
|                                      |    | <hr/>       |
| Total other financing sources (uses) |    | -           |
|                                      |    | <hr/>       |
| Net change in net position           |    | -           |
|                                      |    | <hr/>       |
| Total net position - beginning       |    | -           |
|                                      |    | <hr/>       |
| Total net position - ending          |    | -           |
|                                      |    | <hr/> <hr/> |



HAMILTON TOWNSHIP SCHOOL DISTRICT  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS - INTERNAL SERVICE FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

GOVERNMENTAL ACTIVITIES  
INTERNAL SERVICE FUND  
WORKERS'  
COMPENSATION FUND

|   |             |
|---|-------------|
| Cash flows from operating activities:   |             |
| Cash Payments for Employee Benefits - Net   | \$ (41,884) |
| Net cash provided by (used for) operating activities  | (41,884)    |
| Cash flows from noncapital financing activities:  |             |
| Operating subsidies and transfers to other funds  | 19,831      |
| Net cash provided by noncapital financing activities  | 19,831      |
| Net increase (decrease) in cash and cash equivalents  | (22,052)    |
| Balances - Beginning of Year  | 989,866     |
| Balances - End of Year  | \$ 967,814  |
|   |             |
| Reconciliation of operating income (loss) to net cash provided (used) by operating activities               |             |
| Operating income (loss)   | -           |
| Adjustments to reconciling operating income (loss) to net cash provided by (used for) operating activities: |             |
| (Increase) decrease in claims payable   | \$ (41,884) |
| Total Adjustments   | (41,884)    |
| Net cash provided by (used for) operating activities  | \$ (41,884) |

**LONG-TERM LIABILITIES SCHEDULES**

The Long-Term schedules are used to reflect the outstanding principal balances of the long-term liabilities of the District. This includes obligations under Serial Bonds and Capital Leases.

HAMILTON TOWNSHIP SCHOOL DISTRICT  
 LONG-TERM DEBT  
 SCHEDULE OF SERIAL BONDS  
 JUNE 30, 2021

| ISSUE                                       | DATE OF ISSUE | AMOUNT OF ISSUE | ANNUAL PAYMENTS DATE | AMOUNT       | RATE OF INTEREST | BALANCE JUNE 30, 2020 | RETIRED      | BALANCE JUNE 30, 2021 |
|---|---------------|-----------------|----------------------|--------------|------------------|-----------------------|--------------|-----------------------|
| School District Refunding Bonds Series 2012 | 12/4/2012     | \$ 28,275,000   | 08/15/21             | \$ 2,970,000 | 2.00%            |                       |              |                       |
|   |               |                 | 08/15/22             | 3,040,000    | 2.30%            |                       |              |                       |
|   |               |                 | 08/15/23             | 3,115,000    | 2.50%            |                       |              |                       |
|   |               |                 | 08/15/24             | 3,200,000    | 2.63%            | 15,195,000            | 2,870,000    | 12,325,000            |
| Refunding School Bonds Series 2015          | 11/20/2015    | 9,010,000       | 02/15/22             | 1,790,000    | 5.00%            | 3,590,000             | 1,800,000    | 1,790,000             |
|   |               |                 |                      |              |                  |                       |              |                       |
| School Bonds, 2017                          | 12/28/2017    | 55,393,000      | 12/15/21             | 1,060,000    | 3.00%            |                       |              |                       |
|   |               |                 | 12/15/22             | 1,800,000    | 3.00%            |                       |              |                       |
|   |               |                 | 12/15/23             | 1,865,000    | 3.00%            |                       |              |                       |
|   |               |                 | 12/15/24             | 1,865,000    | 3.00%            |                       |              |                       |
|   |               |                 | 12/15/25             | 1,905,000    | 3.00%            |                       |              |                       |
|   |               |                 | 12/15/26             | 2,020,000    | 3.00%            |                       |              |                       |
|   |               |                 | 12/15/27             | 2,020,000    | 3.00%            |                       |              |                       |
|   |               |                 | 12/15/28             | 2,020,000    | 3.00%            |                       |              |                       |
|   |               |                 | 12/15/29             | 2,020,000    | 3.00%            |                       |              |                       |
|   |               |                 | 12/15/30             | 2,020,000    | 3.00%            |                       |              |                       |
|   |               |                 | 12/15/31             | 2,020,000    | 3.00%            |                       |              |                       |
|   |               |                 | 12/15/32             | 2,020,000    | 3.00%            |                       |              |                       |
|   |               |                 | 12/15/33             | 2,020,000    | 3.00%            |                       |              |                       |
|   |               |                 | 12/15/34             | 2,020,000    | 3.00%            |                       |              |                       |
|   |               |                 | 12/15/35             | 2,040,000    | 3.125%           |                       |              |                       |
|   |               |                 | 12/15/36             | 2,040,000    | 3.125%           |                       |              |                       |
|   |               |                 | 12/15/37             | 2,040,000    | 3.125%           |                       |              |                       |
| 12/15/38                                    | 2,040,000     | 3.250%          |                      |              |                  |                       |              |                       |
| 12/15/39                                    | 2,040,000     | 3.250%          |                      |              |                  |                       |              |                       |
| 12/15/40                                    | 2,040,000     | 3.250%          |                      |              |                  |                       |              |                       |
| 12/15/41                                    | 2,050,000     | 3.250%          |                      |              |                  |                       |              |                       |
| 12/15/42                                    | 2,050,000     | 3.375%          |                      |              |                  |                       |              |                       |
| 12/15/43                                    | 2,050,000     | 3.375%          |                      |              |                  |                       |              |                       |
| 12/15/44                                    | 2,060,000     | 3.375%          |                      |              |                  |                       |              |                       |
| 12/15/45                                    | 2,060,000     | 4.000%          |                      |              |                  |                       |              |                       |
| 12/15/46                                    | 2,060,000     | 4.000%          |                      |              |                  |                       |              |                       |
| 12/15/47                                    | 2,060,000     | 4.000%          |                      |              |                  |                       |              |                       |
| Total                                       |               |                 |                      |              |                  | \$ 54,360,000         | 1,055,000    | \$ 53,305,000         |
| Total                                       |               |                 |                      |              |                  | \$ 73,145,000         | \$ 5,725,000 | \$ 67,420,000         |

HAMILTON TOWNSHIP SCHOOL DISTRICT  
 SCHEDULE OF OBLIGATIONS UNDER CAPITAL LEASES  
 AS OF JUNE 30, 2021

| SERIES   | DATE OF ISSUE | AMOUNT OF ISSUE | INTEREST RATE | AMOUNT OUTSTANDING JUNE 30, 2020 | ISSUED       | RETIRED      | AMOUNT OUTSTANDING JUNE 30, 2021 |
|--|---------------|-----------------|---------------|----------------------------------|--------------|--------------|----------------------------------|
| 2015 ESIP Lease                                | 2/3/2015      | 18,962,000      | 2.710%        | 15,115,593 \$                    |              | 825,473 \$   | 14,290,110                       |
| Technology and Equipment - FY2017 I            | 7/12/2016     | 1,520,000       | 1.290%        | 311,446                          |              | 311,446      |                                  |
| Technology and Equipment - FY2017 II           | 6/16/2017     | 2,964,000       | 1.640%        | 1,214,710                        |              | 602,392      | 612,318                          |
| Technology and Equipment - FY2019              | 7/12/2018     | 1,800,000       | 2.880%        | 1,108,620                        |              | 359,025      | 749,595                          |
| Technology and Equipment - FY2020              | 7/18/2019     | 2,200,000       | 2.022%        | 1,986,506                        |              | 211,945      | 1,774,561                        |
| Technology, Furniture and Equipment - FY2021 I | 7/31/2020     | 2,300,000       | 1.006%        |                                  | 2,300,000    | 462,343      | 1,837,657                        |
| Technology and Equipment - FY2021 II           | 5/26/2021     | 1,510,000       | 1.110%        |                                  | 1,510,000    |              | 1,510,000                        |
|  | Total         |                 |               | 19,736,865 \$                    | 3,810,000 \$ | 2,772,624 \$ | 20,774,241                       |

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

|   | <u>BUDGET</u> | <u>BUDGET TRANSFERS</u> | <u>FINAL BUDGET</u> | <u>ACTUAL</u> | <u>VARIANCE</u> |
|---|---------------|-------------------------|---------------------|---------------|-----------------|
| <b>REVENUES:</b>  |               |                         |                     |               |                 |
| Local sources:  |               |                         |                     |               |                 |
| Local tax levy  | 6,911,904 \$  | \$                      | 6,911,904 \$        | 6,911,904 \$  | -               |
| State sources:  |               |                         |                     |               |                 |
| Debt service aid type II                                  | 946,187       |                         | 946,187             | 946,187       | -               |
| Total revenues  | 7,858,091     |                         | 7,858,091           | 7,858,091     | -               |
| <b>EXPENDITURES:</b>                                      |               |                         |                     |               |                 |
| Regular debt service:                                     |               |                         |                     |               |                 |
| Interest Payments Bonds                                   | 2,227,345     |                         | 2,227,345           | 2,227,345     | -               |
| Redemption of Bond Principal                              | 5,725,000     |                         | 5,725,000           | 5,725,000     | -               |
| Total regular debt service-expenditures                   | 7,952,345     |                         | 7,952,345           | 7,952,345     | -               |
| Excess (deficiency) of revenues over (under) expenditures | (94,254)      |                         | (94,254)            | (94,254)      | -               |
| Other financing sources:                                  |               |                         |                     |               |                 |
| Transfers In  |               |                         |                     | 453,037       | 453,037         |
| Total other financing sources:                            |               |                         |                     | 453,037       | 453,037         |
| Net change in fund balances                               | (94,254)      |                         | (94,254)            | 358,783       | 453,037         |
| Fund balance, July 1                                      | 544,504       |                         | 544,504             | 544,504       |                 |
| Fund balance, June 30                                     | 450,250 \$    | \$                      | 450,250 \$          | 903,287 \$    | 453,037         |

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**STATISTICAL SECTION - UNAUDITED**

HAMILTON TOWNSHIP SCHOOL DISTRICT  
STATISTICAL SECTION

| <u>Contents</u>  | <u>Page</u>  |
|--|--------------|
| Financial Trends:  |              |
| These schedules contain trend information to help the reader understand how the district's financial performance and well being have changed over time.  | J-1 to J-4   |
| Revenue Capacity:  |              |
| These schedules contain information to help the reader assess the district's most significant local revenue source, the property tax.  | J-5 to J-9   |
| Debt Capacity:   |              |
| These schedules present information to help the reader assess the affordability of the district's current levels of outstanding debt and the district's ability to issue additional debt in the future.                    | J-10 to J-13 |
| Demographic and Economic Information:  |              |
| These schedules offer demographic and economic indicators to help the reader understand the environment within which the district's financial activities take place.   | J-14 to J-15 |
| Operating Information:   |              |
| These schedules contain service and infrastructure data to help the reader understand how the information in the district's financial report relates to the services the district provides and the activities it performs. | J-16 to J-20 |

Sources

Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports (ACFR) for the relevant year.



HAMILTON OF TOWNSHIP SCHOOL DISTRICT  
NET POSITION BY COMPONENT  
UNAUDITED

|   | 2021                 | 2020                  | 2019                  | 2018                  | 2017                  | 2016                  | 2015                  | 2014                | 2013                | 2012                |
|---|----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|---------------------|---------------------|---------------------|
| <b>Governmental activities</b>              |                      |                       |                       |                       |                       |                       |                       |                     |                     |                     |
| Net investment in capital assets            | \$41,991,352         | \$27,133,967          | \$33,955,889          | \$31,447,415          | \$26,309,244          | \$22,531,140          | \$20,196,914          | \$1,377,077         | \$7,339,460         | \$34,978,504        |
| Restricted                                  | 16,719,095           | 7,995,235             | 8,661,032             | 8,387,173             | 11,085,767            | 10,696,362            | 11,723,880            | 18,569,971          | 22,997,089          | 14,972,059          |
| Unrestricted (deficit)                      | (61,722,899)         | (59,245,450)          | (65,637,942)          | (62,061,242)          | (59,384,965)          | (48,035,273)          | (46,956,222)          | 3,465,789           | 5,593,052           | (24,010,970)        |
| Total governmental activities net position  | <u>(3,012,452)</u>   | <u>(24,116,248)</u>   | <u>(23,021,021)</u>   | <u>(22,226,654)</u>   | <u>(21,989,954)</u>   | <u>(14,807,771)</u>   | <u>(15,035,428)</u>   | <u>23,412,837</u>   | <u>35,919,601</u>   | <u>25,939,593</u>   |
| <b>Business-type activities</b>             |                      |                       |                       |                       |                       |                       |                       |                     |                     |                     |
| Net investment in capital assets            | 400,018              | 451,919               | 301,726               | 316,162               | 351,401               | 300,002               | 258,074               | 213,659             | 212,811             | 135,246             |
| Unrestricted                                | 1,273,242            | 1,159,390             | 972,073               | 1,130,048             | 982,351               | 1,029,015             | 878,641               | 641,299             | 657,715             | 559,412             |
| Total business-type activities net position | <u>1,673,260</u>     | <u>1,611,309</u>      | <u>1,273,799</u>      | <u>1,446,210</u>      | <u>1,333,752</u>      | <u>1,329,017</u>      | <u>1,136,715</u>      | <u>854,958</u>      | <u>870,526</u>      | <u>694,658</u>      |
| <b>District-wide</b>                        |                      |                       |                       |                       |                       |                       |                       |                     |                     |                     |
| Net investment in capital assets            | 42,391,370           | 27,585,886            | 34,257,615            | 31,763,577            | 26,660,645            | 22,831,142            | 20,454,988            | 1,590,736           | 7,552,271           | 35,113,750          |
| Restricted                                  | 16,719,095           | 7,995,235             | 8,661,032             | 8,387,173             | 11,085,767            | 10,696,362            | 11,723,880            | 18,569,971          | 22,997,089          | 14,972,059          |
| Unrestricted (deficit)                      | (60,449,657)         | (58,086,060)          | (64,665,869)          | (60,331,194)          | (58,402,614)          | (47,006,259)          | (46,077,581) a        | 4,107,088           | 6,240,767           | (23,451,558)        |
| Total district net position                 | <u>(\$1,339,192)</u> | <u>(\$22,504,939)</u> | <u>(\$21,747,222)</u> | <u>(\$20,780,444)</u> | <u>(\$20,656,202)</u> | <u>(\$13,478,754)</u> | <u>(\$13,898,713)</u> | <u>\$24,267,795</u> | <u>\$36,780,127</u> | <u>\$26,634,251</u> |

