

MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT

Medford, New Jersey
County of Burlington

**COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

COMPREHENSIVE ANNUAL FINANCIAL REPORT

OF THE

MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT

MEDFORD, NEW JERSEY

FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Prepared by

**Medford Township Public School District
Finance Department**

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INTRODUCTORY SECTION

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Medford Township Public School District
137 Hartford Road, Medford, New Jersey 08055
609-654-6416 Fax 609-654-7436

February 28, 2022

Dear Board Members/Citizens:

The Comprehensive Annual Financial Report (CAFR) of the Medford Township Public School District for the fiscal year ended June 30, 2021, is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Medford Township Public School District. To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the district as of June 30, 2021, and the respective changes in financial position and cash flows, where applicable, thereof, for the year then ended in conformity with accounting principles generally accepted in the United States of America. All disclosures necessary to enable the reader to gain an understanding of the district's financial activities have been included.

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

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

Introductory Section:

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

Financial Section:

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

Statistical Section:

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

Single Audit Section:

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

REPORTING ENTITY AND ITS SERVICES

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

The School District provides a full range of educational services appropriate to grade levels Pre-K through 12. These include regular and vocational as well as special education for children with special needs. The School District’s enrollment, as of October 15th, for the current and past nine fiscal years are detailed below.

<u>Fiscal Year</u>	<u>Student Enrollment</u>	<u>Percent Change</u>
2020-2021	2,496	-5.95%
2019-2020	2,654	-0.19%
2018-2019	2,659	-2.21%
2017-2018	2,719	-0.80%
2016-2017	2,741	0.26%
2015-2016	2,734	-0.07%
2014-2015	2,736	-1.12%
2013-2014	2,767	-5.76%
2012-2013	2,936	-2.56%
2011-2012	3,013	-1.82%

ECONOMIC CONDITION AND OUTLOOK

The Township of Medford is 39.93 square miles with a population of 23,496. As of the 2010 Census, there were 8,277 households, and 6,456 families residing in the township. The community’s population has only slightly increased since the last Census in 2010. Most housing is single family units, and most are within identified subdivisions. There are relatively few apartments and townhouses. However, the next two to four years with bring an influx of approved mixed housing units impacting the school districts enrollment.

The top three tax payers in the Township are Estaugh T/A Medford Leas, Medford Associates LP and Sharp Run, LLC. Medford Township School District continues to be one of the largest employers in Medford with 418 contracted employees. The community has not experienced a major increase in businesses however, there has been a concerted effort to revitalize Medford Village (Main Street) over the past several years. Although some progress has been made attracting restaurants and small businesses, residential property taxes continue to be the main support of the school system.

The S2 Legislation adopted in July of 2018 decreased Medford Township Public School District's State Aid by \$286,982 in 2018-2019, \$112,348 in 2019-2020, \$155,531 in 2020-2021 \$ 260,098 this current year and it is anticipated that the District will continue to lose State Funding. The Medford Township taxpayers continue to bear an increased financial burden to support the schools. In the current and in past budgets the School District has always focused on maintaining programs, staff, and educational initiatives.

MAJOR INITIATIVES

Although the District continues to lose funding, the 2020-2021 Budget continues to support the Medford School District’s commitment to provide a quality education for all students. Budget goals

and priorities focus on academic programs by providing optimal staffing for instruction and providing supplies, equipment and materials to support existing programs. The District is moving forward with a more comprehensive technology integrated instructional program including a full Google platform classroom environment for teaching and learning, requiring more time, personnel and professional development devoted to that endeavor. We continue with technology integration through one-to-one Chromebook devices. The District also continues to meet the needs of an increasing special education population by providing all mandated services to students with Individualized Educational Plans. The District Operations and Facilities Department continues with preventative maintenance to extend equipment life deferring capital improvement costs and continues to address health and safety issues throughout the district. School Safety and security continues to be a district priority which includes the installation of cameras on new buses and replacing existing cameras in all facilities as needed. The District maintains their current level of busing and replaces buses according to the mandated fifteen-year bus replacement schedule. District wide infrastructure technology is maintained to support existing technology investments including network infrastructure, laptops/desktops, Chromebooks and associated applications.

INTERNAL ACCOUNTING CONTROLS

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

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

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

BUDGETARY CONTROLS

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

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

FINANCIAL POLICIES

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

OTHER INFORMATION

INDEPENDENT AUDIT

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

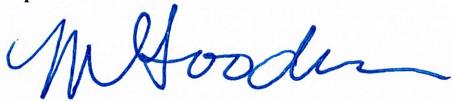
ACKNOWLEDGEMENTS

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

Respectfully submitted,

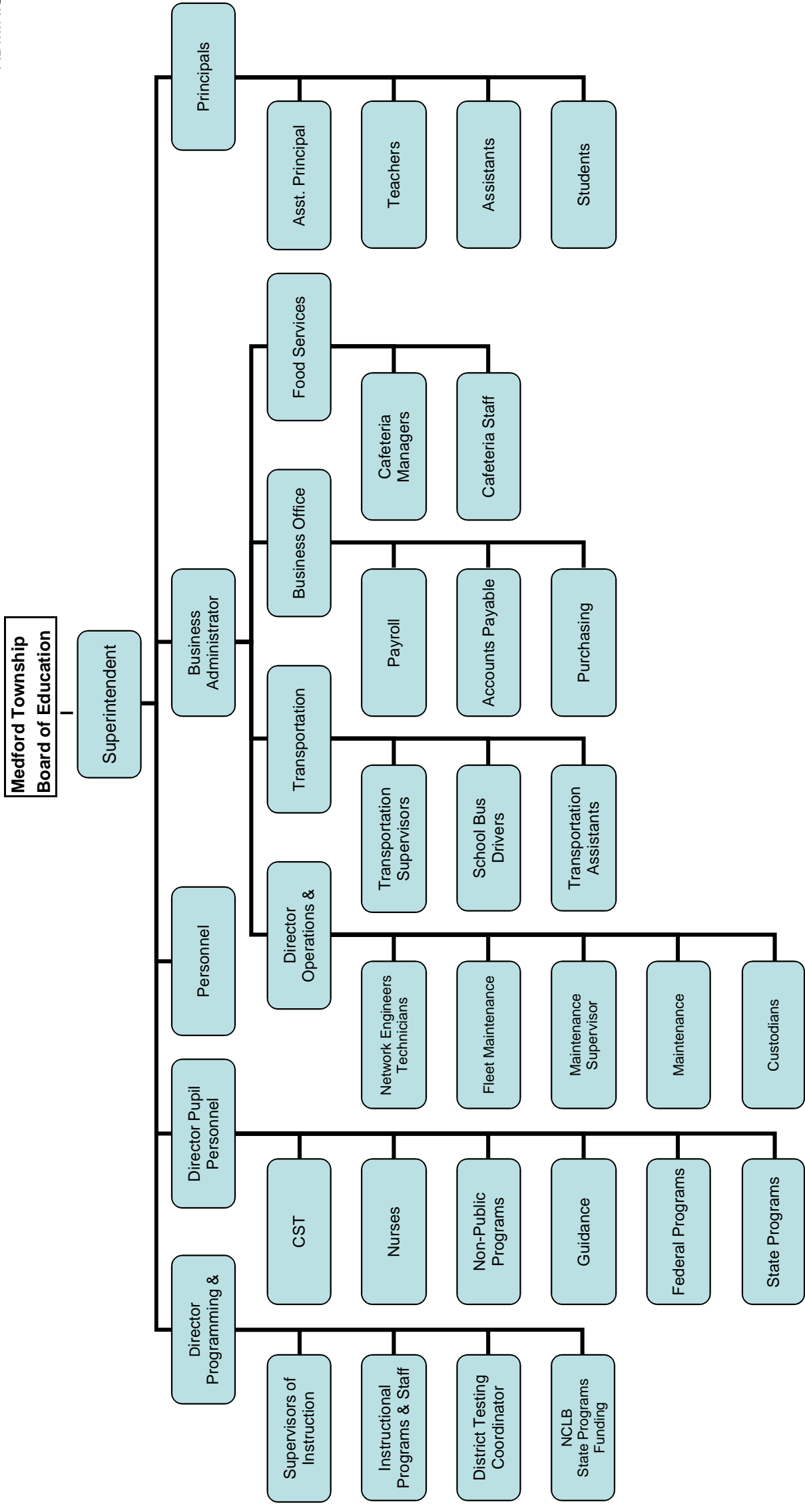


Keira Scussa
Superintendent



Marie Goodwin,
Business Administrator/Board Secretary

1110 ORGANIZATIONAL CHART



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MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
Medford, New Jersey

ROSTER OF OFFICIALS

JUNE 30, 2021

MEMBERS OF THE BOARD OF EDUCATION	TERM EXPIRES
Katherine Santamore, President	2023
Heather Foster, Vice President	2021
Katherine Busca	2022
Trudy Cole	2023
Dr. Michael Etter	2022
Pam Scheller	2022
Jefferey Wagner	2021
Cynthia Wassersug	2021
Angela Zografos	2023

OTHER OFFICIALS

Dr. Joseph J. Del Rossi, Superintendent of Schools

Marie Goodwin, Business Administrator/Board Secretary

Evanthia DiGangi, Treasurer

Parker McCay, Solicitor

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MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
Medford, New Jersey

CONSULTANTS AND ADVISORS

AUDIT FIRM

David T. McNally
Holt McNally & Associates, Inc.
618 Stokes Road
Medford, New Jersey 08055

ATTORNEY

Parker McCay
3 Greentree Center
7001 Lincoln Drive, West
P.O. Box 974
Marlton, New Jersey 08053

OFFICIAL DEPOSITORY

Republic Bank
2 Skeet Road
Medford, New Jersey 08055

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FINANCIAL SECTION

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INDEPENDENT AUDITOR'S REPORT

Honorable President and Members
of the Board of Education
Medford Township Public School District
County of Burlington
Medford, New Jersey

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Governmental Auditing Standards*, issued by the Comptroller General of the United States; and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey. Those standards and requirements require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the School 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 School 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.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Medford Township Public School District, County of Burlington, State of New Jersey, as of June 30, 2021, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

Change in Accounting Principle

As discussed in Note 1 to the financial statements, during the fiscal year ended June 30, 2021 the School District adopted new accounting guidance, *GASB Statement No. 84, Fiduciary Activities*. Our opinion is not modified with respect to this matter.

Prior Period Restatement

Due to the implementation of GASB Statement No. 84, fund balance as of June 30, 2020 on the statement of activities and the statement of revenues, expenditures, and changes in fund balances has been restated, as discussed in Note 20 to the financial statements. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Medford Township Public School District's basic financial statements. The introductory section, combining and individual fund statements long-term debt schedules and statistical section, are

presented for purposes of additional analysis, as required by the Division of Administration and Finance, Department of Education, State of New Jersey, and are not a required part of the basic financial statements. The accompanying schedules of expenditures of federal awards and state financial assistance, as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid* are also not a required part of the basic financial statements.

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 28, 2022 on our consideration of the School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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 School District's internal control over financial reporting and compliance.

Respectfully Submitted,

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

David T. McNally
Certified Public Accountant
Public School Accountant, No. 2616

Medford, New Jersey
February 28, 2022

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REQUIRED SUPPLEMENTARY INFORMATION - PART I

Management's Discussion and Analysis

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MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2021
(Unaudited)

As management of the Medford Township Public School District, New Jersey (School District), we offer readers of the School District's financial statements this narrative overview and analysis of the School District for the fiscal year ended June 30, 2021. We encourage readers to consider the information presented in conjunction with additional information that we have furnished in our letter of transmittal, which can be found in the introductory section of this report.

Overview of the Basic Financial Statements

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

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

Government-Wide Financial Statements

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

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

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

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

Fund Financial Statements

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

Governmental funds account for essentially the same information reported in the governmental activities of the government-wide financial statements. However, unlike the government-wide financial statements,

MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
Management’s Discussion and Analysis
For the Fiscal Year Ended June 30, 2021
(Unaudited) (Continued)

Overview of the Basic Financial Statements (continued)

Fund Financial Statements (continued)

the governmental fund financial statements focus on near-term financial resources and fund balances. Such information may be useful in evaluating the financial requirements in the near term.

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

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

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

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

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

Notes to the Basic Financial Statements

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

Financial Analysis of the School District

As described in Note 1 to the financial statements “Adopted Accounting Pronouncements”, the district has adopted the provisions of GASB Statement No. 84, *Fiduciary Activities*, for the year ended June 30, 2021. The adoption of this principle resulted in a restatement of the District’s opening net position as of July 1, 2020 in the amount of \$299,748, as indicated in Note 21 to the Financial Statements. Prior years’ balances reflected in the MD&A have been updated to reflect this change.

Table 1 provides a summary of the School Districts net position for the fiscal years 2021 compared to fiscal year 2020.

MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2021
(Unaudited) (Continued)

Financial Analysis of the School District (continued)

Table 1
Summary of Net Position

	June 30, <u>2021</u>	June 30, <u>2020</u>	Increase/ <u>(Decrease)</u>	Percentage <u>Change</u>
Current & Other Assets	\$ 10,262,749	\$ 7,279,101	\$ 2,983,648	41.0%
Capital Assets, Net	<u>56,104,420</u>	<u>56,818,106</u>	<u>(713,686)</u>	-1.3%
Total Assets	<u>66,367,169</u>	<u>64,097,207</u>	<u>2,269,962</u>	3.5%
Deferred Outflow of Resources	<u>1,941,013</u>	<u>2,456,181</u>	<u>(515,168)</u>	-21.0%
Current and other Liabilities	933,469	964,171	(30,702)	-3.2%
Noncurrent Liabilities	<u>25,364,580</u>	<u>28,812,239</u>	<u>(3,447,659)</u>	-12.0%
Total Liabilities	<u>26,298,049</u>	<u>29,776,410</u>	<u>(3,478,361)</u>	-11.7%
Deferred Inflow of Resources	<u>4,008,078</u>	<u>3,781,036</u>	<u>227,042</u>	6.0%
Net Position:				
Net Investment in Capital Assets	42,194,699	40,540,978	1,653,721	4.1%
Restricted	8,498,719	5,205,748	3,292,971	63.3%
Unrestricted (Deficit)	<u>(12,691,363)</u>	<u>(12,750,784)</u>	<u>59,421</u>	-0.5%
Total Net Position	<u>\$ 38,002,055</u>	<u>\$ 32,995,942</u>	<u>\$ 5,006,113</u>	15.2%

MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2021
(Unaudited) (Continued)

Table 2 shows the changes in net position for fiscal year 2021 compared to fiscal year 2020.

Governmental

Activities

Table 2
Summary of Changes in Net Position

	June 30, <u>2021</u>	June 30, <u>2020</u>	Increase/ <u>(Decrease)</u>	Percentage <u>Change</u>
Revenues:				
Program Revenues:				
Charges for Services	\$ 44,425	\$ 419,195	\$ (374,770)	-89.4%
Operating Grants & Contributions	17,946,989	10,995,176	6,951,813	63.2%
General Revenues:				
Property Taxes	47,799,190	46,754,849	1,044,341	2.2%
Federal & State Aid	4,588,620	4,750,821	(162,201)	-3.4%
Other General Revenues	1,213,766	761,380	452,386	59.4%
Total Revenues	<u>71,592,990</u>	<u>63,681,421</u>	<u>7,911,569</u>	<u>12.4%</u>
Function/Program Expenditures:				
Regular Instruction	16,337,179	15,759,945	577,234	3.7%
Special Education Instruction	7,192,799	7,242,507	(49,708)	-0.7%
Other Instruction	487,590	517,050	(29,460)	-5.7%
Tuition	713,833	1,387,346	(673,513)	-48.5%
Student & Instruction Related Services	5,383,022	5,170,411	212,611	4.1%
General Administrative	3,718,359	3,844,557	(126,198)	-3.3%
School Administrative Services	1,092,399	1,066,744	25,655	2.4%
Plant Operations & Maintenance	3,341,241	2,995,344	345,897	11.5%
Pupil Transportation	2,056,554	2,058,148	(1,594)	-0.1%
Unallocated Benefits	13,819,620	9,750,729	4,068,891	41.7%
On Behalf TPAF Pension and Social Security Contributions	10,064,872	8,737,614	1,327,258	15.2%
Special Schools	62,959	110,348	(47,389)	-42.9%
Interest & Other Charges	463,460	525,776	(62,316)	-11.9%
Unallocated Depreciation	1,673,522	1,799,378	(125,856)	-7.0%
Food Service	479,216	627,991	(148,775)	-23.7%
Total Expenditures	<u>66,886,625</u>	<u>61,593,888</u>	<u>5,292,737</u>	<u>8.6%</u>
Change In Net Position	4,706,365	2,087,533	2,618,832	125.5%
Net Position - Beginning (restated)	<u>33,295,690</u>	<u>30,908,409</u>	<u>2,387,281</u>	<u>7.7%</u>
Net Position - Ending	<u>\$ 38,002,055</u>	<u>\$ 32,995,942</u>	<u>\$ 5,006,113</u>	<u>15.2%</u>

During the fiscal year 2021, the net position of governmental activities increased by \$4,633,247 or 13.93%. The primary reason for the increase was an increase in operating grant revenue and a decrease in expenditures.

The assets and deferred outflows of the primary government activities exceeded liabilities and deferred inflows by \$37,897,419, with an unrestricted deficit balance of \$12,793,544. The deficit in unrestricted net position is primarily due to accounting treatment for compensated absences payable, GASB 68 net pension liability, and the last two state aid payments. In addition, state statutes prohibit school districts from maintaining more than 2% of its adopted budget as unassigned fund balance.

MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
Management’s Discussion and Analysis
For the Fiscal Year Ended June 30, 2021
(Unaudited) (Continued)

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

Table 3
GASB 68 Effect on Unrestricted Net Position

Unrestricted Net Position (With GASB 68)	\$	(12,793,544)
Add back: PERS Pension Liability		9,005,088
Less: Deferred Outflows related to pensions		(1,941,013)
Add back: Deferred Inflows related to pensions		<u>4,008,078</u>
Unrestricted Net Position (Without GASB 68)	\$	<u>(1,721,391)</u>

Business-type Activities

During the fiscal year 2021, the net position of business-type activities increased by \$73,118 or 231.99%.

The assets and deferred outflows of the business-type activities exceeded liabilities and deferred inflows by \$104,636.

General Fund Budgeting Highlights

Final budgeted revenues was \$50,814,366, which was equal to the original budget. Excluding non-budgeted revenues, the School District’s actual revenues exceeded budgeted revenues by \$392,385.

Final budgeted appropriations was \$53,084,950, which was an increase of \$407,584 from the original budget. The increase is due to prior year reserve for encumbrances, which increase the budget appropriations in the subsequent fiscal year’s budget. Excluding nonbudgeted appropriations, the School District’s budget appropriations exceeded actual expenditures by \$4,050,385.

The School District’s general fund balance – budgetary basis (Exhibit C-1) was \$10,281,973 at June 30, 2021, an increase of \$2,615,933 from the prior year’s restated balance.

MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
Management’s Discussion and Analysis
For the Fiscal Year Ended June 30, 2021
(Unaudited) (Continued)

Governmental Funds

At the end of the current fiscal year, the School District’s governmental funds reported a combined ending fund balance of \$10,067,615, an increase of \$2,637,598 from the prior year.

General fund - During the current fiscal year, the fund balance of the School District’s general fund increased by \$2,625,187 or 36.30% to \$9,856,694 at June 30, 2021, compared to an increase of \$875,025 in fund balance in the prior fiscal year.

Special revenue fund – During the current fiscal year, the fund balance of the School District’s special revenue fund increased by \$12,411 or 6.83% to \$194,185 at June 30, 2021.

Capital projects fund – There was no change in the fund balance for the capital projects fund.

Debt service fund - There was no change in the fund balance for the debt service fund.

Proprietary Funds

Food service fund - During the current fiscal year, the net position of the School District’s food service fund increased by \$73,118 or 232% to \$104,636 at June 30, 2021, compared to a decrease of \$82,093 in fund balance in the prior fiscal year.

Capital Assets

The School District’s capital assets for its governmental and business-type activities as of June 30, 2021, totaled \$56,104,420 (net of accumulated depreciation). Capital assets includes land, land improvements, buildings and improvements and equipment. The School Districts “Net Investment in Capital Assets” component of net position represents capital assets, net of accumulated depreciation less any outstanding debt associated with the capital assets. There was a net decrease in the School District’s investment in capital assets for the current fiscal year in the amount of \$1,653,721. This decrease is primarily due to the current year depreciation of capital assets exceed the pay down of debt or current year construction. Table 4 shows fiscal 2021 balances compared to 2020.

Table 4
Summary of Capital Assets

<u>Capital Assets (Net of Depreciation):</u>	<u>June 30,</u> <u>2021</u>	<u>June 30,</u> <u>2020</u>	<u>Increase/</u> <u>(Decrease)</u>	<u>Percentage</u> <u>Change</u>
Land	\$ 5,114,713	\$ 5,114,713	\$ -	0.0%
Construction in Progress	1,760,673	1,760,673	-	0.0%
Building and Improvements	75,075,184	75,000,680	74,504	0.1%
Equipment	14,653,040	14,647,045	5,995	0.0%
Depreciation Expense	(40,499,190)	(39,705,005)	(794,185)	2.0%
	<u>\$ 56,104,420</u>	<u>\$ 56,818,106</u>	<u>\$ (713,686)</u>	<u>-1.3%</u>

Depreciation expense for the year was \$1,679,818. Additional information on the School District’s capital assets can be found in the notes to the basic financial statements (Note 5) of this report.

MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2021
(Unaudited) (Continued)

Debt Administration

Long-term debt – At the end of the current fiscal year, the School District's outstanding debt issues included \$10,120,000 of general obligation bonds, compensation absence liability of \$1,805,566, net pension liability of \$9,005,088, unamortized bond premiums of \$1,351,964 and \$3,081,962 of capital lease obligations.

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

Factors on the School District's Future

- The District anticipates that the approved 2021-2022 budget will be adequate to satisfy all 2021-2022 financial needs, barring any significant unexpected situations or conditions unforeseen at this time.

Contacting the School Districts Financial Management

This financial report is designed to provide a general overview of the School District's finances for all those with an interest in the School District. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Business Administrator/Board Secretary's Office, Medford Township Public School District, 137 Hartford Road, Medford, NJ 08055.

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BASIC FINANCIAL STATEMENTS

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A. Government-Wide Financial Statements

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MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2021

ASSETS	GOVERNMENTAL ACTIVITIES	BUSINESS - TYPE ACTIVITIES	TOTAL
Cash & Cash Equivalents	\$ 7,166,302	\$ 14,255	\$ 7,180,557
Internal Balances	(79,352)	79,352	-
Receivables, Net (Note 4)	604,363	42,330	646,693
Inventory	-	15,155	15,155
Restricted Assets:			
Restricted Cash & Cash Equivalents	2,420,344	-	2,420,344
Capital Assets:			
Non-Depreciable (Note 5)	6,875,386	-	6,875,386
Depreciable, Net (Note 5)	49,226,579	2,455	49,229,034
Total Assets	66,213,622	153,547	66,367,169
DEFERRED OUTFLOW OF RESOURCES			
Deferred Charges on Refunding of Debt	405,623	-	405,623
Deferred Outflows Related to Pensions (Note 8)	1,535,390	-	1,535,390
Total Deferred Outflow of Resources	1,941,013	-	1,941,013
Total Assets and Deferred Outflow of Resources	68,154,635	153,547	68,308,182
LIABILITIES			
Accounts Payable	36,042	-	36,042
Accrued Interest	193,585	-	193,585
Due to Other Governments	646,931	-	646,931
Unearned Revenue	8,000	48,911	56,911
Noncurrent Liabilities (Note 7):			
Due Within One Year	2,690,483	-	2,690,483
Due Beyond One Year	22,674,097	-	22,674,097
Total Liabilities	26,249,138	48,911	26,298,049
DEFERRED INFLOW OF RESOURCES			
Deferred Inflows Related to Pensions (Note 8)	4,008,078	-	4,008,078
Total Deferred Inflow of Resources	4,008,078	-	4,008,078
Total Liabilities and Deferred Inflow of Resources	30,257,216	48,911	30,306,127
NET POSITION			
Net Investment in Capital Assets	42,192,244	2,455	42,194,699
Restricted For:			
Capital Projects	1,793,657	-	1,793,657
Maintenance Reserve	500,000	-	500,000
Unemployment	143,423	-	143,423
Scholarships	9,006	-	9,006
Student Activities	185,179	-	185,179
Excess Surplus	4,922,376	-	4,922,376
Other Purposes	945,078	-	945,078
Unrestricted (Deficit)	(12,793,544)	102,181	(12,691,363)
Total Net Position	\$ 37,897,419	\$ 104,636	\$ 38,002,055

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

**MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

FUNCTIONS/PROGRAMS	PROGRAM REVENUES			NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION		
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS & CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
Governmental Activities:						
Instruction:						
Regular	\$ 16,337,179	\$ -	1,119,066	(15,218,113)	-	(15,218,113)
Special Education	7,192,799	-	-	(7,192,799)	-	(7,192,799)
Other Special Instruction	469,597	-	-	(469,597)	-	(469,597)
Other Instruction	17,993	-	-	(17,993)	-	(17,993)
Support Services & Undistributed Costs:						
Tuition	713,833	-	-	(713,833)	-	(713,833)
Attendance & Social Work Services	18,415	-	-	(18,415)	-	(18,415)
Health Services	624,968	-	-	(624,968)	-	(624,968)
Student & Instruction Related Services	3,142,405	-	159,913	(2,982,492)	-	(2,982,492)
Educational Media Services/School Library	670,449	-	-	(670,449)	-	(670,449)
Instructional Staff Training	926,785	-	-	(926,785)	-	(926,785)
School Administrative Services	3,718,359	-	-	(3,718,359)	-	(3,718,359)
Other Administrative Services	1,092,399	-	-	(1,092,399)	-	(1,092,399)
Plant Operations & Maintenance	3,341,241	-	-	(3,341,241)	-	(3,341,241)
Pupil Transportation	2,056,554	-	-	(2,056,554)	-	(2,056,554)
Unallocated Benefits	13,819,620	-	6,096,392	(7,723,228)	-	(7,723,228)
On Behalf TPAF Pension and Social Security Contributions	10,064,872	-	10,064,872	-	-	-
Special Schools	62,959	-	-	(62,959)	-	(62,959)
Interest and Other Charges	463,460	-	-	(463,460)	-	(463,460)
Unallocated Depreciation	1,673,522	-	-	(1,673,522)	-	(1,673,522)
Total Governmental Activities	66,407,409	-	17,440,243	(48,967,166)	-	(48,967,166)
Business-Type Activities:						
Food Service	479,216	44,425	506,746	-	71,955	71,955
Total Business-Type Activities	479,216	44,425	506,746	-	71,955	71,955
Total Primary Government	\$ 66,886,625	\$ 44,425	\$ 17,946,989	(48,967,166)	71,955	(48,895,211)

MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION			
	GOVERNMENTAL ACTIVITIES	BUSINESS- TYPE ACTIVITIES	TOTAL
FUNCTIONS/PROGRAMS			
General Revenues:			
Taxes:			
Property Taxes, Levied for General Purposes	45,490,940	-	45,490,940
Property Taxes Levied for Debt Service	2,308,250	-	2,308,250
Federal & State Aid Not Restricted	4,588,620	-	4,588,620
Tuition - From Individuals	40,592	-	40,592
Transportation	28,511	-	28,511
Miscellaneous Income	1,072,885	1,163	1,074,048
Cancellation of Accounts Payable	70,615	-	70,615
Total General Revenues & Transfers	53,600,413	1,163	53,601,576
Change In Net Position	4,633,247	73,118	4,706,365
Net Position - Beginning, as previously stated	32,964,424	31,518	32,995,942
Prior Period Adjustments (Note 20)	299,748	-	299,748
Net Position - Beginning (Restated)	33,264,172	31,518	33,295,690
Net Position - Ending	\$ 37,897,419	\$ 104,636	\$ 38,002,055

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B. Fund Financial Statements

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Governmental Funds

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

	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	TOTALS
Assets:				
Cash & Cash Equivalents	\$ 7,172,001	\$ -	\$ -	\$ 7,172,001
Due From Other Funds	-	-	16,736	16,736
Receivables From Other Governments	304,701	230,688	-	535,389
Other Accounts Receivable	56,102	12,872	-	68,974
Restricted Cash & Cash Equivalents	2,420,344	-	-	2,420,344
Total Assets	\$ 9,953,148	\$ 243,560	\$ 16,736	\$ 10,213,444
Liabilities & Fund Balances:				
Liabilities:				
Cash Deficit	\$ -	\$ 5,699	\$ -	\$ 5,699
Intergovernmental - Accounts Payable	-	22,832	-	22,832
Payroll Deductions and Withholdings Payable	13,210	-	-	13,210
Interfund Payable	83,244	12,844	-	96,088
Unearned Revenue	-	8,000	-	8,000
Total Liabilities	96,454	49,375	-	145,829
Fund Balances:				
Restricted for:				
Excess Surplus - Prior Year - Designated for Subsequent Year's Expenditures	2,518,700	-	-	2,518,700
Excess Surplus - Current Year	2,403,676	-	-	2,403,676
Capital Reserve Account	1,776,921	-	-	1,776,921
Maintenance Reserve Account	500,000	-	-	500,000
Unemployment Compensation	143,423	-	-	143,423
Scholarships	-	9,006	-	9,006
Student Activities	-	185,179	-	185,179
Committed to:				
Capital Projects	-	-	16,736	16,736
Assigned to:				
Other Purposes	445,078	-	-	445,078
Designated by the BOE for Subsequent Year's Expenditures	500,000	-	-	500,000
Unassigned:				
General Fund	1,568,896	-	-	1,568,896
Total Fund Balances	9,856,694	194,185	16,736	10,067,615
Total Liabilities & Fund Balances	\$ 9,953,148	\$ 243,560	\$ 16,736	

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$96,349,710 and the accumulated depreciation is \$40,247,745. (See Illustrative Note 5)	56,101,965
Deferred loss on refunding of debt is not recorded in the fund financials but is recorded on the government-wide financials.	405,623
Deferred outflows and inflows of resources related to pensions are applicable to future reporting periods and, therefore, are not reported in the funds.	(2,472,688)
Accrued pension contributions for the June 30, 2021 plan year are not paid with current economic resources and are therefore not reported as a liability in the funds, but are included in accounts payable in the government-wide statement of net position.	(646,931)
Accrued interest payable is not recorded in the fund financial Statements due to the fact that the payable is not due in the current period.	(193,585)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds (See Illustrative Note 7)	(25,364,580)
Net Position of Governmental Activities	\$ 37,897,419

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

	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS	DEBT SERVICE FUND	TOTALS
Revenues:					
Local Sources:					
Local Tax Levy	\$ 45,490,940	\$ -	\$ -	\$ 2,308,250	\$ 47,799,190
Tuition - From Individuals	40,592	-	-	-	40,592
Transportation	28,511	-	-	-	28,511
Miscellaneous	965,790	107,095	-	-	1,072,885
Total Revenues - Local Sources	46,525,833	107,095	-	2,308,250	48,941,178
State Sources	14,233,489	142,196	-	-	14,375,685
Federal Sources	19,116	1,042,099	-	-	1,061,215
Total Revenues	60,778,438	1,291,390	-	2,308,250	64,378,078
Expenditures:					
Instruction	22,898,502	1,119,066	-	-	24,017,568
Student and Instruction Related Services	33,965,490	159,913	-	-	34,125,403
Capital Outlay	1,676,915	-	-	-	1,676,915
Special Schools	62,959	-	-	-	62,959
Debt Service	-	-	-	2,308,250	2,308,250
Total Expenditures	58,603,866	1,278,979	-	2,308,250	62,191,095
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	2,174,572	12,411	-	-	2,186,983
Other Financing Sources/(Uses):					
Cancellation of Accounts Payable	70,615	-	-	-	70,615
Capital Leases (Nonbudget)	380,000	-	-	-	380,000
Total Other Financing Sources/ (Uses)	450,615	-	-	-	450,615
Excess/(Deficiency) of Revenues & Other Financing Sources Over/(Under) Expenditures	2,625,187	12,411	-	-	2,637,598
Fund Balances July 1, as previously stated	7,113,533	-	16,736	-	7,130,269
Prior Period Adjustments	117,974	181,774	-	-	299,748
Fund Balance, July 1, Restated	7,231,507	181,774	16,736	-	7,430,017
Fund Balances June 30	\$ 9,856,694	\$ 194,185	\$ 16,736	\$ -	\$ 10,067,615

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

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

Total Net Change in Fund Balances - Governmental Funds (From B-2) \$ 2,637,598

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 depreciation exceeded capital outlays in the period:

Depreciation Expense	\$ (1,660,922)	
Deletions & Adjustments	(12,600)	
Capital Outlays	<u>978,732</u>	(694,790)

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. 1,735,000

Governmental funds report the effect of premiums, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. The net effect of these transactions is as follows:

Amortization of Premium on Bonds	238,582	
Amortization of Loss on Bond Refunding	<u>(71,580)</u>	167,002

Governmental funds report School District pension contributions as expenditures. However in the statement of activities, the cost of pension benefits earned is reported as pension expense. This is the amount by which pension benefits earned exceeded the School District's pension contributions in the current period. 414,711

Repayment of capital lease 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. 845,405

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

Prior year	221,416	
Current Year	<u>(193,585)</u>	27,831

Proceeds from debt issues are a financing source in the governmental funds. They are not revenue in the statement of activities; issuing debt increases long-term liabilities in the statement of activities. (380,000)

Repayment of compensated absences 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. (119,510)

Change in Net Position of Governmental Activities \$ 4,633,247

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Proprietary Funds

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

ASSETS	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS
	FOOD SERVICE
Current Assets:	
Cash & Cash Equivalents	\$ 14,255
Due from Other Governments	42,330
Interfunds Receivable	79,352
Inventories	15,155
Total Current Assets	151,092
Capital Assets:	
Equipment	253,900
Less: Accumulated Depreciation	(251,445)
Total Capital Assets	2,455
Total Assets	153,547
LIABILITIES	
Unearned Revenue	48,911
Total Liabilities	48,911
NET POSITION	
Net Investment in Capital Assets	2,455
Unrestricted	102,181
Total Net Position	\$ 104,636

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

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

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS <hr/> FOOD SERVICE
Operating Revenues:	
Charges for Services:	
Daily Sales - Reimbursable Programs	\$ 8,290
Daily Sales - Nonreimbursable Programs	1,017
Special Functions	3,868
Management Company Refund	31,250
	<hr/>
Total Operating Revenues	44,425
	<hr/>
Operating Expenses:	
Salaries and Benefits	140,547
Supplies & Materials	16,872
Liability Insurance	4,252
Miscellaneous	22,152
Management Fee	63,750
Depreciation Expense	18,896
Cost of Sales - Reimbursable	212,747
	<hr/>
Total Operating Expenses	479,216
	<hr/>
Operating Income/(Loss)	(434,791)
	<hr/>
Nonoperating Revenues (Expenses):	
State Sources:	
State School Lunch Program	14,895
Federal Sources:	
Healthy Hunger-Free Kids Act	5,969
Food Distribution Program	54,771
Seamless Summer Option	299,301
School Breakfast Program	131,810
Interest Revenue	1,163
	<hr/>
Total Nonoperating Revenues/(Expenses)	507,909
	<hr/>
Change in Net Position	73,118
Total Net Position - Beginning	31,518
	<hr/>
Total Net Position - Ending	<u>\$ 104,636</u>

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

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

EXHIBIT B-6

	FOOD SERVICE FUND <hr/> BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS
Cash Flows From Operating Activities:	
Receipts from Customers	\$ 36,647
Payments to Employees	(140,547)
Payments to Suppliers	(313,313)
	<hr/>
Net Cash Provided/(Used) by Operating Activities	(417,213)
Cash Flows From Noncapital Financing Activities:	
State Sources	14,895
Federal Sources	373,871
	<hr/>
Net Cash Provided/(Used) by Noncapital Financing Activities	388,766
Cash Flows From Investing Activities:	
Interest Earnings	1,163
	<hr/>
Net Cash Provided/(Used) by Investing Activities	1,163
Net Increase/(Decrease) in Cash & Cash Equivalents	(27,284)
Balances - Beginning of Year	41,539
	<hr/>
Balances - End of Year	<u>\$ 14,255</u>

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

Operating Income/(Loss)	\$ (434,791)
Adjustments to Reconcile Operating Income/(Loss) to	
Net Cash Provided/(Used) by Operating Activities:	
Depreciation & Net Amortization	18,896
Increase/(Decrease) in Prepaid	(7,778)
(Increase)/Decrease in Inventory	6,460
	<hr/>
Total Adjustments	17,578
Net Cash Provided/(Used) by Operating Activities	<u>\$ (417,213)</u>

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

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MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021

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MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021

Note 1. Summary of Significant Accounting Policies

Basis of Presentation

The financial statements of the Medford Township School District (hereafter referred to as the “District”) have been prepared in conformity with generally accepted accounting principles (GAAP) as prescribed by the Governmental Accounting Standards Board (GASB). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations).

Reporting Entity

The Medford Township Public School District is a Type II district located in the County of Burlington, State of New Jersey. As a Type II district, the District functions independently through a Board of Education. The operations of the District include six elementary schools and one middle school located in Medford Township. The Medford Township Public School District has an approximate enrollment at June 30, 2021 of 2,496 students.

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

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

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

Component Units

GASB Statement No.14. The Financial Reporting Entity, provides guidance that all entities associated with a primary government are potential component units and should be evaluated for inclusion in the financial reporting entity. A primary government is financially accountable not only for the organizations that make up its legal entity but also for legally separate organizations that meet the criteria established by GASB Statement No. 14, as amended by GASB Statement No. 39, Determining Whether Certain Organizations are Component Units, GASB Statement No. 61, The Financial Reporting Entity: Omnis - an amendment of GASB Statements No. 14 and No. 34, GASB Statement No. 80, Blending Requirements for Certain Component Units – an Amendment of GASB Statement No. 14 and GASB Statement No. 90 – Majority Equity Interests – an Amendment of GASB Statements No. 14 & No. 61. The District had no component units as of for the year ended June 30, 2021.

Government-Wide Financial Statements

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

MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021 (continued)

Note 1. Summary of Significant Accounting Policies (continued)

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

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

Governmental Fund Financial Statements

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

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

Proprietary Fund Financial Statements

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

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

MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021 (continued)

Note 1. Summary of Significant Accounting Policies (continued)

decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred, regardless of the timing of related cash flows.

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

Measurement Focus, Basis of Accounting and Financial Statement Presentation

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

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

While government-wide and fund financial statements are presented separately, they are interrelated. The governmental activities column of the government wide statements incorporates data from governmental funds and internal service funds, while business-type activities incorporate data from the District's enterprise funds. Separate financial statements are provided for governmental funds and proprietary funds.

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

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

MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021 (continued)

Note 1. Summary of Significant Accounting Policies (continued)

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

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

The District reports the following major governmental funds:

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

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

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

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

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

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

MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021 (continued)

Note 1. Summary of Significant Accounting Policies (continued)

The District reports the following major proprietary funds:

Food Service Fund – This fund accounts for the revenues and expenses pertaining to the District's cafeteria operations.

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

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

Budgets/Budgetary Control

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

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

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

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

MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021 (continued)

Note 1. Summary of Significant Accounting Policies (continued)

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

Encumbrances

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

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

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

Cash and Cash Equivalents

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

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

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

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

MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021 (continued)

Note 1. Summary of Significant Accounting Policies (continued)

Tuition Payable/Receivable

Tuition rates for the fiscal year end June 30, 2021 were established by the receiving district based on estimated costs. The charges are subject to adjustment when the final costs have been determined.

Inventories

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

Interfund Receivables/Payables

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

Capital Assets

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

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

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

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

Compensated Absences

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

MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021 (continued)

Note 1. Summary of Significant Accounting Policies (continued)

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

Unearned Revenue

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

Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities, and long-term obligations are reported in the government-wide financial statements, and all payables, accrued liabilities and long-term obligations payable from proprietary funds are reported on the proprietary fund financial statements. In general, government fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the funds. However, claims and judgments, compensated absences, special termination benefits and contractually required pension contributions that will be paid from governmental funds, are reported as a liability in the fund financial statements only to the extent that they are normally expected to be paid with expendable available financial resources.

Accounting Estimates

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

Interfund Activity

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

Fund Balance

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

- Non-spendable – This classification includes amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact. Non-spendable items are not expected to be converted to cash or are not expected to be converted to cash within the next year.

MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021 (continued)

Note 1. Summary of Significant Accounting Policies (continued)

- Restricted – This classification includes amounts for which constraints have been placed on the use of the resources either externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.
- Committed – This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Board of Education. These amounts cannot be used for any other purpose unless the Board of Education removes or changes the specified use by taking the same type of action (resolution) that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements. The School Board did not have any committed resources as of June 30, 2021.
- Assigned – This classification includes amounts that are constrained by the District’s intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the Board of Education or through the Board of Education delegating this responsibility to the business administrator through the budgetary process. This classification also includes the remaining positive fund balance for all governmental funds except for the General Fund.
- Unassigned – This classification includes the residual fund balance for the General Fund. The Unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of Assigned fund balance amounts.

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

Net Position

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

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

MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021 (continued)

Note 1. Summary of Significant Accounting Policies (continued)

Impact of Recently Issued Accounting Principles

Adopted Accounting Pronouncements

The following GASB Statements became effective for the fiscal year ended June 30, 2021:

GASB Statement No. 84, "*Fiduciary Activities*". The objective GASB Statement No. 84 is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. GASB Statement No. 84 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. Statement No. 84 is effective for reporting periods beginning after December 15, 2019. Management has implemented this Statement in the District's financial statements for the year ended June 30, 2021 with a prior period restatement to beginning net position. See Note 20 for further details.

GASB Statement No. 90, *Majority Equity Interests - an amendment of GASB Statements No. 14 and No. 61*. The primary objectives of this Statement are to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. It defines a majority equity interest and specifies that a majority equity interest in a legally separate organization should be reported as an investment if a government's holding of the equity interest meets the definition of an investment. A majority equity interest that meets the definition of an investment should be measured using the equity method, unless it is held by a special-purpose government engaged only in fiduciary activities, a fiduciary fund, or an endowment (including permanent and term endowments) or permanent fund. Those governments and funds should measure the majority equity interest at fair value. Statement No. 90 is effective for reporting periods beginning after December 15, 2019.

