

Camp Hill School District

Year Ended June 30, 2020



Camp Hill School District

Financial Statements with Supplementary Information

Year Ended June 30, 2020

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Camp Hill School District

Financial Statements with Supplementary Information

Year Ended June 30, 2020

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INDEPENDENT AUDITORS' REPORT

To the Board of School Directors
Camp Hill School District
Camp Hill, Pennsylvania

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 **Camp Hill School District** (the School District) as of and for the year ended June 30, 2020, 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.

Auditors' 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. Those standards 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 auditors' 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 auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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 **Camp Hill School District** as of June 30, 2020, 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.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 through 12, the budgetary comparison information on page 60 and 61, the other postemployment benefits (OPEB) health care benefits plan information on pages 62 through 66, and the pension information on pages 67 through 69 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.

Trout CPA

January 26, 2021
Lancaster, Pennsylvania

Camp Hill School District
MANAGEMENT'S DISCUSSION and ANALYSIS
June 30, 2020

The Management of **Camp Hill School District** has prepared the following discussion and analysis (MD&A) to provide an overview of the financial performance of the School District between the fiscal years ended June 30, 2020 and 2019. This reports the School District's activities in accordance with governmental reporting requirements, and provides highlights of significant transactions, events, and conditions. The management's discussion and analysis should be read in conjunction with the School District's basic financial statements and notes to those statements.

FINANCIAL HIGHLIGHTS

For fiscal year 2019-20, the School Board adopted a general fund budget in the amount of \$23,796,037, and a real estate tax millage rate of 16.8415, which represented 2.7% tax increase from the 2018-19 year. The budget was adopted with a planned surplus of \$2,676. The actual expenditures were \$23,623,403, transfers to food service fund was \$192,357, bond proceeds and other funding sources were \$179,513 and revenues were \$24,679,806 resulting in an increase to fund balance of \$1,043,559.

In accordance with governmental accounting requirements, the School District is obligated to report other postemployment benefits (OPEB). This resulted in a recording of an obligation of \$2,456,000 as of June 30, 2020. The notes to the financial statements include both discussion and analysis of this liability.

USING THESE FINANCIAL STATEMENTS

The financial statements consist of, in addition to the MD&A, a series of financial statements and other required supplementary information. The statement of net position and the statement of activities (pages 13 through 15) provide information about the activities of the School District as a whole, and present both a short-term and long-term view of the School District's financial status.

The remaining "fund financial statements" focus on a more detailed presentation of operations. For governmental activities, these statements tell how the School District's services have been financed in the short-term, as well as show the amount remaining for future spending (pages 16 and 18). The reconciliation of the governmental funds balance sheet reconciles the governmental fund balances to the total net position presented on the statement of net position (page 17). The reconciliation on page 19 and 20 does the same for the components of the changes in fund balances. Proprietary fund statements (on 21 through 24) provide information about non-governmental operations, in our case, food services. Fiduciary fund statements (on pages 25 and 26) report funds held in trust by the School District for such things as scholarships and student activities.

Camp Hill School District
MANAGEMENT'S DISCUSSION and ANALYSIS

(Continued)

June 30, 2020

USING THESE FINANCIAL STATEMENTS (Continued)

Following the basic financial statements is required supplementary information on pages 60 through 69 that consists of the School District's budgetary comparison and other postemployment benefit plans and information related to the School District's pension plan.

Reporting the School District as a Whole

The statement of net position and statement of activities present financial activities and the results of those activities in two categories, governmental and business-type. Capital assets (land, buildings, improvements, furniture, equipment, and library books) are presented with all other assets. Long-term debt is presented with all other liabilities. The measurement focus of revenue and expense is similar to that used in the private sector and is referred to as the accrual basis of accounting. This is discussed further in the notes to financial statements.

Reporting the School District's Most Significant Funds

The fund statements provide financial information about the School District's significant funds rather than the School District as a whole. There are three fund types - governmental, proprietary, and fiduciary. The use of each type of fund is described in the notes to financial statements. Unlike the financial statements that measure revenues on the accrual basis, the funds statements report revenues only to the extent cash has been received or is expected to be received in the near future. This is known as the modified-accrual basis of accounting and is unique to governmental entities.

The School District as Trustee

The School District acts as fiduciary for two funds: a private-purpose trust for scholarship monies; and a student activities fund. In comparison to the governmental funds, the amounts held in the fiduciary funds are small.

Camp Hill School District
MANAGEMENT'S DISCUSSION and ANALYSIS

(Continued)

June 30, 2020

THE SCHOOL DISTRICT as a WHOLE

The School District's total net position (deficit) was \$(6,788,619) at June 30, 2020, a decrease of \$655,201 from the end of the previous year. Table A-1 summarizes and compares the statement of net position from the financial statements.

Table A-1
Camp Hill School District
Statement of Net Position
(in thousands of dollars)
June 30, 2020 and 2019

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total Primary Government</u>	
	2020	2019	2020	2019	2020	2019
Current assets	\$ 27,989.6	\$ 25,093.3	\$ 108.3	\$ 44.3	\$ 28,097.9	\$ 25,137.6
Noncurrent assets:						
Capital assets	37,669.3	31,192.9	5.7	6.7	37,675.0	31,199.6
Total assets	65,658.9	56,286.2	114.0	51.0	65,772.9	56,337.2
Deferred outflows of resources	5,295.5	5,894.8	85.0	96.1	5,380.5	5,990.9
Current liabilities	5,789.9	4,312.2	22.0	13.6	5,811.9	4,325.8
Long-term liabilities (less pension)	36,917.5	26,653.5	42.6	2.0	36,960.1	26,655.5
Net pension liability	33,329.0	36,279.3	542.0	596.2	33,871.0	36,875.5
Total liabilities	76,036.4	67,245.0	606.6	611.8	76,643.0	67,856.8
Deferred inflows of resources	1,278.0	594.5	21.0	10.2	1,299.0	604.7
Net investment in capital assets	11,361.7	5,255.9	5.7	6.7	11,367.4	5,262.6
Restricted	156.8	8,283.9	-	-	156.8	8,283.9
Unrestricted	(17,878.4)	(19,198.2)	(434.4)	(481.7)	(18,312.8)	(19,679.9)
Total net position	\$ (6,359.9)	\$ (5,658.4)	\$ (428.7)	\$ (475.0)	\$ (6,788.6)	\$ (6,133.4)

Camp Hill School District
MANAGEMENT'S DISCUSSION and ANALYSIS

(Continued)

June 30, 2020

THE SCHOOL DISTRICT as a WHOLE (Continued)

Table A-2 summarizes and compares activity presented in the statement of activities on page 15. It shows the items that made up the increase in total net position. This increase (decrease) represents a change in reported value measuring revenue and expenses on an accrual basis. It does not represent an increase (decrease) in cash or other readily available funds.

Table A-2
Camp Hill School District
Statement of Activities
(in thousands of dollars)
June 30, 2020 and 2019

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total Primary Government</u>	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Revenues						
Program revenues:						
Charges for service	\$ 750.3	\$ 734.0	\$ 187.5	\$ 257.8	\$ 937.8	\$ 991.8
Operating grants and contributions	3,130.8	3,324.9	123.2	-	3,254.0	3,324.9
Capital grants and contributions	382.8	232.7	-	148.1	382.8	380.8
General revenues:						
Taxes	18,044.9	17,237.9	-	-	18,044.9	17,237.9
Grants, subsidies, contributions, not restricted	2,257.4	2,212.8	1.8	5.0	2,259.2	2,217.8
Total revenues	<u>24,566.2</u>	<u>23,742.3</u>	<u>312.5</u>	<u>410.9</u>	<u>24,878.7</u>	<u>24,153.2</u>
Direct expenses	(25,075.2)	(23,083.9)	(458.6)	(504.5)	(25,533.8)	(23,588.4)
Transfers	(192.4)	-	192.4	-	-	-
Changes in net position	<u>(701.4)</u>	<u>658.4</u>	<u>46.3</u>	<u>(93.6)</u>	<u>(655.1)</u>	<u>564.8</u>
Net position - beginning	<u>(5,658.4)</u>	<u>(6,316.8)</u>	<u>(475.0)</u>	<u>(381.4)</u>	<u>(6,133.4)</u>	<u>(6,698.2)</u>
Total net position	<u>\$ (6,359.8)</u>	<u>\$ (5,658.4)</u>	<u>\$ (428.7)</u>	<u>\$ (475.0)</u>	<u>\$ (6,788.5)</u>	<u>\$ (6,133.4)</u>

Camp Hill School District
MANAGEMENT'S DISCUSSION and ANALYSIS

(Continued)

June 30, 2020

THE SCHOOL DISTRICT as a WHOLE (Continued)

Governmental Activities

Table A-3, shown below, presents expense information from the statement of activities for governmental activities. The total cost of services represents the actual cost of providing the services, while the net cost represents the amount of cost not recovered through program revenues, meaning user charges, grants, and contributions. The total net cost of services of \$19,687,047 must be recovered through general revenue, primarily taxes, and state subsidies. Amounts not recovered will reduce funds available for future years.

Table A-3
Camp Hill School District
 Statements of Total and Net Cost of Services - Governmental Activities
 (in thousands of dollars)
 June 30, 2020 and 2019

<u>Functions/Programs</u>	<u>Total Cost of Services</u>		<u>Less: Program Revenues</u>		<u>Net Cost of Services</u>	
	2020	2019	2020	2019	2020	2019
Instruction	\$ 15,433.5	\$ 14,610.6	\$ 2,389.3	\$ 2,690.5	\$ 13,044.2	\$ 11,920.1
Instructional student support	2,644.9	2,477.8	236.8	209.0	2,408.1	2,268.8
Administrative and financial support services	2,887.6	2,348.2	262.0	236.3	2,625.6	2,111.9
Operation and maintenance of plant services	2,281.4	2,058.9	151.7	103.2	2,129.7	1,955.7
Pupil transportation	166.0	107.7	11.4	10.8	154.6	96.9
Student activities	861.5	1,033.5	73.3	69.0	788.2	964.5
Community services	38.7	41.3	6.3	6.0	32.4	35.3
Interest on long-term debt	761.6	405.9	-	-	761.6	405.9
Total governmental activities	<u>\$ 25,075.2</u>	<u>\$ 23,083.9</u>	<u>\$ 3,130.8</u>	<u>\$ 3,324.8</u>	21,944.4	19,759.1
Less grants, subsidies and contributions not restricted and investment earnings					<u>2,257.4</u>	<u>2,237.2</u>
Total needs from local taxes and other revenue					<u>\$ 19,687.0</u>	<u>\$ 17,521.9</u>

Camp Hill School District
MANAGEMENT'S DISCUSSION and ANALYSIS
(Continued)
June 30, 2020

THE SCHOOL DISTRICT as a WHOLE (Continued)

Business-Type Activities

Table A-4 is similar to the previous table, except it presents business-type service costs.

