

SPRINGFIELD TOWNSHIP SCHOOL DISTRICT

Jobstown, New Jersey
County of Burlington

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

COMPREHENSIVE ANNUAL FINANCIAL REPORT

OF THE

SPRINGFIELD TOWNSHIP SCHOOL DISTRICT

JOBSTOWN, NEW JERSEY

FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Prepared by

SPRINGFIELD TOWNSHIP SCHOOL DISTRICT BUSINESS OFFICE

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INTRODUCTORY SECTION

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Springfield Township Elementary School

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CRAIG VAUGHN
Superintendent / Principal

February 10, 2022

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

Dear Board Members/Citizens:

The Comprehensive Annual Financial Report (CAFR) of the Springfield Township 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 Springfield Township 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.



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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 Springfield Township 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 K through 6. These include regular instruction 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	231	-0.43%
2019-2020	232	0.87%
2018-2019	230	4.55%
2017-2018	220	-7.95%
2016-2017	239	5.29%
2015-2016	227	-5.02%
2014-2015	239	-4.78%
2013-2014	251	-5.28%
2012-2013	265	-7.67%
2011-2012	287	-1.03%

ECONOMIC CONDITION AND OUTLOOK

For the 2020-2021 school year, the Springfield Township School District prioritized its budgetary resources toward maintaining superior educational programming, providing cutting-edge instructional technology, and ensuring students and staff have access to materials and ancillary resources that support high quality instruction all while responding to the hardships and challenges presented by the COVID-19 pandemic. In the face of continued and significant decreases in State Funding, the district has been able to avoid cuts to instructional and enrichment programs, maintain appropriate staffing levels, and undertake important projects geared towards security enhancement and maintenance of our building and grounds. A continuous goal of the Board of Education is to reduce the burden of expenses created by material needs and routine school supplies; by taking a conservative approach to these needs and working with suppliers through competitive pricing, this goal was accomplished once again.

MAJOR INITIATIVES

The 2020-2021 school year presented significant challenges related to the ongoing COVID-19 pandemic. These challenges required the full attention of the Board and district administration in order to not only successfully open the school for in-person learning, but maintain that status throughout the entirety of the school year. This was achieved through the strategic use of capital and human resources and, while some minor programs were placed on hold, the district nonetheless accomplished goals such as security upgrades, facility improvements, and high levels of staff professional development.

Grant funding will offer our district opportunities to offset local monies for the 2021-2022 school year. Out-of-district tuition payments are funded through the IDEA grant, while the district is able to fully implement numerous remediation programs through the utilization of funds from NCLB Title 1. As our district is eligible for funding through the SRSA REAP grant, we are able to use funds otherwise not available to enhance professional development opportunities (for both faculty and administration) and secure materials for innovative programs such as our Creator Space and our school's agricultural initiatives. Finally, the district was awarded funds through the Elementary and Secondary School Emergency Relief (ESSER) grants, which were utilized in a number of ways directly related to ensuring the safe opening of the school for in-person learning and equitable access to instruction for all students.

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.

ACCOUNTING SYSTEM AND REPORTS

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

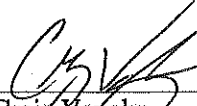
INDEPENDENT AUDIT

State statutes require an annual audit by independent certified public accountants. The accounting firm of Holt McNally & Associates, 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.

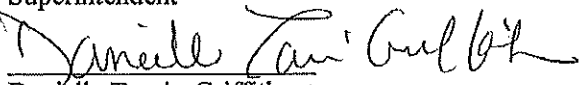
ACKNOWLEDGEMENTS

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,



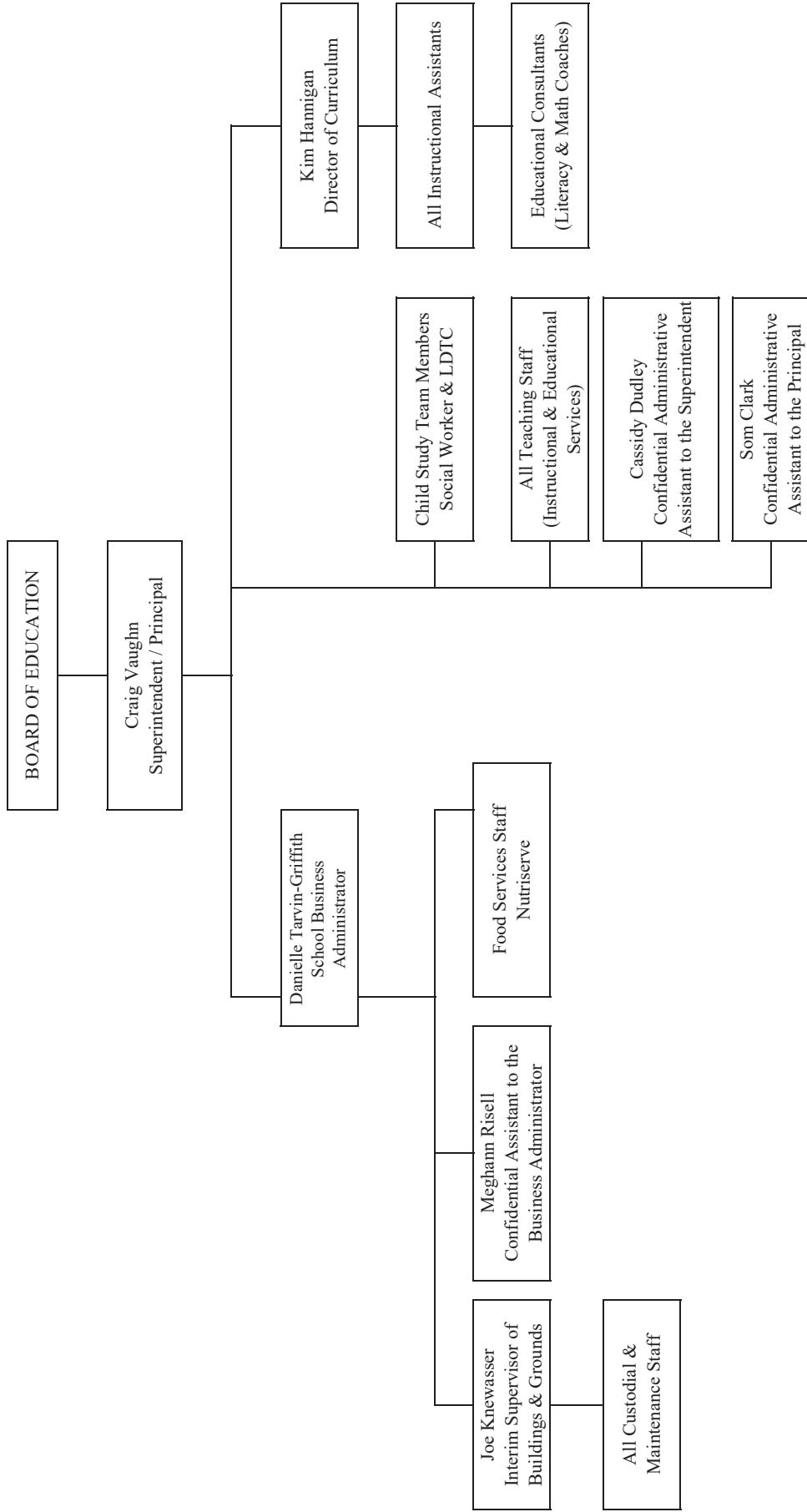
Craig Vaughn,
Superintendent



Danielle Tarvin-Griffith,
Business Administrator

SPRINGFIELD TOWNSHIP SCHOOL DISTRICT

ORGANIZATIONAL CHART



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SPRINGFIELD TOWNSHIP SCHOOL DISTRICT

ROSTER OF OFFICIALS

JUNE 30, 2021

MEMBERS OF THE BOARD OF EDUCATION	TERM EXPIRES
Joseph Bucs, President	2023
Thomas Pantano, Vice President	2021
Wade Hale	2023
Kristen Lippincott	2023
Ashleigh Murtaugh-Frey	2022
Lynsey O'Brien	2021
Rodney Roberson	2022
Mary Wainwright	2021
Gary Walker	2022

OTHER OFFICIALS

Craig Vaughn, Chief School Administrator

Danielle Tarvin-Griffith, Business Administrator/Board Secretary

Amy Lerner, Treasurer of School Monies

Kelly A. Grant, Esq., Solicitor

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**SPRINGFIELD TOWNSHIP SCHOOL DISTRICT
CONSULTANTS AND ADVISORS**

AUDIT FIRM

David T. McNally, CPA, RMA, PSA
Holt McNally & Associates, Inc.
618 Stokes Road
Medford, NJ 08055

ATTORNEY

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Malamut & Associates, LLC
457 Haddonfield Road Suite 500
Cherry Hill New Jersey 08002

OFFICIAL DEPOSITORY

WSFS Bank
305 Bordentown-Chesterfield Road
Chesterfield, New Jersey 08515

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FINANCIAL SECTION

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HOLT MCNALLY & ASSOCIATES

Certified Public Accountants & Advisors

INDEPENDENT AUDITOR'S REPORT

Honorable President and Members
of the Board of Education
Springfield Township School District
County of Burlington
Springfield, 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 Springfield Township 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 District's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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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 Springfield Township 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 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 21 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 & 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 Springfield Township 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 10, 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 10, 2022

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REQUIRED SUPPLEMENTARY INFORMATION - PART I

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

As management of the Springfield Township 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, Capital Projects Fund, and Debt Service Fund. Business-type activities reflect the Food Service Fund and Summer Camp 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*.

SPRINGFIELD TOWNSHIP 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)

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, 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 two enterprise funds (Food Service Fund and Summer Camp Fund) are listed individually and is considered to be a major funds.

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the School District's programs. The School District does not currently maintain any Fiduciary Funds.

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 a Whole

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

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

Financial Analysis of the School District as a Whole (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	\$ 1,963,429	\$ 1,952,919	\$ 10,510	0.5%
Capital Assets, Net	5,496,196	5,847,613	(351,417)	-6.0%
Total Assets	<u>7,459,625</u>	<u>7,800,532</u>	<u>(340,907)</u>	-4.4%
Deferred Outflow of Resources	241,869	375,106	(133,237)	-35.5%
Current and other Liabilities	202,291	372,931	(170,640)	-45.8%
Noncurrent Liabilities	4,128,151	4,587,598	(459,447)	-10.0%
Total Liabilities	<u>4,330,442</u>	<u>4,960,529</u>	<u>(630,087)</u>	-12.7%
Deferred Inflow of Resources	853,004	839,271	13,733	1.6%
Net Position:				
Net Investment in Capital Assets	1,987,416	2,167,803	(180,387)	-8.3%
Restricted	1,641,403	1,480,714	160,689	10.9%
Unrestricted (Deficit)	(1,110,771)	(1,272,679)	161,908	-12.7%
Total Net Position	<u>\$ 2,518,048</u>	<u>\$ 2,375,838</u>	<u>\$ 142,210</u>	6.0%

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

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	\$ 4,961	\$ 36,912	\$ (31,951)	-86.6%
Operating Grants & Contributions	1,698,414	986,574	711,840	72.2%
General Revenues:				
Property Taxes	3,444,877	3,399,585	45,292	1.3%
Federal & State Aid Unrestricted	891,848	1,052,812	(160,964)	-15.3%
Other General Revenues	76,414	65,570	10,844	16.5%
Total Revenues	<u>6,116,514</u>	<u>5,541,453</u>	<u>575,061</u>	10.4%
Function/Program Expenditures:				
Regular Instruction	1,277,777	1,182,276	95,501	8.1%
Special Education Instruction	399,537	496,013	(96,476)	-19.5%
Other Instruction	2,485	28,660	(26,175)	-91.3%
Tuition	145,101	174,131	(29,030)	-16.7%
Student & Instruction Related Services	731,644	668,463	63,181	9.5%
General Administrative	181,504	177,482	4,022	2.3%
Central Services	102,462	130,581	(28,119)	-21.5%
Plant Operations & Maintenance	353,206	369,163	(15,957)	-4.3%
Pupil Transportation	204,396	180,147	24,249	13.5%
Unallocated Benefits	1,976,035	1,555,989	420,046	27.0%
Transfers to Charter Schools	8,873	-	8,873	N/A
Interest & Other Charges	123,369	128,162	(4,793)	-3.7%
Unallocated Depreciation	362,017	376,296	(14,279)	-3.8%
Food Service	105,898	54,711	51,187	93.6%
Summer Camp	-	4,300	(4,300)	-100.0%
Total Expenditures	<u>5,974,304</u>	<u>5,526,374</u>	<u>447,930</u>	8.1%
Change In Net Position	142,210	15,079	127,131	843.1%
Net Position - Beginning	2,375,838	2,360,759	15,079	0.6%
Net Position - Ending	<u>\$ 2,518,048</u>	<u>\$ 2,375,838</u>	<u>\$ 142,210</u>	6.0%

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

Financial Analysis of the School District as a Whole (continued)

Governmental Activities

During the fiscal year 2021, the net position of governmental activities increased by \$124,259 or 5.24%.

The assets and deferred outflows of the primary government activities exceeded liabilities and deferred inflows by \$2,494,316, with an unrestricted deficit balance of \$1,134,503. 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.

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)	\$	(1,134,503)
Add back: PERS Pension Liability		518,134
Less: Deferred Outflows related to pensions		(241,869)
Add back: Deferred Inflows related to pensions		853,004
Add back: Due to Other Governments		34,812
		34,812
Unrestricted Net Position (Without GASB 68)	\$	29,578

Business-type Activities

During the fiscal year 2021, the net position of business-type activities increased by \$17,951 or 210.52%.

The assets and deferred outflows of the business-type activities exceeded liabilities and deferred inflows by \$23,732.

General Fund Budgeting Highlights

Final budgeted revenues were \$4,218,087, which was an increase of \$20,000 from the original budget. Excluding nonbudgeted revenues, the School District's actual revenues exceeded budgeted revenues by \$38,589.

Final budgeted appropriations were \$4,556,657, which was an increase of \$42,410 from the original budget. The increase is due to prior year encumbrances and Alyssa's Law expenditures. Excluding nonbudgeted expenditures, the School District's budget appropriations exceeded actual expenditures by \$596,436.

The School District's general fund balance – budgetary basis (Exhibit C-1) was \$1,870,509 at June 30, 2021, an increase of \$283,777 from the prior year.

Governmental Funds

At the end of the current fiscal year, the School District's governmental funds reported a combined ending fund balance of \$1,828,040, an increase of \$161,053 from the prior year.

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

Governmental Funds (continued)

General fund - During the current fiscal year, the fund balance of the School District's general fund increased by \$298,919 or 19.94% to \$1,798,354 at June 30, 2021, compared to an increase of \$276,576 in fund balance in the prior fiscal year. The primary factor(s) affecting the change in fund balance of the general fund is as follows:

- Savings in salaries from retirements as well as the school being closed due to COVID-19 restrictions.

Special revenue fund – During the current fiscal year, there was an increase in the fund balance for the special revenue fund of \$4,695 due to activity in Student Activities.

Debt service fund - During the current fiscal year, the fund balance of the School District's debt service fund decreased by \$142,561 to \$2,054 at June 30, 2021, compared to a decrease of \$153,075 in fund balance in the prior fiscal year. The primary factor(s) affecting the change in fund balance of the debt service fund is as follows:

- The use of fund balance to balance the 2020-2021 budget.

Proprietary Funds

Food service fund - During the current fiscal year, the net position of the School District's food service fund increased by \$17,951 or 638.60% to \$20,762 at June 30, 2021, compared to a decrease of \$643 in fund balance in the prior fiscal year. The primary factor(s) affecting the change in net position of the food service fund is as follows:

- An increase in operations due to funding changes from COVID-19. All meals served during the year were free for students and eligible for federal reimbursement during the year.

Summer camp fund - During the current fiscal year, the net position of the School District's summer camp fund did not change, compared to an increase of \$2,075 in fund balance in the prior fiscal year. The primary factor(s) affecting the change in net position of the summer camp fund is as follows:

- The District did not operate its summer camp during the year due to COVID-19.

Capital Assets

The School District's capital assets for its governmental and business-type activities as of June 30, 2021, totaled \$5,496,196 (net of accumulated depreciation). Capital assets includes land, construction in progress, land improvements, buildings and improvements and equipment. The School District's "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 \$351,417. This decrease is contributed to annual depreciation that is recorded.

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

Capital Assets (continued)

Table 4 shows fiscal 2021 balances compared to 2020.

Table 4
Summary of Capital Assets

<u>Capital Asset (Net of Depreciation):</u>	June 30, <u>2021</u>	June 30, <u>2020</u>	Increase/ <u>(Decrease)</u>	Percentage <u>Change</u>
Land	\$ 90,889	\$ 90,889	\$ -	0.0%
Land Improvements	20,012	24,115	(4,103)	-17.0%
Building and Improvements	5,088,308	5,399,371	(311,063)	-5.8%
Equipment	296,987	333,238	(36,251)	-10.9%
	<u>\$ 5,496,196</u>	<u>\$ 5,847,613</u>	<u>\$ (351,417)</u>	-6.0%
Depreciation Expense	<u>\$ 362,017</u>	<u>\$ 376,296</u>		

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.