Recently Issued Accounting Pronouncements

The GASB has issued the following Statements which will become effective in future years as shown below:

Statement No. 87, Leases. Statement No. 87 establishes a single approach to accounting for and reporting leases by state and local governments. The GASB based the new standard on the principle that leases are financing of the right to use an underlying asset. Statement No. 87 is effective for reporting periods beginning after June 15, 2021. Management has not yet determined the potential impact on the District's financial statements.

Bond Premiums, Discounts and Issuance Costs

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

**MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 YEAR ENDED JUNE 30, 2021 (continued)**

Note 1. Summary of Significant Accounting Policies (continued)

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

Deferred Loss on Refunding Debt

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

Deferred Outflows and Deferred Inflows of Resources

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

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

Pensions

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

Note 2. Deposits and Investments

Deposits

Custodial Credit Risk – Custodial credit risk is the risk that, in the event of a bank failure, the Board’s deposits may not be recovered. Although the Board does not have a formal policy regarding custodial credit risk, NJSA 17:9-41 et seq. requires that the governmental units shall deposit public funds in public depositories protected from loss under the provisions of GUDPA. Under the Act, the first \$250,000 of governmental deposits in each insured depository is protected by FDIC. Public fund owned by the Board in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds such as salary withholdings, student activity may pass to the Board relative to the happening of a future condition. Such funds are shown as Uninsured and Uncollateralized in the schedule below. As of June 30, 2021, the District’s bank balance of \$11,829,649 was exposed to custodial credit risk as follows:

Insured under FDIC and GUDPA	\$	11,121,603
Uninsured and Uncollateralized		708,046
		\$ 11,829,649

**MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021 (continued)**

Note 2. Deposits and Investments (continued)

Investments

The District had no investments at June 30, 2021.

Note 3. Reserve Accounts

Capital Reserve

A capital reserve account was established by the District by the inclusion of \$300,000 in June of 2011 for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

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

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

Beginning Balance, July 1, 2020	\$	1,325,921
Increased by:		
Interest Earnings		1,000
Deposits approved by Board		500,000
		1,826,921
Decreased by:		
Budget Withdrawals		(50,000)
Ending Balance, June 30, 2021	\$	1,776,921

Maintenance Reserve

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

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

**MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021 (continued)**

Note 3. Reserve Accounts (continued)

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

Balance, June 30, 2021 and 2020	\$ 500,000
---------------------------------	------------

Note 4. Accounts Receivable

Accounts receivable at June 30, 2021 consisted of accounts and intergovernmental grants. All receivables are considered collectible in full due to the stable condition of state and federal programs, the current fiscal year guarantee of federal funds and the budgetary control of New Jersey governmental entities. Accounts receivable in the District's governmental and business-type activities as of June 30, 2021, consisted of the following:

<u>Description</u>	<u>Governmental Funds</u>			<u>Proprietary Funds</u>	
	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Total Governmental Activities</u>	<u>Food Service Fund</u>	<u>Total Business-Type Activities</u>
Federal Awards	\$ -	\$ 230,688	\$ 230,688	\$ 40,370	\$ 40,370
State Awards	304,701	-	304,701	1,960	1,960
Other	56,102	12,872	68,974	-	-
Total	\$ 360,803	\$ 243,560	\$ 604,363	\$ 42,330	\$ 42,330

MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021 (continued)

Note 5. Capital Assets

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

	Balance <u>July 1, 2020</u>	<u>Additions</u>	Retirements <u>and Transfers</u>	Balance <u>June 30, 2021</u>
Governmental Activities:				
Capital assets not being depreciated:				
Land	\$ 5,114,713	\$ -	\$ -	\$ 5,114,713
Construction in Progress	1,760,673	-	-	1,760,673
Total Capital Assets not being depreciated	<u>6,875,386</u>	-	-	<u>6,875,386</u>
Capital Assets being depreciated:				
Land Improvements	21,998,803	74,504	-	22,073,307
Buildings and Improvements	53,001,877	-	-	53,001,877
Equipment	14,393,144	904,228	(898,232)	14,399,140
Total Capital Assets being depreciated	<u>89,393,824</u>	<u>978,732</u>	<u>(898,232)</u>	<u>89,474,324</u>
Less: Accumulated Depreciation:				
Land Improvements	(10,937,587)	(77,684)	-	(11,015,271)
Buildings and Improvements	(22,783,453)	(1,104,395)	-	(23,887,848)
Equipment	(5,751,415)	(478,843)	885,632	(5,344,626)
Total Accumulated Depreciation	<u>(39,472,455)</u>	<u>(1,660,922)</u>	<u>885,632</u>	<u>(40,247,745)</u>
Total Capital Assets being depreciated, net	<u>49,921,369</u>	<u>(682,190)</u>	<u>(12,600)</u>	<u>49,226,579</u>
Total Governmental Activities Capital Assets, net	<u>\$ 56,796,755</u>	<u>\$ (682,190)</u>	<u>\$ (12,600)</u>	<u>\$ 56,101,965</u>
	Balance <u>July 1, 2020</u>	<u>Additions</u>	Retirements <u>and Transfers</u>	Balance <u>June 30, 2021</u>
Business-Type Activities:				
Equipment	\$ 253,900	\$ -	\$ -	\$ 253,900
Total Capital Assets being depreciated	<u>253,900</u>	-	-	<u>253,900</u>
Less: Accumulated Depreciation:				
Equipment	(232,549)	(18,896)	-	(251,445)
Total Capital Assets being depreciated, net	<u>(232,549)</u>	<u>(18,896)</u>	<u>-</u>	<u>(251,445)</u>
Total Business-Type Activities Capital Assets, net	<u>\$ 21,351</u>	<u>\$ (18,896)</u>	<u>\$ -</u>	<u>\$ 2,455</u>

Depreciation expense was not allocated among the various functions/programs of the District.

**MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021 (continued)**

Note 6. Interfund Receivables, Payables and Transfers

Individual fund receivables/payables balances at June 30, 2021 are as follows:

<u>Fund</u>	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
General Fund	\$ -	\$ 83,244
Special Revenue Fund	-	12,844
Capital Projects Fund	16,736	-
Food Service Fund	79,352	-
	<u>\$ 96,088</u>	<u>\$ 96,088</u>

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

There were no interfund transfers during the fiscal year.

Note 7. Long-Term Obligations

During the fiscal year-ended June 30, 2021 the following changes occurred in long-term obligations for the governmental and business-type activities:

	<u>Balance July 1, 2020</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance June 30, 2021</u>	<u>Balance Due Within One Year</u>
Governmental Activities:					
General Obligation Bonds	\$ 11,855,000	\$ -	\$ 1,735,000	\$ 10,120,000	\$ 1,710,000
Capital Leases	3,547,367	380,000	845,405	3,081,962	741,901
Compensated Absences	1,686,056	119,510	-	1,805,566	-
Net Pension Liability	10,133,270	-	1,128,182	9,005,088	-
Bond Premiums	1,590,546	-	238,582	1,351,964	238,582
	<u>\$ 28,812,239</u>	<u>\$ 499,510</u>	<u>\$ 3,947,169</u>	<u>\$ 25,364,580</u>	<u>\$ 2,690,483</u>

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

Bonds Payable

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

On December 16, 2015, the District issued \$18,715,000 of Refunding Bonds to refund the callable portion of the outstanding 22,785,000 Bond Issue. The Refunding Bonds generated \$2,217,689 in gross debt service savings and an economic gain (difference between the present value of the debt service payments of the refunded and refunding bonds) of \$1,943,911, or a net annual present value savings of 9.33%. The Refunding Bonds were issued at interest rates varying from 4.625% to 5.00% and mature on March 1, 2027.

**MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021 (continued)**

Note 7. Long-Term Obligations (continued)

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

Fiscal Year Ending June 30,	Principal	Interest	Total
2022	\$ 1,710,000	\$ 506,000	\$ 2,216,000
2023	1,705,000	420,500	2,125,500
2024	1,695,000	335,250	2,030,250
2025	1,685,000	250,500	1,935,500
2026	1,670,000	166,250	1,836,250
2027	1,655,000	82,750	1,737,750
	<u>\$ 10,120,000</u>	<u>\$ 1,761,250</u>	<u>\$ 11,881,250</u>

Bonds Authorized but not Issued

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

Capital Lease Payable

On October 29, 2015, the District entered into a lease purchase agreement in the amount of \$2,460,940 for an energy savings improvement program. The lease obligation was issued at an interest rate of 2.480% and matures on June 30, 2031.

On June 10, 2016, the District entered into a lease purchase agreement in the amount of \$320,000 for five passenger buses. The lease obligation was issued at an interest rate of 2.080% and matured on September 1, 2020.

On September 1, 2016, the District entered into a lease purchase agreement in the amount of \$250,000 for Chromebooks. The lease obligation was issued at an interest rate of 1.969% and matured on September 1, 2020.

On July 6, 2017, the District entered into a lease purchase agreement in the amount of \$250,000 for Chromebooks. The lease obligation was issued at an interest rate of 1.850% and matures on September 1, 2021.

On July 6, 2017, the District entered into a lease purchase agreement in the amount of \$400,000 for two buses. The lease obligation was issued at an interest rate of 1.850% and matures on September 1, 2021.

On August 10, 2018 the District entered into a lease purchase agreement in the amount of \$1,125,000 for various improvements and equipment. The lease obligation was issued at an interest rate of 2.980% and matures on September 1, 2022.

On April 30, 2019 the District entered into a lease purchase agreement in the amount of \$775,000 for various improvements and equipment. The lease obligation was issued at an interest rate of 2.516% and matures on September 1, 2023.

On September 1, 2020 the District entered into a lease purchase agreement in the amount of \$380,000 for various improvements and equipment. The lease obligation was issued at an interest rate of 1.943% and matures on September 1, 2024.

**MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021 (continued)**

Note 7. Long-Term Obligations (continued)

The future minimum lease payments for these leases are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2022	\$ 741,901	\$ 69,413	\$ 811,314
2023	607,741	51,065	658,806
2024	379,157	38,594	417,751
2025	232,120	31,444	263,564
2026	164,377	26,783	191,160
2027-2031	956,666	67,567	1,024,233
	<u>\$ 3,081,962</u>	<u>\$ 284,866</u>	<u>\$ 3,366,828</u>

Operating Lease Payable

At June 30, 2021, the District had operating lease agreements in effect for copiers and the Board of Education building office lease at 137 Hartford Road, Medford, NJ. Total operating lease payments made during the year ended June 30, 2021 was \$359,791.

The following is a schedule of the remaining future minimum lease payments under these operating leases.

Fiscal Year Ending June 30,	Amount
2022	\$ 360,527
2023	414,113
2024	414,113
2025	411,299
2026	411,299
2027-2031	2,303,370
2032-2033	709,527
Total Minimum Lease Payments Required	5,024,248
Less: Amount Representing Interest	(1,024)
Present Value of Minimum of Lease Payments	<u>\$ 5,023,224</u>

Note 8. Pension Plans

A. Public Employees' Retirement System (PERS)

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

MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021 (continued)

Note 8. Pension Plans (continued)

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

The vesting and benefit provisions are set by *N.J.S.A. 43:15A*. PERS provides retirement, death and disability benefits. All benefits vest after ten years of service.

The following represents the membership tiers for PERS:

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

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

Contributions - The contribution policy for PERS is set by *N.J.S.A. 15A* and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid. For fiscal year 2020, the State's pension contribution was less than the actuarial determined amount.

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

**MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021 (continued)**

Note 8. Pension Plans (continued)

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

Pension Liability, Pension Expense and Deferred Outflows/Inflows of Resources - At June 30, 2021, the District reported a liability of \$9,005,088 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2020. The total pension liability used to calculate the net pension liability was determined using update procedures to roll forward the total pension liability from an actuarial valuation as of July 1, 2019, to the measurement date of June 30, 2020. The District's proportion of the net pension liability was based on the District's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2020. The District's proportion measured as of June 30, 2020, was 0.05522%, which was a decrease of 0.00101% from its proportion measured as of June 30, 2019.

For the year ended June 30, 2021, the District recognized full accrual pension expense of \$189,379 in the government-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:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between Expected and Actual Experience	\$ 163,968	\$ 31,846
Changes of Assumptions	292,135	3,770,515
Net Difference between Projected and Actual Earnings on Pension Plan Investments	307,801	-
Changes in Proportion and Differences between District Contributions and Proportionate Share of Contributions	124,555	205,717
School District Contributions Subsequent to Measurement Date	646,931	-
	\$ 1,535,390	\$ 4,008,078

\$646,931 reported as deferred outflows of resources resulting from district contributions subsequent to the measurement date is based on the amount payable to the State due April 1, 2022 and will be recognized as a reduction of the net pension liability in the year ended June 30, 2022. The other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

**MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021 (continued)**

Note 8. Pension Plans (continued)

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

Year Ending June 30,	Amount
2021	\$ (1,130,419)
2022	(1,080,385)
2023	(594,090)
2024	(279,323)
2025	<u>(35,402)</u>
	<u>\$ (3,119,619)</u>

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

**MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021 (continued)**

Note 8. Pension Plans (continued)

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

	Deferred Outflow of <u>Resources</u>	Deferred Inflow of <u>Resources</u>
Differences between Expected and Actual Experience		
Year of Pension Plan Deferral:		
June 30, 2014	-	-
June 30, 2015	5.72	-
June 30, 2016	5.57	-
June 30, 2017	5.48	-
June 30, 2018	5.63	-
June 30, 2019	5.21	-
June 30, 2020	5.16	-
Changes of Assumptions		
Year of Pension Plan Deferral:		
June 30, 2014	6.44	-
June 30, 2015	5.72	-
June 30, 2016	5.57	-
June 30, 2017	-	5.48
June 30, 2018	-	5.63
June 30, 2019	-	5.21
June 30, 2020	-	5.16
Net Difference between Projected and Actual Earnings on Pension Plan Investments		
Year of Pension Plan Deferral:		
June 30, 2014	-	5.00
June 30, 2015	-	5.00
June 30, 2016	5.00	-
June 30, 2017	5.00	-
June 30, 2018	5.00	-
June 30, 2019	5.00	-
June 30, 2020	5.00	-
Changes in Proportion and Differences between Contributions and Proportionate Share of Contributions		
Year of Pension Plan Deferral:		
June 30, 2014	6.44	6.44
June 30, 2015	5.72	5.72
June 30, 2016	5.57	5.57
June 30, 2017	5.48	5.48
June 30, 2018	5.63	5.63
June 30, 2019	5.21	5.21
June 30, 2020	5.16	5.16

**MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 YEAR ENDED JUNE 30, 2021 (continued)**

Note 8. Pension Plans (continued)

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

Actuarial Assumptions – The collective 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 assumptions:

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

Mortality Rate Table

Pub-2010 General classification headcount weighted mortality with fully generational mortality improvement projections from the central year using Scale MP-2020

Period of Actuarial Experience
 Study upon which Actuarial
 Assumptions were Based

July 1, 2014 - June 30, 2018

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

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

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2020) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2020 are summarized in the following table:

**MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021 (continued)**

Note 8. Pension Plans (continued)

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

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

Discount Rate - The discount rate used to measure the total pension liability was 7.00% as of June 30, 2020. The single blended discount rate was based on long-term expected rate of return on pension plan investments of 7.00%, and a municipal bond rate of 3.50% as of June 30, 2019 based on the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipals bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on 70% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2057. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2057 and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

Sensitivity of the School District's proportionate share of the Net Pension Liability to Changes in the Discount Rate - The following presents the District's proportionate share of the net pension liability as of June 30, 2020, calculated using the discount rate of 7.00% as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
District's Proportionate Share of the Net Pension Liability	<u>\$ 11,425,042</u>	<u>\$ 9,005,088</u>	<u>\$ 7,082,586</u>

**MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021 (continued)**

Note 8. Pension Plans (continued)

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

Additional Information - The following is a summary of the collective balances of the local group at June 30, 2021 and 2020:

Balances at June 30, 2021 and June 30, 2020

	<u>6/30/2021</u>	<u>6/30/2020</u>
Actuarial valuation date (including roll forward)	June 30, 2020	June 30, 2019
Collective Deferred Outflows of Resources	\$ 2,347,583,337	\$ 3,149,522,616
Collective Deferred Inflows of Resources	7,849,949,467	7,645,087,574
Collective Net Pension Liability	16,435,616,426	18,143,832,135
District's portion of the Plan's total Net Pension Liability	0.05522%	0.05624%

B. Teachers' Pension and Annuity Fund (TPAF)

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

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

The following represents the membership tiers for TPAF:

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

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

MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021 (continued)

Note 8. Pension Plans (continued)

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

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

Contributions - The contribution policy for TPAF is set by *N.J.S.A 18A:66* and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount, which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. For fiscal year 2020, the State's pension contribution was less than the actuarial determined amount.

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

Pension Liability and Pension Expense - The State's proportionate share of the TPAF net pension liability, attributable to the District as of June 30, 2020 was \$135,376,991. The District's proportionate share was \$-0-.

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 State's proportionate share of the net pension liability associated with the District was based on projection of the State's long-term contributions to the pension plan associated with the District relative to the projected contributions by the State associated with all participating school districts, actuarially determined. At June 30, 2020, the State proportionate share of the TPAF net pension liability attributable to the District was 0.20559%, which was an increase of .00944% from its proportion measured as of June 30, 2019.

For the fiscal year ended June 30, 2021, the District recognized \$8,418,318 in on-behalf pension expense and revenue in the government-wide financial statements, for the State of New Jersey on-behalf TPAF pension contributions. This pension expense and revenue was based on the pension plans June 30, 2020 measurement date.

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:

**MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 YEAR ENDED JUNE 30, 2021 (continued)**

Note 8. Pension Plans (continued)

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

Inflation		
Price		2.75%
Wage		3.25%
Salary Increases:		
Through 2026	1.55 - 4.45%	Based on Years of Service
Thereafter	2.75 - 5.65%	Based on Years of Service
Investment Rate of Return		7.00%

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

Long-Term Expected Rate of Return - In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2020) is determined by the State Treasurer, after consultation with the Directors of the Division of 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:

**MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021 (continued)**

Note 8. Pension Plans (continued)

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

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

Discount Rate - The discount rate used to measure the total pension liability was 5.40% as of June 30, 2020. The single blended discount rate was based on long-term expected rate of return on pension plan investments of 7.00%, and a municipal bond rate of 2.21% as of June 30, 2020, based on the Bond Buyer Go 20-Bond Municipal Bond Index which includes tax-exempt general obligation municipals bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on 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 School District's proportionate share of the Net Pension Liability to Changes in the Discount Rate – As previously mentioned, TPAF has a special funding situation where the State pays 100% of the District's annual required contribution. The following represents the State's proportionate share of the net pension liability, attributable to the District calculated using the discount rate of 5.40% as well as what the State's proportionate share of the net pension liability, attributable to the District's would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

**MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021 (continued)**

Note 8. Pension Plans (continued)

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

	1% Decrease (4.40%)	Current Discount Rate (5.40%)	1% Increase (6.40%)
District's Proportionate Share of the Net Pension Liability	\$ -	\$ -	\$ -
State of New Jersey's Proportionate Share of Net Pension Liability associated with the District	159,016,110	135,376,991	115,748,653
	\$ 159,016,110	\$ 135,376,991	\$ 115,748,653

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

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

Balances at June 30, 2021 and June 30, 2020

	<u>6/30/2020</u>	<u>6/30/2019</u>
Collective Deferred Outflows of Resources	\$ 9,626,548,228	\$ 10,129,162,237
Collective Deferred Inflows of Resources	14,591,988,841	17,736,240,054
Collective Net Pension Liability	65,993,498,688	61,519,112,443
District's portion of the Plan's total Net Pension Liability	0.20559%	0.19615%

C. Defined Contribution Plan (DCRP)

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

Individuals eligible for membership in the DCRP include:

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

MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021 (continued)

Note 8. Pension Plans (continued)

C. Defined Contribution Plan (DCRP) (continued)

- Employees enrolled in the Police and Firemen’s Retirement System (PFRS) or State Police Retirement System (SPRS) after May 21, 2010, who earn salary in excess of established “maximum compensation” limits;
- Employees otherwise eligible to enroll in the PERS or TPAF on or after November 2, 2008, who do not earn the minimum annual salary for PERS or TPAF Tier 3 enrollment but who earn salary of at least \$5,000 annually. The minimum salary in 2021 is \$8,300 and is subject to adjustment in future years.
- Employees otherwise eligible to enroll in the PERS or TPAF after May 21, 2010, who do not work the minimum number of hours per week required for PERS or TPAF Tier 4 or Tier 5 enrollment but who earn salary of at least \$5,000 annually. The minimum number is 35 hours per week for State employees, or 32 hours per week for local government or local education employees

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

For the year ended June 30, 2021, employee contributions totaled \$35,980 and the District recognized pension expense of \$19,625.