Table A-4
Camp Hill School District
Statements of Total and Net Cost of Services - Business-type Activities
(in thousands of dollars)
June 30, 2020 and 2019

<u>Functions/Programs</u>	<u>Total Cost of Services</u>		<u>Less: Program Revenues</u>		<u>Net Cost of Services</u>	
	2020	2019	2020	2019	2020	2019
Food services	\$ 458.6	\$ 504.5	\$ 310.7	\$ 405.9	\$ 147.9	\$ 98.6
Less investment earnings					1.7	5.0
Total needs from local taxes and other revenue					\$ 146.2	\$ 93.6

SCHOOL DISTRICT FUNDS

The information in Table A-5 summarizes and compares the governmental funds' fund balances for June 30, 2020 and 2019.

Table A-5
Camp Hill School District
Statements of Comparative Fund Balances
June 30, 2020, and 2019

	<u>2020</u>	<u>2019</u>	<u>\$ change</u>
Nonspendable	\$ 1,428,785	\$ 2,015,721	\$ (586,936)
Restricted:			
Capital projects	8,867,115	6,729,710	2,137,405
Performing arts center	156,823	270,384	(113,561)
Committed:			
Future PSERS expenditures	1,000,000	1,000,000	-
Future capital expenditures	4,813,774	5,176,785	(363,011)
Athletic fund reserves	49,019	49,019	-
Band uniform replacement funds	13,510	13,510	-
School funds	37,958	37,958	-
Curriculum and technology	1,000,000	1,000,000	-
Assigned:			
Future healthcare costs	793,723	-	793,723
Instructional investments	977,359	-	977,359
Future capital expenditures	2,226,856	2,226,856	-
Unassigned	1,880,000	1,907,026	(27,026)
Total All Governmental Funds	<u>\$ 23,244,922</u>	<u>\$ 20,426,969</u>	<u>\$ 2,817,953</u>

Camp Hill School District
MANAGEMENT'S DISCUSSION and ANALYSIS
(Continued)
June 30, 2020

SCHOOL DISTRICT FUNDS (Continued)

As previously mentioned, the basis of measurement for fund assets and liabilities is different than that used in the statement of net position. The differences between the total governmental fund balances of \$23,244,922 and the total net position (deficit) of \$(6,359,882) are itemized in the reconciliation presented within the financial statements on page 17. Primarily, the difference relates to inclusion of capital assets and related long-term debt, inclusion of unamortized bond-related costs, taxes receivable, and beginning 2015-16 net pension expense in the statement of net position.

General Fund Budgetary Highlights

Table A-6 has been summarized from the comparative budget information presented on page 60 of the financial statements.

Table A-6
Camp Hill School District
Comparison of Budget to Actual
June 30, 2020 and 2019

	<u>Final Budget</u>		<u>Actual</u>		<u>Variance</u>	
	2020	2019	2020	2019	2020	2019
Total revenues	\$ 23,798,713	\$ 23,041,273	\$ 24,679,806	\$ 23,996,792	\$ 881,093	\$ 955,519
Total expenditures	23,598,911	22,485,350	23,623,403	21,945,422	(24,492)	(539,928)
Revenues over expenditures	199,802	555,923	1,056,403	2,051,370	856,601	1,495,447
Other financing sources/(uses)	(197,126)	(574,245)	(12,844)	(1,828,058)	184,282	(1,253,813)
Net changes in fund balances	<u>\$ 2,676</u>	<u>\$ (18,322)</u>	<u>\$ 1,043,559</u>	<u>\$ 223,312</u>	<u>\$ 1,040,883</u>	<u>\$ 241,634</u>

The 2020 budget was expected to have a surplus of \$2,676; however, the actual surplus was \$1,043,559. There are a number of factors that caused this result. Actual revenues exceeded the budgeted amount by \$881,093 primarily due to an increase in the percentage of real estate collections, and increased interest income, earned income tax revenue, real estate transfer tax, and Lion Foundation Grants that were unknown at budget time. Actual expenditures were \$24,492 over the budget amount. Transfers and other financing sources were over budget by \$184,282 due to a bond issuance and sale of fixed assets.

Camp Hill School District
MANAGEMENT'S DISCUSSION and ANALYSIS
(Continued)
June 30, 2020

CAPITAL ASSETS

Table A-7 summarizes and makes year-to-year comparisons between the School District's capital assets; year-to-year changes in capital assets as presented in the notes section (page 41) of the financial statements. The net cost of the capital assets on the books at June 30, 2020, was \$37,669,343. In the 2020 budget, the School District invested \$235,412 in technology, and an additional \$76,793 in furniture and equipment. Each year capital assets, other than land and construction in progress, are depreciated (reduced in value) to reflect usage. The net balance of \$37,669,343 is the amount remaining after this reduction as well as an adjustment for new and deleted capital assets.

Table A-7
Camp Hill School District
Governmental Activities Capital Assets Comparison
net of Accumulated Depreciation
June 30, 2020 and 2019

	<u>2020</u>	<u>2019</u>	<u>Change</u>
Governmental Activities:			
Land and site improvements	\$ 3,089,509	\$ 3,296,628	\$ (207,119)
Building and building improvements	20,827,804	21,644,786	(816,982)
Furniture, equipment, and library books	1,613,566	1,636,718	(23,152)
Construction in progress	12,138,464	4,613,775	7,524,689
Total governmental activities - capital assets	\$ 37,669,343	\$ 31,191,907	\$ 6,477,436

DEBT ADMINISTRATION

Table A-8 summarizes the long-term liabilities, of the governmental and business-type activities of the School District, more fully described in the notes to financial statements (page 43 and 44).

Table A-8
Camp Hill School District
Long-Term Liabilities
June 30, 2020 and 2019

	<u>2020</u>	<u>2019</u>	<u>Change</u>
General obligation debt	\$ 35,188,271	\$ 26,308,087	\$ 8,880,184
Compensated absences	365,699	347,404	18,295
Other post-employment benefits	2,496,000	2,360,447	135,553
Net pension liability	33,871,000	34,515,084	(644,084)
Total long-term liabilities	\$ 71,920,970	\$ 63,531,022	\$ 8,389,948

Camp Hill School District
MANAGEMENT'S DISCUSSION and ANALYSIS
(Continued)
June 30, 2020

NEXT YEAR'S BUDGET, ECONOMIC FACTORS, and RATES

General Fund Budget

Table A-9 compares the 2020-2021 to the 2019-20 budget.

Table A-9
Camp Hill School District
Comparison of Budgets
June 30, 2020 and 2021

	Budget		Change
	<u>2020</u>	<u>2021</u>	
Budgeted revenues:			
Local sources	\$ 18,920,145	\$ 19,015,223	\$ 95,078
State sources	4,721,368	5,135,699	414,331
Federal/other sources	157,200	393,418	236,218
Total budgeted revenues	<u>23,798,713</u>	<u>24,544,340</u>	745,627
Budgeted expenditures:			
Salaries	10,509,901	10,826,779	316,878
Taxes/benefits	6,741,903	6,897,869	155,966
Outside student and professional services	1,383,347	1,347,790	(35,557)
Purchased property services	542,040	530,720	(11,320)
Other services and tuitions	1,277,174	1,512,889	235,715
Supplies/materials/texts	964,922	1,276,995	312,073
Equipment	238,800	207,845	(30,955)
Other	813,568	1,070,911	257,343
Transfers	1,324,382	1,276,000	(48,382)
	<u>23,796,037</u>	<u>24,947,798</u>	1,151,761
Budgeted change in fund balance	<u>\$ 2,676</u>	<u>\$ (403,458)</u>	<u>\$ (406,134)</u>

- The School District adopted the 2020-21 budget in the amount of \$24,947,798, an increase of \$1,151,761 over the previous year.
- The professional contract with the Camp Hill Education Association was executed on March 18, 2020. The contract is effective July 1, 2020 through June 30, 2024. The agreement included salary increases of 3.0% each year 2020-2021 through 2023-2024.
- The mandated-payment rate to the Pennsylvania School Employees' Retirement System (PSERS) requires \$3,825,210 in payment for 2020-21, an increase of 4.8%.
- The combined salary, benefits, and taxes increased the 2020-2021 budget by \$472,854 over the previous year.

Camp Hill School District
MANAGEMENT'S DISCUSSION and ANALYSIS
(Continued)
June 30, 2020

NEXT YEAR'S BUDGET, ECONOMIC FACTORS, and RATES (Continued)

General Fund Budget (Continued)

- Planned investments in technology for 2020-2021 increased by \$285,425. In order to facilitate virtual learning due to the pandemic. The School District invested in a one-to-one device for every student.
- The School District continues to share in the cost of a renovation project of the Siebert Park facilities with the Camp Hill Borough. The annual cost to the School District began in 2014-15 of \$85,000.
- Revenue budget accounts increased by \$745,627 for the 2020-21 fiscal year. The local real estate tax rate increase of .5052 mills (17.3467 total mills) along with an increased in assessment is expected to provide \$521,803 in additional local revenues. Due to the pandemic, a projected decrease in earned income taxes of \$230,713 are expected.
- The 2020-2021 budget was approved with a deficit (revenue over expenditure) of \$(403,458). The Board intends to use fund balance to fund the difference.