Source: ACFR Schedule A-1  
a - In FY2015 the District Implemented GASB 68



HAMILTON TOWNSHIP SCHOOL DISTRICT  
CHANGES IN NET POSITION  
UNAUDITED

|   | 2021               | 2020               | 2019               | 2018               | 2017               | 2016               | 2015               | 2014               | 2013               | 2012               |
|---|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| <b>PROGRAM REVENUES</b>                                   |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| Business-type activities:                                 |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| Charges for services                                      | \$11,764.00        | \$807,580.00       | \$1,068,626.00     | \$954,345.00       | \$884,849.00       | \$901,625.00       | \$966,675.00       | \$1,010,070.00     | \$1,097,279.00     | \$1,316,446.00     |
| Food Service  | 2,669,773.00       | 2,678,518.00       | 2,375,741.00       | 2,381,049.00       | 2,370,372.00       | 2,339,220.00       | 2,495,325.00       | 2,174,956.00       | 2,256,798.00       | 1,944,034.00       |
| Operating grants and contributions                        | 2,681,537.00       | 3,485,098.00       | 3,444,367.00       | 3,335,394.00       | 3,235,220.00       | 3,240,845.00       | 3,462,000.00       | 3,186,026.00       | 3,354,077.00       | 3,280,460.00       |
| Total business-type activities program revenues           | \$80,189,616.63    | \$46,912,692.92    | \$63,074,740.56    | \$81,665,595.97    | \$71,624,322.17    | \$55,753,618.86    | \$46,214,535.00    | \$11,231,815.00    | \$11,737,186.00    | \$16,677,716.00    |
| Total district program revenues                           |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| <b>NET EXPENSE/REVENUE</b>                                |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| Governmental activities                                   | (\$193,504,396.86) | (\$193,475,488.06) | (\$196,217,481.78) | (\$190,983,222.33) | (\$194,616,990.85) | (\$182,342,567.65) | (\$176,297,712.00) | (\$194,796,109.00) | (\$187,303,501.00) | (\$174,904,749.00) |
| Business-type activities                                  | 61,128.00          | 239,417.00         | (196,613.60)       | 101,891.24         | (1,006.00)         | 183,002.00         | 281,757.00         | (15,568.00)        | 175,868.00         | 179,229.00         |
| Total district-wide net expense                           | (\$193,443,268.86) | (\$193,236,071.06) | (\$196,414,045.38) | (\$190,851,331.09) | (\$194,617,996.85) | (\$182,159,565.65) | (\$176,015,955.00) | (\$194,811,677.00) | (\$187,127,633.00) | (\$174,726,520.00) |
| <b>GENERAL REVENUES AND OTHER CHANGES IN NET POSITION</b> |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| Governmental activities:                                  |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| Property taxes levied for general purposes, net           | \$116,801,519.00   | \$116,801,519.00   | \$110,834,993.00   | \$108,661,758.00   | \$106,214,572.00   | \$102,609,694.00   | \$100,597,740.00   | \$98,625,236.00    | \$96,839,447.00    | \$94,840,634.00    |
| Taxes levied for debt service                             | 6,811,904.00       | 6,702,070.00       | 6,758,825.00       | 4,813,938.00       | 4,951,045.00       | 4,933,389.00       | 3,807,850.00       | 1,960,445.00       | 3,784,868.00       | 537,200.00         |
| Unrestricted Grants and Contributions                     | 76,344,925.23      | 76,344,290.23      | 74,579,618.13      | 74,495,125.08      | 74,372,884.02      | 74,016,975.00      | 77,264,566.00      | 89,645,931.00      | 91,000,537.00      | 74,407,106.00      |
| Restricted Grants and Contributions                       | 667,780.64         | 667,297.10         | 504,997.51         | 226,360.00         | 119,253.00         | 209,103.00         |                    |                    | 1,070,199.00       | 5,535,659.00       |
| Tuition Received  | 2,479,098.10       | 2,782,919.96       | 2,744,631.00       | 2,814,923.10       | 1,647,103.54       | 2,451,537.00       |                    |                    | 28,791.00          | 395,856.00         |
| Investment Earnings                                       |                    |                    |                    |                    |                    |                    | 1,710,596.00       | 1,675,500.00       | 3,742,424.00       | 1,145,384.00       |
| Miscellaneous Income                                      |                    |                    |                    | (45,207.00)        | (11,486.00)        |                    |                    |                    |                    |                    |
| Special Item(s):  |                    |                    |                    | (250,371.00)       |                    |                    |                    |                    |                    |                    |
| Prior Year Accounts Receivable Cancelled                  |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| Retirement ERI Liability                                  |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| Transfer - Charter School/Disposal of Assets              |                    |                    |                    |                    |                    |                    | 6,659,956.00       | (9,076,754.00)     | (365,295.00)       | (265,474.00)       |
| Transfers - Business - Type Activities                    |                    |                    |                    |                    |                    |                    |                    |                    |                    | (39,497.00)        |
| Total governmental activities                             | 203,205,226.97     | 203,298,096.29     | 195,423,064.64     | 190,716,524.18     | 187,293,369.56     | 184,220,677.00     | 190,040,708.00     | 182,830,358.00     | 196,080,971.00     | 176,656,648.00     |
| Business-type activities:                                 |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| Investment Earnings                                       |                    | 98,093.00          | 24,203.00          | 10,967.00          | 5,741.00           | 8,248.00           |                    |                    |                    | 1,248.00           |
| Miscellaneous Income                                      |                    | 98,093.00          | 24,203.00          | 10,967.00          | 5,741.00           | 8,248.00           |                    |                    |                    | 1,248.00           |
| Total business-type activities                            | \$203,205,226.97   | \$203,396,189.29   | \$195,447,267.64   | \$190,727,491.18   | \$187,299,110.56   | \$184,228,925.00   | \$190,040,708.00   | \$182,830,358.00   | \$196,080,971.00   | \$176,657,897.00   |
| Total district-wide                                       |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| <b>CHANGE IN NET POSITION</b>                             |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| Governmental activities                                   | \$9,700,830.11     | \$9,822,608.23     | (\$794,367.14)     | (\$236,698.15)     | (\$7,323,621.29)   | \$1,878,109.35     | \$13,742,996.00    | (\$11,965,751.00)  | \$8,777,470.00     | \$1,751,999.00     |
| Business-type activities                                  | 61,128.00          | 337,510.00         | (172,410.60)       | 112,458.24         | 4,735.00           | 191,257.00         | 281,757.00         | (15,568.00)        | 175,868.00         | 179,478.00         |
| Total district  | \$9,761,958.11     | \$10,160,118.23    | (\$966,777.74)     | (\$124,239.91)     | (\$7,318,886.29)   | \$2,069,359.35     | \$14,024,753.00    | (\$11,981,319.00)  | \$8,953,338.00     | \$1,931,377.00     |

Source: ACFR Schedule A-2

HAMILTON TOWNSHIP SCHOOL DISTRICT  
 FUND BALANCES - GOVERNMENTAL FUNDS  
 UNAUDITED

|   | 2021                   | 2020                   | 2019                   | 2018                   | 2017                   | 2016                   | 2015                   | 2014                   | 2013                   | 2012                   |
|---|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|
| <b>General Fund</b>                       |                        |                        |                        |                        |                        |                        |                        |                        |                        |                        |
| Nonspendable                              |                        | \$250,489.67           | \$196,549.00           | \$228,815.00           | \$260,752.77           | \$264,171.00           | \$348,053.00           | \$391,296.00           | \$383,920.00           | \$424,961.00           |
| Restricted                                | 15,525,803.33          | 11,142,974.79          | 8,370,228.12           | 9,051,247.80           | 8,634,302.92           | 9,891,211.00           | 11,765,420.00          | 13,098,902.00          | 19,902,682.00          | 14,018,292.00          |
| Assigned                                  | 5,019,206.18           | 4,548,554.65           | 4,156,882.00           | 6,105,211.00           | 6,000,000.00           | 10,202,470.00          | 5,151,055.00           | 4,496,311.00           | 5,084,417.00           | 534,457.00             |
| Unassigned                                | 420,371.00             |                        |                        |                        |                        |                        | 3,057,395.00           | 621,815.00             |                        | 2,643,586.00           |
| <b>Total general fund</b>                 | <b>\$20,965,380.51</b> | <b>\$15,942,019.11</b> | <b>\$12,723,659.12</b> | <b>\$15,385,273.80</b> | <b>\$14,895,055.69</b> | <b>\$20,357,652.00</b> | <b>\$20,321,923.00</b> | <b>\$18,608,324.00</b> | <b>\$25,371,019.00</b> | <b>\$17,621,296.00</b> |
| <b>All Other Governmental Funds</b>       |                        |                        |                        |                        |                        |                        |                        |                        |                        |                        |
| Restricted                                | \$4,267,923.28         | \$6,940,053.00         | \$22,364,472.00        | \$36,566,136.07        | 4,833,424.66           | 3,115,696.00           | \$19,451,577.00        | \$5,278,189.00         | \$933,776.00           | \$2,638,621.00         |
| Committed                                 | 4,328,622.32           | 14,900,306.00          | 16,063,885.00          | 18,235,245.09          | 1,839,483.97           | 6,349,697.00           | \$13,408.00            | \$679,635.24           | \$2,221,018.00         | \$2,845,991.00         |
| Assigned                                  | 450,429.00             | 94,255.00              |                        |                        |                        |                        |                        | \$220,805.00           |                        | \$14,941.00            |
| Unassigned                                |                        |                        |                        |                        |                        |                        |                        | \$6,178,629.24         |                        | (\$816,325.00)         |
| <b>Total all other governmental funds</b> | <b>\$9,046,974.60</b>  | <b>\$21,934,616.00</b> | <b>\$38,428,357.00</b> | <b>\$54,801,381.16</b> | <b>\$6,672,908.63</b>  | <b>\$9,465,393.00</b>  | <b>\$19,464,985.00</b> | <b>\$6,178,629.24</b>  | <b>\$3,154,796.00</b>  | <b>\$4,683,228.00</b>  |