Note 9. Other Post-Retirement Benefits

General Information about the OPEB Plan

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

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

**MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021 (continued)**

Note 9. Other Post-Retirement Benefits (continued)

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

Basis of Presentation

The Schedule presents the State of New Jersey’s obligation under NJSA 52:14-17.32f. The Schedule does not purport to be a complete presentation of the financial position or changes in financial position of the State Health Benefit Local Education Retired Employees Plan or the State of New Jersey. The accompanying Schedule was prepared in accordance with U.S. generally accepted accounting principles.

Such preparation requires management of the State of New Jersey to make a number of estimates and assumptions relating to the reported amounts. Due to the inherent nature of these estimates, actual results could differ from those estimates.

Total Nonemployer OPEB Liability

The total nonemployer OPEB liability as of June 30, 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.

Total Nonemployer OPEB Liability: \$ 67,809,962,608

Inflation Rate: 2.5%

	TPAF/ABP	PERS	PFRS
Salary Increases:			
Through 2026	1.55 - 4.45% based on years of service	2.00 - 6.00% based on years of service	3.25 - 15.25% based on years of service
Thereafter	1.55 - 4.45% based on years of service	3.00 - 7.00% based on years of service	Applied to all future years

Preretirement mortality rates were based on the Pub-2010 Healthy “Teachers” (TPAF/ABP), “General” (PERS), and “Safety” (PFRS) classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2019. Postretirement mortality rates were based on the Pub-2010 “General” classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2020. Disability mortality was based on the Pub-2010 “General” classification headcount-weighted disabled mortality table with fully generational mortality improvement projections from the central year using Scale MP-2020.

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

**MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021 (continued)**

Note 9. Other Post-Retirement Benefits (continued)

OPEB Obligation and OPEB Expense - The State's proportionate share of the total Other Post Employment Benefits Obligations, attributable to the School District as of June 30, 2020 was \$141,692,136. The School District's proportionate share was \$0.

The OPEB Obligation was measured as of June 30, 2020, and the total OPEB Obligation used to calculate the OPEB Obligation was determined by an actuarial valuation as of July 1, 2019, which was rolled forward to June 30, 2020. The State's proportionate share of the OPEB Obligation associated with the District was based on projection of the State's long-term contributions to the OPEB plan associated with the District relative to the projected contributions by the State associated with all participating school districts, actuarially determined. At June 30, 2020, the State proportionate share of the OPEB Obligation attributable to the School District was 0.20895%, which was a decrease of 0.00058% from its proportion measured as of June 30, 2019.

For the fiscal year ended June 30, 2021, the State of New Jersey recognized an OPEB expense in the amount of \$6,093,997 for the State's proportionate share of the OPEB expense attributable to the School District. This OPEB expense was based on the OPEB plans June 30, 2020 measurement date.

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

Sensitivity of Total Nonemployer OPEB Liability to changes in discount rate

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

	June 30, 2020		
	At 1% Decrease (1.21%)	At Discount Rate (2.21%)	At 1% Increase (3.21%)
State of New Jersey's Proportionate Share of Total OPEB Obligations Associated with the School District	\$ 170,817,184	\$ 141,692,136	\$ 118,919,154
State of New Jersey's Total Non- employer Liability	\$ 81,748,410,002	\$ 67,809,962,608	\$ 56,911,439,160

**MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021 (continued)**

Note 9. Other Post-Retirement Benefits (continued)

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

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

	June 30, 2020		
	1% Decrease	Healthcare Cost Trend Rate *	1% Increase
State of New Jersey's Proportionate Share of Total OPEB Obligations Associated with the School District	\$ 114,378,670	\$ 141,692,136	\$ 174,216,403
State of New Jersey's Total Nonemployer OPEB Liability	\$ 54,738,488,540	\$ 67,809,962,608	\$ 83,375,182,975

* See Healthcare Cost Trend Assumptions for details of rates.

Additional Information

Collective balances of the Local Group at June 30, 2020 are as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Change in Proportion Differences between Expected & Actual Experience	\$ 10,295,318,750	\$ (9,170,703,615)
Change in Assumptions	-	-
Contributions Made in Fiscal Year Year Ending 2020 After June 30, 2019 Measurement Date **	11,534,251,250	(7,737,500,827)
	TBD	-
	\$ 21,829,570,000	\$ (16,908,204,442)

** Employer Contributions made after June 30, 2020 are reported as a deferred outflow of resources, but are not amortized in expense.

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

MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021 (continued)

Note 9. Other Post-Retirement Benefits (continued)

Fiscal Year Ending June 30,		
2021	\$	43,440,417
2022		43,440,417
2023		43,440,417
2024		43,440,417
2025		43,440,417
Thereafter		4,704,163,473
	<u>\$</u>	<u>4,921,365,558</u>

Plan Membership

At June 30, 2019, the Program membership consisted of the following:

	<u>June 30, 2019</u>
Active Plan Members	216,804
Inactive Plan Members or Beneficiaries	
Currently Receiving Benefits	<u>149,304</u>
	<u>366,108</u>

Changes in the Total OPEB Liability

The change in the State's Total OPEB liability for the fiscal year ended June 30, 2021 (measurement date June 30, 2020) is as follows:

Total OPEB Liability

Service Cost	\$ 1,790,973,822
Interest Cost	1,503,341,357
Difference Between Expected & Actual Experience	11,544,750,637
Changes of Assumptions	12,386,549,981
Contributions: Member	35,781,384
Gross Benefit Payments	<u>(1,180,515,618)</u>
Net Change in Total OPEB Liability	26,080,881,563
Total OPEB Liability (Beginning)	<u>41,729,084,045</u>
Total OPEB Liability (Ending)	<u>\$ 67,809,965,608</u>
Total Covered Employee Payroll	\$ 14,267,738,658
Net OPEB Liability as a Percentage of Payroll	475%

**MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021 (continued)**

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

As previously mentioned, the District receives on-behalf payments from the State of New Jersey for normal costs and post-retirement medical costs related to the Teachers' Pension and Annuity Fund (TPAF) pension plan. The District is not legally responsible for these contributions. The on-behalf payments are recorded as revenues and expenditures in the government-wide and general fund financial statements. For the fiscal year ended June 30, 2021, the on-behalf payments for pension, social security, post-retirement medical costs, and long-term disability were \$6,030,490, \$1,646,554, \$1,889,862 and \$2,395, respectively.

Note 11. 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.

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

<u>Fiscal Year</u>	<u>Employee Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2020-2021	\$ 44,663	\$ 19,214	\$ 143,423
2019-2020	44,038	9,356	117,974
2018-2019	42,881	8,863	83,292

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

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

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

MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021 (continued)

Note 12. Contingencies

State and Federal Grantor Agencies - The District participates in numerous state and federal grant programs, which are governed by various rules and regulations of the grantor agencies; therefore, to the extent that the District has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectability of any related receivable at June 30, 2021 may be impaired. In the opinion of the District, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provisions have been recorded in the accompanying combined financial statements for such contingencies.

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

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

Note 13. Deferred Compensation

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

Lincoln Investment Planning
Prudential
AFLAC

Note 14. Compensated Absences

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

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

The liability for vested compensated absences of the governmental fund types is recorded in the Statement of Net Position. At June 30, 2021, the liability for compensated absences reported on the government-wide Statement of Net Position was \$1,805,566.

MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021 (continued)

Note 15. Tax Abatements

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

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

Note 16. Commitments

The District has no contractual commitments at June 30, 2021.

Note 17. Calculation of Excess Surplus

The designation for Restricted Fund Balance – Excess Surplus is a required calculation pursuant to N.J.S.A.18A:7F-7. New Jersey school districts are required to reserve General Fund balance at the fiscal year-end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2021 was \$2,403,676.

Note 18. Fund Balances

General Fund – Of the \$9,856,694 General Fund balance at June 30, 2021, \$1,776,921 has been restricted for the Capital Reserve Account; \$500,000 has been restricted for the Maintenance Reserve Account; \$143,423 has been restricted for Unemployment Compensation; \$2,403,676 has been restricted for current year excess surplus; \$2,518,700 is restricted for prior year excess surplus – designated for subsequent year's expenditures; \$500,000 has been assigned and included as anticipated revenue for the year ending June 30, 2021; \$445,078 has been assigned for other purposes and \$1,568,896 has been unassigned.

Special Revenue Fund – Of the \$194,185 Special Revenue Fund Balance at June 30, 2021, \$185,179 is restricted for student activities \$9,006 is restricted for scholarships.

Capital Projects Fund – Of the \$16,736 Capital Fund Balance at June 30, 2021, \$16,736 is restricted for capital projects.

Note 19. Deficit in Net Position

Unrestricted Net Position – The District governmental activities had a deficit in unrestricted net position in the amount of \$12,793,544 at June 30, 2021. The primary causes of this deficit is the District not recognizing the receivable for the last two state aid payments and the recording of the net pension liability for the Public Employee's Retirement System (PERS) as of June 30, 2021. This deficit in unrestricted net position for governmental activities does not indicate that the District is facing financial difficulties.

**MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021 (continued)**

Note 20. Prior Period Adjustment/Restatement of Net Position and Fund Balance

During the year ended June 30, 2021 the District adopted GASB Statement No. 84, *Fiduciary Activities* (See Note 1). The District adjusted its beginning balances to reflect all newly adopted standards for its Restricted Net Position and Restricted Fund Balance for New Jersey Unemployment Trust Fund, Scholarships and Student Activities. The beginning balances as of July 1, 2020 were adjusted as follows:

Prior Period Adjustment to Net Position

Balance, July 1, 2020 prior to Adjustment	\$	32,964,424
Add:		
New Jersey Unemployment Trust		117,974
Scholarships		10,060
Student Activities		171,714
		171,714
Balance, July 1, 2020, Restated	\$	33,264,172

Prior Period Adjustment to Fund Balance (General Fund)

Balance, July 1, 2020 prior to Adjustment	\$	7,113,533
Add:		
New Jersey Unemployment Trust		117,974
		117,974
Balance, July 1, 2020, Restated	\$	7,231,507

Prior Period Adjustment to Fund Balance (Special Revenue Fund)

Balance, July 1, 2020 prior to Adjustment	\$	-
Add:		
Scholarships		10,060
Student Activities		171,714
		171,714
Balance, July 1, 2020, Restated	\$	181,774

MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021 (continued)

Note 21. Subsequent Events

Management has reviewed and evaluated all events and transactions that occurred between June 30, 2021 and February 28, 2022, the date that the financial statements were available for issuance, for possible disclosure and recognition in the financial statements, and no items other than the below have come to the attention of the District that would require disclosure.

On September 1, 2021 the District entered into a lease purchase agreement in the amount of \$435,000 for buses and maintenance vehicles. The lease obligation was issued at an interest rate of 1.243%.

The COVID-19 pandemic is ongoing. Because of the evolving nature of the outbreak and federal, state and local responses, it cannot be predicted how the outbreak will impact the financial condition or operations of the District, or if there will be any impact on the assessed values of property within the School District or deferral of tax payments to municipalities. To date the School District has not been materially and adversely affected financially due to the virus.

REQUIRED SUPPLEMENTARY INFORMATION - PART II

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C. Budgetary Comparison Schedules

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

	ACCOUNT NUMBER	JUNE 30, 2021				POSITIVE (NEGATIVE) FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
Revenues:						
Local Sources:						
Local Tax Levy	10-1210	\$ 45,490,940	\$ -	\$ 45,490,940	\$ 45,490,940	\$ -
Tuition - From Individuals	10-1310	75,000	-	75,000	40,592	(34,408)
Tuition - From Other LEAS	10-1320	20,000	-	20,000	-	(20,000)
Transportation Fee from Other LEAs	10-1420	-	-	-	28,511	28,511
Miscellaneous	10-1990	581,500	-	581,500	951,790	370,290
Advertising Fees- School Busses	10-1992	13,000	-	13,000	13,000	-
Interest Earned on Capital Reserve	10-1xxx	1,000	-	1,000	1,000	-
Total Local Sources		46,181,440	-	46,181,440	46,525,833	344,393
State Sources:						
Categorical Special Education Aid	10-3132	1,680,355	-	1,680,355	1,680,355	-
Equalization Aid	10-3176	2,433,004	-	2,433,004	2,433,004	-
Security Aid	10-3177	78,003	-	78,003	78,003	-
Categorical Transportation Aid	10-3121	240,580	-	240,580	240,580	-
Extraordinary Aid	10-3131	175,000	-	175,000	190,222	15,222
Non Public Transportation	10-3XXX	-	-	-	32,770	32,770
Nonbudgeted:						
On-Behalf TPAF Medical Contributions		-	-	-	1,889,862	1,889,862
On-Behalf TPAF Pension Contributions		-	-	-	6,030,490	6,030,490
On-Behalf TPAF Long-Term Disability Contributions		-	-	-	2,395	2,395
Reimbursed TPAF Social Security Contributions		-	-	-	1,646,554	1,646,554
Total State Sources		4,606,942	-	4,606,942	14,224,235	9,617,293
Federal Sources:						
Medicare Reimbursement	10-4200	25,984	-	25,984	19,116	(6,868)
Total Federal Sources		25,984	-	25,984	19,116	(6,868)
Total Revenues		50,814,366	-	50,814,366	60,769,184	9,954,818
Current Expense:						
Instruction - Regular Programs:						
Salaries of Teachers:						
Preschool/Kindergarten	11-110-100-101	981,170	-	981,170	950,810	30,360
Grades 1 - 5	11-120-100-101	7,480,420	(86,243)	7,394,177	6,860,892	533,285
Grades 6 - 8	11-130-100-101	4,910,038	(89,400)	4,820,638	4,641,283	179,355
Home Instruction:						
Salaries of Teachers	11-150-100-101	4,550	-	4,550	-	4,550
Regular Programs - Undistributed Instruction:						
Other Salaries for Instruction	11-190-100-106	40,886	14,998	55,884	54,267	1,617
Purchased Professional - Educational Services						
Purchased Professional - Educational Services	11-190-100-320	1,273,646	513,227	1,786,873	1,784,773	2,100
Purchased Technical Services	11-190-100-340	37,813	176,232	214,045	210,313	3,732
Other Purchased Services	11-190-100-500	227,500	61,152	288,652	266,524	22,128
General Supplies	11-190-100-610	629,142	(18,827)	610,315	431,927	178,388
Other Objects	11-190-100-800	63,000	(14,722)	48,278	17,324	30,954
Total Regular Programs		15,648,165	556,417	16,204,582	15,218,113	986,469
Special Education:						
Learning and/or Language Disabilities:						
Salaries of Teachers	11-204-100-101	250,355	-	250,355	235,526	14,829
Total Learning and/or Language Disabilities		250,355	-	250,355	235,526	14,829
Multiple Disabilities:						
Salaries of Teachers	11-212-100-101	295,074	55,236	350,310	350,310	-
Purchased Professional - Educational Services	11-212-100-320	122,976	-	122,976	122,976	-
Total Multiple Disabilities:		418,050	55,236	473,286	473,286	-
Resource Room:						
Salaries of Teachers	11-213-100-101	3,957,326	(55,036)	3,902,290	3,813,624	88,666
Purchased Professional - Educational Services	11-213-100-320	3,069,221	(491,187)	2,578,034	2,309,033	269,001
General Supplies	11-213-000-610	3,550	-	3,550	2,391	1,159
Total Resource Room		7,030,097	(546,223)	6,483,874	6,125,048	358,826
Preschool Handicapped - Part-Time:						
Salaries of Teachers	11-215-100-101	237,535	(62,663)	174,872	174,872	-
Purchased Professional - Educational Services	11-215-100-320	117,120	-	117,120	117,120	-
General Supplies	11-215-100-600	1,700	2,400	4,100	4,089	11
Total Preschool Handicapped -Part-Time		356,355	(60,263)	296,092	296,081	11

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

	ACCOUNT NUMBER	JUNE 30, 2021			ACTUAL	POSITIVE (NEGATIVE) FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET		
Preschool Handicapped - Full-Time:						
Salaries of Teachers	11-216-100-101	-	62,663	62,663	62,663	-
General Supplies	11-216-100-600	-	300	300	195	105
Total Home Instruction		-	62,963	62,963	62,858	105
Total Special Education		8,054,857	(488,287)	7,566,570	7,192,799	373,771
Basic Skills/Remedial:						
Salaries of Teachers	11-230-100-101	485,880	-	485,880	468,974	16,906
General Supplies	11-230-100-610	2,250	(251)	1,999	623	1,376
Total Basic Skills/Remedial		488,130	(251)	487,879	469,597	18,282
School Sponsored Cocurricular Activities:						
Salaries	11-401-100-100	20,000	-	20,000	10,240	9,760
Supplies and Materials	11-401-100-600	3,600	-	3,600	750	2,850
Total School Sponsored Cocurricular Activities		23,600	-	23,600	10,990	12,610
School Sponsored Athletics - Instruction:						
Salaries	11-402-100-100	30,000	2,376	32,376	2,376	30,000
Purchased Services	11-402-100-500	8,000	(1,000)	7,000	-	7,000
Supplies and Materials	11-402-100-600	10,000	(7,500)	2,500	2,295	205
Total School Sponsored Athletics - Instruction		48,000	(6,124)	41,876	4,671	37,205
Other Instructional Programs						
Salaries	11-4xx-100-100	5,750	-	5,750	-	5,750
Supplies and Materials	11-4xx-100-600	6,000	-	6,000	2,332	3,668
Total Other Instructional Programs		11,750	-	11,750	2,332	9,418
Total - Instruction		24,274,502	61,755	24,336,257	22,898,502	1,437,755
Undistributed Expenditures:						
Tuition						
Tuition to CSSD & Regular Day Schools	11-000-100-565	103,259	25,691	128,950	128,950	-
Tuition to Private School for Handicapped - State	11-000-100-566	925,761	(27,460)	898,301	522,371	375,930
Tuition - Other	11-000-100-569	-	68,159	68,159	62,512	5,647
Total Tuition		1,029,020	66,390	1,095,410	713,833	381,577
Attendance & Social Work Services:						
Salaries	11-000-211-100	18,415	-	18,415	18,415	-
Total Attendance & Social Work Services		18,415	-	18,415	18,415	-
Health Services:						
Salaries	11-000-213-100	631,406	-	631,406	601,676	29,730
Purchased Professional & Technical Services	11-000-213-300	700	10,000	10,700	5,147	5,553
Other Purchased Services	11-000-213-500	1,400	-	1,400	420	980
Supplies and Materials	11-000-213-600	13,000	5,326	18,326	17,725	601
Total Health Services		646,506	15,326	661,832	624,968	36,864
Other Support Services - Students - Related Services:						
Salaries	11-000-216-100	625,342	-	625,342	600,076	25,266
Purchased Technical Services	11-000-216-320	250,000	(5,100)	244,900	165,736	79,164
Supplies and Materials	11-000-216-600	4,500	-	4,500	3,664	836
Other Objects	11-000-216-800	1,500	-	1,500	-	1,500
Total Other Support Services - Students - Related Services		881,342	(5,100)	876,242	769,476	106,766
Other Support Services - Students - Regular:						
Salaries of Other Professional Staff	11-000-218-104	765,554	1,050	766,604	716,132	50,472
Other Purchased Professional & Technical Services	11-000-218-390	2,800	-	2,800	2,800	-
Other Purchased Services	11-000-218-500	1,000	-	1,000	-	1,000
Supplies and Materials	11-000-218-600	8,425	(200)	8,225	3,551	4,674
Total Other Support Services - Students - Special Services		777,779	850	778,629	722,483	56,146