Debt Administration

Long-term debt – At the end of the current fiscal year, the School District had total bonded debt outstanding of \$3,485,000, which represents a decrease in the amount of \$160,000. The next principal payment is due on July 15, 2021 in the amount of \$165,000.

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 following factors were considered and incorporated into the preparation of the School District's budget for the 2021-2022 fiscal year:

- In order to minimize expenditures, the District participates in multiple cost-sharing shared service agreements. Additionally, in order to realize additional cost savings the District consolidated payroll and accounts payable responsibilities, eliminating one position and operating with a part-time Supervisor of Curriculum
- The Springfield Township School District has committed itself to strong financial controls. The School District spends a lot of time monitoring its budget, scrutinizing spending requests, and has been implementing even stronger internal controls. The School District commits itself to constantly reviewing the ways in which it conducts business, and making improvements whenever possible, in order to meet future challenges and maximize instructional spending.

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

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 Springfield Township School District Business Office, 2146 Jacksonville-Jobstown Road, Jobstown, New Jersey, 08041, telephone number: (609) 723-2382.

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BASIC FINANCIAL STATEMENTS

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A. Government-Wide Financial Statements

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

ASSETS	GOVERNMENTAL ACTIVITIES	BUSINESS- TYPE ACTIVITIES	TOTALS <u>JUNE 30,</u> 2021
Cash & Cash Equivalents	\$ 932,592	\$ 25,612	\$ 958,204
Receivables, Net (Note 4)	109,360	14,457	123,817
Internal Balances	19,225	(19,225)	-
Inventory	-	9,031	9,031
Restricted Cash & Cash Equivalents	872,377	-	872,377
Capital Assets, Net (Note 5)			
Non-Depreciable	90,889	-	90,889
Depreciable, Net	5,405,307	-	5,405,307
Total Assets	7,429,750	29,875	7,459,625
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Outflows Related to Pensions (Note 8)	241,869	-	241,869
Total Deferred Outflows of Resources	241,869	-	241,869
Total Assets and Deferred Outflows of Resources	7,671,619	29,875	7,701,494
LIABILITIES			
Accounts Payable	92,185	-	92,185
Payroll Deductions and Withholdings Payable	4,590	-	4,590
Due to Other Governments	34,812	-	34,812
Unearned Revenue	8,739	6,143	14,882
Accrued Interest	55,822	-	55,822
Noncurrent Liabilities (Note 7):			
Due within one year	176,594	-	176,594
Due in more than one year	3,951,557	-	3,951,557
Total Liabilities	4,324,299	6,143	4,330,442
DEFERRED INFLOWS OF RESOURCES			
Deferred Inflows Related to Pension (Note 8)	853,004	-	853,004
Total Deferred Inflows of Resources	853,004	-	853,004
Total Liabilities and Deferred Inflows of Resources	5,177,303	6,143	5,183,446
NET POSITION			
Net Investment in Capital Assets	1,987,416	-	1,987,416
Restricted For:			
Capital Projects	473,473	-	473,473
Debt Service	2,054	-	2,054
Maintenance Reserve	247,790	-	247,790
Emergency Reserve	100,050	-	100,050
Other Purposes	78,696	-	78,696
Excess Surplus	739,340	-	739,340
Unrestricted (Deficit)	(1,134,503)	23,732	(1,110,771)
Total Net Position	\$ 2,494,316	\$ 23,732	\$ 2,518,048

The Accompanying Notes to the Financial Statements are an integral part of this Statement.

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

FUNCTIONS/PROGRAMS	PROGRAM REVENUES			NET (EXPENSES) REVENUE AND CHANGED IN NET POSITION		
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS & CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS- TYPE ACTIVITIES	TOTALS
	\$	\$	\$	\$	\$	JUNE 30, 2021
Governmental Activities:						
Instruction:						
Regular	1,277,777	-	108,507	(1,169,270)	-	(1,169,270)
Special Education	399,537	-	-	(399,537)	-	(399,537)
Other Instruction	2,485	-	-	(2,485)	-	(2,485)
Support Services:						
Tuition	145,101	-	-	(145,101)	-	(145,101)
Student & Instruction Related Services	731,644	-	85,273	(646,371)	-	(646,371)
General Administrative Services	181,504	-	-	(181,504)	-	(181,504)
Central Services	102,462	-	-	(102,462)	-	(102,462)
Plant Operations and Maintenance	353,206	-	-	(353,206)	-	(353,206)
Pupil Transportation	204,396	-	-	(204,396)	-	(204,396)
Unallocated Employee Benefits	1,072,204	-	481,945	(590,259)	-	(590,259)
On-Behalf TPAF Pension & Social Security Contributions	903,831	-	903,831	-	-	-
Transfers to Charter Schools	8,873	-	-	(8,873)	-	(8,873)
Interest & Other Changes in Long-Term Debt	123,369	-	-	(123,369)	-	(123,369)
Unallocated Depreciation	362,017	-	-	(362,017)	-	(362,017)
Total Governmental Activities	5,868,406	-	1,579,556	(4,288,850)	-	(4,288,850)
Business-Type Activities:						
Food Service	105,898	4,961	118,858	-	17,921	17,921
Total Business-Type Activities	105,898	4,961	118,858	-	17,921	17,921
Total Primary Government	\$ 5,974,304	\$ 4,961	\$ 1,698,414	(4,288,850)	17,921	(4,270,929)
General Revenues:						
Taxes:						
Property Taxes, Levied for General Purposes, Net				3,444,877	-	3,444,877
Federal & State Aid Unrestricted				891,848	-	891,848
Tuition from Individuals				23,316	-	23,316
Miscellaneous Income				53,068	30	53,098
Total General Revenues, Special Items, Extraordinary Items & Transfers				4,413,109	30	4,413,139
Change In Net Position				124,259	17,951	142,210
Net Position - Beginning (Restated) (See Note 21)				2,370,057	5,781	2,375,838
Net Position - Ending				\$ 2,494,316	\$ 23,732	\$ 2,518,048

The Accompanying Notes to the Financial Statements are an integral part of this Statement.

B. Fund Financial Statements

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Governmental Funds

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

ASSETS	GENERAL FUND	SPECIAL REVENUE FUND	DEBT SERVICE FUND	TOTALS JUNE 30, 2021
Cash & Cash Equivalents	\$ 977,210	\$ -	\$ 2,054	\$ 979,264
Receivables, Net:				
Interfund Receivable	19,225	-	-	19,225
Due from Other Governments:				
Federal	-	95,305	-	95,305
State	14,055	-	-	14,055
Restricted Cash & Cash Equivalents	872,377	-	-	872,377
Total Assets	\$ 1,882,867	\$ 95,305	\$ 2,054	\$ 1,980,226
LIABILITIES & FUND BALANCES				
Liabilities:				
Cash Deficit	\$ -	\$ 46,672	\$ -	\$ 46,672
Accounts Payable	79,923	12,262	-	92,185
Payroll Deductions and Withholdings Payable	4,590	-	-	4,590
Unearned Revenue	-	8,739	-	8,739
Total Liabilities	84,513	67,673	-	152,186
Fund Balances:				
Restricted for:				
Capital Reserve	473,473	-	-	473,473
Maintenance Reserve	247,790	-	-	247,790
Emergency Reserve	100,050	-	-	100,050
Unemployment Compensation	51,064	-	-	51,064
Excess Surplus - Current Year	424,340	-	-	424,340
Excess Surplus - Prior Year - Designated for Subsequent Year Expenditures	315,000	-	-	315,000
Debt Service	-	-	2,054	2,054
Student Activities	-	27,632	-	27,632
Assigned to:				
Other Purposes	1,470	-	-	1,470
Unassigned	185,167	-	-	185,167
Total Fund Balances	1,798,354	27,632	2,054	1,828,040
Total Liabilities & Fund Balances	\$ 1,882,867	\$ 95,305	\$ 2,054	
Amounts reported for <i>governmental activities</i> in the statement of Net Position (A-2) 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 \$9,022,979 and the accumulated depreciation is \$3,526,783.				5,496,196
Deferred outflows and inflows of resources related to pensions and deferred charges and/or credits on debt refundings are applicable to future reporting periods and, therefore, are not reported in the funds.				(611,135)
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.				(34,812)
Accrued interest on long-term debt is not due and payable in the current period and therefore is not reported as a liability in the funds.				(55,822)
Long-term liabilities, including net pension liability and bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds.				(4,128,151)
Net position of Governmental Activities				<u>\$ 2,494,316</u>

The Accompanying Notes to the Financial Statements are an integral part of this Statement.

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

	GENERAL FUND	SPECIAL REVENUE FUND	DEBT SERVICE FUND	TOTALS JUNE 30, 2021
Revenues:				
Local Sources:				
Local Tax Levy	\$ 3,303,373	\$ -	\$ 141,504	\$ 3,444,877
Tuition from Individuals	23,316	-	-	23,316
Interest Earned on Capital Reserve Funds	105	-	-	105
Interest Earned on Maintenance Reserve Funds	324	-	-	324
Other Local Revenues/Miscellaneous	40,174	12,336	129	52,639
Total Local Sources	3,367,292	12,336	141,633	3,521,261
State Sources	1,643,851	-	-	1,643,851
Federal Sources	-	199,952	-	199,952
Total Revenues	5,011,143	212,288	141,633	5,365,064
Expenditures:				
Current Expense:				
Regular Instruction	1,156,934	120,843	-	1,277,777
Special Education Instruction	399,537	-	-	399,537
Other Instruction	2,485	-	-	2,485
Support Services & Undistributed Costs:				
Tuition	145,101	-	-	145,101
Student & Instruction Related Services	651,066	80,578	-	731,644
General Administrative Services	181,504	-	-	181,504
Central Services	102,462	-	-	102,462
Plant Operations & Maintenance	353,206	-	-	353,206
Pupil Transportation	204,396	-	-	204,396
Unallocated Employee Benefits	731,652	6,172	-	737,824
On-Behalf TPAF Pension and Social Security Contributions	752,003	-	-	752,003
Capital Outlay	10,600	-	-	10,600
Debt Service:				
Principal	11,030	-	160,000	171,030
Interest & Other Charges	1,375	-	124,194	125,569
Total Expenditures	4,703,351	207,593	284,194	5,195,138
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures	307,792	4,695	(142,561)	169,926
Other Financing Sources/(Uses):				
Transfers to Charter Schools	(8,873)	-	-	(8,873)
Total Other Financing Sources/(Uses)	(8,873)	-	-	(8,873)
Net Change in Fund Balance	298,919	4,695	(142,561)	161,053
Fund Balance, July 1	1,451,075	-	144,615	1,595,690
Prior Period Adjustment	48,360	22,937	-	71,297
Fund Balance, July 1 (Restated)	1,499,435	22,937	144,615	1,666,987
Fund Balances June 30	\$ 1,798,354	\$ 27,632	\$ 2,054	\$ 1,828,040

The Accompanying Notes to the Financial Statements are an integral part of this Statement.

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

Total Net Change in Fund Balances - Governmental Funds (From B-2) \$ 161,053

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. When capital outlays and other adjustments exceed depreciation, the difference is an addition in the reconciliation (+); when depreciation and other adjustments exceed capital outlays the difference is a reduction to the reconciliation (-)

Capital Outlays	\$ 10,600	
Depreciation Expense	<u>(362,017)</u>	(351,417)

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. 140,677

Repayment of long-term debt principal and obligation of lease purchase agreements are 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. 171,030

In the statement of activities, 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. The accrued interest is an addition in the reconciliation (+) 2,200

In the statement of activities, certain operating expenses, e.g., compensated absences (vacations) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is reduction in the reconciliation (-); when the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+). 716

Change in Net Position of Governmental Activities \$ 124,259

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Proprietary Funds

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SPRINGFIELD TOWNSHIP SCHOOL DISTRICT
ENTERPRISE FUNDS
STATEMENT OF NET POSITION
JUNE 30, 2021

ASSETS	SUMMER CAMP FUND	FOOD SERVICE	TOTALS
Current Assets:			
Cash	\$ 2,970	\$ 22,642	\$ 25,612
Accounts Receivable:			
State	-	1,105	1,105
Federal	-	13,352	13,352
Inventories	-	9,031	9,031
	<hr/>		
Total Current Assets	2,970	46,130	49,100
	<hr/>		
Noncurrent Assets:			
Equipment	-	43,200	43,200
Less: Accumulated Depreciation	-	(43,200)	(43,200)
	<hr/>		
Total Noncurrent Assets	-	-	-
	<hr/>		
Total Assets	2,970	46,130	49,100
	<hr/>		
LIABILITIES			
Current Liabilities:			
Interfunds Payable	-	19,225	19,225
Unearned Revenue	-	6,143	6,143
	<hr/>		
Total Liabilities	-	25,368	25,368
	<hr/>		
NET POSITION			
Unrestricted	2,970	20,762	23,732
	<hr/>		
Total Net Position	\$ 2,970	\$ 20,762	\$ 23,732
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The Accompanying Notes to the Financial Statements are an integral part of this Statement.

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

	SUMMER CAMP	FOOD SERVICE	TOTALS
Operating Revenues:			
Local Sources:			
Daily Sales - Nonreimbursable Programs	\$ -	\$ 4,961	\$ 4,961
Total Operating Revenue	-	4,961	4,961
Operating Expenses:			
Cost of Sales - Reimbursable Programs	-	2,065	2,065
Cost of Sales - Nonreimbursable Programs	-	49,587	49,587
Salaries and Fringe Benefits - Food Service Management	-	39,939	39,939
Management Fee	-	8,755	8,755
Supplies and Materials	-	2,979	2,979
Miscellaneous Expenses	-	2,573	2,573
Total Operating Expenses	-	105,898	105,898
Operating Income/(Loss)	-	(100,937)	(100,937)
Nonoperating Revenues/(Expenses):			
State Sources:			
State School Lunch Program	-	4,197	4,197
Federal Sources:			
National School Lunch Program	-	79,909	79,909
Healthy Hunger-Free Kids Act	-	1,594	1,594
School Breakfast Program	-	33,158	33,158
Local Sources:			
Interest Earned	-	30	30
Total Nonoperating Revenue/(Expenses)	-	118,888	118,888
Change in Net Position	-	17,951	17,951
Total Net Position - Beginning	2,970	2,811	5,781
Total Net Position - Ending	\$ 2,970	\$ 20,762	\$ 23,732

The Accompanying Notes to the Financial Statements are an integral part of this Statement.

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

	SUMMER CAMP FUND	FOOD SERVICE	TOTALS
Cash Flows from Operating Activities:			
Receipts from Customers and Other Funds	\$ -	\$ 24,292	\$ 24,292
Payments to Employees and for Employees Benefits	-	(39,939)	(39,939)
Payments to Suppliers	-	(65,915)	(65,915)
Net Cash Provided by (Used For) Operating Activities	-	(81,562)	(81,562)
Cash Flows From Noncapital Financing Activities:			
State Sources	-	3,247	3,247
Federal Sources	-	102,337	102,337
Net Cash Provided by (Used For) Noncapital Financing Activities	-	105,584	105,584
Cash Flows from Investing Activities:			
Interest and Dividends	-	30	30
Net Cash Provided by (Used For) Investing Activities	-	30	30
Net Increase/(Decrease) in Cash & Cash Equivalents	-	24,052	24,052
Balances - Beginning of Year	2,970	(1,410)	1,560
Balances - Ending of Year	\$ 2,970	\$ 22,642	\$ 25,612

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

Operating Income (Loss)	\$ -	\$ (100,937)	\$ (100,937)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:			
Change in Assets & Liabilities:			
(Increase)/Decrease in Inventory	-	44	44
Increase/(Decrease) in Interfund Payable	-	13,188	13,188
Increase/(Decrease) in Unearned Revenue	-	6,143	6,143
Net Cash Provided by (Used for) Operating Activities	\$ -	\$ (81,562)	\$ (81,562)

The Accompanying Notes to the Financial Statements are an integral part of this Statement.

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Fiduciary Fund

Not Applicable

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SPRINGFIELD TOWNSHIP SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2021

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SPRINGFIELD TOWNSHIP 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 Springfield Township School District (hereafter referred to as the “School 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 Springfield Township School District is a Type II School District located in the County of Burlington, State of New Jersey. As a Type II School District, the School District functions independently through a Board of Education. The Board is comprised of nine members elected to three-year terms. These terms are staggered so that three members’ terms expire each year. The District provides a full range of educational services appropriate to grade levels K through 6. These include regular instruction as well as special education for handicapped youngsters. The operation of the District includes one elementary school located in Springfield Township. Students in grades 7 through 12 attend the Northern Burlington County Regional High School District, as a taxpaying resident. The School District has an approximate enrollment at June 30, 2021 of 231 students.