Source: ACFR Schedule B-1

HAMILTON TOWNSHIP SCHOOL DISTRICT  
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS  
UNAUDITED

|   | 2021           | 2020           | 2019           | 2018          | 2017          | 2016          | 2015          | 2014          | 2013          | 2012         |
|---|----------------|----------------|----------------|---------------|---------------|---------------|---------------|---------------|---------------|--------------|
| <b>Revenues</b>   |                |                |                |               |               |               |               |               |               |              |
| Tax levy  | \$123,713,423  | \$120,663,896  | \$117,583,818  | \$113,475,694 | \$111,168,617 | \$107,543,062 | \$104,405,590 | \$100,585,681 | \$100,585,681 | \$95,477,834 |
| Tuition charges   | 121,334        | 181,873        | 140,204        | 104,615       | 82,201        | 84,020        | 148,365       | 81,018        | 81,018        | 395,856      |
| Interest earnings on cap. and maint. reserve              | 27,006         | 112,217        | 130,375        | 70,823        | 61,188        | 41,537        | 23,474        |               |               |              |
| Transportation Fees from Individuals                      | 5,176          | 37,065         | 127,402        |               |               |               |               |               |               |              |
| Transportation Fees From Other LEAs                       | 24,928         | 12,207         |                |               |               |               |               |               |               |              |
| PILOT Payments to School District                         | 455,362        | 438,674        |                |               |               |               |               |               |               |              |
| Miscellaneous - Unrestricted                              | 2,546,755      | 4,195,884      | 2,395,937      | 2,717,739     | 1,630,287     | 2,355,480     | 1,822,007     | 1,680,874     | 1,680,874     | 1,145,364    |
| Miscellaneous - Restricted                                | 6,106          |                |                |               |               |               |               |               |               |              |
| State sources   | 115,473,064    | 108,764,470    | 107,049,121    | 101,263,463   | 98,866,802    | 95,229,398    | 95,304,382    | 90,889,352    | 90,889,352    | 86,344,375   |
| Federal sources   | 10,224,426     | 6,871,261      | 5,910,989      | 6,160,606     | 6,046,490     | 6,359,294     | 6,046,849     | 6,797,994     | 6,797,994     | 7,015,426    |
| Total revenue   | 252,597,589    | 241,277,547    | 233,347,746    | 223,792,940   | 217,662,584   | 211,612,791   | 207,750,667   | 200,034,919   | 200,034,919   | 190,378,855  |
| <b>Expenditures</b>                                       |                |                |                |               |               |               |               |               |               |              |
| Instruction   |                |                |                |               |               |               |               |               |               |              |
| Regular instruction                                       | 55,006,269     | 54,810,460     | 55,149,558     | 54,509,021    | 54,178,780    | 53,707,870    | 59,282,133    | 60,854,903    | 56,078,633    | 55,730,240   |
| Special education instruction                             | 27,148,200     | 25,275,415     | 23,473,962     | 22,766,320    | 22,253,095    | 21,939,443    | 14,551,457    | 14,321,087    | 13,989,305    | 13,657,310   |
| Other Special Instruction                                 | 3,933,502      | 3,762,772      | 3,565,300      | 3,468,033     | 3,085,035     | 3,023,156     | 2,415,155     | 2,267,227     | 2,087,632     | 1,997,707    |
| Other instruction   | 2,250,322      | 2,622,529      | 2,192,196      | 2,182,857     | 2,202,541     | 1,945,145     | 1,912,808     | 1,878,879     | 1,703,016     | 1,603,512    |
| Adult/Continuing Education                                | 227,475        | 241,295        | 289,657        | 349,414       | 390,975       | 509,309       | 515,677       | 546,798       | 472,555       | 418,597      |
| Support Services:   |                |                |                |               |               |               |               |               |               |              |
| Tuition   | 13,482,788     | 12,367,581     | 11,772,657     | 10,017,715    | 10,989,290    | 10,399,527    | 13,067,142    | 11,952,190    | 11,427,609    | 12,325,903   |
| Student and instruction related services                  | 25,280,402     | 23,610,717     | 23,622,063     | 22,666,529    | 21,877,840    | 20,987,167    | 20,581,119    | 20,294,216    | 19,351,059    | 17,570,728   |
| General administrative services                           | 3,370,277      | 3,540,260      | 3,532,185      | 3,490,111     | 2,336,424     | 2,307,287     | 5,066,329     | 5,406,001     | 4,486,825     | 3,204,399    |
| School administrative services                            | 8,213,684      | 7,805,496      | 7,990,575      | 7,871,941     | 7,639,269     | 7,399,528     | 7,207,052     | 6,661,153     | 6,825,173     | 6,610,894    |
| Capital Services/Adm. Technology                          | 3,653,616      | 3,429,885      | 3,438,734      | 3,354,387     | 3,328,584     | 3,161,485     |               |               |               |              |
| Plant operations and maintenance                          | 16,038,729     | 15,028,028     | 15,504,825     | 15,766,624    | 16,170,335    | 16,722,482    | 15,517,465    | 15,073,490    | 14,020,550    | 14,288,583   |
| Pupil transportation                                      | 9,821,891      | 10,074,834     | 13,256,794     | 11,245,505    | 10,820,180    | 9,670,549     | 9,362,502     | 9,093,391     | 8,963,800     | 8,668,131    |
| Unallocated benefits                                      | 72,069,689     | 64,991,418     | 63,789,006     | 56,907,800    | 60,277,657    | 61,640,114    | 50,062,151    | 48,792,068    | 50,028,943    | 46,561,482   |
| Special schools   |                |                |                |               |               |               | 106,894       | 115,947       | 123,795       | 135,387      |
| Capital Outlay  | 18,840,348     | 21,540,828     | 18,740,468     | 9,009,963     | 9,763,188     | 15,286,160    | 9,272,756     | 2,269,305     | 3,496,503     | 616,623      |
| Cost of Issuance  |                |                |                |               |               | 102,378       |               |               |               |              |
| Debt service:   |                |                |                |               |               |               |               |               |               |              |
| Principal   | 5,725,000      | 5,473,000      | 4,285,000      | 4,025,000     | 4,000,000     | 3,950,000     | 3,150,000     | 3,005,000     | 2,910,000     | 2,315,000    |
| Interest and other charges                                | 2,227,345      | 2,400,765      | 3,377,153      | 886,658       | 951,045       | 899,054       | 1,091,578     | 1,194,654     | 1,522,228     | 2,222,166    |
| Total expenditures  | 267,372,534    | 256,975,271    | 253,960,042    | 230,316,979   | 230,354,266   | 223,757,545   | 213,175,537   | 203,746,329   | 199,469,626   | 188,326,800  |
| Excess (Deficiency) of revenues over (under) expenditures | (14,774,945)   | (15,697,724)   | (20,612,296)   | (6,523,938)   | (12,691,672)  | (12,144,754)  | (5,424,870)   | (3,711,410)   | 565,293       | 2,051,985    |
| <b>Other Financing sources (uses)</b>                     |                |                |                |               |               |               |               |               |               |              |
| Capital leases (non-budgeted)                             |                |                |                |               | 4,484,000     |               |               |               |               |              |
| Proceeds from Refunding                                   |                |                |                |               |               | 2,500,000     | 22,027,000    |               |               |              |
| Payment to escrow Agent                                   |                |                |                |               |               | (10,118,400)  |               |               |               |              |
| Change in Investment                                      | (101,189)      |                |                |               |               |               |               |               |               |              |
| Bond Proceeds   | 3,810,000      | 2,200,000      | 1,800,000      | 55,393,000    | (47,609)      |               |               |               |               |              |
| Accounts Receivable Cancelled                             |                |                |                | (250,371)     |               |               |               |               |               |              |
| Transfers In  |                |                |                |               |               |               |               |               |               |              |
| Transfers Out   |                |                |                |               |               |               |               |               |               |              |
| Total other financing sources (uses)                      | 3,708,801      | 2,200,000      | 1,800,000      | 55,142,629    | 4,436,391     | 2,602,376     | (822,540)     | (707,067)     | (340,995)     | 4,703,849    |
| Net change in fund balances                               | (\$11,066,134) | (\$13,497,724) | (\$18,812,296) | \$48,618,681  | (\$9,542,376) | (\$9,542,376) | \$15,679,590  | (\$4,418,467) | \$224,298     | \$1,786,521  |
| Debt service as a percentage of noncapital expenditures   | 3.20%          | 3.34%          | 3.25%          | 2.22%         | 2.24%         | 2.33%         | 2.08%         | 2.08%         | 2.26%         | 2.42%        |

Source: ACFR Schedule B-2

HAMILTON TOWNSHIP SCHOOL DISTRICT  
 GENERAL FUND OTHER LOCAL REVENUE BY SOURCE  
 UNAUDITED

|                                       | 2021            | 2020            | 2019            | 2018            | 2017            | 2016            | 2015            | 2014            | 2013            | 2012            |
|---------------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Interest on Investments & Deposits \$ | 62,620.00       | \$ 288,558.00   | \$ 262,667.00   | \$ 200,923.00   | \$ 206,586.00   | \$ 237,018.00   | \$ 262,404.00   | \$ 302,161.00   | \$ 230,428.00   | \$ 395,856.00   |
| Athletic Receipts                     | 21,757.00       | 50,245.00       | 41,319.00       | 51,973.25       | 48,079.00       | 45,468.00       | 46,388.00       | 44,636.00       | 39,506.00       | 38,261.00       |
| Facility Rental Fees                  |                 | 152,375.00      | 201,814.00      | 183,102.50      | 193,320.00      | 193,458.00      | 198,803.00      | 172,720.00      | 208,852.00      | 58,893.00       |
| Transportation Fees                   |                 |                 |                 | 148,190.31      | 58,436.00       | 792.00          | 24,074.00       | 53,977.00       | 43,388.00       | 103,406.00      |
| Other Miscellaneous Revenues          | 1,614,307.00    | 1,197,685.00    | 856,857.00      | 70,086.53       | 334,705.00      | 588,855.00      | 328,384.00      | 393,855.00      | 2,439,027.00    | 514,878.00      |
| Refund of Prior Year Expenditures     | 229,786.00      | 456,052.00      | 149,599.00      | 198,041.00      | 238,401.00      | 820,425.00      | 384,655.00      | 604,659.00      |                 |                 |
| Tuition - Individuals & State         |                 |                 | 416,577.00      | 399,588.29      | 381,470.00      | 320,000.00      | 320,000.00      |                 |                 |                 |
| Payments in Lieu of Taxes             | 19,746.00       | 188,747.35      | 76,124.00       | 254,469.70      |                 |                 |                 |                 |                 |                 |
| ESP Incentives                        | 5,063.00        | 128,811.84      | 214,521.71      | 528,500.48      |                 |                 |                 |                 |                 |                 |
| E-Rate                                |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |
| COVID Reimbursement                   | 128,821.00      |                 |                 |                 |                 |                 |                 |                 |                 |                 |
|                                       | \$ 2,082,120.00 | \$ 2,462,474.19 | \$ 2,219,478.71 | \$ 2,034,895.06 | \$ 1,535,543.00 | \$ 2,351,560.00 | \$ 1,674,073.00 | \$ 1,572,008.00 | \$ 3,673,996.00 | \$ 1,495,569.00 |

Source: District Records

HAMILTON TOWNSHIP SCHOOL DISTRICT  
 ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY  
 UNAUDITED

| Year Ended<br>December 31 | Vacant Land  | Residential     | Farm Reg.    | DEARM       | Commercial      | Industrial    | Apartment     | Total<br>Assessed Value | Public<br>Utilities (a) | Net<br>Valuation<br>Taxable | Tax<br>Exempt<br>Property | Est. Actual<br>(County Equalized<br>Value) | Total Direct<br>School<br>Tax Rate (b) | Ratio to<br>True Value |
|---------------------------|--------------|-----------------|--------------|-------------|-----------------|---------------|---------------|-------------------------|-------------------------|-----------------------------|---------------------------|--|--|------------------------|
| 2020                      | \$74,983,200 | \$6,274,331,860 | \$17,997,000 | \$1,629,400 | \$1,653,933,530 | \$272,536,000 | \$362,968,300 | \$8,658,399,290         | \$27,032,655            | \$8,695,431,945             | \$821,979,000             | \$9,215,632,854                            | \$1,407                                | 94.24%                 |
| 2019                      | 77,232,300   | 6,264,636,280   | 18,492,200   | 1,705,700   | 1,845,555,430   | 240,420,100   | 353,902,300   | 8,601,944,310           | 27,035,685              | 8,628,979,995               | 840,286,800               | 9,120,000,072                              | 1,381                                  | 94.52%                 |
| 2018                      | 78,463,500   | 6,233,402,980   | 18,308,900   | 2,364,600   | 1,607,280,480   | 204,689,500   | 345,477,300   | 8,469,897,260           | 27,764,069              | 8,517,051,329               | 838,942,800               | 8,727,476,700                              | 1,397                                  | 96.65%                 |
| 2017                      | 79,265,400   | 6,225,112,730   | 18,323,400   | 1,593,100   | 1,590,421,760   | 221,089,500   | 346,912,400   | 8,482,718,310           | 27,966,795              | 8,510,085,105               | 838,470,200               | 8,653,638,044                              | 1,291                                  | 97.70%                 |
| 2016                      | 73,380,600   | 6,210,309,480   | 18,225,800   | 1,625,700   | 1,608,628,730   | 162,490,300   | 352,100,700   | 8,426,781,310           | 27,704,237              | 8,454,465,547               | 839,470,200               | 8,499,589,488                              | 2,052                                  | 59.28%                 |
| 2015                      | 50,937,959   | 3,874,408,400   | 13,271,850   | 1,543,765   | 935,126,700     | 93,188,700    | 181,059,100   | 5,145,535,474           | 16,005,511              | 5,165,540,985               | 477,983,411               | 8,476,394,360                              | 1,980                                  | 60.95%                 |
| 2014                      | 48,363,059   | 3,866,022,600   | 13,307,150   | 1,710,726   | 955,339,980     | 98,057,000    | 187,141,200   | 5,149,941,715           | 16,360,925              | 5,166,302,640               | 477,640,881               | 8,312,838,274                              | 1,950                                  | 62.05%                 |
| 2013                      | 48,771,459   | 3,859,025,150   | 13,327,250   | 1,999,226   | 958,686,350     | 98,337,900    | 159,106,700   | 5,139,254,035           | 18,516,381              | 5,157,770,396               | 475,285,481               | 8,160,155,030                              | 1,860                                  | 56.31%                 |
| 2012                      | 50,915,209   | 3,856,632,500   | 14,226,580   | 1,772,042   | 960,241,400     | 98,139,400    | 156,687,750   | 5,139,614,851           | 18,695,945              | 5,158,310,796               | 480,244,473               | 9,160,155,030                              | 1,860                                  | 56.31%                 |
| 2011                      | 52,441,009   | 3,896,470,550   | 14,348,350   | 1,745,202   | 972,705,800     | 91,370,800    | 150,129,200   | 5,139,210,911           | 17,779,026              | 5,156,989,937               | 481,345,473               | 9,825,524,148                              | 1,860                                  | 52.49%                 |

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.