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

ACCOUNT NUMBER	JUNE 30, 2021				POSITIVE (NEGATIVE) FINAL TO ACTUAL	
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		
Other Support Services - Students - Special Services:						
Salaries of Other Professional Staff	11-000-219-104	1,457,725	-	1,457,725	1,431,311	26,414
Other Purchased Educational Services	11-000-219-320	70,000	-	70,000	40,515	29,485
Supplies and Materials	11-000-219-600	25,000	765	25,765	18,707	7,058
Total Other Support Services - Students - Special Services		1,552,725	765	1,553,490	1,490,533	62,957
Improvement of Instruction Services/Other Support Services - Instruction Staff:						
Salaries of Supervisors of Instruction	11-000-221-102	800,034	(22,310)	777,724	759,424	18,300
Salaries Other Instruction	11-000-221-104	104,716	-	104,716	104,716	-
Other Salaries	11-000-221-110	47,086	-	47,086	46,859	227
Other Purchased Services	11-000-221-500	33,080	(22,065)	11,015	890	10,125
Total Improvement of Instruction Services/Other Support Services Instructional Staff		984,916	(44,375)	940,541	911,889	28,652
Educational Media Services/School Library:						
Salaries	11-000-222-100	594,862	18,888	613,750	595,750	18,000
Supplies and Materials	11-000-222-600	74,975	3,767	78,742	74,699	4,043
Total Educational Media Services/School Library		669,837	22,655	692,492	670,449	22,043
Instructional Staff Training Services:						
Salaries of Supervisors of Instruction	11-000-223-102	48,640	672	49,312	14,896	34,416
Total Instructional Staff Training Services		48,640	672	49,312	14,896	34,416
Support Services General Administration:						
Salaries	11-000-230-100	348,333	52,000	400,333	338,333	62,000
Legal Services	11-000-230-331	55,000	102,028	157,028	152,523	4,505
Audit fees	11-000-230-332	34,640	-	34,640	34,035	605
Architectural/Engineering Services	11-000-230-334	10,000	5,000	15,000	12,420	2,580
Other Purchased Professional Services	11-000-230-339	91,500	(59,732)	31,768	-	31,768
Communications/Telephone	11-000-230-530	327,000	27,496	354,496	336,880	17,616
Travel	11-000-230-585	1,000	-	1,000	600	400
Other Purchased Services	11-000-230-590	153,270	(18,223)	135,047	133,106	1,941
Supplies and Materials	11-000-230-610	12,700	(1,572)	11,128	6,983	4,145
In House Training Supplies	11-000-230-630	1,500	(1,000)	500	393	107
Miscellaneous Expenditures	11-000-230-890	12,300	1,175	13,475	9,565	3,910
BOE Membership Dues	11-000-230-895	25,000	-	25,000	21,524	3,476
Total Support Services General Administration		1,072,243	107,172	1,179,415	1,046,362	133,053
Support Services School Administration:						
Salaries of Principals & Assistant Principals	11-000-240-103	1,108,654	23,710	1,132,364	1,060,334	72,030
Salaries of Secretarial & Clerical Assistants	11-000-240-105	896,293	37,215	933,508	856,784	76,724
Purchased Professional & Technical Services	11-000-240-300	10,000	5,505	15,505	890	14,615
Other Purchased Services	11-000-240-500	73,650	(600)	73,050	62,084	10,966
General Supplies	11-000-240-600	93,838	(19,879)	73,959	69,430	4,529
Other Objects	11-000-240-800	12,980	(2,000)	10,980	9,335	1,645
Total Support Services School Administration		2,195,415	43,951	2,239,366	2,058,857	180,509
Central Services:						
Salaries	11-000-251-100	618,560	70,000	688,560	617,624	70,936
Purchased Professional Services	11-000-251-330	7,000	-	7,000	2,550	4,450
Purchased Technical Services	11-000-251-340	15,500	17,800	33,300	15,731	17,569
Other Purchased Services	11-000-251-592	8,000	(100)	7,900	3,433	4,467
General Supplies	11-000-251-600	24,600	5,798	30,398	10,899	19,499
Miscellaneous Expenditures	11-000-251-890	21,515	9,000	30,515	22,792	7,723
Total Central Services		695,175	102,498	797,673	673,029	124,644

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

	ACCOUNT NUMBER	JUNE 30, 2021			ACTUAL	POSITIVE (NEGATIVE) FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET		
Administrative Information Technology:						
Salaries	11-000-252-100	338,299	(6,399)	331,900	301,209	30,691
Purchased Technical Services	11-000-252-340	43,300	3,955	47,255	45,848	1,407
Other Purchased Services	11-000-252-500	42,900	290	43,190	41,969	1,221
General Supplies	11-000-252-600	23,000	8,769	31,769	30,344	1,425
Total Administrative Information Technology		447,499	6,615	454,114	419,370	34,744
Maintenance for School Facilities:						
Salaries	11-000-261-100	496,675	1,444	498,119	485,127	12,992
Cleaning, Repair & Maintenance	11-000-261-420	225,850	(64,715)	161,135	157,459	3,676
General Supplies	11-000-261-610	315,000	(66,617)	248,383	225,139	23,244
Other Objects	11-000-261-800	-	25,600	25,600	25,600	-
Total Maintenance for School Facilities		1,037,525	(104,288)	933,237	893,325	39,912
Custodial Services:						
Salaries	11-000-262-100	1,247,988	25,372	1,273,360	1,264,969	8,391
Cleaning, Repair & Maintenance Services	11-000-262-420	175,500	(19,722)	155,778	139,343	16,435
Lease Purchase Payments- Enegry Savings	11-000-262-444	195,684	-	195,684	190,684	5,000
Other Purchased Property Services	11-000-262-490	150,000	-	150,000	122,567	27,433
Insurance	11-000-262-520	121,000	-	121,000	118,356	2,644
General Supplies	11-000-262-610	125,000	206,430	331,430	325,166	6,264
Energy (Heat & Electricity)	11-000-262-622	655,000	-	655,000	528,958	126,042
Energy (Natural Gas)	11-000-262-621	125,000	-	125,000	105,187	19,813
Other Objects	11-000-262-800	7,500	(1,264)	6,236	6,061	175
Total Custodial Services		2,802,672	210,816	3,013,488	2,801,291	212,197
Care & Upkeep of Grounds:						
Salaries	11-000-263-100	151,900	-	151,900	144,200	7,700
Cleaning, Repair & Maintenance Services	11-000-263-420	22,000	5,861	27,861	27,191	670
General Supplies	11-000-263-610	83,000	(11,898)	71,102	59,694	11,408
Total Care & Upkeep of Grounds		256,900	(6,037)	250,863	231,085	19,778
Security:						
Cleaning, Repair & Maintenance Services	11-000-266-420	189,240	73,045	262,285	259,807	2,478
General Supplies	11-000-266-610	6,000	(4,560)	1,440	1,138	302
Total Security		195,240	68,485	263,725	260,945	2,780
Total Other Operating & Maintenance of Plant Services		4,292,337	168,976	4,461,313	4,186,646	274,667
Student Transportation Services:						
Salaries for Pupil Transportation (Between Home & School) - Regular	11-000-270-160	1,071,885	(42,806)	1,029,079	949,732	79,347
Salaries for Pupil Transportation (Between Home & School) - Special	11-000-270-161	403,121	(16,357)	386,764	333,569	53,195
Salaries for Pupil Transportation (Other than Home & School)	11-000-270-162	250,000	(58,924)	191,076	190,840	236
Salaries for Pupil Transportation (Between Home & School) - NonPublic	11-000-270-163	65,066	-	65,066	-	65,066
Purchased Professional & Technical Services	11-000-270-390	47,000	-	47,000	13,847	33,153
Contracted Services Aid in Lieu of Payments- NonPub Sch	11-000-270-503	105,000	9,771	114,771	114,770	1
Contract Svc (btw home & sch) - joint agree	11-000-270-513	50,000	2,182	52,182	10,391	41,791
Contract svc (Sp Ed) - ESCs	11-000-270-518	70,000	(16,041)	53,959	-	53,959
Miscellaneous Purchased Services	11-000-270-593	286,758	9,088	295,846	206,823	89,023
General Supplies	11-000-270-610	13,000	(5,085)	7,915	2,069	5,846
Transportation Supplies	11-000-270-615	384,703	-	384,703	229,833	154,870
Fuel Costs Funded by Advertising Revenue	11-000-270-626	13,000	-	13,000	-	13,000
Miscellaneous Expenditures	11-000-270-800	4,600	85	4,685	4,680	5
Total Student Transportation Services		2,764,133	(118,087)	2,646,046	2,056,554	589,492

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

	ACCOUNT NUMBER	JUNE 30, 2021			ACTUAL	POSITIVE (NEGATIVE) FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET		
Unallocated Benefits - Employee Benefits:						
Social Security Contributions	11-000-291-220	525,000	-	525,000	474,838	50,162
Other Retirement Contributions						
PERS	11-000-291-241	600,000	42,000	642,000	638,052	3,948
Unemployment Compensation	11-000-291-250	125,000	(42,000)	83,000	18,717	64,283
Workmen's Compensation	11-000-291-260	286,000	-	286,000	271,289	14,711
Health Benefits	11-000-291-270	6,977,427	(416,678)	6,560,749	6,316,259	244,490
Tuition Reimbursement	11-000-291-280	87,152	87,294	174,446	95,788	78,658
Other Employee Benefits	11-000-291-290	260,000	183,917	443,917	203,486	240,431
Total Unallocated Benefits		8,860,579	(145,467)	8,715,112	8,018,429	696,683
Nonbudgeted:						
On-Behalf TPAF Medical Contributions		-	-	-	1,889,862	(1,889,862)
On-Behalf TPAF Pension Contributions		-	-	-	6,030,490	(6,030,490)
On-Behalf TPAF Long-Term Disability Contributions		-	-	-	2,395	(2,395)
Reimbursed TPAF Social Security Contributions		-	-	-	1,646,554	(1,646,554)
Total Undistributed Expenditures		26,936,561	222,841	27,159,402	33,965,490	(6,806,088)
Total Expenditures - Current Expense		51,211,063	284,596	51,495,659	56,863,992	(5,368,333)
Capital Outlay:						
Interest Deposit to Capital Reserve	10-604	1,000	-	1,000	-	1,000
Equipment:						
Grades 1-5	12-120-100-730	66,000	100,485	166,485	82,609	83,876
Undistributed Expenditures:						
General Administration	12-000-230-730	3,000	(3,000)	-	-	-
Facilities	12-000-261-730	78,000	57,555	135,555	75,556	59,999
Custodial Services	12-000-262-730	8,000	(877)	7,123	7,123	-
Care and Upkeep of Grounds	12-000-263-730	22,000	-	22,000	20,297	1,703
Student Transportation - Noninstructional						
Equipment	12-000-270-732	4,000	(4,000)	-	-	-
School Buses- Regular	12-000-270-733	370,000	(6,853)	363,147	363,147	-
Total Equipment		551,000	143,310	694,310	548,732	145,578
Facilities Acquisition & Construction Services:						
Lease Purchase Agreement Principal	12-000-400-721	626,000	-	626,000	613,140	12,860
Assesment for Debt service						
On SDA funding	12-000-400-896	85,043	-	85,043	85,043	-
Capital Reserve Transfer to Capital Projects	12-000-400-931	50,000	-	50,000	50,000	-
Total Facilities Acquisition & Construction Services		761,043	-	761,043	748,183	12,860
Total Capital Outlay		1,313,043	143,310	1,456,353	1,296,915	159,438
Total Assets Acquired Under Capital Leases (Nonbudgeted):						
Instruction/Non-Instruction		-	-	-	380,000	(380,000)
Total Assets Acquired Under Capital Leases/ (Nonbudgeted)		-	-	-	380,000	(380,000)
Special Schools:						
Summer School - Instruction:						
Salaries of Teachers	13-422-100-101	95,000	-	95,000	62,089	32,911
Purchased Professional & Technical Services	13-422-100-300	35,500	-	35,500	-	35,500
General Supplies	13-422-100-610	2,400	38	2,438	870	1,568
Total Summer School - Instruction		132,900	38	132,938	62,959	69,979
Total Expenditures		52,657,006	427,944	53,084,950	58,603,866	(5,518,916)

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

ACCOUNT NUMBER	JUNE 30, 2021			ACTUAL	POSITIVE (NEGATIVE) FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET		
Excess/(Deficiency) of Revenues Over/(Under) Expenditures Before Other Financing Sources/(Uses)	(1,842,640)	(427,944)	(2,270,584)	2,165,318	4,435,902
Other Financing Sources/(Uses):					
Transfer to Charter Schools	(20,360)	20,360	-	-	-
Cancellation of Accounts Payable	-	-	-	70,615	70,615
Capital Leases (Nonbudgeted)	-	-	-	380,000	380,000
Total Other Financing Sources/(Uses)	(20,360)	20,360	-	450,615	450,615
Excess/(Deficiency) of Revenues Over/(Under) After Expenditures & Other Financing Sources/(Uses)	(1,863,000)	(407,584)	(2,270,584)	2,615,933	4,886,517
Fund Balances, July 1	7,548,066	-	7,548,066	7,548,066	-
Prior Period Adjustment	117,974	-	117,974	117,974	-
Fund Balance, July 1 (Restated)	7,666,040	-	7,666,040	7,666,040	-
Fund Balance, June 30	<u>\$ 5,803,040</u>	<u>\$ (407,584)</u>	<u>\$ 5,395,456</u>	<u>\$ 10,281,973</u>	<u>\$ 4,886,517</u>

RECAPITULATION OF BUDGET TRANSFERS

Prior Year Reserve for Encumbrances	<u>\$ 407,584</u>
Total Budget Transfers	<u>\$ 407,584</u>

RECAPITULATION OF FUND BALANCE:

Restricted Fund Balance:	
Excess Surplus	\$ 2,403,676
Reserved Excess Surplus - Designated for Subsequent Year's Expenditures	2,518,700
Capital Reserve	1,776,921
Maintenance Reserve	500,000
New Jersey Unemployment Trust	143,423
Assigned Fund Balance:	
Reserve for Encumbrances	445,078
Designated for Subsequent Year's Expenditures	500,000
Unassigned Fund Balance	<u>1,994,175</u>
Subtotal	10,281,973
Reconciliation to Governmental Funds Statements (GAAP):	
Last Two State Aid Payments Not Recognized on GAAP Basis	<u>(425,279)</u>
Fund Balance per Governmental Funds (GAAP)	<u>\$ 9,856,694</u>

**MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR FISCAL YEAR ENDED JUNE 30, 2021**

	JUNE 30, 2021				VARIANCE POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
REVENUES					
State Sources	\$ 156,862	\$ 6,829	\$ 163,691	\$ 140,859	\$ (22,832)
Federal Sources	632,906	600,850	1,233,756	1,042,099	(191,657)
Local Sources	-	994	994	107,095	106,101
Total Revenues	<u>789,768</u>	<u>608,673</u>	<u>1,398,441</u>	<u>1,290,053</u>	<u>(108,388)</u>
EXPENDITURES:					
Instruction:					
Salaries of Teachers	94,429	(80,120)	14,309	14,302	7
Purchased Professional & Technical Services	75,284	14,365	89,649	67,222	22,427
Purchased Professional - Educational Services	-	96,797	96,797	96,190	607
Tuition	529,977	54,873	584,850	584,850	-
General Supplies	68,769	421,642	490,411	310,229	180,182
Textbooks	12,809	32,503	45,312	44,936	376
Total Instruction	<u>781,268</u>	<u>540,060</u>	<u>1,321,328</u>	<u>1,117,729</u>	<u>203,599</u>
Support Services:					
Purchased Professional - Educational Services	-	62,697	62,697	51,903	10,794
Personal Services - Employee Benefits	-	2,937	2,937	2,936	1
Other Purchased Services (400-500 Series)	-	838	838	598	240
Supplies & Materials	8,500	2,141	10,641	10,641	-
Scholarships Awarded	-	-	-	1,224	(1,224)
Student Activities	-	-	-	92,611	(92,611)
Total Support Services	<u>8,500</u>	<u>68,613</u>	<u>77,113</u>	<u>159,913</u>	<u>(82,800)</u>
Total Expenditures	<u>789,768</u>	<u>608,673</u>	<u>1,398,441</u>	<u>1,277,642</u>	<u>120,799</u>
Total Outflows	<u>789,768</u>	<u>608,673</u>	<u>1,398,441</u>	<u>1,277,642</u>	<u>120,799</u>
Excess/(Deficiency) of Revenues Over/(Under) Expenditures & Other Financing Sources/(Uses)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12,411</u>	<u>\$ 12,411</u>
Fund Balance, July 1				-	
Prior Period Adjustment				<u>181,774</u>	
Fund Balance, July 1 (Restated)				<u>181,774</u>	
Fund Balance, June 30				<u>\$ 194,185</u>	
Recapitulation:					
Restricted:					
Scholarships				\$ 9,006	
Student Activities				<u>185,179</u>	
Total Fund Balance				<u>\$ 194,185</u>	

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NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PART II

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**MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
NOTE TO RSI
FOR FISCAL YEAR ENDED JUNE 30, 2021**

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

	GENERAL FUND	SPECIAL REVENUE FUND
Sources/Inflows of Resources:		
Actual amounts (budgetary basis) "revenues" from the budgetary comparison schedules	\$ 60,769,184	\$ 1,290,053
Difference - Budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.	-	1,337
State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year	(425,279)	-
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes	434,533	-
	<hr/>	<hr/>
Total Revenues as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds. (B-2)	<u>\$ 60,778,438</u>	<u>\$ 1,291,390</u>
Uses/Outflows of Resources:		
Actual Amounts (Budgetary Basis) "Total Expenditures" From the Budgetary Comparison Schedule	<u>\$ 58,603,866</u>	<u>\$ 1,277,642</u>
Differences- Budget to GAAP		
Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for budgetary purposed, but in the year the supplies are received for financial reporting purposes.	<u>\$ -</u>	<u>\$ 1,337</u>
Total Expenditures as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds (B-2)	<u>\$ 58,603,866</u>	<u>\$ 1,278,979</u>

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REQUIRED SUPPLEMENTARY INFORMATION - PART III

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

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**MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
PUBLIC EMPLOYEES' RETIREMENT SYSTEM
LAST EIGHT FISCAL YEARS**

	2021	2020	2019	2018	2017	2016	2015	2014
District's proportion of the net pension liability (asset)	0.05522%	0.05623%	0.05587%	0.05536%	0.05503%	0.05607%	0.05611%	0.05557%
District's proportionate share of the net pension liability (asset)	\$9,005,088	\$10,133,270	\$ 11,000,426	\$ 12,886,941	\$ 16,298,352	\$ 12,585,870	\$ 10,505,332	10,620,617
District's covered-employee payroll	4,084,471	4,004,074	3,920,949	3,785,183	3,818,964	3,729,825	3,777,913	N/A
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	220.471%	253.074%	280.555%	340.458%	426.774%	337.439%	278.072%	N/A
Plan fiduciary net position as a percentage of the total pension liability	58.32%	56.27%	53.60%	48.10%	40.14%	47.93%	52.08%	48.72%

** 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.

**MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
SCHEDULE OF DISTRICT CONTRIBUTIONS
PUBLIC EMPLOYEES' RETIREMENT SYSTEM
LAST EIGHT FISCAL YEARS**

	2021	2020	2019	2018	2017	2016	2015	2014
Contractually required contribution	\$ 604,089	\$ 547,032	\$ 555,721	\$ 512,852	\$ 488,880	\$ 482,024	\$ 462,563	\$ 418,712
Contributions in relation to the contractually required contribution	604,089	547,032	555,721	512,852	488,880	482,024	462,563	418,712
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered-employee payroll	\$ 4,084,471	\$ 4,004,074	\$ 3,920,949	\$ 3,785,183	\$ 3,818,964	\$ 3,729,825	\$ 3,777,913	N/A
Contributions as a percentage of covered-employee payroll	14.79%	13.66%	14.17%	13.55%	12.80%	12.92%	N/A	**N/A

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

**MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
TEACHERS' PENSION AND ANNUITY FUND
LAST EIGHT FISCAL YEARS**

	2021	2020	2019	2018	2017	2016	2015	2014
District's proportion of the net pension liability (asset)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	N/A
State's proportionate share of the net pension liability (asset) associated with the District	\$ 135,376,991	\$ 120,376,222	\$ 121,715,287	\$ 126,363,955	\$ 153,013,572	\$ 118,369,399	\$ 100,271,313	\$96,829,050
District's covered-employee payroll	23,211,359	23,026,807	22,129,369	22,003,339	20,283,185	19,872,833	19,123,833	19,278,396
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
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%

** 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.

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

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

SCHEDULES RELATED TO ACCOUNTING AND REPORTING FOR OTHER POST EMPLOYMENT BENEFITS (GASB 75)

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MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS
STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES PLAN (OPEB)
LAST FOUR FISCAL YEARS*

	2021	2020	2019	2018
District's Total OPEB Liability				
Service Cost	\$ 3,217,455	\$ 3,051,108	\$ 3,485,870	\$ 4,217,274
Interest Cost	3,131,399	3,833,725	4,176,189	3,623,250
Difference between Expected and Actual Differences	24,416,178	(15,448,683)	(11,095,263)	-
Changes of Assumptions	25,882,284	1,303,690	(11,165,827)	(15,057,284)
Contributions: Member	74,767	79,563	89,923	97,581
Gross Benefit Payments	<u>(2,466,743)</u>	<u>(2,684,049)</u>	<u>(2,601,806)</u>	<u>(2,650,033)</u>
Net Change in District's Total OPEB Liability	54,255,340	(9,864,646)	(17,110,914)	(9,769,212)
District's Total OPEB Liability (Beginning)	<u>87,436,796</u>	<u>97,301,442</u>	<u>114,412,356</u>	<u>124,181,568</u>
District's Total OPEB Liability (Ending)	<u>\$ 141,692,136</u>	<u>\$ 87,436,796</u>	<u>\$ 97,301,442</u>	<u>\$ 114,412,356</u>
District's Covered Employee Payroll	\$ 27,295,830	\$ 27,030,881	\$ 26,050,318	\$ 26,050,318
District's Net OPEB Liability as a Percentage of Payroll	519%	323%	374%	439%

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

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

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NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PART III

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**MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PART III
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

Teachers Pension and Annuity Fund (TPAF)

Changes in Benefit Terms - None.

Changes in Assumptions - The discount rate changed from 5.60% as of June 30, 2019, to 5.40% as of June 30, 2020.

Public Employees' Retirement System (PERS)

Changes in Benefit Terms - None.

Changes in Assumptions - The discount rate changed from 6.28 % as of June 30, 2019, to 7.00% as of June 30, 2020.

State Health Benefit Local Education Retired Employees Plan (OPEB)

Changes in Benefit Terms - None.

Changes in Assumptions - The discount rate changed from 3.50% as of June 30, 2019, to 2.21% as of June 30, 2020.