CONTACTING the SCHOOL DISTRICT'S FINANCIAL MANAGEMENT

The School District's financial report is intended to provide the readers with a general overview of the School District's finances and to show the Board's accountability for the funds it receives. If you have questions about this report or wish to request additional financial information, please visit the School District website at www.camphillsd.k12.pa.us, or contact the Business Manager at the School District Office of the Camp Hill School District, 2627 Chestnut Street, Camp Hill, PA 17011, (717) 901-2400 x5941.

Camp Hill School District

STATEMENT of NET POSITION

June 30, 2020

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Current Assets			
Cash and Cash Equivalents	\$ 6,442,779	\$ 36,816	\$ 6,479,595
Investments	17,697,623	63,024	17,760,647
Taxes Receivable, net	1,009,084	-0-	1,009,084
Intergovernmental Receivables	1,053,285	-0-	1,053,285
Other Receivables	201,198	-0-	201,198
Inventories	3,332	8,455	11,787
Restricted Cash and Cash Equivalents	156,823	-0-	156,823
Prepaid Expenses	<u>1,425,453</u>	<u>-0-</u>	<u>1,425,453</u>
Total Current Assets	27,989,577	108,295	28,097,872
Capital Assets			
Non-Depreciable	13,136,306	-0-	13,136,306
Depreciable, net	<u>24,533,037</u>	<u>5,673</u>	<u>24,538,710</u>
Total Capital Assets	37,669,343	5,673	37,675,016
TOTAL ASSETS	<u>65,658,920</u>	<u>113,968</u>	<u>65,772,888</u>
DEFERRED OUTFLOWS of RESOURCES			
Pension	4,968,000	81,000	5,049,000
Other Postemployment Benefits	314,000	4,000	318,000
Loss on Bond Refunding	<u>13,549</u>	<u>-0-</u>	<u>13,549</u>
TOTAL DEFERRED OUTFLOWS of RESOURCES	<u>\$ 5,295,549</u>	<u>\$ 85,000</u>	<u>\$ 5,380,549</u>

See notes to financial statements.

Camp Hill School District

STATEMENT of NET POSITION

(Continued)

June 30, 2020

	Governmental Activities	Business-Type Activities	Total
LIABILITIES			
Current Liabilities			
Accounts Payable	\$ 1,819,067	\$ 244	\$ 1,819,311
Current Portion of Long-Term Debt	1,035,000	-0-	1,035,000
Accrued Salaries and Benefits	2,786,049	-0-	2,786,049
Compensated Absences Due Within One Year	54,389	466	54,855
Accrued Interest on Long-Term Debt	86,614	-0-	86,614
Unearned Revenues	<u>8,755</u>	<u>21,357</u>	<u>30,112</u>
Total Current Liabilities	<u>5,789,874</u>	<u>22,067</u>	<u>5,811,941</u>
Noncurrent Liabilities			
Long-Term Portion of Bonds Payable, net of Unamortized Discount and Premium	34,153,271	-0-	34,153,271
Net Pension Liability	33,329,000	542,000	33,871,000
Long-Term Portion of Compensated Absences	308,206	2,638	310,844
Net Other Postemployment Benefits (OPEB) Liability	<u>2,456,000</u>	<u>40,000</u>	<u>2,496,000</u>
Total Noncurrent Liabilities	<u>70,246,477</u>	<u>584,638</u>	<u>70,831,115</u>
TOTAL LIABILITIES	<u><u>76,036,351</u></u>	<u><u>606,705</u></u>	<u><u>76,643,056</u></u>
DEFERRED INFLOWS of RESOURCES			
Pension	1,208,000	20,000	1,228,000
Other Postemployment Benefits	<u>70,000</u>	<u>1,000</u>	<u>71,000</u>
TOTAL DEFERRED INFLOWS of RESOURCES	<u><u>1,278,000</u></u>	<u><u>21,000</u></u>	<u><u>1,299,000</u></u>
NET POSITION			
Net Investment in Capital Assets	11,361,736	5,673	11,367,409
Restricted	156,823	-0-	156,823
Unrestricted (Deficit)	<u>(17,878,441)</u>	<u>(434,410)</u>	<u>(18,312,851)</u>
TOTAL NET POSITION	<u><u>\$ (6,359,882)</u></u>	<u><u>\$ (428,737)</u></u>	<u><u>\$ (6,788,619)</u></u>

See notes to financial statements.

Camp Hill School District

STATEMENT of ACTIVITIES

Year Ended June 30, 2020

Functions/Programs	Expenses	Program Revenue			Net Revenue (Expense) and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental Activities:							
Instruction	\$ 15,433,484	\$ 445,085	\$ 2,389,267	\$ -0-	\$ (12,599,132)	\$ -0-	\$ (12,599,132)
Instructional Student Support	2,644,949	53,864	236,799	-0-	(2,354,286)	-0-	(2,354,286)
Administrative and Financial Support Services	2,887,589	48,482	261,986	-0-	(2,577,121)	-0-	(2,577,121)
Operation and Maintenance of Plant Services	2,281,343	67,154	151,718	-0-	(2,062,471)	-0-	(2,062,471)
Pupil Transportation	166,002	-0-	11,437	-0-	(154,565)	-0-	(154,565)
Student Activities	861,477	134,391	73,304	-0-	(653,782)	-0-	(653,782)
Community Services	38,729	1,289	6,278	-0-	(31,162)	-0-	(31,162)
Interest on Long-Term Debt	761,629	-0-	-0-	382,771	(378,858)	-0-	(378,858)
Total Governmental Activities	25,075,202	750,265	3,130,789	382,771	(20,811,377)	-0-	(20,811,377)
Business-Type Activities:							
Food Services	458,603	187,541	123,195	-0-	-0-	(147,867)	(147,867)
Total Primary Government	\$ 25,533,805	\$ 937,806	\$ 3,253,984	\$ 382,771	(20,811,377)	(147,867)	(20,959,244)
General Revenues:							
Taxes:							
Property Taxes, Levied for General Purposes, net					13,479,563	-0-	13,479,563
Public Utility Realty, Earned Income, and Other Taxes Levied for General Purposes, net					4,565,338	-0-	4,565,338
Unrestricted Grants and Subsidies					1,889,007	-0-	1,889,007
Unrestricted Investment Earnings					410,027	1,776	411,803
Loss on Sale of Capital Assets					(41,668)	-0-	(41,668)
Transfers					(192,357)	192,357	-0-
Total General Revenues and Transfers					20,109,910	194,133	20,304,043
CHANGES in NET POSITION					(701,467)	46,266	(655,201)
NET POSITION							
Beginning					(5,658,415)	(475,003)	(6,133,418)
Ending					\$ (6,359,882)	\$ (428,737)	\$ (6,788,619)

See notes to financial statements.

Camp Hill School District
BALANCE SHEET - GOVERNMENTAL FUNDS
June 30, 2020

	Major Funds			Total Governmental Funds
	General Fund	Bond Construction Fund	Capital Reserve Fund	
ASSETS				
Cash and Cash Equivalents	\$ 6,017,954	\$ -0-	\$ 424,825	\$ 6,442,779
Restricted Cash and Cash Equivalents	156,823	-0-	-0-	156,823
Investments	3,018,182	-0-	4,395,629	7,413,811
Restricted Investments	-0-	10,283,812	-0-	10,283,812
Taxes Receivable, net	1,009,084	-0-	-0-	1,009,084
Due from Other Funds	194	-0-	-0-	194
Intergovernmental Receivables	86,606	-0-	-0-	86,606
Due from Other Governments	966,679	-0-	-0-	966,679
Other Receivables	201,004	-0-	-0-	201,004
Inventories	3,332	-0-	-0-	3,332
Prepaid Expenses	1,425,453	-0-	-0-	1,425,453
TOTAL ASSETS	<u>12,885,311</u>	<u>10,283,812</u>	<u>4,820,454</u>	<u>27,989,577</u>
LIABILITIES and DEFERRED INFLOWS of RESOURCES and FUND BALANCES				
LIABILITIES				
Accounts Payable	395,690	1,416,697	6,680	1,819,067
Accrued Salaries and Benefits	1,653,850	-0-	-0-	1,653,850
Payroll Deductions and Withholdings	1,132,199	-0-	-0-	1,132,199
Unearned Revenues	8,755	-0-	-0-	8,755
TOTAL LIABILITIES	<u>3,190,494</u>	<u>1,416,697</u>	<u>6,680</u>	<u>4,613,871</u>
DEFERRED INFLOWS of RESOURCES				
Unavailable Tax Revenue	130,784	-0-	-0-	130,784
FUND BALANCES				
Nonspendable	1,428,785	-0-	-0-	1,428,785
Restricted	156,823	8,867,115	-0-	9,023,938
Committed	2,100,487	-0-	4,813,774	6,914,261
Assigned	3,997,938	-0-	-0-	3,997,938
Unassigned	1,880,000	-0-	-0-	1,880,000
TOTAL FUND BALANCES	<u>9,564,033</u>	<u>8,867,115</u>	<u>4,813,774</u>	<u>23,244,922</u>
TOTAL LIABILITIES and DEFERRED INFLOWS of RESOURCES and FUND BALANCES	<u>\$ 12,885,311</u>	<u>\$ 10,283,812</u>	<u>\$ 4,820,454</u>	<u>\$ 27,989,577</u>

See notes to financial statements.

Camp Hill School District
 RECONCILIATION of the GOVERNMENTAL FUNDS BALANCE SHEET
 to the STATEMENT of NET POSITION
 June 30, 2020

Total fund balances - governmental funds \$ 23,244,922

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not current financial resources and, therefore, are not reported as assets in governmental funds. The cost of assets is \$57,681,256 and the accumulated depreciation is \$20,011,913. 37,669,343

Property taxes receivable are available for collection this year, but are not available soon enough to pay for the current period's expenditures and, therefore, are deferred in the funds. 130,784

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. Long-term liabilities at year end consist of:

Bonds Payable, Net of Unamortized Bond Premium and Discount	(35,188,271)
Net Pension Liability	(33,329,000)
Accrued Interest on Long-Term Debt	(86,614)
Net Other Postemployment Benefits (OPEB) Liability	(2,456,000)
Compensated Absences	(362,595)

Deferred outflows of resources - pension and OPEB are not due and payable in the current period and, therefore, are not reported in the funds. 5,295,549

Deferred inflows of resources - gain on bond refunding, pension and OPEB are not due and collectable in the current period and, therefore, are not reported in the funds. (1,278,000)

TOTAL NET POSITION - GOVERNMENTAL ACTIVITIES \$ (6,359,882)

See notes to financial statements.