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

(b): Tax rates are per \$100

**HAMILTON TOWNSHIP SCHOOL DISTRICT**  
**DIRECT AND OVERLAPPING PROPERTY TAX RATES**  
**UNAUDITED**

| Fiscal Year<br>Ended<br>June 30, | Township of Hamilton Board of Education |   |                 | Overlapping Rates       |                  | Total Direct and<br>Overlapping<br>Tax Rate |
|----------------------------------|---|---|-----------------|-------------------------|------------------|---|
|                                  | Local<br>School                         | General<br>Obligation<br>Debt Service (b) | Total<br>Direct | Township of<br>Hamilton | Mercer<br>County |   |
| 2021                             | \$1.352                                 | \$0.080                                   | \$1.432         | \$1.190                 | \$0.641          | \$3.263                                     |
| 2020                             | 1.329                                   | 0.078                                     | 1.407           | 0.857                   | 0.639            | 2.903                                       |
| 2019                             | 1.302                                   | 0.079                                     | 1.381           | 0.810                   | 0.644            | 2.835                                       |
| 2018                             | 1.299                                   | 0.058                                     | 1.357           | 0.823                   | 0.638            | 2.818                                       |
| 2017                             | 1.259                                   | 0.061                                     | 1.320           | 0.802                   | 0.630            | 2.752                                       |
| 2016*                            | 1.232                                   | 0.059                                     | 1.291           | 0.794                   | 0.619            | 2.704                                       |
| 2015                             | 2.052                                   | 0.000                                     | 2.052           | 1.322                   | 0.975            | 4.349                                       |
| 2014                             | 1.984                                   | 0.000                                     | 1.984           | 1.318                   | 0.979            | 4.281                                       |
| 2013                             | 1.950                                   | 0.000                                     | 1.950           | 1.200                   | 0.960            | 4.110                                       |
| 2012                             | 1.860                                   | 0.000                                     | 1.860           | 1.200                   | 0.940            | 4.000                                       |

\* - Revaluation

Source: District Records and Municipal Tax Collector  
(Rates are per \$100 of assessed value)

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 prebudget year net budget by more than the spending growth limitation calculated as follows: the prebudget year net budget increased by the cost of living or 2.5 percent, whichever is greater, plus any spending growth adjustments.

- (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.



HAMILTON TOWNSHIP SCHOOL DISTRICT  
 PRINCIPAL PROPERTY TAX PAYERS - CURRENT YEAR AND NINE YEARS AGO  
 UNAUDITED

| Taxpayer                  | 2021                    |                 |  | 2011                    |                 |  |
|---------------------------|-------------------------|-----------------|--|-------------------------|-----------------|--|
|                           | Taxable Assessed Value  | Rank [Optional] | % of Total District Net Assessed Value | Taxable Assessed Value  | Rank [Optional] | % of Total District Net Assessed Value |
| JDN REAL ESTATE           | \$91,227,050.00         | 1               | 1.04%                                  | \$56,569,183.00         | 2               | 1.10%                                  |
| QUAKERBRIDGE PARTNERS LLC | 45,019,500.00           | 2               | 0.51%                                  | 33,753,100.00           | 3               |  |
| RECKSON MATRIX            | 38,559,800.00           | 3               | 0.44%                                  |                         |                 |  |
| RAR2-401 CABOT DRIVE      | 38,004,500.00           | 4               | 0.43%                                  |                         |                 |  |
| HAMILTON STATION APTS     | 35,959,100.00           | 5               | 0.41%                                  | 21,292,926.00           | 4               | 0.41%                                  |
| BELL ATLANTIC             | 32,625,559.00           | 6               | 0.37%                                  |                         |                 |  |
| MREIC TRENTON NJ LLC      | 32,600,000.00           | 7               | 0.37%                                  |                         |                 |  |
| HOMESTEAD SENIOR LIVING   | 31,816,500.00           | 8               | 0.36%                                  |                         |                 |  |
| HAMILTON MONTAGE LLC      | 31,062,100.00           | 9               | 0.35%                                  |                         |                 |  |
| LEVIN PROPERTIES LP       | 30,865,500.00           | 10              | 0.35%                                  |                         |                 |  |
| PSE&G                     |                         |                 |  | 70,638,700.00           | 1               | 1.37%                                  |
| MITZEN FARMS              |                         |                 |  | 17,388,500.00           | 5               | 0.34%                                  |
| HORIZON BUS PARK          |                         |                 |  | 16,962,100.00           | 6               | 0.33%                                  |
| DANCH FARMS               |                         |                 |  | 14,670,500.00           | 7               | 0.28%                                  |
| EPT HAMILTON              |                         |                 |  | 14,555,000.00           | 8               | 0.28%                                  |
| CABOT DR HOLDINGS         |                         |                 |  | 14,500,000.00           | 9               | 0.28%                                  |
| CONGOLEUM                 |                         |                 |  | 13,522,000.00           | 10              | 0.26%                                  |
| <b>Total</b>              | <b>\$407,739,609.00</b> |                 | <b>4.650%</b>                          | <b>\$273,852,009.00</b> |                 | <b>4.656%</b>                          |

Source: Municipal Tax Assessor

HAMILTON TOWNSHIP SCHOOL DISTRICT  
PROPERTY TAX LEVIES AND COLLECTIONS  
UNAUDITED

| <u>Fiscal Year Ended June 30.</u> | <u>Taxes Levied for the Fiscal Year</u> | <u>Collected within the Fiscal Year of the Levy (a)</u> |                           | <u>Collections in Subsequent Years</u> |
|-----------------------------------|---|---|---------------------------|--|
|                                   |   | <u>Amount</u>   | <u>Percentage of Levy</u> |  |
| 2021                              | \$123,713,423.00                        | \$123,713,423.00  | 100.00%                   | 0.00                                   |
| 2020                              | 120,663,896.00                          | 120,663,896.00  | 100.00%                   | 0.00                                   |
| 2019                              | 117,593,818.00                          | 117,593,818.00  | 100.00%                   | 0.00                                   |
| 2018                              | 113,475,694.00                          | 113,475,694.00  | 100.00%                   | 0.00                                   |
| 2017                              | 111,165,617.00                          | 111,165,617.00  | 100.00%                   | 0.00                                   |
| 2016                              | 107,543,062.00                          | 107,543,062.00  | 100.00%                   | 0.00                                   |
| 2015                              | 104,405,590.00                          | 104,405,590.00  | 100.00%                   | 0.00                                   |
| 2014                              | 100,585,681.00                          | 100,585,681.00  | 100.00%                   | 0.00                                   |
| 2013                              | 100,604,315.00                          | 100,604,315.00  | 100.00%                   | 0.00                                   |
| 2012                              | 96,578,267.00                           | 96,578,267.00   | 100.00%                   | 0.00                                   |

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

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

**HAMILTON TOWNSHIP SCHOOL DISTRICT  
RATIOS OF OUTSTANDING DEBT BY TYPE  
UNAUDITED**

| Fiscal Year<br>Ended<br><u>June 30,</u> | Governmental Activities                   |                          | Total<br><u>District</u> | Percentage<br>of Personal<br><u>Income (a)</u> | <u>Per Capita (a)</u> |
|---|---|--------------------------|--------------------------|--|-----------------------|
|   | General<br>Obligation<br><u>Bonds (b)</u> | Capital<br><u>Leases</u> |                          |  |                       |
| 2021                                    | \$67,420,000                              | \$20,774,241             | \$88,194,241             | N/A  | N/A                   |
| 2020                                    | 73,145,000                                | 19,736,865               | 92,881,865               | N/A  | 1,017.03              |
| 2019                                    | 78,618,000                                | 20,309,872               | 98,927,872               | 1.583%   | 1,136.25              |
| 2018                                    | 82,883,000                                | 21,634,656               | 104,517,656              | 1.722%   | 1,193.78              |
| 2017                                    | 31,515,000                                | 25,351,439               | 56,866,439               | 0.962%   | 638.39                |
| 2016                                    | 35,515,000                                | 23,492,432               | 59,007,432               | 1.048%   | 662.69                |
| 2015                                    | 40,375,000                                | 21,377,000               | 61,752,000               | 1.108%   | 692.37                |
| 2014                                    | 42,705,000                                | 820,000                  | 43,525,000               | 0.798%   | 487.09                |
| 2013                                    | 17,285,000                                | 850,000                  | 18,135,000               | 0.352%   | 203.01                |
| 2012                                    | 44,300,000                                | 1,950,000                | 46,250,000               | 0.883%   | 519.78                |

Source: District ACFR 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 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

N/A - Not available

HAMILTON TOWNSHIP SCHOOL DISTRICT  
RATIOS OF NET BONDED DEBT OUTSTANDING  
UNAUDITED

| Fiscal Year<br>Ended<br>June 30, | General Bonded Debt Outstanding |            |   | Percentage of<br>Actual Taxable<br>Value (a) of<br>Property | Per Capita (b) |
|----------------------------------|---------------------------------|------------|---|---|----------------|
|                                  | General<br>Obligation<br>Bonds  | Deductions | Net General<br>Bonded Debt<br>Outstanding |   |                |
| 2021                             | \$67,420,000                    | N/A        | \$67,420,000                              | N/A   | N/A            |
| 2020                             | 73,145,000                      | N/A        | 73,145,000                                | 0.905%  | 906            |
| 2019                             | 78,618,000                      | N/A        | 78,618,000                                | 0.911%  | 903            |
| 2018                             | 82,883,000                      | N/A        | 82,883,000                                | 0.973%  | 946            |
| 2017                             | 31,515,000                      | N/A        | 31,515,000                                | 0.370%  | 354            |
| 2016                             | 35,515,000                      | N/A        | 35,515,000                                | 0.420%  | (c) 399        |
| 2015                             | 40,375,000                      | N/A        | 40,375,000                                | 0.780%  | 453            |
| 2014                             | 42,705,000                      | N/A        | 42,705,000                                | 0.830%  | 478            |
| 2013                             | 17,285,000                      | N/A        | 17,285,000                                | 0.340%  | 193            |
| 2012                             | 44,300,000                      | N/A        | 44,300,000                                | 0.340%  | 498            |
| 2011                             | 45,885,000                      | N/A        | 45,885,000                                | 0.890%  | 517            |

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

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

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

(c) Revaluation

N/A - Not available

HAMILTON TOWNSHIP SCHOOL DISTRICT  
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT  
AS OF DECEMBER 31, 2020  
UNAUDITED

| <u>Governmental Unit</u>             | <u>Gross Debt<br/>Outstanding</u> | <u>Estimated<br/>Percentage<br/>Applicable (a)</u> | <u>Estimated Share<br/>of Overlapping<br/>Debt</u> |
|--------------------------------------|-----------------------------------|--|--|
| Overlapping Debts:                   |                                   |  |  |
| Township of Hamilton                 | \$225,134,087.85                  | 100.00%  | \$225,134,087.85                                   |
| County of Mercer - Township's Share  | 679,684,642.00                    | 19.74%   | <u>134,158,654.67</u>                              |
| Subtotal, overlapping debt           |                                   |  | <u>359,292,742.52</u>                              |
| Hamilton School District Direct Debt |                                   |  | <u>71,330,000.00</u>                               |
| Total direct and overlapping debt    |                                   |  | <u><u>\$430,622,742.52</u></u>                     |

Source: Township of Hamilton, Statement of Indebtedness as of December 31, 2020  
Debt outstanding data provided by each governmental unit.

(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.

HAMILTON TOWNSHIP SCHOOL DISTRICT  
 LEGAL DEBT MARGIN INFORMATION  
 UNAUDITED

Legal Debt Margin Calculation for Fiscal 2020:

Equalized Valuation Basis

| Calendar Year                                     | 2019 | 2018                       | 2017 | 2016 | 2015 | 2014 | 2013 | 2012 |
|---|------|----------------------------|------|------|------|------|------|------|
| 2020  |      |                            |      |      |      |      |      |      |
| 2019  |      |                            |      |      |      |      |      |      |
| 2018  |      |                            |      |      |      |      |      |      |
|   |      | \$9,235,625,909.00         |      |      |      |      |      |      |
|   |      | 9,092,964,387.00           |      |      |      |      |      |      |
|   |      | 8,901,118,956.00           |      |      |      |      |      |      |
|   |      | <u>\$27,229,709,252.00</u> |      |      |      |      |      |      |
|   |      | \$9,076,569,751.00         |      |      |      |      |      |      |
| Average Equalized Valuation of Taxable Property   |      |                            |      |      |      |      |      |      |
| Debt Limit (4% (a) of average equalization value) |      | 363,062,790.04             |      |      |      |      |      |      |
| Net Bonded School Debt                            |      | 71,330,000.00              |      |      |      |      |      |      |
| Legal Debt Margin                                 |      | <u>\$291,732,790.04</u>    |      |      |      |      |      |      |

Fiscal Year Ending June 30,

|                     | 2020                    | 2019                    | 2018                    | 2017                    | 2016                    | 2015                    | 2014                    | 2013                    | 2012                    |
|---------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| Debt Limit          | \$363,062,790.04        | \$356,473,987.16        | \$350,249,579.44        | \$344,682,446.39        | \$228,596,944.68        | \$367,159,906.00        | \$367,159,906.00        | \$382,174,527.00        | \$390,604,518.00        |
| Total Net Debt      |                         |                         |                         |                         |                         |                         |                         |                         |                         |
| Applicable To Limit | 71,330,000.00           | 74,870,000.00           | 78,618,000.00           | 84,473,000.00           | 37,255,000.00           | 40,375,000.00           | 42,705,000.00           | 44,925,000.00           | 44,300,000.00           |
| Legal Debt Margin   | <u>\$291,732,790.04</u> | <u>\$281,603,987.16</u> | <u>\$271,631,579.44</u> | <u>\$260,209,446.39</u> | <u>\$191,341,944.68</u> | <u>\$326,784,906.00</u> | <u>\$324,454,906.00</u> | <u>\$337,249,527.00</u> | <u>\$346,304,518.00</u> |

|                         |        |        |        |        |        |        |        |        |        |
|-------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Total Net Debt          |        |        |        |        |        |        |        |        |        |
| Applicable to the Limit | 19.65% | 21.00% | 22.45% | 24.51% | 16.30% | 11.00% | 11.63% | 11.76% | 11.34% |
| as a % of Debt Limit    |        |        |        |        |        |        |        |        |        |

Source: Equalized valuation bases were obtained from the Annual Report of the State of New Jersey, Department of Treasury, Division of Taxation  
 (a) Limit set by N.J.S.A. 18A:24-19 for a K through 12 district; other % limits would be applicable for other district types.