The primary criterion for including activities within the School 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 School District holds the corporate powers of the organization;
- ◆ the School District appoints a voting majority of the organization’s board
- ◆ the School District is able to impose its will on the organization;
- ◆ the organization has the potential to impose a financial benefit/burden on the School District
- ◆ there is a fiscal dependency by the organization on the School District.

There were no additional entities required to be included in the reporting entity under the criteria as described above. Furthermore, the School 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: Omnibus - an amendment of GASB Statements No. 14 and No. 34*, GASB Statement No. 80, *Blending Requirements for certain component units – and Amendment of GASB Statement No. 14* and GASB Statement No. 90, *Majority Equity Interests – An amendment of GASB Statements No. 14 and No. 61*. The District had no component units as of or for the year ended June 30, 2021.

SPRINGFIELD TOWNSHIP SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2021 (continued)

Note 1. Summary of Significant Accounting Policies (continued)

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.

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.

SPRINGFIELD TOWNSHIP SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2021 (continued)

Note 1. Summary of Significant Accounting Policies (continued)

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 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.

Fiduciary Fund Financial Statements

Fiduciary fund financial statements include a Statement of Net Position. The District’s fiduciary funds are Agency Funds, which are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The Agency funds are accounted for on a spending or “economic resources” measurement focus and the accrual basis of accounting as are the proprietary funds explained above.

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 and fiduciary 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, proprietary funds, and fiduciary funds. However, data from the fiduciary funds is not incorporated in the government-wide financial statements

SPRINGFIELD TOWNSHIP SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2021 (continued)

Note 1. Summary of Significant Accounting Policies (continued)

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.

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 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 School 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 noninstructional equipment which are classified in the capital outlay sub-fund.

As required by the New Jersey Department of Education the School 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.

SPRINGFIELD TOWNSHIP SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021 (continued)**

Note 1. Summary of Significant Accounting Policies (continued)

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.

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 proprietary funds, and local appropriations that are restricted or committed to expenditures for specified purposes.

Capital Projects Fund - The capital projects fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditures for the acquisition of construction of major capital facilities, other than those financed by proprietary funds. The financial resources are derived from New Jersey School Development Authority grants, temporary notes, capital leases, or serial bonds that are specially authorized by the voters as a separate question on the ballot either during the annual election or at a special election.

Debt Service Fund - The debt service fund is used to account for the accumulation of financial resources that are restricted, committed, or assigned to an expenditure for the payment of general long-term debt principal, interest and related costs of governmental funds.

The School District reports the following major proprietary funds:

Food Service Fund – The food service fund accounts for the financial transactions related to the food service operations of the School District.

Summer Camp Fund – The summer camp fund accounts for the financial transactions related to the summer camp operations of the School District.

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.

SPRINGFIELD TOWNSHIP SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2021 (continued)

Note 1. Summary of Significant Accounting Policies (continued)

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.

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.

SPRINGFIELD TOWNSHIP SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2021 (continued)

Note 1. Summary of Significant Accounting Policies (continued)

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.

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.

SPRINGFIELD TOWNSHIP SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021 (continued)**

Note 1. Summary of Significant Accounting Policies (continued)

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:

<u>Description</u>	<u>Governmental Activities Estimated Lives</u>	<u>Business-Type Activities Estimated Lives</u>
Land Improvements	10-20 Years	N/A
Buildings and Improvements	10-50 Years	N/A
Furniture and Equipment	5-20 Years	5-12 Years
Vehicles	5-10 Years	4-6 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.

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.

SPRINGFIELD TOWNSHIP SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021 (continued)**

Note 1. Summary of Significant Accounting Policies (continued)

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.
- 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

SPRINGFIELD TOWNSHIP SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2021 (continued)

Note 1. Summary of Significant Accounting Policies (continued)

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 School 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.

Impact of Recently Issued Accounting Principles

Adopted Accounting Pronouncements

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

Statement No. 84, *Fiduciary Activities*. The Statement intends to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. To that end, Statement No. 84 establishes criteria for identifying fiduciary activities of all state and local governments and clarifies whether and how business-type activities should report their fiduciary activities. Statement No. 84 is effective for reporting periods beginning after December 15, 2019.

SPRINGFIELD TOWNSHIP SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2021 (continued)

Note 1. Summary of Significant Accounting Policies (continued)

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.

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.

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

SPRINGFIELD TOWNSHIP SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021 (continued)**

Note 1. Summary of Significant Accounting Policies (continued)

an acquisition of net position that applies to a future period 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 fund or other funds that 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 School District’s bank balance of \$1,907,205 was exposed to custodial credit risk as follows:

Insured under FDIC and GUDPA	\$ 1,855,677
Uninsured and Uncollateralized	<u>51,528</u>
Total	<u>\$ 1,907,205</u>

Investments

The School District had no investments at June 30, 2021.

Note 3. Reserve Accounts

Capital Reserve

A capital reserve account was established by the School District 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 School 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

SPRINGFIELD TOWNSHIP SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021 (continued)**

Note 3. Reserve Accounts (continued)

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	\$	288,274
Increased by:		
Interest Earnings		105
Deposits approved by Board		<u>185,094</u>
Ending Balance, June 30, 2021	\$	<u>473,473</u>

Maintenance Reserve

The School 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.

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

Beginning Balance, July 1, 2020	\$	246,478
Increased by:		
Interest Earnings		324
Deposits approved by Board		<u>988</u>
Ending Balance, June 30, 2021	\$	<u>247,790</u>

Emergency Reserve

An emergency reserve account was established by inclusion of \$100,000 on June 18, 2018 for the accumulation of funds for use as emergency expenditures in subsequent fiscal years. The emergency reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

SPRINGFIELD TOWNSHIP SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021 (continued)**

Note 3. Reserve Accounts (continued)

The emergency reserve account is used to accumulate funds in accordance with N.J.S.A. 18A:7F-41c(1) to finance unanticipated general fund expenditures required for a thorough and efficient education. Unanticipated means reasonably unforeseeable and shall not include additional costs caused by poor planning. The maximum balance permitted at any time in this reserve is the greater of \$250,000 or 1 percent of the general fund budget not to exceed \$1 million. Deposits may be made to the emergency reserve account by board resolution at year end of any unanticipated revenue or unexpended line item appropriation or both. The department has defined year end for the purpose of depositing surplus into reserve accounts as an amount approved by the district board of education between June 1 and June 30. Withdrawals from the reserve require the approval of the Commissioner unless the withdrawal is necessary to meet an increase in total health care costs in excess of 4 percent.

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

Ending Balance, June 30, 2020 and 2021	<u>\$ 100,050</u>
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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 School District's governmental and business-type activities as of June 30, 2021, consisted of the following:

<u>Description</u>	<u>Governmental Funds</u>		Total Governmental <u>Activities</u>	<u>Proprietary</u>	Total Business-Type <u>Activities</u>
	General <u>Fund</u>	Special Revenue <u>Fund</u>		Food Service <u>Fund</u>	
Federal Awards	\$ -	\$ 95,305	\$ 95,305	\$ 13,352	\$ 13,352
State Awards	14,055	-	14,055	1,105	1,105
Total	<u>\$ 14,055</u>	<u>\$ 95,305</u>	<u>\$ 109,360</u>	<u>\$ 14,457</u>	<u>\$ 14,457</u>

Note 5. Capital Assets

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

SPRINGFIELD TOWNSHIP SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021 (continued)**

Note 5. Capital Assets (continued)

	Balance July 1, <u>2020</u>	<u>Additions</u>	Retirements <u>and Transfers</u>	Balance June 30, <u>2021</u>
Governmental Activities:				
Capital assets not being depreciated:				
Land	\$ 90,889	\$ -	\$ -	\$ 90,889
Total Capital Assets not being depreciated	<u>90,889</u>	<u>-</u>	<u>-</u>	<u>90,889</u>
Capital Assets being depreciated:				
Land Improvements	182,339	-	-	182,339
Buildings and Improvements	7,978,158	-	-	7,978,158
Vehicles and Equipment	760,993	10,600	-	771,593
Total Capital Assets being depreciated	<u>8,921,490</u>	<u>10,600</u>	<u>-</u>	<u>8,932,090</u>
Less: Accumulated Depreciation:				
Land Improvements	(158,224)	(4,103)	-	(162,327)
Buildings and Improvements	(2,578,787)	(311,063)	-	(2,889,850)
Vehicles and Equipment	(427,755)	(46,851)	-	(474,606)
Total Accumulated Depreciation	<u>(3,164,766)</u>	<u>(362,017)</u>	<u>-</u>	<u>(3,526,783)</u>
Total Capital Assets being depreciated, net	<u>5,756,724</u>	<u>(351,417)</u>	<u>-</u>	<u>5,405,307</u>
Total Governmental Activities Capital Assets, net	<u>\$ 5,847,613</u>	<u>\$ (351,417)</u>	<u>\$ -</u>	<u>\$ 5,496,196</u>
	Balance July 1, <u>2020</u>	<u>Additions</u>	Retirements <u>and Transfers</u>	Balance June 30, <u>2021</u>
Business-Type Activities:				
Equipment	\$ 43,200	\$ -	\$ -	\$ 43,200
	<u>43,200</u>	<u>-</u>	<u>-</u>	<u>43,200</u>
Less: Accumulated Depreciation:				
Equipment	(43,200)	-	-	(43,200)
	<u>(43,200)</u>	<u>-</u>	<u>-</u>	<u>(43,200)</u>
Total Business-Type Activities Capital Assets, net	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

SPRINGFIELD TOWNSHIP 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	\$ 19,225	\$ -
Food Service Fund	-	19,225
	<u>\$ 19,225</u>	<u>\$ 19,225</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.

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	\$ 3,645,000	\$ -	\$ 160,000	\$ 3,485,000	\$ 165,000
Capital Leases	34,810	-	11,030	23,780	11,594
Compensated Absences	101,953	-	716	101,237	-
Net Pension Liability	805,835	-	287,701	518,134	-
	<u>\$ 4,587,598</u>	<u>\$ -</u>	<u>\$ 459,447</u>	<u>\$ 4,128,151</u>	<u>\$ 176,594</u>

For governmental activities, the bonds payable are liquidated from the School District's debt service fund. Compensated absences 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 July 15, 2015, the School District issued \$4,104,000 of General Obligation Bonds. The General Obligation Bonds were issued at interest rates varying from 3% to 4% and mature on July 15, 2036.

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

SPRINGFIELD TOWNSHIP SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021 (continued)**

Note 7. Long-Term Obligations (continued)

Fiscal Year Ending <u>June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 165,000	\$ 119,319	\$ 284,319
2023	170,000	114,294	284,294
2024	175,000	109,119	284,119
2025	180,000	103,793	283,793
2026	190,000	98,244	288,244
2027-2031	1,045,000	398,959	1,443,959
2032-2036	1,275,000	188,500	1,463,500
2037	285,000	5,700	290,700
	<u>\$ 3,485,000</u>	<u>\$ 1,137,928</u>	<u>\$ 4,622,928</u>

Capital Leases Payable

The School District is leasing school buses under a capital lease. The agreement was made as of August 1, 2018 for a term of 48 months at an interest rate of 3.00%. The following is a schedule of the remaining future minimum lease payments under these capital leases and the present value of the net minimum lease payments at June 30, 2021:

Fiscal Year Ending <u>June 30,</u>	
2022	\$ 12,809
2023	<u>12,809</u>
Total Minimum Lease Payments	25,618
Less: Amount Representing Interest	<u>(1,838)</u>
Present Value of Minimum Lease Payments	<u>\$ 23,780</u>

Bonds Authorized but not Issued

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

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 Comprehensive Annual Financial Report (CAFR) which can be found at www.state.nj.us/treasury/pensions/annrpts.shtml.

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, except for medical benefits, which vest after 25 years of service or under the disability provisions of PERS.

SPRINGFIELD TOWNSHIP 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 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 1/55th 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 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.

Pension Liability, Pension Expense and Deferred Outflows/Inflows of Resources - At June 30, 2021, the School District reported a liability of \$518,134 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 School District's proportion of the net pension liability was based on the School District's actual contributions to the plan relative to the total of all participating employers' contributions for the year

SPRINGFIELD TOWNSHIP 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)

ended June 30, 2020. The School District's proportion measured as of June 30, 2020, was 0.00318%, which was a decrease of 0.00129% from its proportion measured as of June 30, 2019.

For the year ended June 30, 2021, the School District recognized full accrual pension expense of (\$114,419) 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 School 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	\$ 9,434	\$ 1,832
Changes of Assumptions	16,809	216,947
Net Difference between Projected and Actual Earnings on Pension Plan Investments	17,710	-
Changes in Proportion and Differences between District Contributions and Proportionate Share of Contributions	163,104	634,225
School District Contributions Subsequent to Measurement Date	<u>34,812</u>	<u>-</u>
	<u>\$ 241,869</u>	<u>\$ 853,004</u>

\$34,812 reported as deferred outflows of resources resulting from school 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:

Year Ending Dec 31.	Amount
2021	\$ (249,810)
2022	(224,209)
2023	(178,841)
2024	(92,071)
2025	<u>98,984</u>
	<u>\$ (645,947)</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:

SPRINGFIELD TOWNSHIP 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

SPRINGFIELD TOWNSHIP 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:

SPRINGFIELD TOWNSHIP 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%
	<u>100.00%</u>	

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 School 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 School 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:

SPRINGFIELD TOWNSHIP 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)

	1% Decrease <u>(6.00%)</u>	Current Discount Rate <u>(7.00%)</u>	1% Increase <u>(8.00%)</u>
District's Proportionate Share of the Net Pension Liability	<u>\$ 657,373</u>	<u>\$ 518,134</u>	<u>\$ 407,517</u>

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>6/29/2020</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	0.00318%	0.00447%

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:

SPRINGFIELD TOWNSHIP 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>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 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 School 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 School 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 School District as of June 30, 2020 was \$12,265,765. The School 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 School District was 0.01863%, which was a decrease of 0.00116% from its proportion measured as of June 30, 2019.

For the fiscal year ended June 30, 2021, the School District recognized \$762,737 in on-behalf pension expense and revenue in the government-wide financial statements, for the State of New Jersey on-behalf

SPRINGFIELD TOWNSHIP 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)

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:

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:

SPRINGFIELD TOWNSHIP 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%
	<u>100.00%</u>	

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 School District's annual required contribution. The following represents the State's proportionate share of the net pension liability, attributable to the School 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 School 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:

SPRINGFIELD TOWNSHIP 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 <u>(4.40%)</u>	Current Discount Rate <u>(5.40%)</u>	1% Increase <u>(6.40%)</u>
District's Proportionate Share of the Net Pension Liability	\$ -	\$ -	\$ -
State of New Jersey's Proportionate Share of Net Pension Liability associated with the District	<u>14,407,576</u>	<u>12,265,765</u>	<u>10,487,349</u>
	<u>\$ 14,407,576</u>	<u>\$ 12,265,765</u>	<u>\$ 10,487,349</u>

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>
Actuarial valuation date (including roll forward)		
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	0.01863%	0.01979%

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;

SPRINGFIELD TOWNSHIP 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 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;
- 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 2020 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 School District.

For the year ended June 30, 2021, employee contributions totaled \$13,570, and the School District recognized an expense for payments made to the Defined Contribution Retirement program in the amount of \$7,402.

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

SPRINGFIELD TOWNSHIP SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021 (continued)**

Note 9. Other Post-Retirement Benefits (continued)

coverage who have less than 20 years of creditable service on June 28, 2011 will be required to pay a percentage of the cost of their health care coverage in retirement provided they retire with 25 or more years of pension service credit. The percentage of the premium for which the retiree will be responsible will be determined based on the retiree’s annual retirement benefit and level of coverage.

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

	<u>TPAF/ABP</u>	<u>PERS</u>	<u>PFRS</u>
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.

SPRINGFIELD TOWNSHIP SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2021 (continued)

Note 9. Other Post-Retirement Benefits (continued)

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

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, 2021 was \$15,476,097. 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 0.02282%, which was an increase of 0.00055% 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 \$475,676 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:

SPRINGFIELD TOWNSHIP SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021 (continued)**

Note 9. Other Post-Retirement Benefits (continued)

	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	\$ 18,657,234	\$ 15,476,097	\$ 12,988,754
State of New Jersey's Total Non- employer Liability	\$ 81,748,410,002	\$ 67,809,962,608	\$ 56,911,439,160

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

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

	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	\$ 12,492,827	\$ 15,476,097	\$ 19,028,508
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	-	-
Change in Assumptions	11,534,251,250	(7,737,500,827)
Contributions Made in Fiscal Year Year Ending 2020 After June 30, 2019 Measurement Date **	TBD	-
	<u>\$ 21,829,570,000</u>	<u>\$ (16,908,204,442)</u>

SPRINGFIELD TOWNSHIP SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021 (continued)**

Note 9. Other Post-Retirement Benefits (continued)

** 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:

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>\$ 4,921,365,558</u>

Plan Membership

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

	June 30, 2019
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>41,729,081,045</u>
Total OPEB Liability (Ending)	<u>\$ 67,809,962,608</u>
Total Covered Employee Payroll	\$ 14,267,738,658
Net OPEB Liability as a Percentage of Payroll	475%

SPRINGFIELD TOWNSHIP 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 School 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 School 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 \$465,067, \$141,094, \$145,745 and \$97, respectively.