Camp Hill School District

STATEMENT of REVENUES, EXPENDITURES, and CHANGES in FUND BALANCES - GOVERNMENTAL FUNDS Year Ended June 30, 2020

REVENUES	Major Funds			Total Governmental Funds
	General Fund	Bond Construction Fund	Capital Reserve Fund	
Local Sources:				
Real Estate Taxes	\$ 13,708,649	\$ -0-	\$ -0-	\$ 13,708,649
Other Taxes	4,609,988	-0-	-0-	4,609,988
Investment Earnings	208,337	107,535	94,155	410,027
Other Revenue	945,112	-0-	-0-	945,112
Total Local Sources	19,472,086	107,535	94,155	19,673,776
State Sources	5,039,179	-0-	-0-	5,039,179
Federal Sources	168,541	-0-	-0-	168,541
Total Revenues	24,679,806	107,535	94,155	24,881,496
EXPENDITURES				
Instructional Services	14,165,906	-0-	-0-	14,165,906
Support Services	6,798,788	264,944	349,314	7,413,046
Noninstructional Services	894,642	-0-	-0-	894,642
Capital Outlay	-0-	7,453,309	107,852	7,561,161
Debt Service	1,764,067	-0-	-0-	1,764,067
Total Expenditures	23,623,403	7,718,253	457,166	31,798,822
EXCESS (DEFICIENCY) of REVENUES over EXPENDITURES	1,056,403	(7,610,718)	(363,011)	(6,917,326)
OTHER FINANCING SOURCES (USES)				
Bond Proceeds	9,625,000	9,748,123	-0-	19,373,123
Bond Premium	369,403	-0-	-0-	369,403
Debt Service (Payment to Refunded Payment to Bond Escrow Agent)	(9,819,225)	-0-	-0-	(9,819,225)
Interfund Transfers Out	(192,357)	-0-	-0-	(192,357)
Proceeds from Sale of Fixed Assets	4,335	-0-	-0-	4,335
Net Other Financing Sources (Uses)	(12,844)	9,748,123	-0-	9,735,279
NET CHANGES in FUND BALANCES	1,043,559	2,137,405	(363,011)	2,817,953
FUND BALANCES				
Beginning	8,520,474	6,729,710	5,176,785	20,426,969
Ending	<u>\$ 9,564,033</u>	<u>\$ 8,867,115</u>	<u>\$ 4,813,774</u>	<u>\$ 23,244,922</u>

See notes to financial statements.

Camp Hill School District

RECONCILIATION of the GOVERNMENTAL FUNDS STATEMENT of REVENUES,
EXPENDITURES, and CHANGES in FUND BALANCES
to the STATEMENT of ACTIVITIES
Year Ended June 30, 2020

Net changes in fund balances - total governmental funds \$ 2,817,953

Amounts reported for governmental activities in the statement of activities 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. The amount by which capital outlays exceeds depreciation in the period is as follows:

Remaining Basis of Capital Assets Disposed	(46,003)	
Depreciation Expense	(1,313,455)	
Capital Outlays	7,836,894	6,477,436

Because some property taxes and subsidies receivable will not be collected for several months after the School District's fiscal year ends, they are not considered available revenues in the governmental funds. Deferred tax revenues decreased by this amount this year. (273,736)

The issuance of long-term obligations (e.g., bonds, leases, loans) provides current financial resources to governmental funds, while the repayment of the principal of long-term obligations consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, gains and losses due to refunding and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term obligations, net impact of bond refinancing and related items. (9,972,622)

Repayment of bond and lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. 1,089,000

In the statement of activities, interest is accrued on outstanding bonds, whereas in the governmental funds, an interest expenditure is reported when due. \$ (37,241)

See notes to financial statements.

Camp Hill School District

RECONCILIATION of the GOVERNMENTAL FUNDS STATEMENT of REVENUES,
EXPENDITURES, and CHANGES in FUND BALANCES
to the STATEMENT of ACTIVITIES
(Continued)
Year Ended June 30, 2020

In the statement of activities, certain operating expenses (e.g., compensated absences) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used. This amount represents the difference between the amount earned versus the amount used. \$ (17,220)

In the statement of activities, deferred inflows of resources - pension, deferred outflows of resources - OPEB, and OPEB expense are recognized in conjunction with net OPEB liability. Whereas in the governmental funds, OPEB expense is recorded when required contributions are payable. This amount represents the current OPEB obligation expense over amounts payable. (62,544)

In the statement of activities, deferred inflows of resources - pension, deferred outflows of resources - pension, and pension expense are recognized in conjunction with net pension liability. Whereas in the governmental funds, pension expense is recorded when required contributions are payable. This amount represents the current pension obligation expense over amounts payable. (722,493)

CHANGES in NET POSITION of GOVERNMENTAL ACTIVITIES \$ (701,467)

Camp Hill School District
STATEMENT of NET POSITION - PROPRIETARY FUNDS
June 30, 2020

	Major Enterprise Fund
	Food Service Fund
ASSETS	
Current Assets	
Cash and Cash Equivalents	\$ 36,816
Investments	63,024
Inventories	8,455
Total Current Assets	108,295
Noncurrent Assets	
Machinery and Equipment, net of Accumulated Depreciation	5,673
TOTAL ASSETS	113,968
DEFERRED OUTFLOWS of RESOURCES	
Pension	81,000
Other Postemployment Benefits	4,000
TOTAL DEFERRED OUTFLOWS of RESOURCES	85,000
LIABILITIES	
Current Liabilities	
Accounts Payable	244
Compensated Absences Due Within One Year	466
Unearned Revenues	21,357
Total Current Liabilities	22,067
Noncurrent Liabilities	
Net Pension Liability	542,000
Net Other Postemployment Benefits (OPEB) Liability	40,000
Long-Term Portion of Compensated Absences	2,638
Total Noncurrent Liabilities	584,638
TOTAL LIABILITIES	606,705
DEFERRED INFLOWS of RESOURCES	
Pension	20,000
Other Postemployment Benefits	1,000
TOTAL DEFERRED INFLOWS of RESOURCES	21,000
NET POSITION	
Net Investment in Capital Assets	5,673
Unrestricted (Deficit)	(434,410)
TOTAL NET POSITION	\$ (428,737)

See notes to financial statements.

Camp Hill School District

STATEMENT of REVENUES, EXPENSES, and CHANGES in FUND NET POSITION -
PROPRIETARY FUNDS
Year Ended June 30, 2020

	<u>Major Enterprise Fund</u>
	<u>Food Service Fund</u>
OPERATING REVENUES	
Food Service Revenue	\$ 187,541
OPERATING EXPENSES	
Salaries	172,218
Employee Benefits	157,435
Purchased Property Services	4,683
Other Purchased Services	555
Food and Milk	111,136
Supplies	11,545
Depreciation	<u>1,031</u>
Total Operating Expenses	<u>458,603</u>
OPERATING LOSS	(271,062)
NONOPERATING REVENUES	
Investment Earnings	1,776
State Sources - Social Security and Retirement Subsidies	35,430
State Sources - Meal Subsidies	3,729
Federal Sources - Meal Subsidies	54,899
Federal Sources - Donated Commodities	25,385
Local Sources - Grant	<u>3,752</u>
Net Nonoperating Revenues	<u>124,971</u>
CHANGES in NET POSITION BEFORE TRANSFERS	(146,091)
TRANSFERS from OTHER FUNDS	<u>192,357</u>
CHANGES in NET POSITION	46,266
NET POSITION	
Beginning	<u>(475,003)</u>
Ending	<u><u>\$ (428,737)</u></u>

See notes to financial statements.

Camp Hill School District

STATEMENT of CASH FLOWS -

PROPRIETARY FUNDS

Year Ended June 30, 2020

	Major Enterprise Fund	Food Service Fund
CASH FLOWS from OPERATING ACTIVITIES		
Cash Received from Users	\$ 195,255	
Cash Payments to Employees for Services	(339,161)	
Cash Payments to Suppliers for Goods and Services	<u>(107,998)</u>	
Net Cash Used by Operating Activities		(251,904)
CASH FLOWS from CAPITAL and RELATED FINANCING ACTIVITIES		
State Sources		39,239
Federal Sources		56,044
Local Sources		3,752
Transfer from General Fund		<u>192,357</u>
Net Cash Provided by Capital and Related Financing Activities		291,392
CASH FLOWS from INVESTING ACTIVITIES		
Investment Earnings		1,776
Purchase of Investments		<u>(11,444)</u>
Net Cash Used by Investing Activities		<u>(9,668)</u>
INCREASE in CASH and CASH EQUIVALENTS		29,820
CASH and CASH EQUIVALENTS		
Beginning		<u>6,996</u>
Ending		<u>\$ 36,816</u>

See notes to financial statements.

Camp Hill School District

STATEMENT of CASH FLOWS -

PROPRIETARY FUNDS

(Continued)

Year Ended June 30, 2020

Major
Enterprise Fund

Food Service Fund

**RECONCILIATION of OPERATING LOSS to
NET CASH PROVIDED (USED) by OPERATING ACTIVITIES**

Operating Loss \$ (271,062)

**ADJUSTMENTS to RECONCILE OPERATING LOSS
to NET CASH PROVIDED (USED) by OPERATING ACTIVITIES**

Depreciation	1,031
Donated Commodities Used	25,385
Pension-Related Changes Other than Periodic Pension Costs	8,612
OPEB-Related Changes Other than Periodic OPEB Costs	(929)
Increase in Inventory	(3,040)
Decrease in Interfund Payables	(20,934)
Increase in Accounts Payable	244
Increase in Unearned Revenue	7,714
Increase in Compensated Absences	1,075

Total Adjustments 19,158

Net Cash Used by Operating Activities \$ (251,904)

SUPPLEMENTAL DISCLOSURE of CASH FLOW INFORMATION

NONCASH FINANCING ACTIVITIES

Receipt of USDA Donated Commodities 25,385

See notes to financial statements.