HAMILTON TOWNSHIP SCHOOL DISTRICT  
DEMOGRAPHIC AND ECONOMIC STATISTICS  
UNAUDITED

| <u>Year</u> | <u>Population (a)</u> | <u>Personal Income (b)</u> | <u>Per Capita<br/>Personal Income (c)</u> | <u>Unemployment<br/>Rate (d)</u> |
|-------------|-----------------------|----------------------------|---|----------------------------------|
| 2020        | 86,722                | N/A                        | N/A                                       | 8.20%                            |
| 2019        | 87,065                | 6,250,396,350              | 71,790                                    | 3.00%                            |
| 2018        | 87,552                | 6,071,205,888              | 69,344                                    | 3.60%                            |
| 2017        | 89,078                | 5,909,701,754              | 66,343                                    | 4.00%                            |
| 2016        | 89,042                | 5,631,639,374              | 63,247                                    | 4.10%                            |
| 2015        | 89,189                | 5,575,026,012              | 62,508                                    | 4.70%                            |
| 2014        | 89,357                | 5,454,887,422              | 61,046                                    | 6.60%                            |
| 2013        | 89,329                | 5,147,315,638              | 57,622                                    | 8.00%                            |
| 2012        | 88,980                | 5,240,655,060              | 58,897                                    | 7.98%                            |
| 2011        | 88,760                | 5,004,111,280              | 56,378                                    | 7.90%                            |

## Source:

- (a) Population information provided by the NJ Dept. of Labor and Workforce Development.  
(b) Personal income has been estimated based upon the municipal population and per capita personal income presented.  
(c) Per capita personal income by municipality estimated based upon the 2001 Census published by the US Bureau of Economic Analysis.  
(d) Unemployment data provided by the NJ Dept. of Labor and Workforce Development.

HAMILTON TOWNSHIP SCHOOL DISTRICT  
 PRINCIPAL EMPLOYERS - CURRENT YEAR AND NINE YEARS AGO  
 UNAUDITED

| Employer                     | 2021           |                 |                                | 2012           |                 |                                |
|------------------------------|----------------|-----------------|--------------------------------|----------------|-----------------|--------------------------------|
|                              | # of Employees | Rank (Optional) | Percentage of Total Employment | # of Employees | Rank (Optional) | Percentage of Total Employment |
| Trane Company                | 1,120          | 1               |                                |                | N/A             |                                |
| Robert Wood Johnson Hamilton | 1,100          | 2               |                                |                | N/A             |                                |
| UPS                          | 900            | 3               |                                |                | N/A             |                                |
| Fed-Ex                       | 850            | 4               |                                |                | N/A             |                                |
| Verizon                      | 575            | 5               |                                |                | N/A             |                                |
| Genesis                      | 545            | 6               |                                |                | N/A             |                                |
| ShopRite                     | 500            | 7               |                                |                | N/A             |                                |
| Walmart                      | 500            | 8               |                                |                | N/A             |                                |
| AAA                          | 350            | 9               |                                |                | N/A             |                                |
| Home Depot                   | 200            | 10              |                                |                | N/A             |                                |
|                              | <u>6,640</u>   |                 | <u>0.00%</u>                   | <u>0</u>       |                 | <u>0.00%</u>                   |

Source: Township of Hamilton Economic Development Office  
 N/A - Not available



HAMILTON TOWNSHIP SCHOOL DISTRICT  
 FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM  
 UNAUDITED

| Function/Program                         | 2021         | 2020         | 2019         | 2018         | 2017         | 2016         | 2015         | 2014         | 2013         | 2012         |
|--|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Instruction:                             |              |              |              |              |              |              |              |              |              |              |
| Regular                                  | 759          | 764          | 770          | 767          | 735          | 784          | 794          | 803          | 763          | 771          |
| Special education                        | 372          | 360          | 355          | 341          | 187          | 226          | 182          | 181          | 171          | 177          |
| Other Special Education                  | 76           | 78           | 75           | 75           | 74           | 74           | 74           | 63           | 75           | 74           |
| Support Services:                        |              |              |              |              |              |              |              |              |              |              |
| Student and instruction related services | 116          | 119          | 112          | 106          | 94           | 89           | 89           | 90           | 85           | 86           |
| General administrative services          | 2            | 2            | 3            | 3            | 3            | 3            | 3            | 3            | 3            | 3            |
| School administrative services           | 108          | 113          | 113          | 113          | 109          | 92           | 118          | 99           | 41           | 43           |
| Other administrative services            | 39           | 39           | 40           | 43           | 49           | 62           | 50           | 60           | 13           | 14           |
| Central services                         | 24           | 24           | 24           | 24           | 23           | 23           | 24           | 24           | 6            | 6            |
| Administration information technology    | 18           | 17           | 17           | 17           | 17           | 20           | 18           | 18           | 125          | 134          |
| Plant operations and maintenance         | 171          | 167          | 170          | 170          | 157          | 166          | 166          | 168          | 177          | 170          |
| Pupil transportation                     | 12           | 12           | 12           | 10           | 10           | 10           | 10           | 11           | 7            | 7            |
| Other support services                   | 18           | 18           | 18           | 18           | 206          | 173          | 237          | 245          | 273          | 276          |
| Food Service                             | 2            | 2            | 1            | 1            | 1            | 1            | 1            | 1            | 1            | 2            |
| <b>Total</b>                             | <b>1,717</b> | <b>1,715</b> | <b>1,710</b> | <b>1,688</b> | <b>1,665</b> | <b>1,723</b> | <b>1,766</b> | <b>1,766</b> | <b>1,739</b> | <b>1,763</b> |

Source: District Personnel Records

HAMILTON TOWNSHIP SCHOOL DISTRICT  
OPERATING STATISTICS  
UNAUDITED

| Fiscal Year | Enrollment | Operating Expenditures (a) | Cost Per Pupil | % Change | Teaching Staff (b) | Teacher/Pupil Ratio |               |             | Average Daily Enrollment (c) | Average Daily Attendance (c) | % Change in Average Daily Enrollment | Student Attendance Percentage |
|-------------|------------|----------------------------|----------------|----------|--------------------|---------------------|---------------|-------------|------------------------------|------------------------------|--------------------------------------|-------------------------------|
|             |            |                            |                |          |                    | Elementary          | Middle School | High School |                              |                              |                                      |                               |
| 2021        | 11,308     | \$240,579,843.02           | \$21,275.19    | 10.48%   | 1,119              | 1:12                | 1:12          | 1:12        | 11,550                       | 11,159                       | 1.10%                                | 96.61%                        |
| 2020        | 11,817     | 227,560,678.17             | 19,257.06      | -1.40%   | 973                | 1:12                | 1:12          | 1:12        | 11,424                       | 10,823                       | 0.00%                                | 94.74%                        |
| 2019        | 11,653     | 227,577,421.20             | 19,529.51      | -3.45%   | 970                | 1:12                | 1:12          | 1:12        | 11,424                       | 10,823                       | -1.17%                               | 94.74%                        |
| 2018        | 11,614     | 227,840,088.33             | 19,617.71      | 8.37%    | 928                | 1:12                | 1:12          | 1:12        | 11,559                       | 10,722                       | -0.34%                               | 92.76%                        |
| 2017        | 11,662     | 215,640,033.00             | 18,490.83      | 6.62%    | 960                | 1:12                | 1:12          | 1:12        | 11,599                       | 10,925                       | -0.64%                               | 94.19%                        |
| 2016        | 11,683     | 203,519,953.06             | 17,420.18      | 6.05%    | 975                | 1:12                | 1:12          | 1:12        | 11,673                       | 11,025                       | -1.97%                               | 94.45%                        |
| 2015        | 11,988     | 199,661,202.00             | 16,655.09      | 2.98%    | 976                | 1:12                | 1:12          | 1:12        | 11,908                       | 11,278                       | -1.32%                               | 94.71%                        |
| 2014        | 12,354     | 197,277,370.00             | 15,968.70      | 3.83%    | 984                | 1:12                | 1:12          | 1:13        | 12,067                       | 11,500                       | -0.15%                               | 95.30%                        |
| 2013        | 12,454     | 191,538,895.00             | 15,379.71      | 6.63%    | 934                | 1:13                | 1:12          | 1:13        | 12,085                       | 11,399                       | -1.96%                               | 94.32%                        |
| 2012        | 12,686     | 182,972,871.00             | 14,423.21      | 4.67%    | 948                | 1:13                | 1:12          | 1:13        | 12,327                       | 11,663                       | -1.55%                               | 94.61%                        |

Sources: District records  
 Note: Enrollment based on annual October district count.  
 (a) Operating expenditures equal total expenditures less debt service and capital outlay.  
 (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).

HAMILTON TOWNSHIP SCHOOL DISTRICT  
SCHOOL BUILDING INFORMATION  
UNAUDITED

|                              | 2012   | 2013   | 2014   | 2015   | 2016   | 2017   | 2018   | 2019   | 2020   | 2021   |
|------------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| <b>District Buildings</b>    |        |        |        |        |        |        |        |        |        |        |
| <b>Elementary School(s):</b> |        |        |        |        |        |        |        |        |        |        |
| Alexander (1962)             |        |        |        |        |        |        |        |        |        |        |
| Square Feet                  | 31,997 | 31,997 | 31,997 | 31,977 | 31,977 | 31,977 | 31,977 | 31,977 | 31,977 | 31,977 |
| Capacity (students)          | 245    | 245    | 245    | 360    | 360    | 351    | 351    | 351    | 351    | 351    |
| Enrollment                   | 365    | 351    | 318    | 313    | 318    | 317    | 333    | 344    | 346    | 337    |
| Greenwood (1917)             |        |        |        |        |        |        |        |        |        |        |
| Square Feet                  | 28,398 | 28,398 | 28,398 | 28,398 | 26,948 | 26,948 | 26,948 | 26,948 | 26,948 | 26,948 |
| Capacity (students)          | 220    | 220    | 220    | 240    | 240    | 227    | 227    | 227    | 227    | 227    |
| Enrollment                   | 248    | 250    | 258    | 269    | 258    | 233    | 243    | 247    | 242    | 240    |
| Kisthardt (1951)             |        |        |        |        |        |        |        |        |        |        |
| Square Feet                  | 25,242 | 25,242 | 25,242 | 25,242 | 25,242 | 25,242 | 25,242 | 25,242 | 25,242 | 25,242 |
| Capacity (students)          | 189    | 189    | 189    | 252    | 252    | 245    | 245    | 245    | 245    | 245    |
| Enrollment                   | 253    | 233    | 233    | 222    | 223    | 213    | 234    | 233    | 236    | 223    |
| Klockner (1908)              |        |        |        |        |        |        |        |        |        |        |
| Square Feet                  | 44,354 | 44,354 | 44,354 | 44,354 | 44,354 | 44,354 | 44,354 | 44,354 | 44,354 | 44,354 |
| Capacity (students)          | 256    | 256    | 256    | 251    | 251    | 254    | 254    | 254    | 254    | 254    |
| Enrollment                   | 246    | 235    | 248    | 267    | 248    | 260    | 260    | 262    | 243    | 233    |
| Kuser (1908)                 |        |        |        |        |        |        |        |        |        |        |
| Square Feet                  | 51,813 | 51,813 | 51,813 | 51,813 | 51,813 | 51,813 | 51,813 | 51,813 | 51,813 | 51,813 |
| Capacity (students)          | 367    | 367    | 367    | 351    | 351    | 404    | 404    | 404    | 404    | 404    |
| Enrollment                   | 336    | 347    | 381    | 433    | 433    | 402    | 387    | 387    | 388    | 385    |
| Lalor (1926)                 |        |        |        |        |        |        |        |        |        |        |
| Square Feet                  | 36,408 | 36,408 | 36,408 | 36,408 | 36,408 | 36,408 | 36,408 | 36,408 | 36,408 | 36,408 |
| Capacity (students)          | 217    | 217    | 217    | 262    | 262    | 242    | 242    | 242    | 242    | 242    |
| Enrollment                   | 266    | 270    | 282    | 276    | 282    | 242    | 249    | 262    | 258    | 246    |
| Langtree (1966)              |        |        |        |        |        |        |        |        |        |        |
| Square Feet                  | 39,516 | 39,516 | 39,516 | 39,516 | 39,516 | 39,516 | 39,516 | 39,516 | 39,516 | 39,516 |
| Capacity (students)          | 293    | 293    | 293    | 360    | 360    | 392    | 392    | 392    | 392    | 392    |
| Enrollment                   | 346    | 328    | 388    | 311    | 388    | 371    | 385    | 403    | 404    | 388    |
| McGalliard (1952)            |        |        |        |        |        |        |        |        |        |        |
| Square Feet                  | 29,444 | 29,444 | 29,444 | 29,444 | 29,444 | 29,444 | 29,444 | 29,444 | 29,444 | 29,444 |
| Capacity (students)          | 226    | 226    | 226    | 262    | 262    | 277    | 277    | 277    | 277    | 277    |
| Enrollment                   | 275    | 285    | 277    | 267    | 277    | 270    | 273    | 278    | 278    | 262    |
| Mercerville (1911)           |        |        |        |        |        |        |        |        |        |        |
| Square Feet                  | 45,098 | 45,098 | 45,098 | 45,098 | 45,098 | 45,098 | 45,098 | 45,098 | 45,098 | 45,098 |
| Capacity (students)          | 329    | 329    | 329    | 384    | 384    | 385    | 385    | 385    | 385    | 385    |
| Enrollment                   | 369    | 361    | 389    | 371    | 389    | 312    | 331    | 346    | 348    | 316    |
| Morgan (1957)                |        |        |        |        |        |        |        |        |        |        |
| Square Feet                  | 34,434 | 34,434 | 34,434 | 34,434 | 34,434 | 34,434 | 34,434 | 34,434 | 34,434 | 34,434 |
| Capacity (students)          | 352    | 352    | 352    | 390    | 390    | 386    | 386    | 386    | 386    | 386    |
| Enrollment                   | 373    | 356    | 356    | 345    | 356    | 311    | 312    | 304    | 311    | 287    |