Note 11. Risk Management

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

<u>Fiscal Year</u>	<u>Employee Contributions</u>	<u>Interest Earnings</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2020-2021	\$ 3,112	\$ 239	\$ 647	\$ 51,064
2019-2020	4,502	678	6,333	48,360
2018-2019	6,634	114	722	49,513

Property and Liability Insurance – The School 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 School District also participates in the Burlington County Insurance Pool 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

SPRINGFIELD TOWNSHIP SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021 (continued)**

Note 12. Contingencies

State and Federal Grantor Agencies - The School 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 School 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 School 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 School District is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, it is the opinion of the School Districts’ attorney that resolution of these matters will not have a material adverse effect on the financial condition of the School District.

Economic Dependency – The School 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 School District’s programs and activities.

Note 13. Deferred Compensation

The School 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
AXA Equitable

Note 14. Compensated Absences

The School 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.

School District employees are granted varying amount of vacation and sick leave in accordance with the School District's personnel policies. Upon termination, employees are paid for accrued vacation. The School 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 School District for the unused sick leave in accordance with School 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 and on the proprietary fund Statement of Net Position was \$101,237 and \$-0-, respectively.

SPRINGFIELD TOWNSHIP 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 School District has contractual commitments at June 30, 2021 to various vendors, which are recorded in the general fund as assigned to other purposes in the amount of \$1,470.

Note 17. Operating Leases

The School District has commitments to lease copier machines under operating leases for 5 years. Total lease payments made during the year ended June 30, 2021 amounted to \$9,146. Future minimum lease payments are as follows:

Fiscal Year Ending <u>June 30,</u>	
2022	\$ 12,195
2023	12,194
2024	12,195
2025	12,194
2026	<u>3,049</u>
Total Minimum Lease Payments	<u>\$ 51,827</u>

Note 18. 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 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 \$424,340.

SPRINGFIELD TOWNSHIP SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021 (continued)**

Note 19. Fund Balances

General Fund – Of the \$1,798,354 General Fund fund balance at June 30, 2021, \$473,473 has been restricted for the Capital Reserve Account; \$247,790 has been restricted for the Maintenance Reserve Account; \$100,050 has been restricted for the Emergency Reserve Account; \$424,340 has been restricted for current year excess surplus; \$315,000 is restricted for prior year excess surplus – designated for subsequent year’s expenditures; \$51,064 is restricted for Unemployment Compensation; \$1,470 is assigned to other purposes and \$185,167 has been unassigned.

Special Revenue Fund – Of the \$27,632 Special Revenue Fund fund balance at June 30, 2021, \$27,632 is restricted for student activities.

Debt Service Fund – Of the \$2,054 Debt Service Fund fund balance at June 30, 2021, \$2,054 is restricted for future debt service payments.

Note 20. Deficit in Net Position

Unrestricted Net Position – The School District governmental activities had a deficit in unrestricted net position in the amount of \$1,134,503 at June 30, 2021. The primary causes of this deficit is the School 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 School District is facing financial difficulties.

Note 21. 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 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	\$ 2,298,760
Add:	
New Jersey Unemployment Trust	48,360
Student Activities	22,937
	<hr/>
Balance, July 1, 2020 Restated	<u>\$ 2,370,057</u>

SPRINGFIELD TOWNSHIP SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021 (continued)**

Note 21. Prior Period Adjustment/Restatement of Net Position and Fund Balance (continued)

Prior Period Adjustment to Fund Balance (General Fund)

Balance, July 1, 2020 prior to Adjustment	\$ 1,451,075
Add:	
New Jersey Unemployment Trust	<u>48,360</u>
Balance, July 1, 2020 Restated	<u>\$ 1,499,435</u>

Prior Period Adjustment to Fund Balance (Special Revenue Fund)

Balance, July 1, 2020 prior to Adjustment	\$ -
Add:	
Student Activities	<u>22,937</u>
Balance, July 1, 2020 Restated	<u>\$ 22,937</u>

Note 22. Subsequent Events

Management has reviewed and evaluated all events and transactions that occurred between June 30, 2021 and February 10, 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 School District that would require disclosure.

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.

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REQUIRED SUPPLEMENTARY INFORMATION - PART II

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C. Budgetary Comparison Schedules

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

	ACCOUNT NUMBERS	JUNE 30, 2021			ACTUAL	POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET		
Revenues:						
Local Sources:						
Local Tax Levy	10-1210	\$ 3,303,373	\$ -	\$ 3,303,373	\$ 3,303,373	\$ -
Tuition from Individuals	10-1310	20,000	-	20,000	23,316	3,316
Interest Earned on Capital Reserve Funds	10-1XXX	150	-	150	105	(45)
Interest Earned on Emergency Reserves	10-1XXX	30	-	30	-	(30)
Interest Earned on Maintenance Reserve Funds	10-1XXX	150	-	150	324	174
Unrestricted Miscellaneous Revenue	10-1XXX	5,000	-	5,000	36,823	31,823
Other Restricted Miscellaneous Revenue	10-1XXX	-	-	-	3,351	3,351
Total Local Sources		3,328,703	-	3,328,703	3,367,292	38,589
State Sources:						
Categorical Transportation Aid	10-3121	139,769	-	139,769	139,769	-
Categorical Special Education Aid	10-3132	159,516	-	159,516	159,516	-
Equalization Aid	10-3176	547,742	-	547,742	547,742	-
Categorical Security Aid	10-3177	22,357	-	22,357	22,357	-
Extraordinary Aid	10-3131	-	-	-	7,032	7,032
Securing our Children's Future Bond Act	10-3256	-	20,000	20,000	-	(20,000)
Nonpublic Transportation Aid	10-3xxx	-	-	-	290	290
Nonbudgeted:						
On-Behalf TPAF:						
Normal Pension Contributions		-	-	-	465,067	465,067
Post-Retirement Medical Contributions		-	-	-	145,745	145,745
Long-Term Disability Insurance Contributions		-	-	-	97	97
Reimbursed TPAF Social Security Contributions		-	-	-	141,094	141,094
Total State Sources		869,384	20,000	889,384	1,628,709	739,325
Total Revenues		4,198,087	20,000	4,218,087	4,996,001	777,914
Expenditures:						
Current Expense:						
Regular Programs - Instruction:						
Salaries of Teachers:						
Preschool	11-105-100-101	26,700	12,475	39,175	38,903	272
Kindergarten	11-110-100-101	189,124	(11,565)	177,559	154,633	22,926
Grades 1 - 5	11-120-100-101	765,811	(77,887)	687,924	665,473	22,451
Grades 6 - 8	11-130-100-101	150,720	43,050	193,770	193,678	92
Home Instruction - Regular Programs:						
Salaries of Teachers	11-150-100-101	1,000	-	1,000	-	1,000
Regular Programs - Undistributed Instruction:						
Other Salaries for Instruction	11-190-100-106	4,150	-	4,150	2,535	1,615
Purchased Technical Services	11-190-100-340	31,195	8,050	39,245	37,412	1,833
Other Purchased Services	11-190-100-500	880	-	880	880	-
General Supplies	11-190-100-610	68,725	(1,491)	67,234	63,420	3,814
Miscellaneous Expenditures	11-190-100-890	-	3,001	3,001	-	3,001
Total Regular Programs - Instruction		1,238,305	(24,367)	1,213,938	1,156,934	57,004
Special Education:						
Multiple Disabilities:						
Salaries of Teachers	11-212-100-101	64,756	43,782	108,538	108,538	-
Other Salaries for Instruction	11-212-100-106	33,725	(26,778)	6,947	6,947	-
Total Multiple Disabilities		98,481	17,004	115,485	115,485	-
Resource Room/Resource Center						
Salaries of Teachers	11-213-100-101	312,442	(32,413)	280,029	202,977	77,052
Other Salaries for Instruction	11-213-100-106	12,892	30,207	43,099	43,047	52
General Supplies	11-213-100-610	900	-	900	593	307
Total Resource Room/Resource Center		326,234	(2,206)	324,028	246,617	77,411

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

	ACCOUNT NUMBERS	JUNE 30, 2021			ACTUAL	POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET		
Pre-School Disabilities - Part-Time						
Salaries of Teachers	11-215-100-101	18,925	(4,664)	14,261	14,261	-
Other Salaries for Instruction	11-215-100-106	13,109	10,065	23,174	23,174	-
General Supplies	11-215-100-600	400	(400)	-	-	-
Total Pre-School Disabilities - Part-Time		32,434	5,001	37,435	37,435	-
Home Instruction:						
Salaries of Teachers	11-219-100-101	500	-	500	-	500
Total Home Instruction		500	-	500	-	500
Total Special Education		457,649	19,799	477,448	399,537	77,911
Other Instruction:						
Basic Skills/Remedial						
Salaries of Teachers	11-230-100-101	29,847	-	29,847	297	29,550
General Supplies	11-230-100-610	400	-	400	400	-
Total Basic Skills/Remedial		30,247	-	30,247	697	29,550
School Sponsored Cocurricular Activities:						
Salaries	11-401-100-100	1,100	220	1,320	1,320	-
Other Purchased Services	11-401-100-500	3,000	-	3,000	-	3,000
General Supplies	11-401-100-600	500	(237)	263	-	263
Total School Sponsored Cocurricular Activities		4,600	(17)	4,583	1,320	3,263
Other Instructional Programs - Instruction						
General Supplies	11-4XX-100-610	500	-	500	468	32
Total Other Instructional Programs - Instruction		500	-	500	468	32
Total Instruction		1,731,301	(4,585)	1,726,716	1,558,956	167,760
Undistributed Expenditures:						
Instruction:						
Tuition to Other LEAs Within State - Special	11-000-100-562	28,222	-	28,222	25,688	2,534
Tuition to CSSD & Regional Day Schools	11-000-100-565	174,303	-	174,303	119,413	54,890
Total Instruction		202,525	-	202,525	145,101	57,424
Attendance & Social Work Services:						
Salaries	11-000-211-100	31,301	-	31,301	23,400	7,901
Total Attendance & Social Work Services		31,301	-	31,301	23,400	7,901
Health Services:						
Salaries	11-000-213-100	69,955	1,273	71,228	70,410	818
Purchased Professional & Technical Services	11-000-213-300	2,175	-	2,175	5,800	(3,625)
Supplies and Materials	11-000-213-600	3,100	-	3,100	705	2,395
Other Objects	11-000-213-800	85	-	85	-	85
Total Health Services		75,315	1,273	76,588	76,915	(327)
Speech, OT, PT & Related Services:						
Salaries	11-000-216-100	65,640	4,349	69,989	62,361	7,628
Purchased Professional/Technical Services	11-000-216-320	14,345	3,633	17,978	14,292	3,686
Total Speech, OT, PT & Related Services		79,985	7,982	87,967	76,653	11,314

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

	ACCOUNT NUMBERS	JUNE 30, 2021			ACTUAL	POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET		
Other Support Services - Students - Extraordinary Services:						
Purchased Professional - Educational Services	11-000-217-320	78,735	-	78,735	22,050	56,685
Total Other Support Services - Students - Extraordinary Services		78,735	-	78,735	22,050	56,685
Child Study Teams:						
Salaries of Other Professional Staff	11-000-219-104	210,625	(12,422)	198,203	192,161	6,042
Salaries of Secretarial & Clerical Assistants	11-000-219-105	3,214	34,142	37,356	37,312	44
Other Salaries	11-000-219-110	2,500	946	3,446	2,256	1,190
Purchased Professional & Technical Services	11-000-219-390	12,500	(1,418)	11,082	9,615	1,467
Residential Costs	11-000-219-591	450	-	450	54	396
Supplies & Materials	11-000-219-600	1,000	(3)	997	997	-
Total Child Study Team		230,289	21,245	251,534	242,395	9,139
Improvement of Instruction:						
Salary of Supervisor of Instruction	11-000-221-102	62,840	(2,155)	60,685	59,842	843
Salaries of Secretaries & Clerical Assistants	11-000-221-105	7,825	1,994	9,819	7,844	1,975
Other Salaries	11-000-221-110	1,000	(400)	600	600	-
Other Purchased Services	11-000-221-500	5,000	100	5,100	5,100	-
Supplies and Materials	11-000-221-600	100	-	100	75	25
Total Improvement of Instruction		76,765	(461)	76,304	73,461	2,843
Educational Media Services/School Library:						
Salaries	11-000-222-100	65,429	(956)	64,473	64,473	-
Purchased Professional & Technical Services	11-000-222-300	58,000	2,750	60,750	60,750	-
Supplies and Materials	11-000-222-600	5,000	(803)	4,197	4,197	-
Total Educational Media Services/School Library		128,429	991	129,420	129,420	-
Instructional Staff Training:						
Other Salaries	11-000-223-110	750	1,038	1,788	1,788	-
Purchased Professional - Technical Services	11-000-223-390	850	980	1,830	1,830	-
Other Purchased Services	11-000-223-500	3,250	(96)	3,154	3,154	-
Supplies and Materials	11-000-223-600	100	(100)	-	-	-
Total Instructional Staff Training		4,950	1,822	6,772	6,772	-
Support Services General Administration:						
Salaries	11-000-230-100	124,096	6,999	131,095	118,569	12,526
Legal Services	11-000-230-331	12,500	7,007	19,507	19,507	-
Audit Fees	11-000-230-332	16,000	4,300	20,300	20,300	-
Architect Fees	11-000-230-334	-	224	224	224	-
Other Purchased Professional Services	11-000-230-339	3,500	(3,500)	-	-	-
Purchased Technical Services	11-000-230-340	5,750	-	5,750	4,735	1,015
Communications/Telephone	11-000-230-530	6,475	3,721	10,196	8,261	1,935
BOE Other Purchased Services	11-000-230-585	500	(15)	485	265	220
Misc Purchase Svc	11-000-230-590	1,250	1,653	2,903	2,903	-
Supplies and Materials	11-000-230-610	1,850	70	1,920	1,920	-
Miscellaneous Expenditures	11-000-230-890	1,750	(50)	1,700	1,700	-
BOE Membership Dues & Fees	11-000-230-895	3,125	(5)	3,120	3,120	-
Total Support Services General Administration		176,796	20,404	197,200	181,504	15,696
Support Services Central Services:						
Salaries	11-000-251-100	122,293	(18,951)	103,342	90,561	12,781
Purchased Technical Services	11-000-251-340	7,900	1,777	9,677	9,677	-
Supplies and Materials	11-000-251-600	1,250	775	2,025	1,972	53
Miscellaneous Expenditures	11-000-251-890	1,250	(925)	325	252	73
Total Support Services Central Services		132,693	(17,324)	115,369	102,462	12,907

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

	ACCOUNT NUMBERS	JUNE 30, 2021			ACTUAL	POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET		
Required Maintenance for School Facilities						
Salaries	11-000-261-100	110,704	915	111,619	106,438	5,181
Cleaning, Repair & Maintenance Services	11-000-261-420	47,750	15,231	62,981	54,517	8,464
General Supplies	11-000-261-610	16,500	(11,202)	5,298	4,120	1,178
Other Objects	11-000-261-800	1,850	993	2,843	1,858	985
Total Required Maintenance for School Facilities		176,804	5,937	182,741	166,933	15,808
Custodial Services:						
Salaries	11-000-262-100	50,884	1,331	52,215	42,990	9,225
Salaries of Non-Instructional Aides	11-000-262-107	28,064	484	28,548	26,991	1,557
Purchased Prof. and Technical Services	11-000-262-300	-	529	529	529	-
Insurance	11-000-262-520	13,912	-	13,912	13,912	-
General Supplies	11-000-262-610	14,000	(3,774)	10,226	7,714	2,512
Energy (Natural Gas)	11-000-262-621	23,100	(3,596)	19,504	18,412	1,092
Energy (Electricity)	11-000-262-622	55,500	9,583	65,083	64,979	104
Total Custodial Services		185,460	4,557	190,017	175,527	14,490
Security						
Salaries	11-000-266-100	5,000	-	5,000	-	5,000
Purchased Professional & Technical Services	11-000-266-300	1,200	7,000	8,200	8,040	160
Other Objects	11-000-266-800	-	-	-	2,706	(2,706)
Total Security		6,200	7,000	13,200	10,746	2,454
Total Operation & Maintenance of Plant Services		368,464	17,494	385,958	353,206	32,752
Student Transportation Services:						
Salaries of Non-instructional Aides	11-000-270-107	11,500	665	12,165	12,165	-
Salaries - (Between Home & School) - Regular	11-000-270-160	5,000	(665)	4,335	-	4,335
Salaries - (Between Home & School) - Special Ed.	11-000-270-161	20,624	-	20,624	5,337	15,287
Cleaning, Repair & Maintenance Services	11-000-270-420	1,500	612	2,112	2,112	-
Lease Purchase Payments - School Buses	11-000-270-443	12,890	-	12,890	12,809	81
Aid in Lieu of Payments - Nonpublic	11-000-270-503	8,000	(2,174)	5,826	1,408	4,418
Contracted Services -Between Home & School- Vendors	11-000-270-512	5,000	(5,000)	-	-	-
Contracted Services -Between Home & School- Joint Agreements	11-000-270-513	153,000	13,491	166,491	149,515	16,976
Contracted Services -Special Education- Joint Agreements	11-000-270-515	21,250	7,176	28,426	28,425	1
Miscellaneous Purchased Services - Transportation	11-000-270-593	2,951	-	2,951	2,951	-
Transportation Supplies	11-000-270-615	2,500	(612)	1,888	654	1,234
Miscellaneous Expenditures	11-000-270-800	100	-	100	50	50
Total Student Transportation Services		244,315	13,493	257,808	215,426	42,382
Unallocated Benefits - Employee Benefits						
Group Insurance	11-100-291-210	4,000	-	4,000	3,111	889
Social Security Contributions	11-100-291-220	66,000	-	66,000	55,204	10,796
Other Retirement Contributions - PERS	11-100-291-241	53,000	-	53,000	43,620	9,380
Unemployment Compensation	11-100-291-250	-	650	650	647	3
Workmen's Compensation	11-100-291-260	19,592	300	19,892	19,892	-
Health Benefits	11-100-291-270	752,617	(50,131)	702,486	563,288	139,198
Tuition Reimbursement	11-100-291-280	10,000	(5,353)	4,647	4,434	213
Other Employee Benefits	11-100-291-290	36,350	(4,615)	31,735	39,432	(7,697)
Unused Sick Payment to Term./Retired Staff	11-100-291-299	9,120	-	9,120	2,024	7,096
Total Unallocated Benefits - Employee Benefits		950,679	(59,149)	891,530	731,652	159,878
Transfer to Cover Deficit		-	10,352	10,352	-	10,352