Camp Hill School District

STATEMENT of NET POSITION -

FIDUCIARY FUNDS

June 30, 2020

	Private Purpose Trust	Agency Fund
ASSETS		
Cash and Cash Equivalents	\$ 53,655	\$ 110,110
Investments	14,282	-0-
TOTAL ASSETS	<u>67,937</u>	<u>110,110</u>
LIABILITIES		
Due to Other Funds	-0-	194
Due to Student Groups	-0-	109,916
TOTAL LIABILITIES	<u>-0-</u>	<u>110,110</u>
NET POSITION		
Restricted	<u>\$ 67,937</u>	<u>\$ -0-</u>

See notes to financial statements.

Camp Hill School District
 STATEMENT of CHANGES in FIDUCIARY NET POSITION -
 FIDUCIARY FUNDS
 Year Ended June 30, 2020

	Private Purpose Trust
ADDITIONS	
Interest	\$ 726
Gifts and Contributions	<u>3,209</u>
Total Additions	3,935
DEDUCTIONS	
Scholarships Awarded	<u>6,317</u>
CHANGES in NET POSITION	(2,382)
NET POSITION	
Beginning	<u>70,319</u>
Ending	<u>\$ 67,937</u>

See notes to financial statements.

Camp Hill School District
NOTES to FINANCIAL STATEMENTS

NOTE 1 - SUMMARY of SIGNIFICANT ACCOUNTING POLICIES

Camp Hill School District (the School District), located in Cumberland County, Pennsylvania, provides a full range of educational services appropriate to grade levels kindergarten through 12 to students living in Camp Hill Borough. These include regular, advanced academic, vocational education programs, and special education programs for gifted and handicapped children. The governing body of the School District is a board of nine school directors who are each elected for a four-year term. The daily operation and management of the School District is carried out by the administrative staff of the School District, headed by the Superintendent of Schools who is appointed by the Board of School Directors. The School District is comprised of two elementary schools, one middle school, and one high school, and serves approximately 1,340 students.

The accounting policies of **Camp Hill School District** conform with accounting principles generally accepted in the United States of America as applicable to governmental units. The Governmental Accounting Standards Board (GASB) is the authoritative standard-setting body for the establishment of governmental accounting and financial reporting principles. The more significant of these accounting policies are as follows:

Reporting Entity

Consistent with guidance contained in Statement No. 14 of the GASB, *The Financial Reporting Entity*, as amended, the criteria used by the School District to evaluate the possible inclusion of related entities (authorities, boards, councils, and so forth) within its reporting entity are financial accountability and the nature and significance of the relationship. In determining financial accountability in a given case, the School District reviews the applicability of the following criteria:

The School District is financially accountable for:

1. Organizations that make up its legal entity.
2. Legally separate organizations if the School District officials appoint a voting majority of the organization's governing body and the School District is able to impose its will on the organization or if there is a potential for the organization to provide specific financial benefits to, or impose specific burdens on, the School District as defined below.

Impose its Will - If the School District can significantly influence the programs, projects, or activities of, or the level of services performed or provided by, the organization.

Financial Benefit or Burden - If the School District (1) is entitled to the organization's resources or (2) is legally obligated or has otherwise assumed the obligation to finance the deficits of, or provide support to, the organization or (3) is obligated in some manner for the debt of the organization.

3. Organizations which are fiscally dependent on the School District, and have a financial benefit or burden, as defined above. Fiscal dependency is established if the organization is unable to adopt its own budget, levy taxes or set rates or charges, or issue bonded debt without the approval of the School District.

Based on the foregoing criteria, no additional entities are included in the accompanying general purpose financial statements.

Camp Hill School District
NOTES to FINANCIAL STATEMENTS
(Continued)

NOTE 1 - SUMMARY of SIGNIFICANT ACCOUNTING POLICIES (Continued)

Joint Ventures

The School District is a participant in five joint venture organizations, each of which is a separate legal entity that offers services to the School District and its residents. Each of these entities serves several School Districts and/or municipalities and therefore are not included in this reporting entity. These entities do not have taxing power, but are required to adopt an annual budget, which is funded primarily by its member School Districts or others that use its services. Complete financial statements for these entities can be obtained from the respective entity's administrative office.

South-Central Trust

The School District participates with five other Cumberland and Perry County School Districts in the claims servicing pool of the South-Central Trust. The School District appoints one Trustee to the Board of Trustees. The South-Central Trust provides claims administration services, purchases excess loss insurance, and offers other employee benefit related services to the School District. In addition, there is a level of cross-sharing of risk between the trust members that participate in the claims servicing pool.

Cumberland County Tax Bureau provides earned income tax collection services. The amount paid for these services for the year ended June 30, 2020, was approximately \$80,800.

Capital Area Intermediate Unit provides special education services and programs. The amount paid for these services for the year ended June 30, 2020, was approximately \$434,800.

Cumberland Perry Area Vocational Technical School provides vocational and technical education services and programs. The amount paid for these services for the year ended June 30, 2020, was approximately \$54,900.

Harrisburg Area Community College provides community college education services and programs. The amount paid for these services for the year ended June 30, 2020, was approximately \$56,600. The School District also paid approximately \$8,300 for capital outlays.

Basis of Presentation - Fund Accounting

The accounts of the School District are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts comprising each fund's assets, liabilities, deferred outflows and inflows of resources, fund equity, revenues, and expenditures/expenses. Resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent.

Basis of Presentation - Financial Statements

Government-Wide Financial Statements

The statement of net position and the statement of activities display information about the School District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. Internal service fund activity is eliminated to avoid "doubling up" revenues and expenses. The statements distinguish between those activities of the School District that are governmental and those that are considered business-type activities.

Camp Hill School District
NOTES to FINANCIAL STATEMENTS
(Continued)

NOTE 1 - SUMMARY of SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Presentation - Financial Statements (Continued)

Government-Wide Financial Statements (Continued)

The government-wide statements are prepared using the economic resources measurement focus. This is the same approach used in the preparation of the proprietary fund financial statements but differs from the manner in which governmental fund financial statements are prepared. Governmental fund financial statements therefore include reconciliations with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

The government-wide statement of activities presents direct expenses and program revenues for each function or program of the School District's governmental activities. Direct expenses are those that are specifically associated with a service, program, or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues which are not classified as program revenues are presented as general revenues of the School District, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the School District.

Fund Financial Statements

Fund financial statements are provided for governmental, proprietary, and fiduciary funds. Major individual governmental and enterprise funds are reported in separate columns with composite columns for nonmajor funds. Internal service funds are combined, and the totals are presented in a single column on the face of the proprietary fund statements. Fiduciary funds are reported by fund type.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental fund types are accounted for using a flow of current financial resources measurement focus. The financial statements for governmental funds are a balance sheet, which generally includes only current assets and current liabilities, and a statement of revenues, expenditures, and changes in fund balances, which reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources.

All proprietary fund types are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets, liabilities, and deferred outflows and inflows of resources associated with the operation of these funds are included on the statement of net position. The statement of revenues, expenses, and changes in fund net position presents increases (i.e., revenues) and decreases (i.e., expenses) in net position. The statement of cash flows provides information about how the School District finances and meets the cash flow needs of its proprietary activities.

Fiduciary funds are reported using the economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the statement of net position. The statement of changes in net position presents increases (i.e., revenues) and decreases (i.e., expenses) in net position.

Camp Hill School District
NOTES to FINANCIAL STATEMENTS
(Continued)

NOTE 1 - SUMMARY of SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Presentation - Financial Statements (Continued)

Fund Financial Statements (Continued)

The School District reports the following major governmental funds:

General Fund - The general fund is the principal operating fund of the School District. It is used to account for all financial resources except those accounted for in another fund.

Bond Construction Fund - The bond construction fund, a capital projects fund-type, is used to account for financial resources that are restricted to expenditures for specific capital outlays, including the acquisition, construction, or renovation of capital facilities.

Capital Reserve Fund - The capital reserve fund, a capital projects fund-type, is used to account for financial resources that are committed or assigned to expenditures for capital outlay, including the acquisition or construction of capital facilities and other capital assets.

The School District reports the following proprietary funds

Food Service Fund - This fund accounts for the revenues, food purchases, and other costs and expenses of providing meals to students during the school year.

The School District accounts for assets held by the School District in a trustee capacity in a private purpose trust fund. This fund accounts for the receipts and disbursement of monies contributed to the School District for scholarships.

The agency fund is used to account for assets held by the School District as an agent for others. Agency funds are custodial in nature and do not involve measurement of results of operations. This fund includes the student activities fund.

Basis of Accounting

Basis of accounting represents the methodology utilized in the recognition of revenues and expenditures or expenses reported in the financial statements. The accounting and reporting treatment applied to a fund is determined by its measurement focus.

Government-wide, proprietary, and fiduciary fund financial statements measure and report all assets, liabilities, deferred outflows and inflows of resources, revenues, expenses, gains, and losses using the economic resources measurement focus and accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Taxes are recognized as revenues in the year for 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.

The modified accrual basis of accounting is followed by the governmental funds. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., both measurable and available.

Camp Hill School District
NOTES to FINANCIAL STATEMENTS
(Continued)

NOTE 1 - SUMMARY of SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Accounting (Continued)

The term “available” means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period, which for the School District is considered to be 60 days after fiscal year end. Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable, except debt service, other postemployment benefits, pensions, and compensated absence payments which are recognized when due.

Under the modified accrual basis, the following revenue sources are considered susceptible to accrual at year end: property taxes, tuition, grants and entitlements, student fees, and interest on investments. Current property taxes measurable at June 30, 2020, which are not intended to finance fiscal 2020 operations, have been recorded as deferred inflows of resources. Delinquent property taxes measurable and available (received within 60 days) are recognized as revenue at year end.

The accrual basis of accounting is utilized for reporting purposes by the government-wide financial statements, proprietary funds, and the fiduciary funds. Revenues are recognized when they are earned, and expenses are recognized when incurred.