TOWNSHIP OF HAMILTON SCHOOL DISTRICT  
SCHOOL BUILDING INFORMATION  
UNAUDITED

|                         | 2012    | 2013    | 2014    | 2015    | 2016    | 2017    | 2018    | 2019    | 2020    | 2021    |
|-------------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| Robinson (1962)         |         |         |         |         |         |         |         |         |         |         |
| Square Feet             | 40,073  | 40,073  | 40,073  | 40,073  | 40,073  | 40,073  | 40,073  | 40,073  | 40,073  | 40,073  |
| Capacity (students)     | 309     | 309     | 309     | 382     | 382     | 381     | 381     | 381     | 381     | 381     |
| Enrollment              | 387     | 373     | 365     | 351     | 365     | 373     | 383     | 409     | 415     | 383     |
| Sayen (1955)            |         |         |         |         |         |         |         |         |         |         |
| Square Feet             | 27,750  | 27,750  | 27,750  | 27,750  | 27,750  | 27,750  | 27,750  | 27,750  | 27,750  | 27,750  |
| Capacity (students)     | 208     | 208     | 208     | 270     | 270     | 250     | 250     | 250     | 250     | 250     |
| Enrollment              | 301     | 296     | 281     | 269     | 281     | 273     | 288     | 275     | 274     | 264     |
| Sunnybrae (1966)        |         |         |         |         |         |         |         |         |         |         |
| Square Feet             | 31,778  | 31,778  | 31,778  | 31,778  | 31,778  | 31,778  | 31,778  | 31,778  | 31,778  | 31,778  |
| Capacity (students)     | 244     | 244     | 244     | 371     | 371     | 353     | 353     | 353     | 353     | 353     |
| Enrollment              | 362     | 352     | 342     | 315     | 342     | 316     | 317     | 321     | 328     | 313     |
| University Hgts. (1977) |         |         |         |         |         |         |         |         |         |         |
| Square Feet             | 39,333  | 39,333  | 39,333  | 39,333  | 39,333  | 39,333  | 39,333  | 39,333  | 39,333  | 39,333  |
| Capacity (students)     | 299     | 299     | 299     | 361     | 361     | 347     | 347     | 347     | 347     | 347     |
| Enrollment              | 333     | 345     | 317     | 297     | 317     | 312     | 317     | 340     | 343     | 311     |
| Wilson (1977)           |         |         |         |         |         |         |         |         |         |         |
| Square Feet             | 39,333  | 39,333  | 39,333  | 39,333  | 39,333  | 39,333  | 39,333  | 39,333  | 39,333  | 39,333  |
| Capacity (students)     | 307     | 307     | 307     | 447     | 447     | 387     | 387     | 387     | 387     | 387     |
| Enrollment              | 393     | 394     | 419     | 448     | 419     | 437     | 436     | 410     | 410     | 422     |
| Yardville (1938)        |         |         |         |         |         |         |         |         |         |         |
| Square Feet             | 35,370  | 35,370  | 35,370  | 35,370  | 35,370  | 35,370  | 35,370  | 35,370  | 35,370  | 35,370  |
| Capacity (students)     | 254     | 254     | 254     | 291     | 291     | 304     | 304     | 304     | 304     | 304     |
| Enrollment              | 298     | 288     | 280     | 278     | 280     | 284     | 282     | 293     | 301     | 285     |
| Yardville Hgts. (1917)  |         |         |         |         |         |         |         |         |         |         |
| Square Feet             | 33,365  | 33,365  | 33,365  | 33,365  | 33,365  | 33,365  | 33,365  | 33,365  | 33,365  | 33,365  |
| Capacity (students)     | 237     | 237     | 237     | 262     | 262     | 261     | 261     | 261     | 261     | 261     |
| Enrollment              | 265     | 260     | 241     | 234     | 241     | 262     | 263     | 291     | 289     | 275     |
| Middle School(s):       |         |         |         |         |         |         |         |         |         |         |
| Crockett (1989)         |         |         |         |         |         |         |         |         |         |         |
| Square Feet             | 115,142 | 115,142 | 115,142 | 115,142 | 115,142 | 115,142 | 115,142 | 115,142 | 115,142 | 115,142 |
| Capacity (students)     | 780     | 780     | 780     | 696     | 696     | 944     | 944     | 944     | 944     | 944     |
| Enrollment              | 903     | 892     | 831     | 819     | 831     | 794     | 795     | 785     | 783     | 822     |
| Grice (1960)            |         |         |         |         |         |         |         |         |         |         |
| Square Feet             | 114,128 | 114,128 | 114,128 | 114,128 | 114,128 | 114,128 | 114,128 | 114,128 | 114,128 | 114,128 |
| Capacity (students)     | 796     | 796     | 796     | 716     | 716     | 988     | 988     | 988     | 988     | 988     |
| Enrollment              | 910     | 966     | 918     | 916     | 918     | 881     | 891     | 895     | 895     | 895     |
| Reynolds (1960)         |         |         |         |         |         |         |         |         |         |         |
| Square Feet             | 113,514 | 113,514 | 113,514 | 113,514 | 113,514 | 113,514 | 113,514 | 113,514 | 113,514 | 113,514 |
| Capacity (students)     | 774     | 774     | 774     | 737     | 737     | 979     | 979     | 979     | 979     | 979     |
| Enrollment              | 1,100   | 1,076   | 1,029   | 1,025   | 1,029   | 908     | 893     | 955     | 952     | 940     |

TOWNSHIP OF HAMILTON SCHOOL DISTRICT  
SCHOOL BUILDING INFORMATION  
UNAUDITED

|                                    | 2012    | 2013    | 2014    | 2015    | 2016    | 2017    | 2018    | 2019    | 2020    | 2021    |
|------------------------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| High School(s):                    |         |         |         |         |         |         |         |         |         |         |
| Hamilton East (1967)               |         |         |         |         |         |         |         |         |         |         |
| Square Feet                        | 195,185 | 195,185 | 195,185 | 195,185 | 195,185 | 195,185 | 195,185 | 195,185 | 195,185 | 195,185 |
| Capacity (students)                | 1,265   | 1,265   | 1,265   | 1,453   | 1,453   | 1,313   | 1,313   | 1,313   | 1,313   | 1,313   |
| Enrollment                         | 1,503   | 1,431   | 1,345   | 1,303   | 1,345   | 1,251   | 1,204   | 1,359   | 1,308   | 1,392   |
| Hamilton North (1953)              |         |         |         |         |         |         |         |         |         |         |
| Square Feet                        | 162,586 | 162,586 | 162,586 | 162,586 | 162,586 | 162,586 | 162,586 | 162,586 | 162,586 | 162,586 |
| Capacity (students)                | 1,063   | 1,063   | 1,063   | 1,303   | 1,303   | 1,172   | 1,172   | 1,172   | 1,172   | 1,172   |
| Enrollment                         | 1,326   | 1,313   | 1,316   | 1,352   | 1,316   | 1,240   | 1,038   | 1,054   | 1,009   | 1,002   |
| Hamilton West (1929)               |         |         |         |         |         |         |         |         |         |         |
| Square Feet                        | 182,348 | 182,348 | 182,348 | 182,348 | 182,348 | 182,348 | 182,348 | 182,348 | 182,348 | 182,348 |
| Capacity (students)                | 1,113   | 1,113   | 1,113   | 1,292   | 1,292   | 1,256   | 1,256   | 1,256   | 1,256   | 1,256   |
| Enrollment                         | 1,296   | 1,275   | 1,270   | 1,219   | 1,219   | 1,233   | 1,159   | 1,246   | 1,206   | 1,260   |
| Other Buildings:                   |         |         |         |         |         |         |         |         |         |         |
| Administration Building (1898)     |         |         |         |         |         |         |         |         |         |         |
| Square Feet                        | 25,515  | 25,515  | 25,515  | 25,515  | 25,515  | 25,515  | 25,515  | 25,515  | 25,515  | 25,515  |
| Capacity (students)                | N/A     | N/A     | N/A     | N/A     | N/A     | N/A     | N/A     | N/A     | N/A     | N/A     |
| Enrollment                         | N/A     | N/A     | N/A     | N/A     | N/A     | N/A     | N/A     | N/A     | N/A     | N/A     |
| Hamilton Educational Program (HEP) |         |         |         |         |         |         |         |         |         |         |
| Square Feet                        | 14,400  | 14,400  | 14,400  | 14,400  | 14,400  | 14,400  | 14,400  | 14,400  | 14,400  | 14,400  |
| Capacity (students)                | 23      | 23      | 23      | 23      | 23      | 23      | 23      | 23      | 23      | 23      |
| Enrollment                         | 51      | 56      | 52      | 61      | 52      | 37      | 35      | 35      | 38      | 24      |

Source: District records and Long Range Facility Plan  
 Note: Year of original construction is shown in parentheses. Increases in square footage and capacity are the result of additions. Enrollment is based on the annual October district count.  
 \*-capacity updated based on 2013 demographic study  
 x-capacity updated based on 2016 demographic study

HAMILTON TOWNSHIP SCHOOL DISTRICT  
 SCHEDULE OF REQUIRED MAINTENANCE  
 UNAUDITED

Undistributed expenditures - Required maintenance for school facilities - 11-000-261-XXX