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OTHER SUPPLEMENTARY INFORMATION

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D. School Based Budget Schedules

Not Applicable

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E. Special Revenue Fund

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

	E.S.E.A.				NONPUBLIC DIGITAL DIVIDE	SCHOOL RE-OPENING AND REMOTE LEARNING	I.D.E.A.			
	TITLE II						PART B BASIC REGULAR PROGRAM	I.D.E.A. PRESCHOOL		
	TITLE I	PART A	TITLE III	TITLE IV					CARES ACT	ESSER II
Revenues:										
Federal Sources	\$ 94,815	\$ 22,282	\$ 3,695	\$ 11,583	\$ 69,824	\$ 69,383	\$ 9,522	\$ 83,986	\$ 642,790	\$ 34,219
Total Revenues	\$ 94,815	\$ 22,282	\$ 3,695	\$ 11,583	\$ 69,824	\$ 69,383	\$ 9,522	\$ 83,986	\$ 642,790	\$ 34,219
Expenditures:										
Instruction:										
Salaries of Teachers	\$ 5,733	\$ 5,692	\$ 2,877	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Purchased Professional Educational Services	61,971	-	-	-	-	-	-	-	-	34,219
General Supplies	26,672	-	-	-	69,824	58,742	9,522	83,986	-	-
Tuition	-	-	-	-	-	-	-	-	584,850	-
Textbooks	-	-	-	-	-	-	-	-	31,933	-
Total Instruction	94,376	5,692	2,877	-	69,824	58,742	9,522	83,986	616,783	34,219
Support Services:										
Purchased Professional Educational Services	-	14,313	-	11,583	-	-	-	-	-	26,007
Personal Services - Employee Benefits	439	2,277	220	-	-	-	-	-	-	-
Other Purchased Services	-	-	598	-	-	-	-	-	-	-
Supplies and Materials	-	-	-	-	-	10,641	-	-	-	-
Total Support Services	439	16,590	818	11,583	-	10,641	-	-	26,007	-
Total Expenditures	\$ 94,815	\$ 22,282	\$ 3,695	\$ 11,583	\$ 69,824	\$ 69,383	\$ 9,522	\$ 83,986	\$ 642,790	\$ 34,219

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

NJ NONPUBLIC HANDICAPPED
SERVICES CH 193

	INITIAL EXAM	CORRECTIVE SPEECH	SUPPLEMENTARY INSTRUCTION	COMPENSATORY EDUCATION
Revenues:				
State Sources	\$ 12,639	\$ 18,501	\$ 8,822	\$ 27,260
Total Revenues	\$ 12,639	\$ 18,501	\$ 8,822	\$ 27,260
Expenditures:				
Purchased Professional & Technical Services	\$ 12,639	\$ 18,501	\$ 8,822	\$ 27,260
Total Expenditures	\$ 12,639	\$ 18,501	\$ 8,822	\$ 27,260

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

	NONPUBLIC NURSING PROGRAM	NONPUBLIC SECURITY	NONPUBLIC TEXTBOOKS PROGRAM	MEDFORD EDUCATION FOUNDATION	SCHOLARSHIP	STUDENT ACTIVITIES	TOTALS
Revenues:							
State Sources	\$ 22,338	\$ 38,296	\$ 13,003	\$ -	\$ -	\$ -	\$ 140,859
Federal Sources	-	-	-	-	-	-	1,042,099
Local Sources	-	-	-	849	170	106,076	107,095
Total Revenues	\$ 22,338	\$ 38,296	\$ 13,003	\$ 849	\$ 170	\$ 106,076	\$ 1,290,053
Expenditures:							
Instruction:							
Salaries of Teachers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 14,302
Purchased Professional & Technical Services	-	-	-	-	-	-	67,222
Purchased Professional Educational Services	-	-	-	-	-	-	96,190
General Supplies	22,338	38,296	-	849	-	-	310,229
Tuition	-	-	-	-	-	-	584,850
Textbooks	-	-	13,003	-	-	-	44,936
Total Instruction	22,338	38,296	13,003	849	-	-	1,117,729
Support Services:							
Purchased Professional Educational Services	-	-	-	-	-	-	51,903
Personal Services - Employee Benefits	-	-	-	-	-	-	2,936
Other Purchased Services	-	-	-	-	-	-	598
Supplies and Materials	-	-	-	-	-	-	10,641
Scholarships Awarded	-	-	-	-	1,224	-	1,224
Student Activities	-	-	-	-	-	92,611	92,611
Total Support Services	-	-	-	-	1,224	92,611	159,913
Total Expenditures	\$ 22,338	\$ 38,296	\$ 13,003	\$ 849	\$ 1,224	\$ 92,611	\$ 1,277,642
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-	(1,054)	13,465	12,411
Fund Balance, July 1	-	-	-	-	-	-	-
Prior Period Adjustment	-	-	-	-	10,060	171,714	181,774
Fund Balance, July 1 (Restated)	-	-	-	-	10,060	171,714	181,774
Fund Balance, June 30	-	-	-	-	9,006	185,179	194,185

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F. Capital Projects Fund

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

PROJECT TITLE/ISSUE	APPROPRIATIONS	EXPENDITURES TO DATE		UNEXPENDED BALANCE JUNE 30, 2021
		PRIOR YEARS	CURRENT YEAR	
Various Capital Projects	\$ 390,000	\$ 373,264	\$ -	\$ 16,736
	<u>\$ 390,000</u>	<u>\$ 373,264</u>	<u>\$ -</u>	<u>\$ 16,736</u>

**MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, PROJECT BALANCE AND
PROJECT STATUS - BUDGETARY BASIS
POWER MANAGEMENT PROJECT
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	PRIOR PERIODS	CURRENT YEAR	TOTALS	REVISED AUTHORIZED COST
Revenues & Other Financing Sources:				
Transfer from Capital Reserve	\$ 390,000	\$ -	\$ 390,000	\$ 390,000
Total Revenues	<u>390,000</u>	<u>-</u>	<u>390,000</u>	<u>390,000</u>
Expenditures & Other Financing Uses:				
Purchased Professional & Technical Services	<u>373,264</u>	<u>-</u>	<u>373,264</u>	<u>390,000</u>
Total Expenditures	<u>373,264</u>	<u>-</u>	<u>373,264</u>	<u>390,000</u>
Over/(Under) Expenditures	<u>\$ 16,736</u>	<u>\$ -</u>	<u>\$ 16,736</u>	<u>\$ -</u>

G. Proprietary Funds

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Enterprise Funds

Not Applicable
See B-4 Through B-6

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I. Long-Term Debt

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**MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
LONG-TERM DEBT
SCHEDULE OF SERIAL BONDS
JUNE 30, 2021**

ISSUE	DATE OF ISSUE	AMOUNT OF ISSUE	ANNUAL MATURITIES		INTEREST RATE	BALANCE JULY 1, 2020	RETIRED	BALANCE JUNE 30, 2021
			DATE	AMOUNT				
Refunding Bond Issue	12/16/2015	\$ 18,715,000	03/01/22	\$ 1,710,000	5.00%	\$ 11,855,000	\$ 1,735,000	\$ 10,120,000
			03/01/23	1,705,000	5.00%			
			03/01/24	1,695,000	5.00%			
			03/01/25	1,685,000	5.00%			
			03/01/26	1,670,000	5.00%			
			03/01/27	1,655,000	5.00%			
Total						\$ 11,855,000	\$ 1,735,000	\$ 10,120,000

**MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
LONG-TERM DEBT
SCHEDULE OF OBLIGATIONS UNDER CAPITAL LEASES
JUNE 30, 2021**

DESCRIPTION	DATE OF LEASE	TERM	LAST PAYMENT DUE	INTEREST RATE PAYABLE	AMOUNT OF ORIGINAL ISSUE	AMOUNT OUTSTANDING JUNE 30, 2020	ISSUED CURRENT YEAR	RETIRED CURRENT YEAR	AMOUNT OUTSTANDING JUNE 30, 2021
Energy Savings Improvement Program (ESIP)	10/29/2015	15 YEARS	6/30/2031	2.480%	\$ 2,460,940	\$ 1,875,280	\$ -	\$ 145,077	\$ 1,730,203
2017 Passenger School Buses (5)	6/10/2016	5 YEARS	9/1/2020	2.080%	320,000	64,000	-	64,000	-
2017 Chromebooks	9/1/2016	5 YEARS	9/1/2020	1.969%	250,000	50,000	-	50,000	-
2018 Chevrolet Mid Buses (2)	7/6/2017	5 YEARS	9/1/2021	1.850%	400,000	161,899	-	80,202	81,697
2018 Chromebooks	7/6/2017	5 YEARS	9/1/2021	1.850%	250,000	101,188	-	50,126	51,062
2019 Lease Purchase Agreement for Various Projects	8/10/2018	5 YEARS	9/1/2022	2.980%	1,125,000	675,000	-	225,000	450,000
2020 Lease Purchase Agreement for Various Projects	4/30/2019	5 YEARS	9/1/2023	2.516%	775,000	620,000	-	155,000	465,000
2021 Passenger School Buses (4) and Chromebooks	9/1/2020	5 YEARS	9/1/2024	1.943%	380,000	-	380,000	76,000	304,000
Total						\$ 3,547,367	\$ 380,000	\$ 845,405	\$ 3,081,962

**MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
DEBT SERVICE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2021**

	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
Revenues:					
Local Sources:					
Local Tax Levy	\$ 2,308,250	\$ -	\$ 2,308,250	\$ 2,308,250	\$ -
Total Revenues	2,308,250	-	2,308,250	2,308,250	-
Expenditures:					
Regular Debt Service:					
Interest	573,250	-	573,250	573,250	-
Redemption of Principal	1,735,000	-	1,735,000	1,735,000	-
Total Expenditures	2,308,250	-	2,308,250	2,308,250	-
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures	-	-	-	-	-
Fund Balance, July 1	-	-	-	-	-
Fund Balance, June 30	\$ -	\$ -	\$ -	\$ -	\$ -

**MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
LONG-TERM DEBT
SCHEDULE OF COMPENSATED ABSENCES
JUNE 30, 2021**

	OUTSTANDING BALANCE 2020	ADDITIONS/ (DEDUCTIONS)	OUTSTANDING BALANCE 2021
Compensated Absences	\$ 1,686,056	\$ 119,510	<u>\$ 1,805,566</u>

STATISTICAL SECTION (Unaudited)

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

	FISCAL YEAR ENDING JUNE 30,									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Governmental Activities:										
Net Investment in										
Capital Assets	\$ 42,192,244	\$ 40,519,627	\$ 38,776,843	\$ 36,900,040	\$ 34,972,288	\$ 33,829,130	\$ 32,270,778	\$ 31,885,856	\$ 31,015,580	\$ 35,288,542
Restricted	8,498,719	5,205,748	3,637,941	4,913,874	4,718,068	3,945,091	2,182,135	1,346,729	2,119,936	3,941,654
Unrestricted	(12,793,544)	(12,760,951)	(11,619,986)	(12,201,410)	(11,656,636)	(10,349,224)	(9,728,096)	(9,138,954)	1,252,295	(74,640)
Total Governmental Activities Net Position	\$ 37,897,419	\$ 32,964,424	\$ 30,794,798	\$ 29,612,504	\$ 28,033,720	\$ 27,424,997	\$ 24,724,817	\$ 24,093,631	\$ 34,387,811	\$ 39,155,556
Business-Type Activities:										
Net Investment in										
Capital Assets	\$ 2,455	\$ 21,351	\$ 31,374	\$ 41,397	\$ 32,939	\$ 44,953	\$ 56,967	\$ 68,981	\$ 81,874	\$ 25,434
Unrestricted	102,181	10,167	82,237	98,453	138,752	95,004	79,909	85,683	111,287	138,300
Total Business-Type Activities Net Position	\$ 104,636	\$ 31,518	\$ 113,611	\$ 139,850	\$ 171,691	\$ 139,957	\$ 136,876	\$ 154,664	\$ 193,161	\$ 163,734
District-Wide:										
Net Investment in										
Capital Assets	\$ 42,194,699	\$ 40,540,978	\$ 38,808,217	\$ 36,941,437	\$ 35,005,227	\$ 33,874,083	\$ 32,327,745	\$ 31,954,837	\$ 31,097,454	\$ 35,313,976
Restricted	8,498,719	5,205,748	3,637,941	4,913,874	4,718,068	3,945,091	2,182,135	1,346,729	2,119,936	3,941,654
Unrestricted	(12,691,363)	(12,750,784)	(11,537,749)	(12,102,957)	(11,517,884)	(10,254,220)	(9,648,187)	(9,053,271)	1,363,582	63,660
Total District Net Position	\$ 38,002,055	\$ 32,995,942	\$ 30,908,409	\$ 29,752,354	\$ 28,205,411	\$ 27,564,954	\$ 24,861,693	\$ 24,248,295	\$ 34,580,972	\$ 39,319,290

**MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
CHANGES IN NET POSITION - (ACCURAL BASIS OF ACCOUNTING)
LAST TEN FISCAL YEARS**

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
FISCAL YEAR ENDING JUNE 30.										
Expenses:										
Governmental Activities:										
Instruction:										
Regular	\$ 16,337,179	\$ 15,759,945	\$ 15,405,561	\$ 15,032,487	\$ 14,307,032	\$ 13,758,874	\$ 13,812,482	\$ 13,264,305	\$ 13,156,839	\$ 12,409,724
Special Education	7,192,799	7,242,507	7,883,326	7,716,671	6,386,063	6,050,481	5,251,205	5,332,693	5,308,220	5,033,439
Other Special Instruction	469,597	452,251	396,414	447,364	540,792	512,589	436,086	500,752	402,047	337,313
Other Instruction	17,993	64,799	51,035	33,529	94,766	80,663	121,015	99,833	120,261	42,175
Support Services & Undistributed Costs:										
Tuition	713,833	1,387,347	1,069,692	1,241,226	1,573,598	1,254,692	1,486,260	1,723,175	1,338,256	1,502,954
Attendance & Social Work Services	18,415	17,879	26,568	17,605	16,608	16,130	15,718	14,617	15,115	13,830
Health Services	624,968	598,413	593,655	584,001	559,768	534,331	503,721	490,200	492,596	520,812
Student & Instruction Related Services	3,142,405	2,912,718	2,925,573	2,831,238	3,240,732	2,852,636	2,857,722	2,791,497	2,841,851	2,791,267
Educational Media Services/School Library	670,449	669,748	704,914	698,769	535,886	478,188	481,778	444,490	365,627	354,003
Instructional Staff Training	926,785	971,652	770,764	747,816	774,077	652,502	633,882	644,526	431,881	575,670
School Administrative Services	3,718,359	3,844,557	4,238,852	4,035,464	3,807,096	3,647,313	3,435,720	3,271,999	3,068,602	999,195
Other Administrative Services	1,092,399	1,066,744	996,743	1,010,071	990,594	1,014,369	883,693	889,890	828,865	2,700,993
Plant Operations & Maintenance	3,341,241	2,995,344	2,969,148	2,353,140	3,373,052	3,197,338	4,452,043	3,983,931	3,788,271	3,502,879
Pupil Transportation	2,056,554	2,058,148	2,359,724	2,321,136	3,349,814	3,286,286	3,386,312	3,787,193	3,429,686	3,405,580
Unallocated Benefits	13,819,620	9,750,729	12,183,626	14,715,669	8,046,356	17,808,666	15,621,007	10,688,097	11,119,839	10,094,703
Transfer to Charter Schools	10,064,872	8,737,614	8,673,772	10,311,232	5,345,399	-	11,840	22,394	31,998	-
Long-Term Debt and Other Charges	463,460	525,776	659,046	684,525	749,764	795,328	1,131,442	1,191,496	1,294,440	1,358,396
Special Schools	62,959	110,348	67,641	58,570	86,003	74,267	71,712	58,490	69,048	77,077
Amortization of Bond Issuance Costs	-	-	-	-	-	-	-	-	-	14,114
Unallocated Amortization of Loss on Refunding	-	-	-	-	-	-	-	33,218	33,218	33,218
Increase in Compensated Absences	-	-	-	-	-	-	-	165,365	(120,277)	12,579
Reduction in Capital Leases	-	-	-	45,034	(311,514)	68,311	(103,086)	(542,720)	(465,873)	(361,675)
Adjustment to Capital Assets	-	48,463	-	-	-	-	-	-	5,829,345	-
Unallocated Depreciation	-	-	-	-	-	-	-	2,401,850	1,748,398	2,133,778
Total Governmental Activities Expenses	66,407,409	60,965,897	63,574,208	66,483,701	55,002,939	57,618,566	56,790,554	51,257,291	55,142,368	47,552,024
Business-Type Activities:										
Food Service	479,216	627,991	851,560	843,138	876,831	883,448	881,083	857,994	832,583	894,710
Total Business-Type Activities Expense	479,216	627,991	851,560	843,138	876,831	883,448	881,083	857,994	832,583	894,710
Total District Expenses	\$ 66,886,625	\$ 61,593,888	\$ 64,425,768	\$ 67,326,839	\$ 55,879,770	\$ 58,502,014	\$ 57,671,637	\$ 52,115,285	\$ 55,974,951	\$ 48,446,734
Program Revenues:										
Governmental Activities										
Charges for Services:	\$ 17,440,243	\$ 10,868,473	\$ 13,167,119	\$ 17,442,963	\$ 6,283,069	\$ 11,441,304	\$ 5,321,321	\$ 905,056	\$ 952,932	\$ 958,306
Operating Grants & Contributions										
Total Governmental Activities Program Revenues	17,440,243	10,868,473	13,167,119	17,442,963	6,283,069	11,441,304	5,321,321	905,056	952,932	958,306

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

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
FISCAL YEAR ENDING JUNE 30.										
Business-Type Activities										
Charges for Services:										
Food Service	44,425	419,195	655,915	677,560	703,972	698,807	690,679	643,545	623,272	711,617
Operating Grants & Contributions	506,746	126,703	169,406	168,439	204,593	187,722	172,616	175,423	167,915	163,583
Total Business Type Activities	551,171	545,898	825,321	845,999	908,565	886,529	863,295	818,968	791,187	875,200
Program Revenues										
Total District Program Revenues	\$ 1,799,414	\$ 11,414,371	\$ 13,992,440	\$ 18,288,962	\$ 7,191,634	\$ 12,327,833	\$ 6,184,616	\$ 1,724,024	\$ 1,744,119	\$ 1,833,506
Net (Expense)/Revenue:										
Governmental Activities	\$ (48,967,166)	\$ (50,097,424)	\$ (50,407,089)	\$ (49,040,738)	\$ (48,719,870)	\$ (46,177,262)	\$ (46,177,262)	\$ (52,140,822)	\$ (50,352,235)	\$ (54,189,436)
Business-Type Activities	71,955	(82,093)	(26,239)	2,861	31,734	3,081	(20,153)	(62,115)	(66,807)	42,617
Total District-Wide Net Expense	\$ (48,895,211)	\$ (50,179,517)	\$ (50,433,328)	\$ (49,037,877)	\$ (48,688,136)	\$ (46,174,181)	\$ (46,197,415)	\$ (52,202,937)	\$ (50,419,042)	\$ (54,146,819)
General Revenues & Other Changes in Net Position										
Governmental Activities										
Property Taxes, Levied for General Purposes, Net	\$ 45,490,940	\$ 44,454,187	\$ 43,464,889	\$ 42,127,705	\$ 41,301,672	\$ 40,491,836	\$ 38,926,028	\$ 37,514,654	\$ 36,307,156	\$ 36,417,885
Taxes Levied for Debt Service	2,308,250	2,300,662	2,286,650	2,618,226	2,424,616	2,618,288	3,309,458	3,384,198	3,458,801	3,348,072
Federal & State Aid Not Restricted	4,588,620	4,750,821	4,952,722	5,045,351	5,020,289	5,074,685	9,624,963	8,693,712	9,076,950	8,154,002
Transportation	28,511	113,902	216,467	119,749	-	-	-	652,205	544,166	682,395
Miscellaneous Income	1,113,477	647,478	668,655	708,491	582,016	692,633	702,533	-	-	-
Amortization of Gain on Early Retirement of Debt	-	-	-	-	-	-	-	34,618	34,618	34,618
Cancellation of Accounts Payable	70,615	-	-	-	-	-	-	-	-	-
Total Governmental Activities	53,600,413	52,267,050	51,589,383	50,619,522	49,328,593	48,877,442	52,562,982	50,279,387	49,421,691	48,636,972
Business-Type Activities										
Adjustment to Capital Assets	-	-	-	(34,702)	-	-	-	-	69,593	-
Investment Earnings	1,163	-	-	-	-	-	529	-	1,230	3,051
Total Business-Type Activities	1,163	-	-	(34,702)	-	-	529	-	70,823	3,051
Total District-Wide	\$ 53,601,576	\$ 52,267,050	\$ 51,589,383	\$ 50,584,820	\$ 49,328,593	\$ 48,877,442	\$ 52,562,982	\$ 50,279,916	\$ 49,492,514	\$ 48,640,023
Change in Net Position:										
Governmental Activities	\$ 4,633,247	\$ 2,169,626	\$ 1,182,294	\$ 1,578,784	\$ 608,723	\$ 2,700,180	\$ 6,385,720	\$ (1,861,435)	\$ (930,544)	\$ (5,552,464)
Business-Type Activities	73,118	(82,093)	(26,239)	(31,841)	31,734	3,081	(20,153)	(61,586)	4,016	45,668
Total District	\$ 4,706,365	\$ 2,087,533	\$ 1,156,055	\$ 1,546,943	\$ 640,457	\$ 2,703,261	\$ 6,365,567	\$ (1,923,021)	\$ (926,528)	\$ (5,506,796)