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place.

Nonexchange transactions, in which the School District receives value without directly giving equal value in return, include property taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Derived tax revenues (earned income taxes) are recognized when received, as the amounts are not reasonably estimable prior to receipt.

Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the School District must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the School District on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the fund’s principal ongoing operations. The principal operating revenues of the School District’s food service fund are charges to students and staff for food. Operating expenses include the costs to provide food. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When amounts are available in multiple fund balance classifications, it is the School District’s policy to use restricted funds first. The order of use of committed, assigned, and unassigned funds is determined based on needs to cover any deficits. In the case of a deficit, committed and assigned funds would be used before unassigned funds. If there is no deficit, the School District typically uses unassigned funds before committed or assigned funds.

Camp Hill School District
NOTES to FINANCIAL STATEMENTS
(Continued)

NOTE 1 - SUMMARY of SIGNIFICANT ACCOUNTING POLICIES (Continued)

Cash and Cash Equivalents

Cash and cash equivalents include amounts in demand and interest-bearing bank deposits and in money market accounts. They are carried at cost plus accrued interest, which approximates fair value.

Investments

The School District categorizes the fair value measurements of its investments based on the hierarchy established by generally accepted accounting principles. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure an asset's fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

Investments with remaining maturities at the time of purchase of one year or less are stated at amortized cost which approximates fair value. The securities of 2a7-like investment pools are valued at amortized cost, which approximates fair value of the pool.

Taxes Receivable and Deferred Tax Revenues

The portion of delinquent real estate taxes receivable that is expected to be received within 60 days of June 30 is recorded as revenue in the current year. The remaining amount of those and other taxes receivable is recorded as deferred inflows of resources. All taxes receivable are considered to be fully collectible (Note 4).

Inventories

On the government-wide financial statements, inventories are presented at the lower of cost or market on a first in/first-out (FIFO) basis and are expensed when used.

Inventories in governmental funds represent the estimated cost using the first-in/first-out (FIFO) method of supplies on hand at June 30, 2020. The costs of inventory items are recorded as expenditures in the governmental funds when purchased. The inventory cost has been recorded as an asset in the governmental funds, offset by fund balance classified as nonspendable in an equal amount.

Inventories in the cafeteria fund represent the cost using the first-in/first-out (FIFO) method of food and supplies on hand at June 30, 2020, including the value of commodities donated by the federal government.

Capital Assets and Depreciation

The School District's property, plant, and equipment with useful lives of more than one year are stated at historical cost (or estimated historical cost) and comprehensively reported in the government-wide financial statements. Proprietary fund capital assets are also reported in their fund financial statements. Donated assets are stated at fair value on the date donated. The School District generally capitalizes assets with a cost of \$2,000 or more as purchase and construction outlays occur. The costs of normal maintenance and repairs that do not add to the asset value or materially extend useful lives are not capitalized. Capital assets are depreciated using the straight-line method. When capital assets are disposed of, the cost and applicable accumulated depreciation are removed from the respective accounts and the resulting gain or loss is recorded in operations. Estimated historical costs of capital assets were derived, when information supporting historical costs was not obtainable, by adjusting current replacement cost back to the estimated year of acquisition. Estimated useful lives, in years, for depreciable assets are generally as follows:

Camp Hill School District
NOTES to FINANCIAL STATEMENTS
(Continued)

NOTE 1 - SUMMARY of SIGNIFICANT ACCOUNTING POLICIES (Continued)

Capital Assets and Depreciation (Continued)

School Buildings	40 Years
Building Improvements	20 - 30 Years
Land Improvements	15 - 20 Years
Furniture	15 - 20 Years
Equipment	5 - 20 Years
Vehicles	8 Years
Computer Equipment	5 Years
Library Books	7 Years

Long-Term Obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities or proprietary fund type statement of net position. Bond premiums and discounts are amortized over the life of the bonds using the effective interest method. They are recategorized as gain on bond refinancing in the event that debt is refinanced. Amortization continues over the life of the new or refinanced debt, whichever is shorter.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Compensated Absences

The School District accrues unused sick leave as a liability as the benefits are earned by the employees if it is probable that the employer will compensate the employees for the benefits through paid time off or some other means.

Sick leave benefits are accrued as a liability using the vesting method. The liability includes the employees who are currently eligible to receive severance benefits and those the School District has identified as probable of receiving payment in the future. The amount is based on accumulated sick leave and employee's wage rates at year end, taking into consideration any limits specified in the School District's severance policy. For governmental funds, that portion of unpaid compensated absences that is expected to be paid using expendable, available resources is reported as an expenditure in the fund from which the individual earning the leave is paid, and a corresponding liability is reflected.

Payments for compensated absences are contributed into either a 403(b) plan as a non-elective employer contribution or other appropriate tax-sheltered account.

Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration and project control in the general fund. As of June 30, 2020, the School District had no encumbrances.

Camp Hill School District
NOTES to FINANCIAL STATEMENTS
(Continued)

NOTE 1 - SUMMARY of SIGNIFICANT ACCOUNTING POLICIES (Continued)

Pension Plan

Substantially all full-time and qualifying part-time employees of the School District participate in a cost-sharing multiple-employer defined benefit and defined contribution pension plan. 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 Public-School Employees' Retirement System (PSERS) and additions to/deductions from PSERS's fiduciary net position have been determined on the same basis as they are reported by PSERS. 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.

Other Postemployment Benefits (OPEB)

Single-Employer Defined Benefit OPEB Plan

The School District sponsors a single employer defined benefit OPEB plan. For purposes of measuring the total OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the OPEB plan 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, the plan recognizes benefit payments when due and payable in accordance with the benefit terms. The single-employer OPEB plan is unfunded.

Cost-Sharing Multiple-Employer Defined Benefit Plan

The School District participates in the Pennsylvania Public School Employees' Retirement System (PSERS) Health Insurance Premium Assistance Program. For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the Public School Employees' Retirement System (PSERS) and additions to/deductions from PSERS's fiduciary net position have been determined on the same basis as they are reported by PSERS. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Interfund Activity

Exchange transactions between governmental funds are eliminated on the government-wide statements. 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 nonoperating revenues/expenses in proprietary funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

Fund Balance Classification

Fund balance for the governmental funds can be classified into five different categories: nonspendable, restricted, committed, assigned, or unassigned.

Nonspendable fund balance includes amounts that are not in a spendable form or required to be maintained intact.

Camp Hill School District
NOTES to FINANCIAL STATEMENTS
(Continued)

NOTE 1 - SUMMARY of SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Balance Classification (Continued)

Restricted fund balance includes amounts that can be spent only for specific purposes stipulated by external resource providers, constitutionally, or through enabling legislation. Restrictions may be changed only with the consent of the resource providers.

Committed fund balance includes amounts that can be used only for the specific purposes determined by a formal action of the School Board. Commitments may be changed only by the government taking the same formal action that imposed the constraint originally.

Assigned fund balance comprises amounts intended to be used by the government for specific purposes. Intent can be expressed by the business manager.

In governmental funds other than the general fund, assigned fund balance represents the amount that is not restricted or committed. This indicates that resources in other governmental funds are, at a minimum, intended to be used for the purpose of that fund.

Unassigned fund balance is the residual classification for the general fund and includes all amounts not contained in other classifications. Unassigned amounts are available for any purpose.

The School District considers restricted amounts to have been spent when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available.

The School District considers committed and assigned amounts to have been spent when an expenditure is incurred for purposes for which amounts in committed, assigned, and unassigned fund balance classifications could be used. In the case of a deficit, committed and assigned funds would be used before unassigned funds. If there is no deficit, the School District typically uses unassigned funds before committed or assigned funds.

Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Significant estimates used in preparation of these financial statements include depreciation, compensated absences, pension related items, and other postemployment benefits. Actual results could differ from those estimates.

Pending Changes in Accounting Principles

In January 2017, GASB issued Statement No. 84, *Fiduciary Activities*. The objective of this statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how these activities should be reported. The provisions of this statement are effective for the School District's June 30, 2021 financial statements.

In June 2017, GASB issued Statement No. 87, *Leases*. The primary objective of this statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases; enhancing the comparability of financial statements between governments; and also enhancing the relevance, reliability, and consistency of information about the leasing activities of governments. The provisions of this statement are effective for the School District's June 30, 2022 financial statements.

Camp Hill School District
NOTES to FINANCIAL STATEMENTS
(Continued)

NOTE 1 - SUMMARY of SIGNIFICANT ACCOUNTING POLICIES (Continued)

Pending Changes in Accounting Principles (Continued)

In June 2018, GASB issued Statement No. 89, *Accounting for Interest Cost Incurred Before the End of a Construction Period*. The objectives of this statement are (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period. The statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period incurred, and not be included in the historical cost of a capital asset reported in a business-type activity or enterprise fund. The provisions of this statement are effective for the School District's June 30, 2022 financial statements.

In March 2020, GASB issued Statement No. 94, *Public-Private Partnerships and Availability Payment Arrangements*. The objective of this statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). The statement also provides guidance for accounting and financial reporting for availability payment arrangements (APAs) in which a government compensates an operator of a nonfinancial asset for services for a period of time in an exchange transaction. The provisions of this statement are effective for the School District's June 30, 2023 financial statements.

In May 2020, the GASB issued Statement No. 96, *Subscription-Based Information Technology Arrangements*. The primary objective of this statement is to provide guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users. This statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset and corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments; and (4) requires note disclosures regarding a SBITA. The provisions of this statement are effective for the School District's June 30, 2023 financial statements.

In June 2020, the GASB issued Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans - an Amendment of GASB Statements No. 14 and No. 84, and a Supersession of GASB Statement No. 32*. The primary objectives of this statement are to (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code Section 457 deferred compensation plans that meet the definition of a pension plan and for benefits provided through those plans. The provisions of this statement are effective for the School District's June 30, 2022 financial statements.

The effects of implementation of these standards have not yet been determined.