| School Facilities *<br>Project # (s) | 2021               | 2020               | 2019               | 2018               | 2017               | 2016               | 2015               | 2014               | 2013               | 2012               |
|--------------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| Hamilton HS East - Steiner           | \$459,842          | \$413,492          | \$443,778          | \$417,017          | \$417,384          | \$501,056          | \$399,297          | \$391,885          | \$326,928          | \$328,323          |
| Hamilton HS North - Nottingham       | 383,041            | 344,432            | 369,560            | 347,369            | 347,674            | 417,372            | 324,279            | 328,434            | 272,271            | 273,433            |
| Hamilton HS West                     | 429,599            | 386,297            | 414,591            | 389,591            | 389,933            | 468,103            | 363,694            | 368,112            | 305,420            | 306,723            |
| Grice Middle                         | 258,878            | 241,776            | 259,484            | 243,637            | 244,051            | 292,976            | 227,629            | 229,142            | 191,045            | 191,860            |
| Reynolds Middle                      | 267,431            | 240,475            | 258,088            | 242,525            | 242,738            | 291,400            | 228,404            | 227,909            | 190,033            | 190,844            |
| Crockett Middle                      | 271,287            | 243,924            | 261,790            | 246,003            | 246,220            | 295,579            | 229,651            | 231,178            | 192,817            | 193,639            |
| Alexander Elementary                 | 75,383             | 67,784             | 72,749             | 68,362             | 68,422             | 82,139             | 63,818             | 64,242             | 53,645             | 53,873             |
| Wilson Elementary                    | 92,666             | 83,326             | 89,429             | 84,036             | 84,110             | 100,971            | 78,450             | 78,971             | 65,790             | 66,071             |
| Greenwood Elementary                 | 63,488             | 57,088             | 61,270             | 57,575             | 57,626             | 69,178             | 53,748             | 54,105             | 47,572             | 47,775             |
| Kisthardt Elementary                 | 59,468             | 53,474             | 57,391             | 53,930             | 53,978             | 64,798             | 50,345             | 50,680             | 42,258             | 42,438             |
| Kockner Elementary                   | 104,495            | 93,962             | 100,844            | 94,763             | 94,847             | 113,860            | 88,464             | 89,052             | 74,394             | 74,712             |
| Kuser Elementary                     | 122,068            | 109,764            | 117,803            | 110,700            | 110,797            | 133,008            | 103,341            | 104,028            | 86,793             | 87,154             |
| Laird Elementary                     | 85,775             | 77,129             | 82,778             | 77,786             | 77,855             | 93,462             | 72,616             | 73,099             | 60,983             | 61,243             |
| Langtree Elementary                  | 93,097             | 83,713             | 89,845             | 84,427             | 84,501             | 101,441            | 78,815             | 79,339             | 66,297             | 66,579             |
| McGalliard Elementary                | 69,368             | 62,376             | 66,945             | 62,908             | 62,963             | 75,585             | 58,726             | 59,117             | 49,343             | 49,553             |
| Mercerville Elementary               | 106,248            | 95,538             | 102,536            | 96,353             | 96,438             | 115,770            | 89,948             | 90,546             | 75,406             | 75,728             |
| Morgan Elementary                    | 81,124             | 72,947             | 78,290             | 73,569             | 73,634             | 88,395             | 68,679             | 69,135             | 57,693             | 57,939             |
| Robinson Elementary                  | 94,409             | 84,893             | 91,111             | 85,617             | 85,692             | 102,871            | 79,925             | 80,457             | 67,056             | 67,342             |
| Sayen Elementary                     | 65,377             | 58,787             | 63,093             | 59,288             | 59,341             | 71,237             | 55,348             | 55,715             | 46,559             | 46,758             |
| Sunnybrae Elementary                 | 74,867             | 67,321             | 72,251             | 67,894             | 67,954             | 81,577             | 63,381             | 63,803             | 53,138             | 53,365             |
| University Heights Elementary        | 92,666             | 83,326             | 89,429             | 84,036             | 84,110             | 100,971            | 78,450             | 78,971             | 66,071             | 66,342             |
| Yardville Elementary                 | 83,329             | 74,930             | 80,418             | 75,569             | 75,635             | 90,798             | 70,546             | 71,015             | 59,211             | 59,464             |
| Yardville Heights Elementary         | 78,606             | 70,683             | 75,860             | 71,285             | 71,348             | 85,651             | 66,547             | 66,989             | 55,922             | 56,160             |
| Wiley School                         | 33,925             | 30,506             | 32,740             | 30,766             | 30,793             | 36,966             | 28,721             | 28,914             | 24,039             | 24,141             |
| <b>Total School Facilities</b>       | <b>\$3,556,418</b> | <b>\$3,197,945</b> | <b>\$3,432,173</b> | <b>\$3,225,206</b> | <b>\$3,228,043</b> | <b>\$3,875,166</b> | <b>\$3,010,822</b> | <b>\$3,030,838</b> | <b>\$2,530,403</b> | <b>\$2,541,198</b> |

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

Source: District records

HAMILTON TOWNSHIP SCHOOL DISTRICT  
INSURANCE SCHEDULE  
UNAUDITED

|  | <u>COVERAGE</u> | <u>DEDUCTIBLE</u> |
|--|-----------------|-------------------|
| School Package Policy (1):               |                 |                   |
| Property/building and contents           | \$314,856,500   | \$5,000           |
| Comprehensive general liability          | 2,000,000       | 1,000             |
| Comprehensive auto liability             | 1,000,000       | 1,000             |
| Umbrella:                                | 15,000,000      | n/a               |
| Student accident (2):                    | 500,000         | n/a               |
| Volunteer Insurance(3)                   | 5,000           | 250               |
| Surety Bonds (4)                         |                 |                   |
| Board Secretary                          | 750,000         | n/a               |
| Board Treasurer                          | 750,000         | n/a               |
| Legal Liability/Errors and Omissions (5) | 5,000,000       | 25,000            |
| Environmental liability (6)              | 1,000,000       | 25,000            |
| Crime (4)                                | 500,000         | 5,000             |
| Cyber Security (5)                       | 1,000,000       | 25,000            |

(1) Utica

(2) Chartis

(3) AIG

(4) Selective

(5) NJ School Boards Insurance Group

(6) AXA XL

(7) Beazley

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**SINGLE AUDIT SECTION**



# SUPLEE, CLOONEY & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

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

Honorable President and Members  
of the Board of Education  
Hamilton Township School District  
County of Mercer  
Hamilton, New Jersey 08690

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and incompliance with audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities and each major fund of the Hamilton Township School District (the "District") as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated February 8, 2022.

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

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the District'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.

# SUPLEE, CLOONEY & COMPANY

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

## ***Compliance and Other Matters***

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

## ***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 District'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 District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

  
\_\_\_\_\_  
CERTIFIED PUBLIC ACCOUNTANTS

  
\_\_\_\_\_  
PUBLIC SCHOOL ACCOUNTANT NO. 948

February 8, 2022



# SUPLEE, CLOONEY & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE  
WITH REQUIREMENTS APPLICABLE TO EACH MAJOR FEDERAL  
AND STATE FINANCIAL ASSISTANCE PROGRAMS AND ON  
INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE  
WITH THE UNIFORM GUIDANCE AND NEW JERSEY OMB CIRCULAR 15-08**

Honorable President and Members  
of the Board of Education  
Hamilton Township School District  
County of Mercer  
Hamilton, New Jersey 08690

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

We have audited the Hamilton Township School District's, County of Mercer, State of New Jersey compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and the *New Jersey OMB State Grant Compliance Supplement* that could have a direct and material effect on each of the Hamilton Township School District's major federal and state programs for the year ended June 30, 2021. The District's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

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

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of the Hamilton Township School District's major federal and state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and New Jersey *OMB 15-08*. Those standards, the 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 or state program occurred. An audit includes examining, on a test basis, evidence about the Hamilton Township School District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

# SUPLEE, CLOONEY & COMPANY

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

In our opinion, the Hamilton Township School District, County of Mercer, 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 year ended June 30, 2021.

## ***Report on Internal Control Over Compliance***

Management of the Hamilton Township School District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Hamilton Township School District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal and state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal and state program and to test and report on internal control over compliance in accordance with *the Uniform Guidance* and New Jersey OMB 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 Hamilton Township School District's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal 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 and state program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal 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.

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

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

  
\_\_\_\_\_  
CERTIFIED PUBLIC ACCOUNTANTS

  
\_\_\_\_\_  
PUBLIC SCHOOL ACCOUNTANT NO. 948

February 8, 2022



HAMILTON TOWNSHIP SCHOOL DISTRICT  
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

| STATE GRANT/PROGRAM TITLE                                 | GRANT OR STATE PROJECT NUMBER | GRANT PERIOD   | AWARD AMOUNT | BALANCE JUNE 30, 2020 |                | CASH RECEIVED    | BUDGETARY EXPENDITURES | ADJUSTMENTS/ REPAYMENT OF PRIOR YEARS BALANCES | BALANCE JUNE 30, 2021 |                  | BUDGETARY RECEIVABLE | CUMULATIVE TOTAL EXPENDITURES |
|---|-------------------------------|----------------|--------------|-----------------------|----------------|------------------|------------------------|--|-----------------------|------------------|----------------------|-------------------------------|
|   |                               |                |              | UNEARNEED (ACCTS REC) | DUE TO GRANTOR |                  |                        |  | (ACCOUNTS RECEIVABLE) | UNEARNED REVENUE |                      |                               |
| General Funds:  |                               |                |              |                       |                |                  |                        |  |                       |                  |                      |                               |
| Equalization Aid  | 21-485-034-5120-078           | 7/1/20-6/30/21 | \$65,194,892 |                       |                | \$59,199,413     | (865,194,892)          | \$5,995,479                                    |                       |                  | \$5,995,479          | \$65,194,892                  |
| Categorical Special Education Aid                         | 7/1/20-6/30/21                |                | 8,199,284    |                       |                | 7,440,311        | (8,199,284)            | 757,973  |                       |                  | 757,973              | 8,199,284                     |
| Categorical Security Aid                                  | 21-485-034-5120-084           | 7/1/20-6/30/21 | 630,559      |                       |                | 5,916,419        | (6,546,978)            | 56,719   |                       |                  | 56,719               | 630,559                       |
| Equalization Aid  | 20-485-034-5120-078           | 7/1/19-6/30/20 | 84,409,125   |                       |                | 6,916,419        | (81,492,706)           | (753,068)                                      |                       |                  |                      | 84,409,125                    |
| Categorical Special Education Aid                         | 20-485-034-5120-084           | 7/1/19-6/30/20 | 8,199,284    |                       |                | 753,068          | (8,199,284)            |  |                       |                  |                      | 8,199,284                     |
| Categorical Security Aid                                  | 7/1/19-6/30/20                |                | 630,559      |                       |                | 57,921           | (630,559)              | (57,921)                                       |                       |                  |                      | 630,559                       |
| Total State Aid - Public Cluster                          |                               |                |              |                       |                | 73,940,972       | (74,023,745)           | 62,169   |                       |                  | \$,774,212           | 147,261,703                   |
| Categorical Transportation Aid                            | 21-485-034-5120-014           | 7/1/20-6/30/21 | 1,446,373    |                       |                | 1,316,272        | (1,446,373)            | 130,101  |                       |                  | 130,101              | 1,446,373                     |
| Categorical Transportation Aid                            | 20-485-034-5120-014           | 7/1/19-6/30/20 | 1,446,373    |                       |                | 132,659          | (1,313,714)            | (132,659)                                      |                       |                  | 2,026,996            | 1,446,373                     |
| Extracurricular Aid                                       | 21-485-034-5120-044           | 7/1/20-6/30/21 | 2,026,996    |                       |                |                  | (2,026,996)            |  |                       |                  |                      | 2,026,996                     |
| Extracurricular Aid                                       | 20-485-034-5120-044           | 7/1/19-6/30/20 | 1,829,189    |                       |                | 1,829,189        |                        |  |                       |                  |                      | 1,829,189                     |
| Non-Public Transportation Aid                             | 21-100-034-5120-068           | 7/1/20-6/30/21 | 152,633      |                       |                |                  | (152,633)              |  |                       |                  | 152,633              | 152,633                       |
| Non-Public Transportation Aid                             | 20-100-034-5120-068           | 7/1/19-6/30/20 | 26,529       |                       |                | 26,529           |                        |  |                       |                  |                      | 26,529                        |
| On-behalf TPAF Pension                                    | 21-485-034-5120-058           | 7/1/20-6/30/21 | 21,892,995   |                       |                | 21,892,995       |                        |  |                       |                  |                      | 21,892,995                    |
| On-behalf TPAF non-contributory insurance                 | 21-485-034-5094-004           | 7/1/20-6/30/21 | 416,544      |                       |                | 416,544          |                        |  |                       |                  |                      | 416,544                       |
| On-behalf TPAF post-retirement medical                    | 21-485-034-5094-001           | 7/1/20-6/30/21 | 6,991,462    |                       |                | 6,991,462        |                        |  |                       |                  |                      | 6,991,462                     |
| On-behalf TPAF Long-Term Disability Insurance (non-bud.)  | 21-485-034-5094-004           | 7/1/20-6/30/21 | 11,935       |                       |                | 11,935           |                        |  |                       |                  |                      | 11,935                        |
| Reimbursed TPAF Social Security Contributions             | 21-485-034-5095-002           | 7/1/20-6/30/21 | 6,054,610    |                       |                | 6,054,610        |                        |  |                       |                  |                      | 6,054,610                     |
| Reimbursed TPAF Social Security Contributions             | 20-485-034-5095-002           | 7/1/19-6/30/20 | 6,294,503    |                       |                | 305,020          | (6,372,238)            |  |                       |                  | 317,628              | 6,372,238                     |
| Total General Funds                                       |                               |                |              |                       |                | 112,916,903      | (113,334,809)          | 80,005   |                       |                  | (2,497,255)          | 189,189,381                   |
| Special Revenue Fund:                                     |                               |                |              |                       |                |                  |                        |  |                       |                  |                      |                               |
| Non-Public Textbooks                                      | 21-100-034-5120-064           | 7/1/20-6/30/21 | 87,175       |                       |                | 87,175           |                        |  |                       |                  | 8,879                | 78,296                        |
| Non-Public Textbooks                                      | 7/1/19-6/30/20                |                | 78,957       |                       | 6,717          |                  | (78,296)               | (6,717)  |                       |                  |                      | 78,957                        |
| Non-Public Technology Aid                                 | 20-100-034-5120-064           | 7/1/19-6/30/20 | 52,560       |                       | 1,001          |                  |                        | (1,001)  |                       |                  |                      | 52,560                        |
| Non-Public Comp Ed  | 21-100-034-5120-087           | 7/1/20-6/30/21 | 558,253      |                       |                | 558,253          |                        |  |                       | 214,252          |                      | 544,001                       |
| Non-Public Comp Ed  | 20-100-034-5120-087           | 7/1/19-6/30/20 | 408,934      |                       |                | 46,468           |                        | (46,785)                                       |                       |                  |                      | 408,934                       |
| Non-Public ESL  | 21-100-034-5120-087           | 7/1/20-6/30/21 | 21,315       |                       |                | 21,315           |                        |  |                       | 9,058            |                      | 12,259                        |
| Non-Public ESL  | 20-100-034-5120-087           | 7/1/19-6/30/20 | 24,403       |                       | 9,064          | 2,490            |                        | (9,064)  |                       |                  |                      | 24,403                        |
| Non-Public Home Instruction                               | 21-100-034-5120-067           | 7/1/20-6/30/21 | 457          |                       |                | 54,974           |                        |  |                       | (457)            |                      | 457                           |
| Non-Public Home Instruction                               | 7/1/19-6/30/20                |                | 54,974       |                       |                |                  | (37,938)               |  |                       |                  |                      | 54,974                        |
| Non-Public Transportation                                 | 21-100-034-5120-068           | 7/1/20-6/30/21 | 50,163       |                       | 8,484          | 5,016            |                        | (8,484)  |                       |                  |                      | 50,163                        |
| Non-Public Transportation                                 | 7/1/19-6/30/20                |                | 178,086      |                       |                | 178,086          |                        |  |                       |                  |                      | 178,086                       |
| Non-Public Supplemental Instruction                       | 21-100-034-5120-066           | 7/1/20-6/30/21 | 194,680      |                       | 42,451         | 19,915           |                        | (42,451)                                       |                       |                  |                      | 194,680                       |
| Non-Public Supplemental Instruction                       | 7/1/19-6/30/20                |                | 230,362      |                       |                | 230,362          |                        |  |                       |                  |                      | 230,362                       |
| Non-Public Examination & Certification                    | 20-100-034-5120-066           | 7/1/20-6/30/21 | 202,713      |                       |                | 20,737           |                        | (20,737)                                       |                       |                  |                      | 202,713                       |
| Non-Public Examination & Certification                    | 7/1/19-6/30/20                |                | 118,659      |                       | 53,111         | 116,659          |                        | (53,111)                                       |                       |                  |                      | 118,659                       |
| Non-Public Corrective Speech                              | 21-100-034-5120-066           | 7/1/20-6/30/21 | 120,761      |                       | 30,365         | 12,354           |                        | (30,365)                                       |                       |                  |                      | 120,761                       |
| Non-Public Corrective Speech                              | 7/1/19-6/30/20                |                | 146,196      |                       |                | 146,196          |                        |  |                       |                  |                      | 146,196                       |
| Non-Public Nursing  | 20-100-034-5120-070           | 7/1/20-6/30/21 | 142,754      |                       | 8,062          | 250,775          |                        | (8,062)  |                       |                  |                      | 142,754                       |
| Non-Public Nursing  | 7/1/19-6/30/20                |                | 250,775      |                       |                |                  | (181,678)              |  |                       |                  |                      | 250,775                       |
| Non-Public Security Aid                                   | 21-100-034-5120-509           | 7/1/20-6/30/21 | 220,800      |                       | 7,817          |                  |                        | (7,817)  |                       |                  |                      | 220,800                       |
| Non-Public Security Aid                                   | 7/1/19-6/30/20                |                |              |                       | 226,635        | 1,740,745        |                        | (226,635)                                      |                       |                  |                      | 220,800                       |
| Total Special Revenue Fund                                |                               |                |              |                       |                | 1,740,745        | (1,203,655)            | (226,635)                                      |                       |                  | 440,667              | 2,698,410                     |
| Debt Service Fund:  |                               |                |              |                       |                |                  |                        |  |                       |                  |                      |                               |
| Debt Service Aid Type II                                  | 21-100-034-5120-125           | 7/1/20-6/30/21 | 946,167      |                       |                | 946,167          |                        |  |                       |                  |                      | 946,167                       |
| Total Debt Service Fund                                   |                               |                |              |                       |                | 946,167          | (946,167)              |  |                       |                  |                      | 946,167                       |
| Enterprise Fund:  |                               |                |              |                       |                |                  |                        |  |                       |                  |                      |                               |
| National School Lunch Program (State Share)               | 21-100-034-5120-122           | 7/1/20-6/30/21 | 65,619       |                       |                | 55,504           |                        |  |                       |                  | 10,315               | 65,619                        |
| National School Lunch Program (State Share)               | 7/1/19-6/30/20                |                | 46,343       |                       |                | 12,481           |                        |  |                       |                  |                      | 46,343                        |
| Total Enterprise Fund                                     |                               |                |              |                       |                | 67,985           |                        |  |                       |                  | 10,315               | 112,162                       |
| Total State Financial Assistance                          |                               |                |              |                       |                | 115,683,220      | (115,550,471)          | 146,630  |                       |                  | 440,667              | 201,127,315                   |
| On-behalf TPAF Pension                                    |                               |                |              |                       |                | (621,892,995.00) |                        |  |                       |                  |                      |                               |
| On-behalf TPAF non-contributory insurance                 |                               |                |              |                       |                | (416,544.00)     |                        |  |                       |                  |                      |                               |
| On-behalf TPAF post-retirement medical                    |                               |                |              |                       |                | (6,991,462.00)   |                        |  |                       |                  |                      |                               |
| On-behalf TPAF Long-Term Disability Insurance (non-bud.)  |                               |                |              |                       |                | (11,635.00)      |                        |  |                       |                  |                      |                               |
| Total State Financials Assistance Subject to Single Audit |                               |                |              |                       |                | \$66,370,364.35  |                        |  |                       |                  |                      |                               |