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

	ACCOUNT NUMBERS	JUNE 30, 2021			ACTUAL	POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET		
Nonbudgeted:						
On-Behalf TPAF Pension Contribution		-	-	-	465,067	(465,067)
On-Behalf TPAF Post-Retirement Medical Contributions		-	-	-	145,745	(145,745)
On-Behalf TPAF Long-Term Disability Insurance Contributions		-	-	-	97	(97)
Reimbursed TPAF Social Security Contributions		-	-	-	141,094	(141,094)
Total Undistributed Expenditures		<u>2,781,241</u>	<u>18,122</u>	<u>2,799,363</u>	<u>3,132,420</u>	<u>(333,057)</u>
Total Expenditures - Current Expense		<u>4,512,542</u>	<u>13,537</u>	<u>4,526,079</u>	<u>4,691,376</u>	<u>(165,297)</u>
Capital Outlay:						
Interest Deposit to Capital Reserve	10-604	150	-	150	-	150
Interest Earned on Maintenance Reserve	10-606	150	-	150	-	150
Interest Earned on Emergency Reserve	10-607	30	-	30	-	30
Equipment:						
Security	12-000-266-730	-	20,000	20,000	10,600	9,400
Total Equipment		<u>330</u>	<u>20,000</u>	<u>20,330</u>	<u>10,600</u>	<u>9,730</u>
Facilities Acquisition & Construction Services:						
Assessment for Debt Service on SDA Funding	12-000-400-896	1,375	-	1,375	1,375	-
Total Facilities Acquisition & Construction Services		<u>1,375</u>	<u>-</u>	<u>1,375</u>	<u>1,375</u>	<u>-</u>
Total Capital Outlay		<u>1,705</u>	<u>20,000</u>	<u>21,705</u>	<u>11,975</u>	<u>9,730</u>
Total Expenditures		<u>4,514,247</u>	<u>33,537</u>	<u>4,547,784</u>	<u>4,703,351</u>	<u>(155,567)</u>
Excess/(Deficiency) of Revenues Over/(Under) Expenditures		<u>(316,160)</u>	<u>(13,537)</u>	<u>(329,697)</u>	<u>292,650</u>	<u>622,347</u>
Other Financing Sources/(Uses):						
Transfer to Charter Schools		-	(8,873)	(8,873)	(8,873)	-
Total Other Financing Sources/(Uses)		<u>-</u>	<u>(8,873)</u>	<u>(8,873)</u>	<u>(8,873)</u>	<u>-</u>
Excess/(Deficiency) of Revenues and Expenditures and Other Financing Sources/(Uses)		<u>(316,160)</u>	<u>(22,410)</u>	<u>(338,570)</u>	<u>283,777</u>	<u>622,347</u>
Fund Balances, July 1		1,538,372	-	1,538,372	1,538,372	-
Prior Period Adjustment		48,360	-	48,360	48,360	-
Fund Balances, July 1 (Restated)		<u>1,586,732</u>	<u>-</u>	<u>1,586,732</u>	<u>1,586,732</u>	<u>-</u>
Fund Balances, June 30		<u>\$ 1,270,572</u>	<u>\$ (22,410)</u>	<u>\$ 1,248,162</u>	<u>\$ 1,870,509</u>	<u>\$ 622,347</u>

RECAPITULATION OF BUDGET TRANSFERS

Prior Year Reserve for Encumbrances	<u>\$ 22,410</u>
Total Budget Transfers	<u>\$ 22,410</u>

RECAPITULATION OF FUND BALANCE

Restricted Fund Balance:	
Capital Reserve	\$ 473,473
Maintenance Reserve	247,790
Emergency Reserve	100,050
Unemployment Compensation	51,064
Excess Surplus	424,340
Excess Surplus Designated for Subsequent Year's Expenditures	315,000
Assigned Fund Balance:	
Year-end Encumbrances	1,470
Unassigned Fund Balance	<u>257,322</u>
Subtotal	<u>1,870,509</u>
Reconciliation to Governmental Fund Statements (GAAP):	
Last Two State Aid Payment Not Recognized on GAAP Basis	<u>(72,155)</u>
Fund Balance per Governmental Funds (GAAP)	<u>\$ 1,798,354</u>

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

	JUNE 30, 2021				VARIANCE POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
REVENUES					
Local Sources	\$ -	\$ 6,990	\$ 6,990	\$ 12,604	\$ 5,614
Federal Sources	50,329	181,424	231,753	206,317	(25,436)
Total Revenues	50,329	188,414	238,743	218,921	(19,822)
EXPENDITURES:					
Instruction:					
Salaries	24,593	(2,672)	21,921	21,921	-
Other Salaries	-	4,422	4,422	4,422	-
Purchased Professional - Educational Services	-	10,211	10,211	5,812	4,399
Other Purchased Services	-	2,892	2,892	2,892	-
Tuition	25,736	20,639	46,375	46,375	-
Other Objects	-	35,684	35,684	35,558	126
General Supplies	-	7,361	7,361	3,863	3,498
Total Instruction	50,329	78,537	128,866	120,843	8,023
Support Services:					
Employee Benefits	-	6,172	6,172	6,172	-
Purchased Professional - Technical Services	-	54,939	54,939	54,695	244
Other Purchased Services	-	36,443	36,443	21,101	15,342
Supplies	-	5,583	5,583	4,676	907
Student Activities	-	6,740	6,740	6,739	1
Total Support Services	-	109,877	109,877	93,383	16,494
Total Expenditures	50,329	188,414	238,743	214,226	24,517
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	-	-	-	4,695	4,695
Fund Balance, July 1	-	-	-	-	-
Prior Period Adjustment	-	-	-	22,937	22,937
Fund Balance, July 1 (Restated)	-	-	-	22,937	22,937
Fund Balance, June 30	\$ -	\$ -	\$ -	\$ 27,632	\$ 27,632

RECAPITULATION OF FUND BALANCE

Restricted Fund Balance:
Student Activities

\$ 27,632

\$ 27,632

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

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**SPRINGFIELD TOWNSHIP SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
NOTE TO RSI
FOR THE 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) "Revenue"		
From the Budgetary Comparison Schedule (C-Series)	\$ 4,996,001	\$ 218,921
Difference - Budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		
Current Year	-	(6,633)
State aid revenue adjustment due to last two state aid payments not being recognized in accordance with GASB No. 33		
Prior Year	87,297	-
Current Year	(72,155)	-
Total Revenues as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds. (B-2)	\$ 5,011,143	\$ 212,288
Uses/Outflows of Resources:		
Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule	\$ 4,703,351	\$ 214,226
Differences - budget to GAAP		
Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for <i>budgetary</i> purposes, but in the year the supplies are received for <i>financial reporting</i> purposes.		
	-	(6,633)
Total Expenditures as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds (B-2)	\$ 4,703,351	\$ 207,593

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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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**SPRINGFIELD 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
School District's proportion of the net pension liability	0.003177%	0.004472%	0.007076%	0.005534%	0.006143%	0.006108%	0.005311%	0.005824%
School District's proportionate share of the net pension liability	\$ 518,134	\$ 805,835	\$ 1,393,143	\$ 1,288,287	\$ 1,819,463	\$ 1,371,217	\$ 994,362	\$ 1,113,091
School District's covered-employee payroll	244,064	321,416	414,717	385,814	413,022	421,694	383,314	385,324
School District's proportionate share of the net pension liability as a percentage of its covered-employee payroll	212.29%	250.71%	335.93%	333.91%	440.52%	325.17%	259.41%	288.87%
Plan fiduciary net position as a percentage of the total net pension liability	58.32%	56.27%	53.60%	48.10%	40.14%	47.93%	52.08%	48.72%

*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.

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

	2021	2020	2019	2018	2017	2016	2015	2014
School District's contractually required contribution	\$ 34,758	\$ 43,502	\$ 70,379	\$ 51,269	\$ 54,576	\$ 52,516	\$ 43,783	\$ 43,883
Contributions in relation to the contractually required contribution	(34,758)	(43,502)	(70,379)	(51,269)	(54,576)	(52,516)	(43,783)	(43,883)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
School District's covered-employee payroll	\$ 244,064	\$ 321,416	\$ 414,717	\$ 385,814	\$ 413,022	\$ 421,694	\$ 383,314	\$ 385,324
Contributions as a percentage of covered-employee payroll	14.24%	13.53%	16.97%	13.29%	13.21%	12.45%	11.42%	11.39%

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.

**SPRINGFIELD 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
School District's proportion of the net pension liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School District's proportionate share of the net pension liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's proportionate share of the net pension liability associated with the School District	12,265,765	12,147,294	12,488,797	13,379,643	16,241,884	13,399,076	11,452,856	8,967,397
	\$ 12,265,765	\$ 12,147,294	\$ 12,488,797	\$ 13,379,643	\$ 16,241,884	\$ 13,399,076	\$ 11,452,856	\$ 8,967,397
School District's covered-employee payroll	\$ 1,734,515	\$ 1,697,144	\$ 2,058,191	\$ 2,085,882	\$ 2,016,217	\$ 2,124,683	\$ 2,102,662	\$ 2,064,559
School District's proportionate share of the net pension liability 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 net pension liability	24.60%	26.95%	26.49%	25.41%	22.33%	28.71%	33.64%	33.76%

*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.

**SPRINGFIELD TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF SCHOOL DISTRICT CONTRIBUTIONS
TEACHERS' PENSION AND ANNUITY FUND
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.

M. Schedules Related to Accounting and Reporting for Other Post Employment Benefits (GASB 75)

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SPRINGFIELD 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	\$ 313,976	\$ 357,956	\$ 404,750	\$ 489,468
Interest Cost	331,708	452,155	500,957	434,897
Difference between Expected & Actual Differences	2,971,814	(2,841,673)	(1,566,775)	-
Changes of Assumptions	2,826,951	138,558	(1,315,405)	(1,805,034)
Contributions: Member	8,166	8,456	10,593	11,715
Gross Benefit Payments	(269,426)	(285,265)	(306,509)	(318,134)
Net Change in District's Total OPEB Liability	6,183,189	(2,169,813)	(2,272,389)	(1,187,088)
District's Total OPEB Liability (Beginning)	9,292,908	11,462,721	13,735,110	14,922,198
District's Total OPEB Liability (Ending)	<u>\$ 15,476,097</u>	<u>\$ 9,292,908</u>	<u>\$ 11,462,721</u>	<u>\$ 13,735,110</u>
District's Covered Employee Payroll	\$ 1,978,579	\$ 2,018,560	\$ 2,379,607	\$ 2,500,599
District's Net OPEB Liability as a Percentage of Payroll	782%	460%	482%	549%

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.

**SPRINGFIELD TOWNSHIP SCHOOL DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PART III
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.

OTHER SUPPLEMENTARY INFORMATION

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E. Special Revenue Fund

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

	STUDENT ACTIVITIES	OTHER LOCAL PROGRAMS	TITLE I	TITLE IIA	TITLE IVA	REAP	FEDERAL PROGRAMS				I.D.E.A. PRESCHOOL	I.D.E.A. BASIC	TOTALS	
							CARES ESSER I	CARES DIGITAL DIVIDE	CARES RELIEF GRANT	CARES				
Revenues:														
Local Sources	\$ 11,434	\$ 1,170	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,604
Federal Sources	-	-	42,873	14,157	14,002	21,101	9,318	4,115	8,722	5,812	86,217			206,317
Total Revenues	11,434	1,170	42,873	14,157	14,002	21,101	9,318	4,115	8,722	5,812	86,217			218,921
Expenditures:														
Instruction:														
Salaries	-	-	21,921	-	-	-	-	-	-	-	-	-	-	21,921
Other Salaries	-	-	4,422	-	-	-	-	-	-	-	-	-	-	4,422
Purchased Professional - Educational Services	-	-	-	-	-	-	-	-	-	5,812	-	-	-	5,812
Other Purchased Services	-	-	2,892	-	-	-	-	-	-	-	-	-	-	2,892
Tuition	-	-	-	-	-	-	-	-	-	-	-	-	-	46,375
General Supplies	-	1,170	7,466	-	9,298	-	2,527	4,115	8,722	-	2,260	-	-	35,558
Other Objects	-	-	-	-	1,323	-	2,540	-	-	-	-	-	-	3,863
Total Instruction	-	1,170	36,701	-	10,621	-	5,067	4,115	8,722	5,812	48,635	-	-	120,843
Support Services:														
Employee Benefits	-	-	6,172	-	-	-	-	-	-	-	-	-	-	6,172
Purchased Professional - Technical Services	-	-	-	14,157	2,956	-	-	-	-	-	37,582	-	-	54,695
Other Purchased Services	-	-	-	-	-	21,101	-	-	-	-	-	-	-	21,101
Supplies	-	-	-	-	425	-	4,251	-	-	-	-	-	-	4,676
Student Activities	6,739	-	-	-	-	-	-	-	-	-	-	-	-	6,739
Total Support Services	6,739	-	6,172	14,157	3,381	21,101	4,251	-	-	-	37,582	-	-	93,383
Total Expenditures	6,739	1,170	42,873	14,157	14,002	21,101	9,318	4,115	8,722	5,812	86,217			214,226
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	4,695	-	-	-	-	-	-	-	-	-	-	-	-	4,695
Fund Balance, July 1	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Prior Period Adjustment	22,937	-	-	-	-	-	-	-	-	-	-	-	-	22,937
Fund Balance, July 1 (Restated)	22,937	-	-	-	-	-	-	-	-	-	-	-	-	22,937
Fund Balance, June 30	\$ 27,632	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 27,632

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F. Capital Projects Fund

Not Applicable

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G. Proprietary Funds

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Enterprise Funds

(See Exhibits B-4, B-5, B-6)

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Internal Service Fund

Not Applicable

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H. Fiduciary Fund

Not Applicable

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I. Long-Term Debt

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**SPRINGFIELD TOWNSHIP SCHOOL DISTRICT
LONG-TERM DEBT
SCHEDULE OF SERIAL BONDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

ISSUE	DATE OF ISSUE	AMOUNT OF ISSUE	ANNUAL MATURITIES DATE	AMOUNT	INTEREST RATE	BALANCE JULY 1, 2020	RETIRED	BALANCE JUNE 30, 2021
General Obligation Bonds	7/15/15	\$ 4,104,000	7/15/2021	\$ 165,000	3.000%	\$ 3,645,000	\$ 160,000	\$ 3,485,000
			7/15/2022	170,000	3.000%			
			7/15/2023	175,000	3.000%			
			7/15/2024	180,000	3.000%			
			7/15/2025	190,000	3.000%			
			7/15/2026	195,000	3.000%			
			7/15/2027	200,000	3.000%			
			7/15/2028	210,000	3.125%			
			7/15/2029	215,000	3.250%			
			7/15/2030	225,000	3.375%			
			7/15/2031	235,000	4.000%			
			7/15/2032	245,000	4.000%			
			7/15/2033	255,000	4.000%			
		7/15/2034	265,000	4.000%				
		7/15/2035	275,000	4.000%				
		7/15/2036	285,000	4.000%				
Total						\$ 3,645,000	\$ 160,000	\$ 3,485,000

**SPRINGFIELD TOWNSHIP SCHOOL DISTRICT
LONG-TERM DEBT
SCHEDULE OF OBLIGATIONS UNDER CAPITAL LEASE AGREEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