Camp Hill School District
 NOTES to FINANCIAL STATEMENTS
 (Continued)

NOTE 2 - CASH and CASH EQUIVALENTS and INVESTMENTS

Under Section 440.1 of the Public-School Code of 1949, as amended, the School District is permitted to invest its monies as follows:

Obligations of (a) the United States of America or any of its agencies or instrumentalities backed by the full faith and credit of the United States of America, (b) the Commonwealth of Pennsylvania or any of its agencies or instrumentalities backed by the full faith and credit of the Commonwealth, or (c) any political subdivision of the Commonwealth of Pennsylvania or any of its agencies or instrumentalities backed by the full faith and credit of the political subdivision.

Certain other high-quality bank and corporate instruments.

Deposits in savings accounts or time deposits or share accounts of institutions insured by the Federal Deposit Insurance Corporation to the extent that such accounts are so insured and, for any amounts above the insured maximum, provided that approved collateral as provided by law is pledged by the depository.

The deposit and investment policy of the School District adheres to state statutes. There were no deposit or investment transactions during the year that were in violation of either the state statutes or the policy of the School District.

The School District has \$156,823 in restricted cash received from the Lion Foundation. These funds can only be used for costs and expenses related to the operation and maintenance of the Pollock Performing Arts Center.

Cash and Cash Equivalents - Custodial Credit Risk

Custodial credit risk is the risk that in the event of a bank failure, the School District's deposits may not be returned to it. The School District does not have a policy for custodial credit risk although the public-school code requires that all deposits of the School District, which are not insured, are collateralized by the depository institution. As of June 30, 2020, \$6,800,183 of the School District's bank balance of \$7,096,563 was exposed to custodial credit risk as:

Uninsured and Uncollateralized	-0-
Collateralized with Securities Held by the Pledging Financial Institution	-0-
Uninsured and Collateral Held by the Pledging Bank's Trust Department not in the School District's Name	<u>6,846,563</u>
	6,846,563

Reconciliation of Cash and Cash Equivalents to the Financial Statement

Uninsured Amount Above	6,846,563
Insured Amount	<u>250,000</u>
Bank Balance	7,096,563
Outstanding Checks	<u>(296,380)</u>
Total Cash and Cash Equivalents Per Financial Statement	6,800,183

Camp Hill School District
 NOTES to FINANCIAL STATEMENTS
 (Continued)

NOTE 2 - CASH and CASH EQUIVALENTS and INVESTMENTS (Continued)

Investments

Investments are measured at fair value on a recurring basis. Recurring fair value measurements are those that GASB Statements require or permit in the statement of net position at the end of each reporting period. Fair value measurements are categorized based on the valuation inputs used to measure an asset's fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

At June 30, 2020, the School District holds the following investments recorded at cost or amortized cost:

PA INVEST Daily Pool	767,719
PLGIT - Class	726
PLGIT - ARM	6,981,812
PLGIT - PRIME	2,593,444
PLGIT - TERM	2,310,000
PLGIT - Certificates of Deposit	992,000
PSDLAF/MAX Series	109,275
Centric Bank - Certificates of Deposit	<u>4,019,953</u>
	17,774,929

The Pennsylvania School District Liquid Asset Fund (PSDLAF)/MAX Series balances are liquid. The PSDLAF/MAX Series is a 2a7-like pool. The amortized cost, which approximates fair value of the pool, is determined by the pool's share price. The School District has no regulatory oversight for the pool, which is governed by the Board of Trustees and is administered by PMA Financial Network, Inc. The pool is audited annually by PricewaterhouseCoopers, LLP an independently elected public official.

The Pennsylvania Local Government Investment Trust (PLGIT) is a 2a7-like pool with respect to the Class, ARM and PRIME investments. The amortized cost, which approximates fair value of the pool, is determined by the pool's share price. The School District has no regulatory oversight for the pool, which is governed by the Board of Trustees and is administered by PFM Asset Management, LLC. The pool is audited annually by Ernst & Young, LLP, an independently elected public official.

PLGIT-TERM is a fixed term investment portfolio of the Trust with maturity of up to one year, depending upon the termination date of any particular series within the PLGIT-TERM portfolio.

PLGIT-CD is an option that enables investors to purchase directly Certificates of Deposit which are intended to be fully insured by the Federal Deposit Insurance Corporation.

The PA INVEST Daily Pool is a 2a7-like pool. The amortized cost, which approximates fair value of the pool, is determined by the pool's share price. The School District has no regulatory oversight for the pool, which is governed by the Commonwealth of Pennsylvania Treasury Department's Chief Executive Officer with the assistance of the department's staff and contracted service providers based on principles of prudent investment and applicable Pennsylvania law. The pool is audited, as part of the audit of the Commonwealth of Pennsylvania, annually by CliftonLarsonAllen, LLP, an independently elected public official.

The School District reports its investment in certificates of deposit purchased through the Certificate of Deposit Account Registry Service (CDARS) at cost which approximates fair value. The CDs are subject to Securities Investor Protection Corporation (SPIC) coverage.

Camp Hill School District
 NOTES to FINANCIAL STATEMENTS
 (Continued)

NOTE 2 - CASH and CASH EQUIVALENTS and INVESTMENTS (Continued)

Restrictions on Qualified Investment Pool Withdrawals

The School District's investments in the PLGIT account are subject to a one-day holding period. The School District is limited to two withdrawals per calendar month from the PLGIT I - Class account. Investments in the PLGIT/PLUS account are subject to a 30-day holding period for each deposit, and to penalty for early withdrawal.

Interest Rate Risk

The School District has a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk

The School District has no investment policy that would limit its investment choices to certain credit ratings. As of June 30, 2020, the School District investments were rated as:

Investments	Standard & Poor's
PA School District Liquid Asset Fund - Max Series	AAAm
PA Treasury INVEST	AAAm
PLGIT (Class)	AAAm
Centric Bank - Certificates of Deposit	Unrated

Concentration of Credit Risk

The School District places no limit on the amount they may invest in any one issuer. At June 30, 2020, the School District does not have any concentration of credit risk in its investments.

Custodial Credit Risk

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the School District will not be able to recover the value of its investments or collateral security that are in the possession of an outside party. The School District has no investments which are subject to custodial credit risk at June 30, 2020.

NOTE 3 - REAL ESTATE TAXES

Based upon assessments provided by the County, the Camp Hill Borough tax collector bills, collects and remits property taxes to the School District. The School District tax rate for the year ended June 30, 2020, was 16.8415 mills as levied by the Board of School Directors. The schedule for real estate taxes levied for the fiscal year ended June 30, 2020, follows:

July 1	- Levy Date
July 1 - August 31	- 2% Discount Period
September 1 - October 31	- Face Payment Period
November 1 - December 31	- 10% Penalty Period
January 1	- Lien Date (Cumberland County Tax Claim Bureau)

Camp Hill School District
 NOTES to FINANCIAL STATEMENTS
 (Continued)

NOTE 4 - TAXES RECEIVABLE and DEFERRED TAXES

The School District, in accordance with accounting principles generally accepted in the United States of America, recognized the delinquent and unpaid taxes receivable. A portion of the receivable amount which was measurable and available within 60 days was recognized as revenue and the balance deferred in the fund financial statements. The balances at June 30, 2020, are as follows:

	Gross Taxes Receivable	Allowance for Uncollectibles	Net Revenue Recognized	Deferred Taxes
Real Estate Taxes	168,989	1,100	167,889	105,713
Personal Taxes	50,143	25,072	25,071	25,071
Earned Income Tax	<u>816,124</u>	<u>-0-</u>	<u>816,124</u>	<u>-0-</u>
	1,035,256	26,172	1,009,084	130,784

NOTE 5 - INTERFUND ACCOUNTS

Interfund transfers for the year ended June 30, 2020, are as follows:

Transfers from General Fund to Food Service Fund to Offset Operating Loss	192,357
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NOTE 6 - DUE from/to OTHER GOVERNMENTS

Amounts due from other governments represent receivables for revenues earned by the School District. At June 30, 2020, the following amounts are due from other governmental units:

Due From	General Fund
Federal Grants	15,466
State Grants and Subsidies	951,213
Local Grants	<u>86,606</u>
	1,053,285

Camp Hill School District
NOTES to FINANCIAL STATEMENTS
(Continued)

NOTE 7 - CHANGES in CAPITAL ASSETS

Capital asset activity for governmental activities for the year ended June 30, 2020, is as follows:

	Balance July 1, 2019	Additions	Deletions	Balance June 30, 2020
Historical Cost:				
Capital Assets not Being				
Depreciated:				
Land	997,842	-0-	-0-	997,842
Construction in Progress	<u>4,613,775</u>	<u>7,524,689</u>	<u>-0-</u>	<u>12,138,464</u>
Total Cost	5,611,617	7,524,689	-0-	13,136,306
Capital Assets Being				
Depreciated:				
Land Improvements	4,150,988	-0-	-0-	4,150,988
Building and Building				
Improvements	34,263,890	-0-	-0-	34,263,890
Furniture and Equipment	2,536,668	76,793	103,052	2,510,409
Library Books	1,259,390	-0-	390,738	868,652
Technology Equipment	<u>2,575,599</u>	<u>235,412</u>	<u>60,000</u>	<u>2,751,011</u>
Total Cost	44,786,535	312,205	553,790	44,544,950
Accumulated Depreciation:				
Land Improvements	1,852,202	207,119	-0-	2,059,321
Building and Building				
Improvements	12,619,104	816,982	-0-	13,436,086
Furniture and Equipment	1,674,416	81,800	96,893	1,659,323
Library Books	1,132,085	-0-	353,894	778,191
Technology Equipment	<u>1,928,438</u>	<u>207,554</u>	<u>57,000</u>	<u>2,078,992</u>
Total Accumulated				
Depreciation	<u>19,206,245</u>	<u>1,313,455</u>	<u>507,787</u>	<u>20,011,913</u>
Net Capital Assets Being				
Depreciated	<u>25,580,290</u>	<u>(1,001,250)</u>	<u>46,003</u>	<u>24,533,037</u>
Net Capital Assets	31,191,907	6,523,439	46,003	37,669,343

Camp Hill School District
 NOTES to FINANCIAL STATEMENTS
 (Continued)

NOTE 7 - CHANGES in CAPITAL ASSETS (Continued)

Capital asset activity for business-type activities for the year ended June 30, 2020, was as follows:

	Balance July 1, 2019	Additions	Deletions	Balance June 30, 2020
Historical Cost:				
Capital Assets Being Depreciated:				
Equipment	160,005	-0-	-0-	160,005
Accumulated Depreciation:				
Equipment	<u>153,300</u>	<u>1,032</u>	<u>-0-</u>	<u>154,332</u>
Net Capital Assets	6,705	(1,032)	-0-	5,673

Depreciation expenses were charged to governmental functions as follows:

Instruction	898,740
Instructional Student Support	153,847
Administration and Financial Support Services	138,384
Operation and Maintenance of Plant Services	75,843
Student Activities	42,919
Community Service	<u>3,722</u>
	1,313,455

NOTE 8 - ACCRUED SALARIES and BENEFITS

At June 30, 2020, the School District was liable for \$1,004,786 of payroll, which is payable during July and August 2020, to those employees who have a ten-month contract but are paid over a twelve-month period, to non-salaried employees who performed services through June 30, 2020, and to retiring professional employees who are receiving a payout of their accumulated compensated absences and bonuses. The School District was also liable for the benefits on payroll paid prior to or accrued as of June 30, 2020.