See accompanying notes to schedules of financial assistance.

**Hamilton Township School District**  
**Notes to the Schedules of Expenditures of Federal Awards**  
**and State Financial Assistance**  
**Year Ended June 30, 2021**

**NOTE 1: GENERAL**

The accompanying schedules of expenditures of federal awards and state financial assistance include federal and state activity of the Hamilton Township School District ("the District"). The District is defined in Note 1 to the basic financial statements. All federal and state awards received directly from the federal and state agencies, as well as federal awards and state financial assistance passed through other government agencies is included on the schedule of expenditures of federal awards and state financial assistance.

**NOTE 2: BASIS OF ACCOUNTING**

The accompanying schedules of expenditures of federal awards and state financial assistance are presented on the budgetary basis of accounting with the exceptions 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 of the District'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* ("Uniform Guidance"), Audits of States, Local Governments, and Non-Profit Organizations. 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 as allowed under the 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 schedule (RSI) are presented for the general fund and special revenue fund to demonstrate finance-regulated legal compliance in which certain revenue is permitted by law or grant agreement to be recognized in the audit year, whereas for GAAP reporting, revenue is not recognized until the subsequent year or when expenditures have been made.

The General fund is presented in the accompanying schedules on the modified accrual basis with the exception of the revenue recognition of the deferred state aid payments in the current budget year, which is mandated pursuant to N.J.S.A. 18A:22-44.2. For GAAP accounting purposes, those payments are not recognized until the subsequent budget year due to the state deferral and recording of the state aid payments in the subsequent year.



**Hamilton Township School District**  
**Notes to the Schedules of Expenditures of Federal Awards**  
**and State Financial Assistance**  
**Year Ended June 30, 2021**

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$80,005 for the general fund and (\$230,744) for the special revenue fund. See the notes to the required supplementary information for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Federal awards and state financial assistance revenues are reported in the Board's basic financial statements on a GAAP basis as follows:

|  | <u>Federal</u>      | <u>State</u>         | <u>Total</u>         |
|--|---------------------|----------------------|----------------------|
| General Fund                           | \$221,566           | \$113,254,804        | \$113,476,370        |
| Special Revenue Fund                   | 10,002,858          | 1,272,092            | 11,274,950           |
| Debt Service Fund                      |                     | 946,187              | 946,187              |
| Food Service Fund                      | 2,600,689           | 65,819               | 2,666,508            |
|  | <u>12,825,113</u>   | <u>115,538,902</u>   | <u>128,364,015</u>   |
| GAAP Adjustments                       |                     |                      |                      |
| General Fund                           |                     | 80,005               | 80,005               |
| Special Revenue Fund                   | (162,307)           | (68,437)             | (230,744)            |
| Total Awards &<br>Financial Assistance | <u>\$12,662,806</u> | <u>\$115,550,470</u> | <u>\$128,213,276</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: OTHER**

Revenues and expenditures reported in the Food Distribution Program represent current year value received and current year distributions respectively. The amount reported as TPAF pension contributions, non-contributory life insurance, long-term disability and post retirement contributions represents the amount paid by the state on behalf of the district for the year ended June 30, 2021. TPAF Social Security contributions represent 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.

**Hamilton Township School District**  
**Mercer County, New Jersey**

**Schedule of Findings and Questioned Costs**  
**For the Fiscal Year Ended June 30, 2021**

**Section I – Summary of Auditor’s Results**

**Financial Statements**

- |     |  |            |
|-----|--|------------|
| (1) | Type of Auditor’s Report Issued:   | Unmodified |
| (2) | Internal Control Over Financial Reporting:   |            |
|     | (a) Material weakness(es) identified?  | No         |
|     | (b) Significant deficiencies identified that are not considered to be material weaknesses? | No         |
| (3) | Noncompliance material to the basic financial statements noted during the audit?           | No         |

**Federal Program(s)**

- | (1)                          | Internal Control Over Major Federal Programs:  |                |             |         |        |                              |         |                         |        |  |
|------------------------------|--|----------------|-------------|---------|--------|------------------------------|---------|-------------------------|--------|--|
|                              | (a) Material weaknesses identified?  | No             |             |         |        |                              |         |                         |        |  |
|                              | (b) Significant deficiencies identified that are not considered to be material weaknesses?   | No             |             |         |        |                              |         |                         |        |  |
| (2)                          | Type of Auditor’s Report issued on compliance for major federal program(s)?  | Unmodified     |             |         |        |                              |         |                         |        |  |
| (3)                          | Any audit findings disclosed that are required to be reported in accordance with section 2 CFR 200.516(a) of OMB Uniform Guidance?   | No             |             |         |        |                              |         |                         |        |  |
| (4)                          | Identification of Major Federal Program(s):  |                |             |         |        |                              |         |                         |        |  |
|                              | <table border="0" style="width: 100%;"> <thead> <tr> <th style="text-align: left;"><u>Program</u></th> <th style="text-align: left;"><u>CFDA</u></th> </tr> </thead> <tbody> <tr> <td>Title I</td> <td>84.010</td> </tr> <tr> <td>Education Stabilization Fund</td> <td>84.425D</td> </tr> <tr> <td>Coronavirus Relief Fund</td> <td>21.019</td> </tr> </tbody> </table> | <u>Program</u> | <u>CFDA</u> | Title I | 84.010 | Education Stabilization Fund | 84.425D | Coronavirus Relief Fund | 21.019 |  |
| <u>Program</u>               | <u>CFDA</u>  |                |             |         |        |                              |         |                         |        |  |
| Title I                      | 84.010   |                |             |         |        |                              |         |                         |        |  |
| Education Stabilization Fund | 84.425D  |                |             |         |        |                              |         |                         |        |  |
| Coronavirus Relief Fund      | 21.019   |                |             |         |        |                              |         |                         |        |  |
| (5)                          | Program Threshold Determination:<br>Type A Federal Program Threshold > \$750,000.00<br>Type B Federal Program Threshold <= \$750,000.00  |                |             |         |        |                              |         |                         |        |  |
| (6)                          | Auditee qualified as a low-risk auditee under OMB Circular Uniform Guidance?   | Yes            |             |         |        |                              |         |                         |        |  |

**Hamilton Township School District**  
**Mercer County, New Jersey**

**Schedule of Findings and Questioned Costs**  
**For the Fiscal Year Ended June 30, 2021**

**Section I – Summary of Auditor’s Results (Continued)**

**State Program(s)**

- (1) Internal Control Over Major State Programs:
- (a) Material weakness(es) identified? No
- (b) Significant deficiencies identified that are not considered to be material weaknesses? No
- (2) Type of Auditor’s Report issued on compliance for major state program(s)? Unmodified
- (3) Any audit findings disclosed that are required to be reported in accordance with N.J. OMB Circular 15-08? No
- (4) Identification of Major State Program(s):
- | <u>Program Title</u>              | <u>Project Number</u> |
|-----------------------------------|-----------------------|
| State Aid Public Cluster          |                       |
| Equalization Aid                  | 495-034-5120-078      |
| Categorical Special Education Aid | 495-034-5120-089      |
| Categorical Security Aid          | 495-034-5120-084      |
| Categorical Transportation Aid    | 100-034-5120-014      |
- (5) Program Threshold Determination:  
    Type A State Program Threshold > \$2,587,129.00  
    Type B State Program Threshold <= \$2,587,129.00
- (6) Auditee qualified as a low-risk auditee under OMB Circular 15-08? Yes

**Hamilton Township School District**  
**Mercer County, New Jersey**

**Schedule of Findings and Questioned Costs**  
**For the Fiscal Year Ended June 30, 2021**

**Section II – Financial Statement Audit – Reported Findings Under Government Auditing Standards**

**Internal Control Findings** – None Reported

**Compliance Findings** – None Reported

**Section III – Findings and Questioned Costs Relative to Major Federal and State Programs**

Federal Programs – None Reported

State Programs – None Reported

Hamilton Township School District  
Mercer County, New Jersey

Schedule of Prior Year Audit Findings

**Not Applicable**