DESCRIPTION	DATE OF LEASE	TERM OF LEASE (IN MONTHS)	AMOUNT OF ORIGINAL ISSUE		BALANCE JULY 1, 2020	RETIRED	BALANCE JUNE 30, 2021
			PRINCIPAL	INTEREST			
School Buses	8/1/2018	48	\$ 58,113	3.0000%	\$ 34,810	\$ 11,030	\$ 23,780
Total					\$ 34,810	\$ 11,030	\$ 23,780

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

	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
Revenues:					
Local Sources:					
Local Tax Levy	\$ 141,504	\$ -	\$ 141,504	\$ 141,504	\$ -
Miscellaneous	-	-	-	129	129
Total Revenues	141,504	-	141,504	141,633	129
Expenditures:					
Regular Debt Service:					
Interest	124,194	-	124,194	124,194	-
Redemption of Principal	160,000	-	160,000	160,000	-
Total Expenditures	284,194	-	284,194	284,194	-
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	(142,690)	-	(142,690)	(142,561)	129
Excess/(Deficiency) of Revenues & Other Financing Sources Over/(Under) Expenditures	(142,690)	-	(142,690)	(142,561)	129
Fund Balance, July 1	144,615	-	144,615	144,615	-
Fund Balance, June 30	\$ 1,925	\$ -	\$ 1,925	\$ 2,054	\$ 129

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STATISTICAL SECTION (Unaudited)

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SPRINGFIELD TOWNSHIP 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	\$ 1,987,416	\$ 2,167,803	\$ 2,628,292	\$ 2,736,490	\$ 3,317,201	\$ (1,194,454)	\$ 1,820,267	\$ 1,696,128	\$ 1,277,779	\$ 1,304,792
Restricted	1,641,403	1,409,417	1,298,472	1,231,713	1,157,276	4,012,860	441,996	570,503	1,170,413	970,263
Unrestricted	(1,134,503)	(1,278,460)	(1,641,651)	(1,550,974)	(1,330,285)	(1,270,502)	(1,082,174)	534	3,384	49,123
Total Governmental Activities	\$ 2,494,316	\$ 2,298,760	\$ 2,285,113	\$ 2,417,229	\$ 3,144,192	\$ 1,547,904	\$ 1,180,089	\$ 2,267,165	\$ 2,451,576	\$ 2,324,178
Business-Type Activities:										
Net Investment in Capital Assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	-	-	-	-	-	-	-	8,182	8,182	-
Unrestricted	23,732	5,781	4,349	8,179	7,664	3,296	4,331	1,761	9,004	22,632
Total Business-Type Activities	\$ 23,732	\$ 5,781	\$ 4,349	\$ 8,179	\$ 7,664	\$ 3,296	\$ 4,331	\$ 9,943	\$ 17,186	\$ 22,632
District-Wide:										
Net Investment in Capital Assets	\$ 1,987,416	\$ 2,167,803	\$ 2,628,292	\$ 2,736,490	\$ 3,317,201	\$ (1,194,454)	\$ 1,820,267	\$ 1,696,128	\$ 1,277,779	\$ 1,304,792
Restricted	1,641,403	1,409,417	1,298,472	1,231,713	1,157,276	4,012,860	441,996	578,685	1,178,595	970,263
Unrestricted	(1,110,771)	(1,272,679)	(1,637,302)	(1,542,795)	(1,322,621)	(1,267,206)	(1,077,843)	2,295	12,388	71,755
Total District Net Position	\$ 2,518,048	\$ 2,304,541	\$ 2,289,462	\$ 2,425,408	\$ 3,151,856	\$ 1,551,200	\$ 1,184,420	\$ 2,277,108	\$ 2,468,762	\$ 2,346,810

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

	FISCAL YEAR ENDING JUNE 30.									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Expenses:										
Governmental Activities										
Instruction:										
Regular	\$ 1,277,777	\$ 1,182,276	\$ 1,333,927	\$ 1,438,601	\$ 1,466,239	\$ 2,522,903	\$ 2,504,017	\$ 1,618,553	\$ 1,504,738	\$ 1,311,226
Special	399,537	496,013	474,254	505,076	574,401	313,432	313,019	343,736	385,391	477,967
Other	2,485	28,660	68,841	153,373	162,621	146,232	139,606	173,235	172,918	164,925
Support Services:										
Tuition	145,101	174,131	9,143	496	29,360	55,332	96	96,541	53,729	78,320
Student & Instruction Related Services	731,644	668,463	695,217	649,994	670,694	643,098	762,829	620,787	489,041	440,669
General & Business Administrative Services	181,504	177,482	223,962	203,125	200,400	185,337	247,127	209,148	172,637	325,642
School Administrative Services	-	-	-	-	-	71,450	64,252	54,683	89,791	84,495
Central Services	102,462	130,581	145,156	152,718	122,642	115,386	144,495	137,429	138,809	-
Plant Operations & Maintenance	353,206	369,163	401,740	380,568	377,560	379,718	466,735	373,720	357,175	365,186
Pupil Transportation	204,396	180,147	226,928	194,294	186,430	186,573	179,824	213,925	224,878	231,208
Business & Other Support Services										
Unallocated Benefits	1,072,204	719,294	1,372,972	2,717,013	1,638,409	1,046,753	915,890	1,300,987	1,334,755	1,174,909
On-Behalf TPAF & Soc. Sec. Contributions	903,831	836,695	864,176	-	-	-	-	-	-	-
Transfers to Charter Schools	8,873	-	-	-	-	-	-	-	-	-
Special Schools	-	-	-	-	-	-	-	-	8,026	8,139
Interest on Long-Term Debt	123,369	128,162	132,813	137,455	147,587	128,667	-	-	-	-
Unallocated Depreciation	362,017	376,296	363,951	954,138	76,082	76,081	69,162	168,860	28,388	45,010
Total Governmental Activities Expenses	5,868,406	5,467,363	6,313,080	7,486,851	5,652,425	5,870,962	5,807,052	5,311,604	4,960,276	4,707,696
Business-Type Activities:										
Food Service	105,898	54,711	66,634	70,065	85,710	114,738	98,373	101,495	111,768	112,339
Summer Camp	-	4,300	6,180	-	-	-	-	-	-	-
Total Business-Type Activities Expense	105,898	59,011	72,814	70,065	85,710	114,738	98,373	101,495	111,768	112,339
Total District Expenses	\$ 5,974,304	\$ 5,526,374	\$ 6,385,894	\$ 7,556,916	\$ 5,738,135	\$ 5,985,700	\$ 5,905,425	\$ 5,413,099	\$ 5,072,044	\$ 4,820,035
Revenues:										
Operating Grants & Contributions	\$ 1,579,556	\$ 963,116	\$ 1,394,975	\$ 1,956,174	\$ 1,287,787	\$1,087,399	\$ 1,082,973	\$ 128,055	\$ 158,692	\$ 485,490
Total Governmental Activities Program Revenues	1,579,556	963,116	1,394,975	1,956,174	1,287,787	1,087,399	1,082,973	128,055	158,692	485,490

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

	FISCAL YEAR ENDING JUNE 30,									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Business-Type Activities:										
Charges for Services:										
Food Service	4,961	30,537	38,504	40,976	52,439	58,952	59,042	61,914	68,503	83,836
Summer Camp	-	6,375	7,075	-	-	-	-	-	-	-
Operating Grants & Contributions	118,858	23,458	23,371	29,558	37,611	39,721	33,712	32,324	29,622	24,763
Total Business Type Activities Program Revenues	123,819	60,370	68,950	70,534	90,050	98,673	92,754	94,238	98,125	108,599
Total District Program Revenues	\$ 1,703,375	\$ 1,023,486	\$ 1,463,925	\$ 2,026,708	\$ 1,377,837	\$ 1,186,072	\$ 1,175,727	\$ 222,293	\$ 256,817	\$ 594,089
Net/(Expense)/Revenue:										
Governmental Activities	\$ (4,288,850)	\$ (4,504,247)	\$ (4,918,105)	\$ (5,530,677)	\$ (4,364,638)	\$ (4,783,563)	\$ (4,724,079)	\$ (5,183,549)	\$ (4,801,584)	\$ (4,222,206)
Business-Type Activities	17,921	1,359	(3,864)	469	4,340	(16,065)	(5,619)	(7,257)	(13,643)	(3,740)
Total District-Wide Net Expense	\$ (4,270,929)	\$ (4,502,888)	\$ (4,921,969)	\$ (5,530,208)	\$ (4,360,298)	\$ (4,799,628)	\$ (4,729,698)	\$ (5,190,806)	\$ (4,815,227)	\$ (4,225,946)
General Revenues & Other Changes in Net Position:										
Governmental Activities:										
County Appropriations	\$ 3,444,877	\$ 3,399,585	\$ 3,550,782	\$ 3,542,964	\$ 3,451,384	\$ 3,472,249	\$ 3,450,249	\$ 3,382,597	\$ 3,316,272	\$ 3,251,247
Unrestricted Grants & Contributions	891,848	1,052,812	1,149,388	1,197,873	2,439,288	1,630,056	1,268,361	1,595,786	1,612,938	1,250,119
Tuition Received	23,316	36,452	47,248	61,171	60,472	31,925	-	-	-	-
Investment Earnings	-	-	-	-	1,774	76	40	252	125	84
Miscellaneous Income	53,068	29,045	38,571	79,399	8,008	32,072	31,444	20,503	18,370	65,455
Other Financing Sources - Transfers, Miscellaneous / Other	-	-	-	(77,693)	-	(15,000)	-	-	-	4,556
Total Governmental Activities	4,413,109	4,517,894	4,785,989	4,803,714	5,960,926	5,151,378	4,750,094	4,999,138	4,947,705	4,571,461
Business-type Activities	30	73	34	46	28	15,030	7	14	15	7
Total District-Wide	\$ 4,413,139	\$ 4,517,967	\$ 4,786,023	\$ 4,803,760	\$ 5,960,954	\$ 5,166,408	\$ 4,750,101	\$ 4,999,152	\$ 4,947,720	\$ 4,571,468
Change in Net Position:										
Governmental Activities	\$ 124,259	\$ 13,647	\$ (132,116)	\$ (726,963)	\$ 1,596,288	\$ 367,815	\$ 26,015	\$ (184,411)	\$ 146,121	\$ 349,255
Business-Type Activities	17,951	1,432	(3,830)	515	4,368	(1,035)	(5,612)	(7,243)	(13,628)	(3,733)
Total District	\$ 142,210	\$ 15,079	\$ (135,946)	\$ (726,448)	\$ 1,600,656	\$ 366,780	\$ 20,403	\$ (191,654)	\$ 132,493	\$ 345,522

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

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
FISCAL YEAR ENDING JUNE 30,										
General Fund:										
Restricted for:										
Capital Reserve	\$ 473,473	\$ 288,274	\$ 66,286	\$ 66,121	\$ 65,956	\$ 65,736	\$ 65,660	\$ 40,620	\$ 539,618	\$ 289,493
Maintenance Reserve	247,790	246,478	206,299	202,203	101,948	101,800	26,800	26,800	10,000	10,000
Emergency Reserve	100,050	100,050	100,000	100,000	-	-	-	-	-	-
Unemployment Compensation	51,064	-	-	-	-	-	-	-	-	-
Excess Surplus	424,340	315,000	315,000	313,197	253,255	212,786	32,669	92,174	139,565	396,937
Excess Surplus Designated for										
Subsequent Year's Expenditures	315,000	315,000	313,197	253,255	212,786	83,047	92,174	139,565	396,937	-
Assigned for:										
Year-end Encumbrances	1,470	22,410	29,226	-	9,952	3,835	253,050	163,972	84,293	5,249
Subsequent Year's Budget	-	1,160	2,030	-	2,262	283,372	-	107,372	-	249,861
Unassigned	185,167	162,703	142,461	137,837	133,926	135,717	181,602	131,944	140,151	142,469
Total General Fund	\$ 1,798,354	\$ 1,451,075	\$ 1,174,499	\$ 1,072,613	\$ 780,085	\$ 886,293	\$ 651,955	\$ 702,447	\$ 1,310,564	\$ 1,094,009
All Other Governmental Funds:										
Restricted, Reported in:										
Special Revenue Fund	\$ 27,632	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 18,723
Capital Projects Fund	-	-	-	-	516,044	3,262,284	(78,735)	-	-	-
Debt Service Fund	2,054	144,615	297,690	296,937	7,287	5,733	-	-	-	-
Total All Other Governmental Funds	\$ 29,686	\$ 144,615	\$ 297,690	\$ 296,937	\$ 523,331	\$ 3,268,017	\$ (78,735)	\$ -	\$ -	\$ 18,723

SPRINGFIELD TOWNSHIP 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
Revenues:										
Tax Levy	\$ 3,444,877	\$ 3,399,585	\$ 3,550,782	\$ 3,542,964	\$ 3,451,384	\$ 3,472,249	\$ 3,450,249	\$ 3,382,597	\$ 3,316,272	\$ 3,251,247
Tuition Charges	23,316	36,452	47,248	61,171	60,472	31,925	-	-	-	-
Interest Earnings	429	330	300	718	1,774	76	40	252	125	84
Miscellaneous	52,639	28,715	38,271	78,681	8,008	31,903	31,444	20,503	18,370	65,455
State Sources	1,643,851	1,743,460	1,863,422	1,830,951	3,614,802	2,143,558	1,713,696	1,596,326	1,613,504	1,553,566
Federal Sources	199,952	155,724	147,439	159,682	112,273	117,901	135,980	127,515	158,126	182,043
Total Revenue	5,365,064	5,364,266	5,647,462	5,674,167	7,248,713	5,797,612	5,331,409	5,127,193	5,106,397	5,052,395
Expenditures:										
Instruction:										
Regular Instruction	1,277,777	1,182,276	1,333,927	1,438,601	1,466,239	2,522,903	2,504,017	1,618,553	1,504,738	1,329,375
Special Education Instruction	399,537	496,013	474,254	505,076	574,401	313,432	313,019	343,736	385,391	477,967
Other Instruction	2,485	28,660	68,841	153,373	162,621	146,232	139,606	173,235	172,918	164,925
Support Services:										
Tuition	145,101	174,131	9,143	496	29,360	55,332	96	96,541	53,729	78,320
Student & Instruction Related Services	731,644	668,463	695,217	649,994	670,694	643,098	762,829	620,787	489,041	440,669
General & Business Administration Services	181,504	177,482	223,962	203,125	200,400	183,962	245,752	207,773	172,637	323,480
School Administrative Services	-	-	-	-	-	71,450	64,252	54,683	89,791	84,495
Central Services	102,462	130,581	145,156	152,718	122,642	115,386	144,495	137,429	138,809	-
Plant Operations & Maintenance	353,206	379,657	401,740	380,568	377,560	372,350	466,735	373,720	357,175	359,747
Pupil Transportation	204,396	180,147	226,928	194,294	186,430	186,573	179,824	213,925	224,878	231,208
Other Support Services	737,824	812,219	961,677	903,024	948,482	520,870	445,335	1,306,344	1,291,334	1,174,909
On-Behalf TPAF Pension & Soc. Sec. Contr.	752,003	690,648	714,034	633,078	561,120	-	-	-	-	-
Special Schools	-	-	-	-	-	-	-	-	-	-
Capital Outlay	10,600	35,194	58,113	27,490	4,587,737	1,174,103	194,676	588,584	8,026	6,591
Debt Service:										
Principal	171,030	155,000	155,000	149,000	-	-	-	-	-	-
Interest & Other Charges	125,569	130,294	134,944	139,503	211,921	-	-	-	-	-
Total Expenditures	5,195,138	5,240,765	5,602,936	5,530,340	10,099,607	6,305,691	5,460,636	5,735,310	4,889,842	4,679,825
Excess (Deficiency) of Revenues Over/(Under) Expenditures	169,926	123,501	44,526	143,827	(2,850,894)	(508,079)	(129,227)	(608,117)	216,555	372,570
Other Financing Sources/(Uses):										
Bond Proceeds	-	-	58,113	(77,693)	-	4,104,169	-	-	-	-
Transfers Out	-	-	-	-	-	(15,000)	-	-	-	-
Transfers to Charter Schools	(8,873)	-	-	-	-	-	-	-	-	-
Total Other Financing Sources/(Uses)	(8,873)	-	58,113	(77,693)	-	4,089,169	-	-	-	-
Net Change in Fund Balances	\$ 161,053	\$ 123,501	\$ 102,639	\$ 66,134	\$ (2,850,894)	\$ 3,581,090	\$ (129,227)	\$ (608,117)	\$ 216,555	\$ 372,570
Debt Service as a Percentage of Noncapital Expenditures	5.72%	5.48%	5.23%	5.24%	3.84%	0.00%	0.00%	0.00%	0.00%	0.00%

Source: District Records
 Note: Noncapital expenditures are total expenditures less capital outlay.