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

	FISCAL YEAR ENDING JUNE 30,									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
General Fund:										
Restricted	\$ 7,342,720	\$ 5,205,748	\$ 3,538,353	\$ 4,714,286	\$ 4,714,856	\$ 4,249,714	\$ 2,504,730	\$ 1,675,613	\$ 557,903	\$ 2,935,478
Assigned	945,078	1,346,457	2,021,258	1,322,937	1,536,468	1,849,135	2,014,037	2,125,628	2,881,855	1,447,135
Unassigned	1,568,896	561,328	678,897	621,351	526,943	507,317	533,214	557,967	1,788,253	1,008,487
Total General Fund	\$ 9,856,694	\$ 7,113,533	\$ 6,238,508	\$ 6,658,574	\$ 6,778,267	\$ 6,606,166	\$ 5,051,981	\$ 4,359,208	\$ 5,228,010	\$ 5,391,100
All Other Governmental Funds:										
Assigned	\$ -	\$ -	\$ 99,588	\$ 199,588	\$ 3,212	\$ 3,246	\$ 34	\$ 20,076	\$ 29,970	\$ 12,402
Restricted	194,185	-	-	-	-	-	-	-	-	-
Committed	16,736	16,736	16,736	-	-	-	-	1,105,302	-	-
Unassigned:										
Capital Projects Fund	-	-	-	-	-	-	-	-	-	-
Debt Service Fund	-	-	-	-	-	-	-	-	-	-
Total All Other Governmental Funds	\$ 210,921	\$ 16,736	\$ 116,324	\$ 199,588	\$ 3,212	\$ 3,246	\$ 34	\$ 1,125,378	\$ 29,970	\$ 12,402

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

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Revenues:											
Tax Levy	\$ 47,799,190	\$ 46,754,849	\$ 45,751,539	\$ 44,745,931	\$ 43,726,288	\$ 43,110,124	\$ 42,235,486	\$ 40,898,852	\$ 39,765,957	\$ 39,765,957	\$ 39,129,997
Miscellaneous	1,141,988	761,380	885,122	828,240	582,016	692,633	702,533	652,205	544,166	682,395	750,773
State Sources	14,375,685	12,858,291	12,399,413	11,466,885	10,507,992	10,030,475	9,784,761	8,836,440	9,208,751	8,097,046	6,845,006
Federal Sources	1,061,215	726,460	778,371	791,250	795,366	815,315	778,493	762,328	821,131	1,015,262	802,633
Total Revenue	64,378,078	61,100,980	59,814,445	57,832,306	55,611,662	54,648,547	53,501,273	51,149,825	50,340,005	49,560,660	47,528,409
Expenditures:											
Current Expense:											
Instruction	24,017,568	23,519,502	23,736,336	23,230,051	21,328,653	20,402,607	19,620,788	19,197,583	18,987,367	17,822,651	17,192,773
Undistributed Expenditures	34,125,403	33,070,857	32,652,698	30,720,622	30,561,968	28,704,036	28,158,781	28,064,179	27,256,044	26,213,499	26,088,073
Capital Outlay	1,676,915	1,999,586	2,600,850	1,973,130	1,608,321	4,281,132	3,493,388	1,707,668	882,782	1,506,711	775,374
Special Schools	62,959	110,348	67,641	58,570	86,003	74,267	71,712	58,490	69,048	77,077	33,983
Debt Service	2,308,250	2,400,250	2,386,650	2,421,850	2,424,650	2,615,076	3,329,512	3,394,113	3,441,288	3,369,450	3,333,050
Total Expenditures	62,191,095	61,100,543	61,444,175	58,404,223	56,009,595	56,077,118	54,674,181	52,422,033	50,636,529	48,989,388	47,423,253
Excess (Deficiency) of Revenues Over/(Under) Expenditures	2,186,983	437	(1,629,730)	(571,917)	(397,933)	(1,428,571)	(1,172,908)	(1,272,208)	(296,524)	571,272	105,156
Other Financing Sources/(Uses):											
Cancellation of Accounts Payable	70,615	-	-	-	-	-	-	-	-	-	-
Transfer to Charter Schools	-	-	-	-	-	-	(11,840)	(22,394)	(31,998)	-	-
Lease Purchase Proceeds	-	-	-	-	-	-	-	1,200,000	-	-	-
Capital Leases (Nonbudget)	380,000	775,000	1,125,000	650,000	570,000	2,985,968	752,177	321,208	183,000	828,282	209,307
Total Other Financing Sources/ (Uses)	450,615	775,000	1,125,000	650,000	570,000	2,985,968	740,337	1,498,814	151,002	828,282	209,307
Net Change in Fund Balances	\$ 2,637,598	\$ 775,437	\$ (504,730)	\$ 78,083	\$ 172,067	\$ 1,557,397	\$ (432,571)	\$ 226,606	\$ (145,522)	\$ 1,399,554	\$ 314,463
Debt Service as a Percentage of Noncapital Expenditures	3.8%	4.1%	4.1%	4.3%	4.5%	5.0%	6.5%	6.7%	6.9%	7.1%	7.1%

Source: District records

Note: Noncapital expenditures are total expenditures less capital outlay.

**MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
GENERAL FUND - OTHER LOCAL REVENUE BY SOURCE
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)**

FISCAL YEAR ENDED JUNE 30,	TUITION	TRANSPORTATION AGREEMENTS	INTEREST ON INVESTMENTS	PRIOR YEAR REFUNDS	MISCELLANEOUS	TOTAL
2021	\$ 40,592	\$ 28,511	\$ 232,875	-	\$ 732,915	\$ 1,034,893
2020	78,557	113,902	232,875	-	324,023	749,357
2019	98,141	216,467	-	-	526,605	841,213
2018	125,792	119,749	-	-	508,978	754,519
2017	98,963	56,542	29,974	7,332	344,122	536,933
2016	16,240	-	-	3,530	576,643	596,413
2015	-	-	17,948	-	597,275	615,223
2014	166,523	-	32,990	-	452,671	652,184
2013	18,533	-	49,433	-	476,145	544,111
2012	71,309	62,258	93,590	-	455,023	682,180

MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
 ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
 LAST TEN FISCAL YEARS

FISCAL YEAR ENDED JUNE 30,	VACANT LAND	RESIDENTIAL	FARM REG.	QFARM	COMMERCIAL	INDUSTRIAL	APARTMENT	TOTAL ASSESSED VALUE	PUBLIC UTILITIES	NET VALUATION TAXABLE	TOTAL DIRECT SCHOOL TAX RATE	ESTIMATED ACTUAL (COUNTY EQUALIZED) VALUE
2021	26,874,700	2,685,388,600	30,007,200	1,793,600	245,540,900	12,362,700	54,658,000	3,056,625,700	5,630,808	3,062,256,508	2,355	3,046,487,501
2020	16,868,100	2,675,055,000	31,574,400	1,910,800	247,922,900	12,772,700	54,658,000	3,040,761,900	5,725,601	3,046,487,501	2,341	3,046,487,501
2019	18,157,900	2,660,960,100	33,994,900	1,957,800	249,062,300	13,323,100	54,658,000	3,032,114,100	5,896,479	3,038,010,579	2,300	3,038,010,579
2018	19,058,600	2,645,137,300	34,515,900	1,963,500	249,161,500	16,099,700	55,530,100	3,021,466,600	5,591,644	3,027,058,244	2,253	3,027,058,244
2017	18,152,400	2,628,474,600	35,211,000	2,544,000	249,120,600	16,368,800	52,814,900	3,002,686,300	5,503,089	3,008,189,389	2,226	3,008,189,389
2016	20,976,500	2,603,839,000	36,682,600	2,167,100	249,910,900	16,368,800	49,704,300	2,979,649,200	5,450,433	2,985,099,633	2,205	3,128,816,643
2015	22,987,200	2,580,361,200	38,040,700	2,341,800	256,944,800	16,368,800	50,204,300	2,967,248,800	5,541,405	2,972,790,205	2,170	2,972,790,205
2014	25,778,700	2,565,183,800	39,418,600	2,283,700	260,207,300	16,368,800	56,132,200	2,965,373,100	5,480,053	2,970,853,153	2,109	3,145,328,147
2013	28,587,900	2,552,413,700	40,497,600	2,933,500	270,483,900	16,368,800	56,932,200	2,968,217,600	7,676,777	2,975,894,377	2,020	3,120,094,011
2012	33,786,000	2,563,221,000	41,927,400	2,838,700	282,365,000	22,014,400	63,483,400	3,009,635,900	8,901,541	3,018,537,441	1,915	3,190,029,902

Source: Burlington County Abstract of Rates

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

FISCAL YEAR ENDED JUNE 30,	SCHOOL DISTRICT DIRECT RATE		OVERLAPPING RATES				TOTAL DIRECT AND OVERLAPPING TAX RATE
	LOCAL SCHOOL	REGIONAL SCHOOL	TOTAL DIRECT	TOWNSHIP MEDFORD TOWNSHIP	BURLINGTON COUNTY	MUNICIPAL OPEN SPACE	
2021	1.570	0.785	2.355	0.406	0.447	0.024	3.232
2020	1.569	0.772	2.341	0.405	0.442	0.024	3.212
2019	1.539	0.761	2.300	0.405	0.441	0.023	3.169
2018	1.511	0.742	2.253	0.406	0.442	0.024	3.125
2017	1.488	0.738	2.226	0.406	0.446	0.024	3.102
2016	1.465	0.740	2.205	0.410	0.447	0.030	3.092
2015	1.450	0.720	2.170	0.411	0.435	0.030	3.046
2014	1.422	0.687	2.109	0.411	0.403	0.030	2.953
2013	1.374	0.646	2.020	0.412	0.395	0.029	2.856
2012	1.318	0.597	1.915	0.413	0.401	0.029	2.758

Source: Municipal Tax Collector

**MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO**

TAXPAYER	2021		% OF TOTAL DISTRICT NET ASSESSED VALUE
	TAXABLE ASSESSED VALUE	RANK (OPTIONAL)	
The Estaugh	\$ 34,238,500		1.12%
Sharp Run, LLC	15,344,900		0.50%
Medford Associates, LLP	12,659,000		0.42%
Medford Supermarket Properties	9,401,500		0.31%
Verizon - NJ	8,901,541		0.29%
Medford Center Associates	8,712,000		0.29%
Haynes Run Apartments	5,458,400		0.18%
Medford Convalescent & Nursing Center	8,100,000		0.27%
Medford Medical Group	7,842,400		0.26%
Medford Center Associates	4,042,000		0.13%
Total	\$ 114,700,241		3.76%

TAXPAYER	2012		% OF TOTAL DISTRICT NET ASSESSED VALUE
	TAXABLE ASSESSED VALUE	RANK (OPTIONAL)	
The Estaugh	\$ 18,651,500		1.05%
Wharton Hardware	8,480,000		0.48%
Medford Associates, LLP	7,156,500		0.40%
Medford Supermarket Properties	5,250,000		0.29%
Medford Convalescent & Nursing Center	5,019,600		0.28%
Haynes Run Apartments	4,507,000		0.25%
Medford Medical Group	4,100,000		0.23%
Medford Center Associates	4,042,000		0.23%
Medford Investors Associates	3,331,600		0.19%
Ironstone Village	3,100,000		0.17%
Total	\$ 63,638,200		3.57%

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

FISCAL YEAR ENDED JUNE 30,	TAXES LEVIED FOR THE FISCAL YEAR	COLLECTED WITHIN THE FISCAL YEAR OF THE LEVY	
		AMOUNT	PERCENTAGE OF LEVY
2021	\$ 47,799,190	\$ 47,799,190	100.00%
2020	46,754,849	46,754,849	100.00%
2019	45,751,539	45,751,539	100.00%
2018	44,745,931	44,745,931	100.00%
2017	43,110,124	43,110,124	100.00%
2016	42,235,486	42,235,486	100.00%
2015	40,898,852	40,898,852	100.00%
2014	39,765,957	39,765,957	100.00%
2013	39,765,957	39,765,957	100.00%
2012	39,129,997	39,129,997	100.00%

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

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

FISCAL YEAR ENDED JUNE 30,	GOVERNMENTAL ACTIVITIES		TOTAL DISTRICT	PER CAPITA
	GENERAL OBLIGATION BONDS	CAPITAL LEASES		
2021	\$ 10,120,000	\$ 3,081,962	\$ 13,201,962	N/A
2020	11,855,000	3,547,367	15,402,367	N/A
2019	13,595,000	3,644,592	17,239,592	737
2018	15,255,000	3,623,306	18,878,306	808
2017	16,885,000	3,902,378	20,787,378	897
2016	18,455,000	4,126,119	22,581,119	969
2015	20,525,000	2,037,548	22,272,548	958
2014	24,815,000	1,963,953	26,778,953	1154
2013	27,065,000	911,870	27,976,870	1209
2012	29,260,000	1,194,743	30,454,743	1313

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

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

FISCAL YEAR ENDED JUNE 30,	GENERAL BONDED DEBT OUTSTANDING			PERCENTAGE OF ACTUAL TAXABLE VALUE OF PROPERTY	PER CAPITA
	GENERAL OBLIGATION BONDS	DEDUCTIONS	NET GENERAL BONDED DEBT OUTSTANDING		
2021	10,120,000	-	10,120,000	0.33%	N/A
2020	11,855,000	-	11,855,000	0.45%	N/A
2019	13,595,000	-	13,595,000	0.45%	581
2018	15,255,000	-	15,255,000	0.51%	653
2017	16,885,000	-	16,885,000	0.56%	728
2016	18,455,000	-	18,455,000	0.62%	792
2015	20,525,000	-	20,525,000	0.69%	883
2014	24,815,000	-	24,815,000	0.84%	1,069
2013	27,065,000	-	27,065,000	0.91%	1,170
2012	29,260,000	-	29,260,000	0.97%	1,262

**RATIOS OF OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF JUNE 30, 2021**

GOVERNMENTAL UNIT	DEBT OUTSTANDING	ESTIMATED PERCENTAGE APPLICABLE	SHARE OF OVERLAPPING DEBT
Debt Repaid With Property Taxes:			
Lenape Regional High School	\$ 36,948,315	17.72%	\$ 6,547,241
Medford Township	37,816,296	100%	37,816,296
Burlington County	202,410,342	6.99%	14,148,483
Subtotal, Overlapping Debt			58,512,020
Medford Township Public School District Debt			10,120,000
Total Direct & Overlapping Debt			<u>\$ 68,632,020</u>

Sources: Assessed value data used to estimate applicable percentages provided by the Burlington County Board of Taxation.

MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
(Dollars in Thousands)

	FISCAL YEAR									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Debt Limit	\$ 101,190,039	\$ 100,212,021	\$ 91,640,643	\$ 91,097,962	\$ 94,102,446	\$ 94,102,446	\$ 94,102,466	\$ 95,326,820	\$ 96,548,371	\$ 98,669,564
Total Net Debt Applicable to Limit	10,120,000	11,855,000	13,595,000	15,255,000	16,885,000	18,453,000	20,235,000	24,815,000	27,065,000	29,260,000
Legal Debt Margin	\$ 91,070,039	\$ 88,357,021	\$ 78,045,643	\$ 75,842,962	\$ 77,217,446	\$ 75,649,446	\$ 73,867,466	\$ 70,511,820	\$ 69,483,371	\$ 69,409,564
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit (3.0%)	0.300%	0.355%	0.445%	0.502%	0.538%	0.588%	0.645%	0.781%	0.841%	0.890%

Legal Debt Margin Calculation for Fiscal Year 2020

Equalized Valuation Basis	
2020	\$ 3,403,996,785
2019	3,385,567,329
2018	3,329,439,780
	<u>\$ 10,119,003,894</u>
	<u>\$ 3,373,001,298</u>
	<u>\$ 101,190,039</u>
	<u>10,120,000</u>
	<u>\$ 91,070,039</u>

Average Equalized Valuation of Taxable Property
 Debt Limit (3 % of Average Equalization Value)
 Net Bonded School Debt
 Legal Debt Margin

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

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

YEAR	POPULATION (a)	PERSONAL INCOME (b)	BURLINGTON COUNTY PER CAPITA INCOME	UNEMPLOYMENT RATE (d)
2021	N/A	N/A	N/A	N/A
2020	N/A	N/A	N/A	N/A
2019	23,394	N/A	N/A	N/A
2018	23,355	N/A	N/A	4.5%
2017	23,187	1,383,313,233	59,659	4.5%
2016	23,309	1,339,544,921	57,469	4.5%
2015	23,249	1,302,408,980	56,020	6.0%
2014	23,212	1,241,586,668	53,489	5.1%
2013	23,136	1,191,411,456	51,496	6.0%
2012	23,187	1,183,047,114	51,022	5.7%

Source:

- (a) Population information provided by US Bureau of the Census; Population Division
 (b) Personal income calculated using population and per capita personal income
 (c) Per Capita Personal Income provided by the NJ Dept. of Labor and Workforce Development
 (d) Unemployment data provided by the NJ Dept. of Labor and Workforce Development
 N/A - Information not available

PRINCIPAL EMPLOYERS

	2021 EMPLOYEES
Medford Township Board of Education	N/A
The Estaugh	N/A
Shop Rite	N/A
Medford Convalescent	N/A
Acme	N/A
McDonalds	N/A
Total	-

**MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS**

Function/Program	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Instruction:										
Regular	177	181	187	193	185	178	167	156	212	212
Special Education	67	61	63	60	62	53	47	46	48	48
Other Special Education	23	26	26	30	26	27	34	34	118	118
Support Services:										
School Administrative Services	48	35	27	33	33	30	29	29	18	18
General & Business Administrative Services	12	13	12	10	10	10	7	7	6	6
Plant Operations & Maintenance	34	31	29	29	29	31	23	22	27	27
Pupil Transportation	57	56	59	52	56	55	55	51	50	50
Business & Other Support Services	5	5	5	5	5	5	14	14	5	5
Total	423	408	408	412	406	389	376	359	484	484

Source: District Personnel Records

**MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
OPERATING STATISTICS
LAST TEN FISCAL YEARS**

FISCAL YEAR	ENROLLMENT	OPERATING EXPENDITURES (a)	COST PER PUPIL	PERCENTAGE CHANGE	TEACHING STAFF (b)	PUPIL/TEACHER RATIO		AVERAGE DAILY ENROLLMENT (ADE) (c)	AVERAGE DAILY ATTENDANCE (ADA) (c)	% CHANGE IN AVERAGE DAILY ENROLLMENT	STUDENT ATTENDANCE PERCENTAGE
						ELEMENTARY	MIDDLE SCHOOL				
2021	2,496	\$ 58,603,866	23,479	0.0050%	232	1:11	1:11	2,498	2,418	-6.05%	96.88%
2020	2,654	57,799,596	21,778	0.0056%	216	1:12	1:11	2,659	2,579	-0.15%	97.17%
2019	2,659	52,260,898	19,654	0.0050%	224	1:12	1:11	2,663	2,559	-1.73%	96.24%
2018	2,719	54,009,243	19,864	0.0055%	227	1:12	1:11	2,710	2,596	-0.84%	95.48%
2017	2,741	51,976,624	18,963	0.0059%	227	1:12	1:11	2,733	2,625	-0.04%	95.77%
2016	2,734	49,180,910	17,989	0.0059%	227	1:12	1:11	2,734	2,630	-0.07%	96.20%
2015	2,736	47,851,281	17,490	0.0058%	243	1:11	1:12	2,736	2,632	-1.12%	96.20%
2014	2,767	47,851,281	17,294	0.0070%	236	1:11	1:14	2,767	2,666	-5.76%	96.35%
2013	2,936	46,312,459	15,774	0.0074%	260	1:13	1:16	2,936	2,818	-2.56%	95.98%
2012	3,013	44,113,227	14,641	#DIV/0!	265	1:14	1:17	3,013	2,897	-1.82%	96.15%

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).

**MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEAR**

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
DISTRICT BUILDINGS										
Elementary Schools:										
Chairville School (2004):										
Square Feet	64,000	64,000	64,000	64,000	64,000	64,000	64,000	64,000	64,000	64,000
Capacity (Students)	500	500	500	500	500	500	500	500	500	500
Enrollment	359	358	344	344	364	392	423	463	463	503
Cranberry Pines School (1979):										
Square Feet	52,231	52,231	52,231	52,231	52,231	52,231	52,231	52,231	52,231	52,231
Capacity (Students)	479	479	479	479	479	479	479	479	479	479
Enrollment (a)	365	391	399	406	382	373	340	355	355	362
Kirby's Mill School (2004):										
Square Feet	66,000	66,000	66,000	66,000	66,000	66,000	66,000	66,000	66,000	66,000
Capacity (Students)	515	515	515	515	515	515	515	515	515	515
Enrollment	300	340	370	357	331	332	324	327	327	331
Milton Allen School (1926):										
Square Feet	59,396	59,396	59,396	59,396	59,396	59,396	59,396	59,396	59,396	59,396
Capacity (Students)	486	486	486	486	486	486	486	486	486	486
Enrollment	339	348	334	317	337	345	362	376	376	388
Taunton Forge School (1975):										
Square Feet	42,772	42,772	42,772	42,772	42,772	42,772	42,772	42,772	42,772	42,772
Capacity (Students)	447	447	447	447	447	447	447	447	447	447
Enrollment	251	277	289	275	291	283	310	310	310	327
Middle School:										
Haines 6th Grade Center (1960):										
Square Feet	50,363	50,363	50,363	50,363	50,363	50,363	50,363	50,363	50,363	50,363
Capacity (Students)	461	461	461	461	461	461	461	461	461	461
Enrollment	282	316	280	324	319	357	320	350	350	369
Memorial Middle School (1968):										
Square Feet	118,750	118,750	118,750	118,750	118,750	118,750	118,750	118,750	118,750	118,750
Capacity (Students)	1131	1131	1131	1131	1131	1131	1131	1131	1131	1131
Enrollment	600	635	674	696	712	670	725	749	749	737
Other Buildings:										
Transportation Center (2003):										
Square Feet	9,400	9,400	9,400	9,400	9,400	9,400	9,400	9,400	9,400	9,400
Warehouse: Old Bus Garage (1946):										
Square Feet	4,420	4,420	4,420	4,420	4,420	4,420	4,420	4,420	4,420	4,420

Number of Schools at June 30, 2021:
 Elementary = 5
 Middle School = 1
 Sixth Grade Center = 1
 Other = 2

Source: District Facilities Office
 Note: Year of original construction is shown in parentheses.
 Enrollment is based on the annual October District count

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

UNDISTRIBUTED EXPENDITURES - REQUIRED
MAINTENANCE FOR SCHOOL FACILITIES

11-000-261-xxx

	CHAIRVILLE SCHOOL	CRANBERRY PINES SCHOOL	HAINES 6TH GRADE CENTER	KIRBY'S MILL SCHOOL	MEMORIAL MIDDLE SCHOOL	MILTON ALLEN SCHOOL	TAUNTON FORGE SCHOOL	TOTAL
2021	118,769	119,848	126,194	121,957	161,883	127,146	117,528	893,325
2020	91,690	105,049	106,686	129,402	225,886	162,911	99,412	921,036
2019	132,341	126,633	152,289	122,361	168,734	152,800	117,696	972,854
2018	108,481	141,352	104,014	114,814	145,097	101,704	108,276	823,738
2017	98,768	137,433	119,718	108,538	195,647	115,693	130,482	906,279
2016	104,052	139,720	114,394	91,341	316,778	136,507	109,642	1,012,434
2105	69,036	108,099	103,178	69,714	230,406	118,879	116,181	815,493
2104	50,093	82,107	94,435	88,311	241,904	96,665	98,182	751,696
2103	54,389	79,857	85,913	60,108	209,699	101,942	102,177	694,085
2012	58,330	73,886	71,941	53,978	179,811	109,904	100,275	648,125

Source: District records

**MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
INSURANCE SCHEDULE
JUNE 30, 2021**

	COVERAGE	DEDUCTIBLE
Burlington County Insurance Pool, Joint Insurance Fund (BCIPJIF):		
Property / Inland Marine / Automobile Physical Damages (per occurrence)	\$ 250,000	\$ 500
General Liability / Auto Liability	250,000	
Educators Legal Liability	175,000	
Workers Compensation-Self Insured Retention	250,000	
Crime- Self insured Retention	250,000	500
School Pool For Excess Liability Limits **		
Property / Inland Marine / Automobile Physical Damages (per occurrence)	150,000,000	
Crime	500,000	
Workers Compensation	Statutory	
Employers Liability	20,000,000	
General Liability / Auto Liability	20,000,000	
Educators' Legal Liability	20,000,000	
Travelers Insurance Company		
Boiler and Machinery	125,000,000	1,000
AIG / Commerce and Industry Insurance company		
Pollution Legal Liability	3,000,000	25,000
AIG / Lexington Insurance Company, Inc.		
Cyber Liability	1,000,000	25,000
Selective Insurance Company of America:		
Surety - Treasurer of Monies	325,000	
Surety - Board Secretary	250,000	
<u>Excess and Reinsurance Carriers Involved **</u>		
Property and Crime	SPELLJIF, Great American Insurance Company Axis Surplus Insurance Company Westchester Fire Insurance Company Alterra Excess & Surplus Insurance Company Ironshore Specialty Insurance Company Steadfast Insurance Company RSUI Indemnity Company James River Insurance Company BRIT / Lloyd's of London Arch Specialty Insurance Company	
General Liability and Automobile Liability	SPELLJIF, Great American Insurance Company	
Workers Compensation	SPELLJIF, Great American Insurance Company, Safety National Casualty Company	
Educator Legal Liability	SPELLJIF, Great American Insurance Company, General Reinsurance Corp.	

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SINGLE AUDIT SECTION

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HOLT MCNALLY & ASSOCIATES

Certified Public Accountants & Advisors

EXHIBIT K-1

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

Honorable President and Members
of the Board of Education
Medford Township Public School District
County of Burlington
Medford, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Medford Township Public School District (the "School District") as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements, and have issued our report thereon dated February 28, 2022.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the School 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 School District's internal control. Accordingly, we do not express an opinion on the effectiveness of the School District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

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Compliance and Other Matters

As part of obtaining reasonable assurance about whether the School District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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*, and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey.

Purpose of this Report

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

Respectfully Submitted,

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

David T. McNally
Certified Public Accountant
Public School Accountant, No. 2616

Medford, New Jersey
February 28, 2022



EXHIBIT K-2

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

Honorable President and Members
of the Board of Education
Medford Township Public School District
County of Burlington
Medford, New Jersey

Report on Compliance for Each Major Federal and State Program

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

Management's Responsibility

Management is responsible for compliance with 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 Medford Township Public 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; Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*; and the audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey. Those standards, the Uniform Guidance and New Jersey OMB's Circular 15-08 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal or state program occurred. An audit includes examining, on a test basis, evidence about the School District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

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Opinion on Each Major Federal and State Program

In our opinion, the Medford Township Public School District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended June 30, 2021.

Report on Internal Control Over Compliance

Management of the Medford Township Public School District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the School District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal or 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 or state program and to test and report on internal control over compliance in accordance with the Uniform Guidance and New Jersey OMB's Circular 15-08, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the 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 or state program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or 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 New Jersey OMB's Circular 15-08. Accordingly, this report is not suitable for any other purpose.

Respectfully Submitted,

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

David T. McNally
Certified Public Accountant
Public School Accountant, No. 2616

Medford, New Jersey
February 28, 2022

MEDFORD TOWNSHIP - PUBLIC SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR FISCAL YEAR ENDED JUNE 30, 2021

FEDERAL GRANTOR PASS THROUGH GRANTOR/ PROGRAM TITLE	ASSISTANCE LISTING NUMBER	FAIN NUMBER	GRANT OR STATE PROJECT NUMBER	PROGRAM AWARD AMOUNT	GRANT PERIOD	BALANCE AT JUNE 30, 2020	CASH RECEIVED	BUDGETARY EXPENDITURES	SUBRECIPIENT EXPENDITURES	REPAYMENT OF PRIOR YEARS' BALANCES	(ACCOUNTS RECEIVABLE) AT JUNE 30, 2021	UNEARNED REVENUE AT JUNE 30, 2021	DUE TO GRANTOR AT JUNE 30, 2021
U.S. Department of Agriculture:													
Passed Through New Jersey Department of Agriculture:													
Child Nutrition Cluster:													
10.555	20NF04N1099		Unavailable	\$ 49,046	7/1/19-6/30/20	\$ 6,134	\$ -	(6,134)	\$ -	\$ -	\$ -	\$ -	\$ -
10.555	20NF04N1099		Unavailable	55,162	7/1/20-6/30/21		55,162	(48,637)				6,525	
10.555	20NF04N1099		100-010-3350-098	1,916	3/1/20-6/30/20	(348)	348						
10.555	20NF04N1099		100-010-3350-098	39	3/1/20-6/30/20	(7)	7						
10.555	20NF04N1099		100-010-3350-098	5,969	7/1/20-6/30/21		5,431	(5,969)			(538)		
10.555	20NF04N1099		100-010-3350-098	299,301	7/1/20-6/30/21		272,327	(299,301)			(26,974)		
10.555	20NF04N1099		100-010-3350-100	131,810	7/1/20-6/30/21		118,952	(131,810)			(12,858)		
Total Child Nutrition Cluster													
Total U.S. Department of Agriculture													
U.S. Department of Health and Human Services:													
Passed Through New Jersey Department of Human Services:													
Medical Assistance Program (SEM) - Cluster													
Total U.S. Department of Health and Human Services													
U.S. Department of the Treasury													
COVID Relief Funds Cluster:													
Nonpublic Digital Divide													
21.019	S377A130031		100-034-5120-495	9,522	3/31/20-6/30/21		9,522	(9,522)					
21.019	S377A130031		100-034-5120-495	83,986	3/31/20-6/30/21		83,986	(83,986)					
Total COVID Relief Funds Cluster													
Total U.S. Department of the Treasury													
Passed Through New Jersey Department of Education:													
COVID Relief Funds Cluster:													
84.010	S010A200030		100-034-5064-194	76,082	7/1/20-9/30/21		2	(75,475)			(75,473)		
84.010	S010A190030		100-034-5064-194	75,664	7/1/19-9/30/20	(29,876)	29,876	(19,340)			(19,340)		
Subtotal													
84.367A	S367A200029		100-034-5063-290	33,046	7/1/20-9/30/21	(8,766)	8,771	(22,277)			(22,277)		
84.367A	S367A190029		100-034-5063-290	33,607	7/1/19-9/30/20	(8,766)	8,771	(22,282)			(22,277)		
Subtotal													
84.365A	S365A200009		100-034-5064-187	3,943	7/1/20-9/30/21			(3,695)			(3,695)		
84.365A	S365A190009		100-034-5064-187	1,822	7/1/19-9/30/20	(1,822)		(3,695)			(1,822)		
Subtotal													
84.424A	S42A200031		100-034-5063-348	10,000	7/1/20-9/30/21	(8,386)	8,386	(9,969)			(9,969)		
84.424A	S42A190031		100-034-5063-348	10,000	7/1/19-9/30/20	(8,386)	8,386	(1,614)			(1,614)		
Subtotal													
CARES Cluster													
84.425D	S425D200027		100-034-5120-513	69,827	3/1/20-9/30/22		68,860	(69,824)			(964)		
84.425D	S425D200027		100-034-5120-513	319,383	3/1/20-9/30/22			(69,383)			(69,383)		
Total CARES Cluster													
Total U.S. Department of Education													
Special Education Cluster:													
84.027A	H027A200100		100-034-5065-016	629,531	7/1/20-6/30/21		603,176	(629,328)			(26,152)		
84.027A	H027A190100		100-034-5065-016	587,653	7/1/19-6/30/20	(152,839)	166,301	(13,462)			(13,462)		
Subtotal													
Total Special Education Cluster													
84.173	H173A200114		100-034-5065-020	34,219	7/1/20-6/30/21		34,219	(34,219)					
Subtotal													
Total Special Education Cluster													
Total U.S. Department of Education													
Total Expenditures of Federal Awards													
							\$ 1,484,442	\$ (1,553,066)	\$ -	\$ -	\$ (271,089)	\$ 6,525	\$ -

The accompanying Notes to Schedules of Expenditures of Federal Awards and State Financial Assistance are an integral part of this schedule.

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

STATE GRANTOR/PROGRAM TITLE OR CLUSTER	GRANT OR STATE PROJECT NUMBER	AWARD AMOUNT	GRANT PERIOD	BALANCE AT JUNE 30, 2020		CASH RECEIVED	BUDGETARY EXPENDITURES	SUBRECIPIENT EXPENDITURES	REPAYMENT OF PRIOR YEARS' BALANCES	BALANCE AT JUNE 30, 2021		MEMO CUMULATIVE TOTAL	
				AT JUNE 30, 2020	AT JUNE 30, 2021					(ACCOUNTS RECEIVABLE)	UNEARNED REVENUE	DUE TO GRANTOR	BUDGETARY RECEIVABLE
New Jersey Department of Education:													
General Fund:													
Categorical Special Education Aid	495-034-5120-089	\$ 1,680,355	7/1/20-6/30/21	-	-	\$ 1,680,355	(\$ 1,680,355)	-	-	-	\$ -	\$ 161,243	\$ 1,680,355
Equalization Aid	495-034-5120-078	2,433,004	7/1/20-6/30/21	-	-	2,433,004	(2,433,004)	-	-	-	-	233,465	2,433,004
Security Aid	495-034-5120-084	78,003	7/1/20-6/30/21	-	-	78,003	(78,003)	-	-	-	-	7,485	78,003
Total State Aid Public				-	-	4,191,362	(4,191,362)	-	-	-	-	402,193	4,191,362
Categorical Transportation Aid	495-034-5120-014	240,580	7/1/20-6/30/21	-	-	240,580	(240,580)	-	-	-	-	23,086	240,580
Noipublic Transportation Aid	495-034-5120-078	32,770	7/1/20-6/30/21	-	-	-	(32,770)	-	-	(32,770)	-	-	32,770
Noipublic Transportation Aid	495-034-5120-014	14,034	7/1/19-6/30/20	(14,034)	-	14,034	-	-	-	-	-	-	-
Total Transportation Aid				(14,034)	-	254,614	(273,350)	-	-	(32,770)	-	23,086	273,350
Extraordinary Aid	495-034-5120-044	190,222	7/1/20-6/30/21	-	-	-	(190,222)	-	-	(190,222)	-	-	190,222
Extraordinary Aid	495-034-5120-044	146,611	7/1/19-6/30/20	(146,611)	-	146,611	-	-	-	-	-	-	-
Reimbursed TPAF Social Security Contributions	495-034-5094-003	1,646,554	7/1/20-6/30/21	-	-	1,564,845	(1,646,554)	-	-	(81,709)	-	-	1,646,554
Reimbursed TPAF Social Security Contributions	495-034-5094-003	1,637,503	7/1/19-6/30/20	(81,038)	-	81,038	-	-	-	-	-	-	-
Noncash Assistance:													
On Behalf Post Retirement Long Term Disability Insurance Contributions	100-034-5094-004	2,395	7/1/20-6/30/21	-	-	2,395	(2,395)	-	-	-	-	-	2,395
On Behalf TPAF Pension Contributions (Non-Budgeted)	100-034-5095-002	6,030,490	7/1/20-6/30/21	-	-	6,030,490	(6,030,490)	-	-	-	-	-	6,030,490
On Behalf TPAF Post-Retirement Medical (Non-Budgeted)	100-034-5095-001	1,889,862	7/1/20-6/30/21	-	-	1,889,862	(1,889,862)	-	-	-	-	-	1,889,862
Total General Fund				(241,683)	-	14,161,217	(14,224,235)	-	-	(304,701)	-	425,279	14,224,235
Special Revenue Fund:													
Non-Public Aid:													
Auxiliary Services Aid Cluster (Ch. 192):													
Compensatory Education	100-034-5120-067	40,062	7/1/20-6/30/21	-	-	40,062	(27,260)	-	-	12,802	-	-	27,260
Compensatory Education	100-034-5120-067	38,775	7/1/19-6/30/20	-	-	-	-	(8,927)	-	-	-	-	-
Total Auxiliary Services Aid Cluster				8,927	-	40,062	(27,260)	-	-	12,802	-	-	27,260
Handicapped Services Cluster (Ch. 193):													
Supplemental Instruction	100-034-5120-066	11,333	7/1/20-6/30/21	-	-	11,333	(8,822)	-	-	2,511	-	-	8,822
Supplemental Instruction	100-034-5120-066	14,582	7/1/19-6/30/20	3,077	-	-	-	(3,077)	-	-	-	-	-
Speech	100-034-5120-066	4,096	7/1/20-6/30/21	-	-	20,415	(18,501)	-	-	1,914	-	-	18,501
Annual Examination	100-034-5120-066	9,097	7/1/19-6/30/20	371	-	-	-	(371)	-	-	-	-	-
Initial Examination & Classification	100-034-5120-066		7/1/20-6/30/21	-	-	17,839	(12,639)	-	-	5,200	-	-	12,639
Total Handicapped Services Cluster				3,448	-	49,587	(39,962)	-	-	9,625	-	-	39,962
NJ Schools to Watch Grant	N/A	3,000	7/1/11-6/30/12	-	-	-	-	-	-	-	-	-	-
Textbooks	100-034-5120-064	13,379	7/1/20-6/30/21	-	-	13,379	(13,003)	-	-	3,000	-	-	13,003
Textbooks	100-034-5120-064	12,809	7/1/19-6/30/20	72	-	-	-	(72)	-	-	-	-	-
Nursing	100-034-5120-070	22,338	7/1/20-6/30/21	-	-	22,338	(22,338)	-	-	-	-	-	22,338
Security Aid	100-034-5120-509	38,325	7/1/20-6/30/21	-	-	38,325	(38,296)	-	-	29	-	-	38,296
Total Special Revenue Fund				15,447	-	163,691	(140,859)	-	-	12,447	-	-	140,859
Enterprise Fund:													
National School Lunch Program (State Share)	100-010-3350-023	14,895	7/1/20-6/30/21	-	-	12,935	(14,895)	-	-	(1,960)	-	-	14,895
National School Lunch Program (State Share)	100-010-3350-023	6,502	7/1/19-6/30/20	(1,721)	-	1,721	-	-	-	-	-	-	-
Total Enterprise Fund				(1,721)	-	14,656	(14,895)	-	-	(1,960)	-	-	14,895
Total State Financial Assistance				(227,957)	-	14,339,564	(14,379,989)	\$ -	\$ -	(12,447)	\$ 3,000	\$ 22,832	\$ 14,379,989
Less: Grants Not Subject to Major Program Determination													
On Behalf Post Retirement Long Term Disability Insurance Contributions	100-034-5094-004	2,395	7/1/20-6/30/21	-	-	-	-	-	-	-	-	-	2,395
On Behalf TPAF Pension Contributions (Non-Budgeted)	100-034-5095-002	6,030,490	7/1/20-6/30/21	-	-	-	-	-	-	-	-	-	6,030,490
On Behalf TPAF Post-Retirement Medical (Non-Budgeted)	100-034-5095-001	1,889,862	7/1/20-6/30/21	-	-	-	-	-	-	-	-	-	1,889,862
Total State Financial Assistance subject to Calculation for Major Program Determination													\$ (6,457,242)

The accompanying Notes to Schedules of Expenditures of Federal Awards and State Financial Assistance are an integral part of this schedule.

MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS AND STATE
FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Note 1. Basis of Presentation

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

Note 2. Summary of Significant Accounting Policies

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

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

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

Note 3. Relationship to Basic Financial Statements

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

**MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS AND STATE
FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

Note 3. Relationship to Basic Financial Statements (continued):

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$9,254 for the general fund and \$1,337 for the special revenue fund. See Exhibit C-3 Note A of the basic financial statements, for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance expenditures reported in the School District's basic financial statements on a GAAP basis are presented as follows:

<u>Fund</u>	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ 19,116	\$ 14,233,489	\$ 14,252,605
Special Revenue Fund	1,042,099	142,196	1,184,295
Food Service Fund	491,851	14,895	506,746
	<hr/>	<hr/>	<hr/>
Total Awards & Financial Assistance	<u>\$ 1,553,066</u>	<u>\$ 14,390,580</u>	<u>\$ 15,943,646</u>

Note 4. Relationship to Federal and State Financial Reports

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

Note 5. Federal and State Loans Outstanding

The Medford Township Public School District had no loan balances outstanding at June 30, 2021.

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

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued Unmodified

Internal control over financial reporting:

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

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

Noncompliance material to financial statements noted? yes X no

Federal Awards

Internal control over major programs:

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

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

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

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

Identification of major programs:

<u>Assistance Listing Number(s)</u>	<u>FAIN Number(s)</u>	<u>Name of Federal Program or Cluster</u>
<u>84.027A</u>	<u>H027A200100</u>	<u>Special Education Cluster:</u>
<u>84.173</u>	<u>H173A200114</u>	<u>IDEA Basic</u>
<u> </u>	<u> </u>	<u>IDEA Preschool</u>
<u> </u>	<u> </u>	<u> </u>
<u> </u>	<u> </u>	<u> </u>

Dollar threshold used to determine Type A programs \$750,000

Auditee qualified as low-risk auditee? X yes no

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

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

State Financial Assistance

Dollar threshold used to determine Type A programs _____ \$750,000 _____

Auditee qualified as low-risk auditee? _____ X _____ yes _____ no

Internal control over major programs:

 1) Material weakness(es) identified? _____ yes _____ X _____ no

 2) Significant deficiency(ies) identified? _____ yes _____ X _____ no

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

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

Identification of major programs:

State Grant/Project Number(s)

Name of State Program

<u>State Grant/Project Number(s)</u>	<u>Name of State Program</u>
495-034-5094-003	Reimbursed TPAF Social Security Contributions
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

**MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
SCHEDULE OF FINDINGS & QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

Section II – Financial Statement Findings – N/A

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

**MEDFORD TOWNSHIP PUBLIC SCHOOL DISTRICT
SCHEDULE OF FINDINGS & QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

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

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

FEDERAL AWARDS – N/A

STATE FINANCIAL ASSISTANCE – N/A

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

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

Financial Statement Findings

No Prior Year Findings.

Federal Awards

No Prior Year Findings.

State Financial Assistance

No Prior Year Findings.