

**BOARD OF EDUCATION OF THE**  
**TOWNSHIP OF DEPTFORD SCHOOL DISTRICT**  
**SUMMARY OF AUDIT REPORT**

The following is a summary of the audit for the fiscal year July 1, 2017 to June 30, 2018, as required by N.J.S.A.18A:23-4 and 5.

TOWNSHIP OF DEPTFORD SCHOOL DISTRICT  
 Governmental Funds  
 Balance Sheet  
 June 30, 2018

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
<b>ASSETS:</b>					
Cash and Cash Equivalents	\$ 4,009,202	\$ 3,233		\$ 9,269	\$ 4,021,704
Cash - Capital Reserve Account	408,088				408,088
Accounts Receivable					
State	540,705				540,705
Federal		668,942			668,942
Other	277,540				277,540
Interfunds Receivable	744,868				744,868
<b>Total Assets</b>	<b>\$ 5,980,403</b>	<b>\$ 672,175</b>	<b>\$ -</b>	<b>\$ 9,269</b>	<b>\$ 6,661,847</b>
<b>LIABILITIES AND FUND BALANCES:</b>					
<b>Liabilities:</b>					
Accounts Payable	\$ 4,225,517	\$ 1,909			\$ 4,227,426
Interfunds Payable		554,881			554,881
Payable to State Government		110,637			110,637
Unearned Revenue		269,969			269,969
<b>Total Liabilities</b>	<b>4,225,517</b>	<b>937,396</b>	<b>-</b>	<b>-</b>	<b>5,162,913</b>
<b>Fund Balances:</b>					
<b>Restricted:</b>					
Capital Reserve Account	408,088				408,088
Excess Surplus-- Designated for Subsequents Year's Expenditures	647,235				647,235
Excess Surplus	1,202,869				1,202,869
Debt Service				9,269	9,269
<b>Assigned:</b>					
Other Purposes	41,768				41,768
Designated for Subsequent Year's Expenditures	125,732				125,732
Unassigned (Deficit)	(670,806)	(265,221)			(936,027)
<b>Total Fund Balances (Deficit)</b>	<b>1,754,886</b>	<b>(265,221)</b>	<b>-</b>	<b>9,269</b>	<b>1,498,934</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 5,980,403</b>	<b>\$ 672,175</b>	<b>\$ -</b>	<b>\$ 9,269</b>	

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$68,371,182, and the accumulated depreciation is \$42,201,614.	26,169,568
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds.	(7,412,081)
Accrued interest payable	(9,475)
Net Pension Liability	(34,707,789)
Accounts Payable related to the April 1, 2019 Required PERS pension contribution that is not to be liquidated with current financial resources.	(1,422,788)
Deferred Outflows of Resources - Related to Pensions	12,236,792
Deferred Inflows of Resources - Related to Pensions	(6,966,788)
<b>Net Position of Governmental Activities</b>	<b>\$ (10,613,627)</b>

**TOWNSHIP OF DEPTFORD SCHOOL DISTRICT**  
 Governmental Funds  
 Statement of Revenues, Expenditures and Changes in Fund Balances  
 For the Fiscal Year Ended June 30, 2018

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
<b>REVENUES:</b>					
Local Tax Levy	\$ 40,517,615			\$ 1,347,900	\$ 41,865,515
Tuition Charges	584,016				584,016
Interest	25,129				25,129
Unrestricted Miscellaneous Revenues	47,786				47,786
State Sources	33,637,183	\$ 2,338,389			35,975,572
Federal Sources	107,008	1,850,697			1,957,705
Local Sources		500			500
<b>Total Revenues</b>	<b>74,918,737</b>	<b>4,189,586</b>	<b>-</b>	<b>1,347,900</b>	<b>80,456,223</b>
<b>EXPENDITURES:</b>					
<b>Current:</b>					
Regular Instruction	22,314,635	1,194,637			23,509,272
Special Education Instruction	3,659,531	461,552			4,121,083
Other Special Instruction	1,754,638				1,754,638
<b>Support Services and Undistributed Costs:</b>					
Tuition	4,230,592	1,149,547			5,380,139
Student and Instruction Related Services	7,331,114	1,383,465			8,714,579
General Administrative Services	998,031				998,031
School Administrative Services	2,716,810				2,716,810
Central Services	457,454				457,454
Administrative Information Technology	594,722				594,722
Plant Operations and Maintenance	5,423,279				5,423,279
Pupil Transportation	4,211,604				4,211,604
Unallocated Benefits	20,959,766	183,687			21,143,453
Special School	74,779				74,779
Transfer to Charter School	265,233				265,233
<b>Debt Service:</b>					
Principal				1,210,000	1,210,000
Interest and Other Charges				137,900	137,900
Capital Outlay	974,312				974,312
<b>Total Expenditures</b>	<b>75,966,500</b>	<b>4,372,888</b>	<b>-</b>	<b>1,347,900</b>	<b>81,687,288</b>
<b>Excess (Deficiency) of Revenues over Expenditures</b>	<b>(1,047,763)</b>	<b>(183,302)</b>	<b>-</b>		<b>(1,231,065)</b>
<b>OTHER FINANCING SOURCES (USES):</b>					
Operating Transfer Out to Food Service Fund - Transfer to Cover Deficit	(225,000)				(225,000)
<b>Total Other Financing Sources and Uses</b>	<b>(225,000)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(225,000)</b>
<b>Net Change in Fund Balances</b>	<b>(1,272,763)</b>	<b>(183,302)</b>	<b>-</b>	<b>-</b>	<b>(1,456,065)</b>
Fund Balance (Deficit) -- July 1	3,027,649	(81,919)	-	9,269	2,954,999
<b>Fund Balance (Deficit) -- June 30</b>	<b>\$ 1,754,886</b>	<b>\$ (265,221)</b>	<b>\$ -</b>	<b>\$ 9,269</b>	<b>\$ 1,498,934</b>

**TOWNSHIP OF DEPTFORD SCHOOL DISTRICT**  
Audit Recommendations Summary  
For the Fiscal Year Ended June 30, 2018

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Recommendations:

1. Administrative Practices and Procedures  
None
2. Financial Planning, Accounting and Reporting  
None
3. School Purchasing Programs  
None
4. School Food Service  
None
5. Student Body Activities  
None
6. Application for State School Aid  
None
7. Pupil Transportation  
None
8. Facilities and Capital Assets  
None
9. Miscellaneous  
None
10. Status of Prior Year Audit Findings/Recommendations  
None

The above summary was prepared from the Comprehensive Annual Financial Report of the Board of Education of the Township of Deptford School District for the fiscal year July 1, 2017 to June 30, 2018. This Report of Audit, submitted by Glen J. Walton, Public School Accountant of Bowman & Company LLP, is on file at the Board Secretary's office and may be inspected by any interested person. This information included herein is not intended to represent complete financial information as presented in the Comprehensive Annual Financial Report.

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Business Administrator/Board Secretary