**SPRINGFIELD TOWNSHIP BOARD OF EDUCATION
GENERAL FUND - OTHER LOCAL REVENUE BY SOURCE
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)**

FISCAL YEAR ENDING JUNE 30,	INTEREST ON INVESTMENTS	SUMMER TRANSPORTATION FEES	PRIOR YEAR REFUNDS	PRIOR YEAR OUTSTANDING CHECKS	SHIF DIVIDEND	TUITION	MISCELLANEOUS	TOTAL
2021	\$ 2,393	\$ -	\$ 4,852	\$ -	\$ 20,412	\$ 7,822	\$ 4,695	\$ 40,174
2020	2,452	-	7,131	-	-	-	17,207	26,790
2019	3,395	-	27,944	-	-	-	6,179	37,518
2018	1,995	-	975	-	-	42,658	26,053	71,681
2017	2,082	2,015	-	2,808	-	-	1,103	8,008
2016	3,620	-	5,065	2,668	-	-	14,817	26,170
2015	1,075	-	-	-	-	28,402	1,967	31,444
2014	975	-	4,703	-	-	-	14,825	20,503
2013	1,425	-	-	-	-	-	16,945	18,370
2012	1,514	-	47,483	919	-	-	15,623	65,539

Source: District records

**SPRINGFIELD TOWNSHIP 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	TOTAL ASSESSED VALUE	PUBLIC UTILITIES	NET VALUATION TAXABLE	TAX EXEMPT PROPERTY	TOTAL DIRECT SCHOOL RATIO ^b	ESTIMATED ACTUAL (COUNTY EQUALIZED) VALUE
2021	\$ 7,544,500	\$ 283,098,600	\$ 49,033,600	\$ 6,932,500	\$ 39,738,430	\$ 386,347,630	\$ 886,408	\$ 387,234,038	\$ 42,282,850	0.935	\$ 443,369,202
2020	8,160,100	282,856,300	48,146,700	6,835,900	40,164,230	386,163,230	886,408	387,049,638	42,013,250	0.890	446,732,396
2019	8,545,600	281,147,900	48,502,700	7,016,500	39,600,630	384,813,330	919,229	385,732,559	42,208,250	0.882	422,641,962
2018	8,363,000	279,399,200	50,542,200	7,245,940	39,591,530	385,141,870	915,705	386,057,575	41,320,750	0.920	426,648,955
2017	8,087,100	278,881,500	50,180,000	7,001,900	40,198,430	384,348,930	907,931	385,256,861	41,194,250	0.920	421,641,864
2016	8,249,050	280,081,300	48,562,500	7,491,860	39,312,130	383,696,840	969,755	384,666,595	40,875,950	0.898	401,868,515
2015	8,960,950	280,027,800	48,404,200	8,247,250	39,626,130	385,266,330	1,042,493	386,308,823	40,390,550	0.899	391,454,551
2014	10,200,450	285,013,000	46,312,500	8,516,310	40,271,630	390,313,890	941,780	391,255,670	37,256,620	0.882	399,666,076
2013	9,148,800	319,406,300	58,130,350	8,141,325	44,744,730	439,571,505	1,059,877	440,631,382	34,260,110	1.547	N/A
2012	8,693,800	320,597,900	59,831,550	7,705,755	46,369,530	443,198,535	1,064,130	444,262,665	34,225,700	1.480	N/A

Source: Abstract of Ratables Burlington County, Burlington County Abstract of Ratables

Real property is required to be assessed at some percentage of true value (fair or market value) established by each county board of taxation. Reassessment occurs when ordered by the County Board of Taxation

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

b. Tax rates are per \$100

N/A - Not Available

**SPRINGFIELD TOWNSHIP 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 OF SPRINGFIELD	REGIONAL SCHOOL	BURLINGTON COUNTY	
2021	0.935	N/A	0.935	0.719	0.889	0.448	2.991
2020	0.890	N/A	0.890	0.691	0.945	0.457	2.981
2019	0.882	N/A	0.882	0.673	0.989	0.437	2.979
2018	0.920	N/A	0.920	0.623	0.993	0.443	2.968
2017	0.920	N/A	0.920	0.591	1.012	0.445	2.954
2016	0.898	N/A	0.898	0.547	1.083	0.426	2.846
2015	0.899	N/A	0.899	0.532	1.000	0.415	2.686
2014	0.882	N/A	0.882	0.487	0.925	0.392	3.094
2013	0.769	0.778	1.547	0.416	0.778	0.353	2.999
2012	0.746	0.734	1.480	0.418	0.734	0.367	2.974

Source: Burlington County Board of Taxation

**SPRINGFIELD TOWNSHIP BOARD OF EDUCATION
 PRINCIPAL PROPERTY TAX PAYERS,
 CURRENT YEAR AND NINE YEARS AGO**

TAXPAYER	2021		% OF TOTAL DISTRICT NET ASSESSED VALUE
	TAXABLE ASSESSED VALUE	RANK	
Columbus Farmers Market			
Helis Enterprise			
Transcontinental Pipeline			
NJ Land			
Milo Corporation			
Interstate Storage & Pipeline			
K&P Ganesh Corporation			
Store & Lock Self Storage			
Verizon			
Taxpayer #1			
Total			

INFORMATION NOT AVAILABLE

TAXPAYER	2012		% OF TOTAL DISTRICT NET ASSESSED VALUE
	TAXABLE ASSESSED VALUE	RANK	
Columbus Farmers Market			
Milo Corporation			
Helis Enterprise			
Transcontinental Pipeline			
K&P Ganesh Corporation			
Taxpayer #1			
NJ Land			
Verizon			
Store & Lock Self Storage			
Interstate Storage & Pipeline			
Total			

INFORMATION NOT AVAILABLE

Source: Municipal Tax Assessor

**SPRINGFIELD TOWNSHIP SCHOOL DISTRICT
TOTAL PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS**

FISCAL YEAR ENDED DECEMBER 31,	TAXES LEVIED FOR THE FISCAL YEAR	COLLECTED WITHIN THE FISCAL YEAR OF THE LEVY		COLLECTIONS IN SUBSEQUENT YEARS
		AMOUNT	PERCENTAGE OF LEVY	
2021	\$ 3,444,877	\$ 3,444,877	100.00%	-
2020	3,399,585	3,399,585	100.00%	-
2019	3,550,782	3,550,782	100.00%	-
2018	3,542,964	3,542,964	100.00%	-
2017	3,451,384	3,451,384	100.00%	-
2016	3,472,249	3,472,249	100.00%	-
2015	3,450,249	3,450,249	100.00%	-
2014	3,382,597	3,382,597	100.00%	-
2013	3,316,272	3,316,272	100.00%	-
2012	3,251,247	3,251,247	100.00%	-

Source: Municipal Financial Statements

SPRINGFIELD TOWNSHIP SCHOOL DISTRICT
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(Dollars in Thousands, Except per Capita)

FISCAL YEAR ENDED JUNE 30,	GOVERNMENTAL ACTIVITIES			TOTAL DISTRICT	PERCENTAGE OF PERSONAL INCOME	PER CAPITA
	GENERAL OBLIGATION BONDS	CAPITAL LEASES				
2021	\$ 3,485,000	\$ 23,780	\$ 3,508,780	N/A	N/A	
2020	3,645,000	34,810	3,679,810	N/A	1,132	
2019	3,800,000	45,304	3,845,304	1.86%	1,180	
2018	3,955,000	-	3,955,000	1.98%	1,211	
2017	4,104,000	-	4,104,000	2.11%	1,253	
2016	4,104,000	-	4,104,000	2.15%	1,244	
2015	-	-	-	N/A	N/A	
2014	-	-	-	N/A	N/A	
2013	-	-	-	N/A	N/A	
2012	-	-	-	N/A	N/A	

Note: Details regarding the District's outstanding debt can be found in the notes to the financial statements.
a. See Exhibit J-14 for personal income and population data.

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

FISCAL YEAR ENDED JUNE 30,	GENERAL BONDED DEBT OUTSTANDING			NET GENERAL BONDED DEBT OUTSTANDING	PERCENTAGE OF ACTUAL TAXABLE VALUE OF PROPERTY	PER CAPITA
	GENERAL OBLIGATION BONDS	DEDUCTIONS				
2021	\$ 3,485,000	\$ -		\$ 3,485,000	0.90%	N/A
2020	3,645,000	-		3,800,000	0.98%	1,169
2019	3,800,000	-		3,800,000	0.99%	1,166
2018	3,955,000	-		3,955,000	1.02%	1,211
2017	4,104,000	-		4,104,000	1.07%	1,253
2016	4,104,000	-		4,104,000	1.07%	1,244
2015	-	-		-	0.00%	N/A
2014	-	-		-	0.00%	N/A
2013	-	-		-	0.00%	N/A
2012	-	-		-	0.00%	N/A

**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:			
Township of Springfield	\$ 8,230,000	100.000%	\$ 8,230,000
Burlington County General Obligation Debt	221,311,009	0.909%	2,011,436
Northern Burlington County Regional School District	47,375,000	14.747%	6,986,249
Subtotal, Overlapping Debt			17,227,685
Springfield Township School District Direct Debt			3,485,000
Total Direct & Overlapping Debt			<u>\$ 20,712,685</u>

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

**SPRINGFIELD TOWNSHIP 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	\$ 10,867,890	\$ 10,723,390	\$ 10,521,604	\$ 10,359,200	\$ 10,114,141	\$ 9,945,272	\$ 10,028,456	\$ 10,299,429	\$ 10,799,601	\$ 9,467,104
Total Net Debt Applicable to Limit	3,485,000	3,645,000	3,800,000	3,955,000	4,104,000	4,104,000	-	-	-	-
Legal Debt Margin	\$ 7,382,890	\$ 7,078,390	\$ 6,721,604	\$ 6,404,200	\$ 6,010,141	\$ 5,841,272	\$ 10,028,456	\$ 10,299,429	\$ 10,799,601	\$ 9,467,104

Total Net Debt Applicable to the Limit	32.07%	33.99%	36.12%	38.18%	40.58%	41.27%	0.00%	0.00%	0.00%	0.00%
as a Percentage of Debt Limit										

Legal Debt Margin Calculation for Fiscal Year 2021

	Equalized Valuation Basis
	2020 \$ 440,724,983
	2019 442,823,165
	2018 420,598,635
	<u>\$ 1,304,146,783</u>
	<u>\$ 434,715,594</u>
Average Equalized Valuation of Taxable Property	\$ 10,867,890
Debt Limit (2.5 % of Average Equalization Value)	<u>3,485,000</u>
Net Bonded School Debt	<u>\$ 7,382,890</u>
Legal Debt Margin	<u>\$ 7,382,890</u>

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

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

YEAR	POPULATION (a)	PERSONAL INCOME (b)	PER CAPITA PERSONAL INCOME (c)	UNEMPLOYMENT RATE (d)
2020	3,251	Unavailable	Unavailable	7.6%
2019	3,258	207,225,090	63,605	3.0%
2018	3,267	200,084,148	61,244	3.4%
2017	3,276	194,699,232	59,432	3.8%
2016	3,298	191,122,398	57,951	5.1%
2015	3,321	186,895,917	56,277	6.0%
2014	3,355	180,398,350	53,770	6.1%
2013	3,370	174,009,950	51,635	8.9%
2012	3,393	173,402,658	51,106	8.5%
2011	3,396	169,840,752	50,012	8.8%

Source:

- (a) Population information provided by the NJ Department of Labor & Workforce Development
- (b) Personal income calculated using population and per capita personal income
- (c) Per Capita personal income provided by the NJ Department of Labor & Workforce Development
- (d) Unemployment data provided by the NJ Department of Labor & Workforce Development

**PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO**

	2021		PERCENTAGE OF TOTAL EMPLOYMENT
	EMPLOYEES	RANK	
Springfield Township School District	INFORMATION NOT AVAILABLE		
Total			

	2012		PERCENTAGE OF TOTAL EMPLOYMENT
	EMPLOYEES	RANK	
Springfield Township School District	INFORMATION NOT AVAILABLE		
Total			

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

FUNCTION/PROGRAM	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Instruction:										
Regular	14.40	15.70	17.60	18.90	19.30	19.40	32.95	32.95	32.65	23.30
Special Education	10.56	10.93	6.00	12.46	12.16	12.94	-	-	-	5.00
Other Special Education	-	-	2.00	-	-	1.67	-	-	-	8.30
Other Instruction	-	-	1.00	-	-	0.33	-	-	-	-
Support Services:										
Student & Instructional Related Services	4.00	4.00	4.50	7.00	7.00	7.63	5.80	5.80	5.80	3.30
School Administration Services	2.00	3.00	2.25	-	-	-	2.40	2.40	1.90	2.40
General & Business Administrative Services	2.00	2.00	2.00	2.10	2.10	1.83	1.70	1.70	1.70	2.80
Plant Operations & Maintenance	3.38	3.63	3.50	4.30	4.30	4.99	4.10	4.10	4.10	4.50
Pupil Transportation	0.50	0.05	0.05	0.05	0.05	0.10	0.90	0.90	0.90	1.00
Business & Other Support Services	-	-	-	-	-	-	-	-	-	1.60
Total	36.84	39.31	38.90	44.81	44.91	48.89	47.85	47.85	47.05	52.20

Source: District Records

**SPRINGFIELD TOWNSHIP SCHOOL DISTRICT
OPERATING STATISTICS
LAST TEN FISCAL YEARS**

FISCAL YEAR ENDED JUNE 30,	ENROLLMENT	OPERATING EXPENDITURES	COST PER PUPIL	PERCENTAGE CHANGE	TEACHING STAFF	TEACHER / PUPIL RATIO	AVERAGE DAILY ENROLLMENT (ADE)	AVERAGE DAILY ATTENDANCE (ADA)	% CHANGE IN AVERAGE DAILY ENROLLMENT	STUDENT ATTENDANCE PERCENTAGE
2021	231	4,691,376	20,309	-1.56%	25	1:9	229.8	219.8	-5.43%	95.64%
2020	232	4,786,448	20,631	-7.09%	30	1:7	243.0	240.5	7.24%	98.97%
2019	230	5,107,440	22,206	-3.22%	29	1:8	226.6	217.3	4.62%	95.90%
2018	220	5,047,665	22,944	5.70%	29	1:7	216.6	206.0	-8.53%	95.11%
2017	239	5,187,676	21,706	-2.16%	33	1:7	236.8	225.4	-3.19%	95.19%
2016	227	5,036,055	22,185	3.36%	33	1:7	244.6	234.5	0.00%	95.87%
2015	239	5,129,980	21,464	7.35%	33	1:7	244.6	234.5	-6.75%	95.87%
2014	251	5,018,671	19,995	11.99%	33	1:7	244.6	235.8	-8.86%	96.40%
2013	265	4,731,150	17,853	9.64%	33	1:8	262.3	252.1	-0.55%	96.11%
2012	287	4,673,234	16,283	4.79%	32	1:9	287.8	278.3		96.70%

Source: District Records

**SPRINGFIELD TOWNSHIP SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS**

DISTRICT BUILDINGS	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Elementary Schools:										
Springfield Township Elementary (1939):										
Square Feet	43,320	43,320	43,320	43,320	43,320	43,320	43,320	43,320	43,320	43,320
Capacity (Students)	432	432	432	432	432	432	432	432	433	433
Enrollment	231	232	230	220	239	227	239	251	265	287
Other Buildings:										
Athletic Building (1979)										
Square Feet	4,120	4,120	4,120	4,120	4,120	4,120	4,120	4,120	4,120	4,120

Number of Schools at June 30, 2021:

 Elementary = 1

 Other = 1

Source: School Year Attendance: Totals for STES in 2020-2021 (Enrollment)

Form M-1 (Building Square Footage)

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

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

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012	TOTAL
* Springfield School	\$ 166,933	\$ 175,239	\$ 168,235	\$ 163,831	\$ 150,000	\$ 162,610	\$ 247,137	\$ 163,647	\$ 138,224	\$ 141,774	\$ 1,677,630

Source: District records

**INSURANCE SCHEDULE
JUNE 30, 2021**

	COVERAGE	RETENTION	DEDUCTIBLE
School Package Policy (1):			
Building & Contents (All Locations) - Limits of Liability per Occurrence	\$174,749,500	\$ 250,000	\$ 500
Boiler & Machinery	125,000,000	-	1,000
General Automobile Liability	20,000,000	250,000	-
Workers' Compensation	Statutory	250,000	-
Crime Coverage	500,000	250,000	500
Educators Legal Liability	20,000,000	175,000	-
Pollution Legal Liability	3,000,000	-	25,000
Volunteer Accident & Health (2)	1,000,000	-	-
Surety Bonds (3)			
Treasurer	160,000	-	-
Board Secretary	100,000	-	-

(1) Burlington County Insurance Pool Joint Insurance Fund (BCIPJIF)

(2) National Union Fire Insurance

(3) Selective Insurance Company

Source: District records

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
Springfield Township School District
County of Burlington
Springfield, 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 Springfield Township 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 10, 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 and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as Findings 2021-001 and 2021-002 that we consider to be material weaknesses.

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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.

Springfield Township School District's Response to Findings

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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 10, 2022



HOLT MCNALLY & ASSOCIATES

Certified Public Accountants & Advisors

EXHIBIT K-2

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR
STATE 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
Springfield Township School District
County of Burlington
Springfield, New Jersey

Report on Compliance for Each Major State Program

We have audited the Springfield Township School District's (the "School District") 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 state programs for the fiscal year ended June 30, 2021. The School District's major state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the School District's major state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; 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 state program occurred. An audit

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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 state program. However, our audit does not provide a legal determination of the School District's compliance.

Opinion on Each Major State Program

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

Other Matters

The results of our auditing procedures disclosed instances of noncompliance which are required to be reported in accordance with the New Jersey OMB's Circular 15-08 and which are described in the accompanying schedule of findings and questioned costs as Findings 2021-003 and 2021-004. Our opinion on each major state program is not modified with respect to this matter.

The Springfield Township School District's response to the noncompliance findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The School District's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

Management of the 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 state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major state program and to test and report on internal control over compliance in accordance with 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 state program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a state program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

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

Purpose of this Report

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 10, 2022

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**SPRINGFIELD TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

FEDERAL GRANTOR/PASS THROUGH GRANTOR/ PROGRAM TITLE OR CLUSTER	ASSISTANCE LISTING NUMBER	FEDERAL AWARD IDENTIFICATION NUMBER	PASS THROUGH ENTITY IDENTIFYING NUMBER	AWARD AMOUNT	GRANT PERIOD	BALANCE JUNE 30, 2020	CASH RECEIVED	BUDGETARY EXPENDITURES	PASSED THROUGH TO SUBRECIPIENTS	ADJUSTMENT	(ACCOUNTS RECEIVABLE) 2021	UNEARNED REVENUE 2021
U.S. Department of Agriculture												
Passed Through New Jersey Department of Agriculture: Child Nutrition Cluster:												
COVID-19 School Breakfast Program	10.553	201NJ304N1099	100-010-3350-028	\$ 33,158	7/1/20-6/30/21	\$ -	\$ 29,393	\$ (33,158)	\$ -	\$ -	\$ (3,765)	\$ -
COVID-19 School Breakfast Program	10.553	211NJ304N1099	100-010-3350-028	990	3/13/20-6/30/20	(307)	307	-	-	-	-	-
Subtotal						(307)	29,700	(33,158)	-	-	(3,765)	-
COVID-19 National School Lunch Program	10.555	211NJ304N1099	100-010-3350-026	79,909	7/1/20-6/30/21	-	70,509	(79,909)	-	-	(9,400)	-
COVID-19 National School Lunch Program	10.555	201NJ304N1099	100-010-3350-026	1,971	3/13/20-6/30/20	(721)	721	-	-	-	-	-
COVID-19 Healthy Hunger-Free Kids Act	10.555	211NJ304N1099	100-010-3350-026	1,594	7/1/20-6/30/21	-	1,407	(1,594)	-	-	(187)	-
Food Distribution Program (Noncash Assistance)	10.555	211NJ304N1099	Unavailable	6,143	7/1/20-6/30/21	(721)	78,780	(81,503)	-	-	(9,587)	6,143
Subtotal						(1,028)	108,480	(114,661)	-	-	(13,352)	6,143
Total Child Nutrition Cluster						(1,028)	108,480	(114,661)	-	-	(13,352)	6,143
Total U.S. Department of Agriculture												
U.S. Department of the Treasury												
Passed Through New Jersey Department of Education: COVID-19 ARP - Corona Virus Relief Fund	21.019	SLT0007	100-034-5120-517	12,837	3/13/20-9/30/22	-	12,837	(12,837)	-	-	-	-
Subtotal						-	12,837	(12,837)	-	-	-	-
Total U.S. Department of the Treasury												
U.S. Department of Education												
Passed Through New Jersey Department of Education: I.D.E.A. Part B (Special Education Cluster):												
Basic	84.027A	H027A200100	100-034-5065-016	75,076	7/1/20-9/30/21	-	31,788	(74,842)	-	-	(43,054)	-
Basic	84.027A	H027A190100	100-034-5065-016	69,083	7/1/19-9/30/20	(10,700)	22,075	(11,375)	-	-	-	-
Subtotal						(10,700)	53,863	(86,217)	-	-	(43,054)	-
Preschool	84.173	H173A200114	100-034-5065-020	10,211	7/1/20-9/30/21	-	2,106	(5,812)	-	-	(3,706)	-
Subtotal						(10,700)	55,969	(92,029)	-	-	(46,760)	-
Total Special Education Cluster												
Title I - Part A	84.010	S010A200030	100-034-5064-194	42,873	7/1/20-9/30/21	-	31,526	(42,873)	-	-	(11,347)	-
Title I - Part A	84.010	S010A190030	100-034-5064-194	39,233	7/1/19-9/30/20	(35,335)	35,767	(432)	-	-	-	-
Subtotal						(35,335)	67,293	(42,873)	-	(432)	(11,347)	-
Title II - Part A, Supporting Effective Instruction	84.367A	S367A200029	100-034-5063-290	14,167	7/1/20-9/30/21	-	-	(14,157)	-	-	(14,157)	-
Title II - Part A, Supporting Effective Instruction	84.367A	S367A190029	100-034-5063-290	7,314	7/1/19-9/30/20	(6,360)	-	-	-	6,360	-	-
Title II - Part A, Supporting Effective Instruction	84.367A	S367A170029	100-034-5063-290	10,119	7/1/17-6/30/18	(1,144)	-	-	-	1,144	-	-
Subtotal						(7,504)	-	(14,157)	-	7,504	(14,157)	-
Title IV - Part A	84.424A	S424A200031	100-034-5063-348	18,546	7/1/20-9/30/21	-	5,023	(14,002)	-	-	(8,979)	-
Title IV - Part A	84.424A	S424A190031	100-034-5063-348	10,000	7/1/19-9/30/20	(4,498)	4,498	-	-	-	-	-
Subtotal						(4,498)	9,521	(14,002)	-	-	(8,979)	-
Rural Education Achievement Program	84.358	S358A200030	Unavailable	20,732	7/1/20-6/30/21	-	3,742	(20,732)	-	-	(16,990)	-
Rural Education Achievement Program	84.358	S358A190030	Unavailable	27,725	7/1/19-6/30/20	(15,345)	15,711	(369)	-	3	-	-
Subtotal						(15,345)	19,453	(21,101)	-	3	(16,990)	-
COVID-19 CARES Emergency Relief Program	84.425D	S425D200027	Unavailable	33,264	3/13/20-9/30/22	(23,039)	28,920	(9,318)	-	-	(3,437)	-
Subtotal						(23,039)	28,920	(9,318)	-	-	(3,437)	-
Total U.S. Department of Education												
Total Expenditures of Federal Awards						\$ (97,449)	\$ 302,473	\$ (320,978)	\$ -	\$ 7,075	\$ (115,022)	\$ 6,143

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

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

STATE GRANTOR/PROGRAM TITLE OR CLUSTER	GRANT OR STATE PROJECT NUMBER	AWARD AMOUNT	GRANT PERIOD	BALANCE JUNE 30, 2020	CASH RECEIVED	BUDGETARY EXPENDITURES	PASSED THROUGH TO SUBRECIPIENTS	MEMO		
								BALANCE JUNE 30, 2021	BUDGETARY RECEIVABLE	CUMULATIVE TOTAL EXPENDITURES
<u>New Jersey Department of Education:</u>										
General Fund:										
State Aid-Public:										
Equalization Aid	495-034-5120-078	\$ 547,742	7/1/20-6/30/21	\$ -	\$ 547,742	\$ (547,742)	\$ -	\$ -	\$ 45,460	\$ 547,742
Security Aid	495-034-5120-084	22,357	7/1/20-6/30/21	-	22,357	(22,357)	-	-	1,856	22,357
Special Education Categorical Aid	495-034-5120-089	159,516	7/1/20-6/30/21	-	159,516	(159,516)	-	-	13,239	159,516
Total State Aid-Public				-	729,615	(729,615)	-	-	60,555	729,615
Transportation Aid	495-034-5120-014	139,769	7/1/20-6/30/21	-	139,769	(139,769)	-	-	11,600	139,769
Additional Nonpublic School Transportation Aid	495-034-5120-014	290	7/1/20-6/30/21	-	-	(290)	-	(290)	-	290
Extraordinary Aid	495-034-5120-044	7,032	7/1/20-6/30/21	-	-	(7,032)	-	(7,032)	-	7,032
Reimbursed TPAF Social Security Contributions	495-034-5094-003	141,094	7/1/20-6/30/21	-	134,361	(141,094)	-	(6,733)	-	141,094
Reimbursed TPAF Social Security Contributions	495-034-5094-003	120,215	7/1/19-6/30/20	(6,053)	6,053	-	-	-	-	-
TPAF - Post Retirement Medical										
Contributions (Noncash Assistance)	495-034-5094-001	145,745	7/1/20-6/30/21	-	145,745	(145,745)	-	-	-	145,745
TPAF - Normal Pension										
Contributions (Noncash Assistance)	495-034-5094-002	465,067	7/1/20-6/30/21	-	465,067	(465,067)	-	-	-	465,067
TPAF - Long-Term Disability Insurance										
Contributions (Noncash Assistance)	495-034-5094-004	97	7/1/20-6/30/21	-	97	(97)	-	-	-	97
Total General Fund				(6,053)	1,620,707	(1,628,709)	-	(14,055)	72,155	1,628,709
<u>New Jersey Department of Agriculture:</u>										
Enterprise Fund:										
National School Lunch Program	100-010-3350-023	4,197	7/1/20-6/30/21	-	3,092	(4,197)	-	(1,105)	-	4,197
National School Lunch Program	100-010-3350-023	566	7/1/19-6/30/20	(155)	155	-	-	-	-	-
Total Enterprise Fund				(155)	3,247	(4,197)	-	(1,105)	-	4,197
Total State Financial Assistance				\$ (6,208)	\$ 1,623,954	\$ (1,632,906)	\$ -	\$ (15,160)	\$ 72,155	\$ 1,632,906
State Financial Assistance Programs not subject to Calculation for Major Program Determination:										
TPAF - Post-Retirement Medical (Noncash Assistance)	495-034-5094-001	\$ 145,745	7/1/20-6/30/21							
TPAF - Normal Pension Contributions (Noncash Assistance)	495-034-5094-002	465,067	7/1/20-6/30/21							
TPAF - Long-Term Disability Insurance (Noncash Assistance)	495-034-5094-004	97	7/1/20-6/30/21							
Total State Financial Assistance subject to Calculation for Major Program Determination										\$ (1,021,997)

**SPRINGFIELD TOWNSHIP 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 Springfield Township 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.

**SPRINGFIELD TOWNSHIP 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 \$15,142 for the general fund and \$(6,365) 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	\$ -	\$ 1,643,851	\$ 1,643,851
Special Revenue Fund	199,952	-	199,952
Food Service Fund	<u>114,661</u>	<u>4,197</u>	<u>118,858</u>
Total Awards & Financial Assistance	<u>\$ 314,613</u>	<u>\$ 1,648,048</u>	<u>\$ 1,962,661</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 Springfield Township School District had no loan balances outstanding at June 30, 2021.

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

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued _____ Unmodified _____

Internal control over financial reporting:

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

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

Noncompliance material to financial statements noted? _____ yes _____ X no

Federal Awards

SECTION IS N/A - NOT REQUIRED

Internal control over major programs:

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

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

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

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

Identification of major programs:

<u>ALN Number(s)</u>	<u>FAIN Number(s)</u>	<u>Name of Federal Program or Cluster</u>
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Not Applicable

Dollar threshold used to determine Type A programs _____

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

**SPRINGFIELD TOWNSHIP 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? X yes no

Identification of major programs:

<u>State Grant/Project Number(s)</u>	<u>Name of State Program</u>
495-034-5120-078	State Aid-Public Cluster:
495-034-5120-084	Equalization Aid
495-034-5120-089	Categorical Security Aid
	Special Education Categorical Aid

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

Section II – Financial Statement Findings

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.

Finding No. 2021-001:

Criteria of Specific Requirement:

N.J.S.A 18A:17-9 requires the preparation of accurate monthly reconciliations of all bank accounts.

Condition:

The District cash reconciliations for the general account was not prepared accurately in accordance with N.J.S.A. 18A:17-9.

Context:

The general account reconciliation, which includes the general, special revenue and summer camp funds, contained various inaccurate reconciling items.

Cause:

The District was unable to maintain records due to personnel turnover.

Effect or Potential Effect:

The District did not comply with N.J.S.A 18A:17-9 requirements.

Recommendation:

That the District accurately reconcile its general cash account on a monthly basis in accordance with N.J.S.A. 18A:17-9.

Management Response:

The responsible officials agree with the finding and will address the matter as part of their corrective action.

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

Section II – Financial Statement Findings (continued)

Finding No. 2021-002:

Criteria of Specific Requirement:

The State Department of Education requires districts to maintain a capital asset ledger that accounts for all assets whose historical value exceeds \$2,000.

Condition:

The District has not maintained an accurate capital asset listing.

Context:

A capital asset record was not available for the June 30, 2021 school year.

Cause:

The District was unable to maintain records due to personnel turnover.

Effect or Potential Effect:

Potential financial statement misstatement.

Recommendation:

That the District maintain an accurate capital asset listing for all assets.

Management Response:

The responsible officials agree with the finding and will address the matter as part of their corrective action.

**SPRINGFIELD TOWNSHIP 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

Finding No. 2021-003

Information on the State Program

State Aid Public:

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

Criteria or Specific Requirement:

N.J.A.C 6A:23A-13.3 requires school districts to receive Commissioner approval or executive county superintendent as Commissioner's designee for line item transfers to any administrative general fund appropriation account that on a cumulative basis exceed 10 percent of the amount of the account included in the budget.

Condition:

The District could not provide documentation that it obtained approval for the line item transfers from any general fund appropriation account that on a cumulative basis exceeded 10 percent.

Questioned Costs:

None.

Context:

The District could not provide documentation that approvals were obtained when transfers exceeded 10 percent of an appropriation account.

**SPRINGFIELD TOWNSHIP 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 (continued)

Finding No. 2021-003 (continued)

Effect or Potential Effect:

The District did not comply with N.J.S.A. 18A:22-8.1 requirements.

Cause:

Unknown.

Identification as a Repeat Finding

The condition existed in the immediately preceding fiscal year – See Finding No. 2020-004.

Recommendation:

That the District comply with N.J.A.C. 6A:23A-13.3 by receiving Commissioner approval or Executive County superintendent as Commissioner’s designee for line item transfers to any administrative general fund appropriation account that on a cumulative basis exceed 10 percent of the amount of the account included in the budget.

View of Responsible Officials:

The responsible officials agree with the finding and will address the matter as part of their corrective action.

Finding No. 2021-004

Information on the State Program:

State Aid Public:	
Equalization Aid	495-034-5120-078
Categorical Security Aid	495-034-5120-084
Special Education Categorical Aid	495-034-5120-089

Criteria or Specific Requirement:

N.J.A.C. 6A:23A-16.10 states that a school district board of education shall not incur any obligation or approve any payment in excess of the amount appropriated by the district in the applicable line item account or program category account.

**SPRINGFIELD TOWNSHIP 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 (continued)

Finding No. 2021-004 (continued)

Condition:

The District over-expended individual budget line item accounts in violation of N.J.A.C. 6A:23A-16.10.

Questioned Costs:

None.

Context:

Several budget line item accounts are over-expended on the District's budgetary comparison schedule.

Effect:

The District did not comply with N.J.A.C. 6A:23A-16.10.

Cause

Unknown

Identification as a Repeat Finding

The condition did not exist in the prior fiscal year.

Recommendation:

That the District comply with N.J.A.C. 6A:23A-16.10 by approving budget transfers prior to the over-expenditure of any budget line item account.

View of Responsible Officials:

The responsible officials agree with the finding and will address the matter as part of their corrective action.

**SPRINGFIELD TOWNSHIP SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
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

Finding No. 2020-001:

Condition:

The District did not maintain an accurate general ledger that was reconciled monthly to other subsidiary records.

Current Status:

The finding has been corrected.

Finding No. 2020-002:

Condition:

The District cash reconciliation for the general account was not prepared accurately in accordance with N.J.S.A. 18A:17-9.

Current Status:

The condition continues to exist. See Finding No. 2021-001.

Finding No. 2020-003:

Condition:

The District has not maintained an accurate capital asset listing.

Current Status:

The condition continues to exist. See Finding No. 2021-002.

**SPRINGFIELD TOWNSHIP SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

Federal Awards Findings – N/A

State Financial Assistance Findings

Finding No. 2020-004:

Condition:

The District could not provide documentation that it obtained approval for the line item transfers from any general fund appropriation account that on a cumulative basis exceeded 10 percent.

Current Status:

The condition continues to exist. See Finding No. 2021-003.

Finding No. 2020-005:

Condition:

The District did not file a copy of its annual report with the county superintendent on or before August 1st as required.

Current Status:

The finding has been corrected.

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