Accrued salaries and benefits as of June 30, 2020, are as follows:

Accrued Salaries	1,004,786
Accrued Benefits:	
Retirement	344,166
Social Security	73,536
Other	<u>231,362</u>
	1,653,850

Camp Hill School District
 NOTES to FINANCIAL STATEMENTS
 (Continued)

NOTE 9 - UNEARNED REVENUES

Unearned revenues consist of the following as of June 30, 2020:

	General Fund	Enterprise Fund	Total
Miscellaneous School Funds	8,755	-0-	8,755
Prepaid Student Lunches	<u>-0-</u>	<u>21,357</u>	<u>21,357</u>
	8,755	21,357	30,112

NOTE 10 - LONG-TERM DEBT

General Obligation Debt

The School District issues general obligation bonds to provide funds for major capital improvements. These bonds are direct obligations and pledge the full faith and credit of the School District. Currently, the School District has general obligation debt with interest rates and outstanding principal amounts at June 30, 2020, as follows:

Issue	Final Maturity Date	Interest Rates	Principal Amount Outstanding at June 30, 2020	Balance Due Within One Year
Series of 2012 Bonds	November 2025	1.80% - 2.50%	5,475,000	1,025,000
Series of 2019 Bonds	November 2041	2.00% - 4.00%	9,620,000	5,000
Series of 2020 Bonds	November 2031	2.00% - 5.00%	9,625,000	5,000
Series A of 2020 Bonds	November 2041	1.05% - 5.00%	<u>9,185,000</u>	<u>-0-</u>
			33,905,000	1,035,000

Long-term obligation activity can be summarized as follows:

	Balance June 30, 2019	Additions	Reductions	Balance June 30, 2020
Governmental Activities				
General Obligation Bonds	25,936,000	18,810,000	10,841,000	33,905,000
Bond Premium	376,432	932,526	21,928	1,287,030
Bond Discount	(4,345)	-0-	(586)	(3,759)
Estimated Liability for Compensated Absences	<u>345,375</u>	<u>45,508</u>	<u>28,288</u>	<u>362,595</u>
Total Governmental Activities	26,653,462	19,788,034	10,890,630	35,550,866
Business-Type Activities				
Estimated Liability for Compensated Absences	<u>2,029</u>	<u>2,155</u>	<u>1,080</u>	<u>3,104</u>
Total Government	26,655,491	19,790,189	10,891,710	35,553,970

Camp Hill School District
 NOTES to FINANCIAL STATEMENTS
 (Continued)

NOTE 10 - LONG-TERM DEBT (Continued)

Annual debt service requirements to maturity for the above governmental bond obligations are as follows:

Year Ending June 30,	Principal	Interest	Total
2021	1,035,000	1,010,537	2,045,537
2022	1,220,000	941,310	2,161,310
2023	1,300,000	910,943	2,210,943
2024	1,330,000	877,953	2,207,953
2025	1,365,000	842,765	2,207,765
2026-2030	7,250,000	3,646,751	10,896,751
2031-2035	7,715,000	2,786,950	10,501,950
2036-2040	8,740,000	1,489,775	10,229,775
2041-2042	<u>3,950,000</u>	<u>140,750</u>	<u>4,090,750</u>
	33,905,000	12,647,734	46,552,734

The amount of interest cost incurred was \$675,067 for the year ended June 30, 2020, all of which was charged to expense.

The current refunding was to take advantage of favorable interest rates and to restructure future debt service. It included the current refunding of a portion of the Series of 2012 General Obligation Bond and all of the Series of 2014 General Obligation Note. The current refunding is expected to realize the School District a net savings of approximately \$561,000 over the life of the new debt. Present value savings was \$517,477.

NOTE 11 - RISK MANAGEMENT

Health Insurance

The School District is a member of South-Central Trust for processing claims and obtaining reinsurance through commercial insurance carriers. The Trust is a claims servicing pool which pay claims for hospital benefits, medical coverage for physicians' services, certain dental coverage, major medical coverage, and certain other benefits submitted by employees of the participating school districts. Each participating employer contributes to the trust amounts determined by actuarial principles which will be adequate to cover annual claim costs and reserves sufficient to provide stated benefits.

Camp Hill School District
 NOTES to FINANCIAL STATEMENTS
 (Continued)

NOTE 11 - RISK MANAGEMENT (Continued)

Health Insurance (Continued)

The School District has joined four school districts and one other educational institution in a risk sharing pool. The premium rates charged to the School District are based 25% on the prior actual claims of the School District and 75% in the prior actual claims experienced of the entire risk sharing pool. The School District has reinsurance for claims in excess of \$150,000 specific (per person) with allocation for the pool stop loss between \$150,000-\$300,000 due to an overall stop loss deductible of \$300,000. Financial statements of the trust are provided to the member schools. School District transactions within the trust were as follows:

Balance in the Trust - Beginning		2,350,460
Payments from the School District and its Retirees	2,577,435	
Benefit Claims and related Expenses Paid by the Trust	<u>(3,167,343)</u>	<u>(589,908)</u>
Balance in the Trust - Ending		1,760,552
Accrual for Benefit Claims		<u>(335,099)</u>
The School District Prepaid for Health Insurance Benefits		1,425,453

Other Insurance

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. The School District maintains commercial insurance coverage covering each of those risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the School District. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

Other Risks

The School District is exposed to various risks of loss related to theft of, damage to, and destruction of assets, errors and omissions, and natural disasters. The School District has purchased various insurance policies to safeguard its assets from risk of loss. During the year ended June 30, 2020, and the two previous fiscal years, no settlements exceeded insurance coverage.

NOTE 12 - DEFINED BENEFIT PENSION PLAN

General Information about the Pension Plan

Plan Description

The School District contributes to a governmental cost-sharing multi-employer defined benefit pension plan administered by PSERS. PSERS provides retirement benefits to public school employees of the Commonwealth of Pennsylvania. The members eligible to participate in PSERS include all full-time public-school employees, part-time hourly public-school employees who render at least 500 hours of service in the school year, and part-time per diem public school employees who render at least 80 days of service in the school year in any of the reporting entities in Pennsylvania. PSERS issues a publicly available financial report that can be obtained at www.psers.pa.gov.

Camp Hill School District
NOTES to FINANCIAL STATEMENTS
(Continued)

NOTE 12 - DEFINED BENEFIT PENSION PLAN (Continued)

Benefits Provided

PSERS provides retirement, disability, and death benefits. Members are eligible for monthly retirement benefits upon reaching (a) age 62 with at least one year of credited service; (b) age 60 with 30 or more years of credited service; or (c) 35 or more years of service regardless of age. Act 120 of 2010 (Act 120) preserves the benefits of existing members and introduced benefit reductions for individuals who become new members on or after July 1, 2011. Act 120 created two new membership classes, Membership Class T-E (Class T-E) and Membership Class T-F (Class T-F). To qualify for normal retirement, Class T-E and Class T-F members must work until age 65 with a minimum of 3 years of service or attain a total combination of age and service that is equal to or greater than 92 with a minimum of 35 years of service. Benefits are generally equal to 2.0% or 2.5%, depending upon membership class, of the member's final average salary (as defined in the Code) multiplied by the number of years of credited service. For members, whose membership started prior to July 1, 2011, after completion of five years of service, a member's right to the defined benefits are vested, and early retirement benefits may be elected. For Class T-E and Class T-F members, the right to benefits is vested after ten years of service.

Participants are eligible for disability retirement benefits after completion of five years of credited service.

Such benefits are generally equal to 2.0% or 2.5%, depending upon membership class, of the member's final average salary (as defined in the Code) multiplied by the number of years of credited service, but not less than one-third of such salary nor greater than the benefit the member would have had at normal retirement age. Members over normal retirement age may apply for disability benefits.

Death benefits are payable upon the death of an active member who has reached age 62 with at least one year of credited service (age 65 with at least three years of credited service for Class T-E and Class T-F members) or who has at least five years of credited service (ten years for Class T-E and Class T-F members). Such benefits are actuarially equivalent to the benefit that would have been effective if the member had retired on the day before death.

Contributions

The contribution policy is set by the Code and requires contributions by active members, participating employers, and the Commonwealth of Pennsylvania. Plan members may belong to four membership classes. Class T-C, Class T-D, Class T-E, and Class T-F are available to plan members.

Member Contributions

Active members who joined the plan before July 22, 1983, are required to contribute 5.25% of their compensation if they are in Class T-C or 6.50% for Class T-D. Members who joined on or after July 22, 1983, and were active or inactive as of July 1, 2001, are required to contribute 6.25% for Class T-C or 7.50% for Class T-D. Members who joined the plan after June 30, 2001 and before July 1, 2011, are automatically in Class T-D and are required to contribute 7.50%.

Members who joined the plan after June 30, 2011, automatically contribute at the Membership Class T-E rate of 7.5% (base rate) of the member's qualifying compensation. All new hires after June 30, 2011, who elect Class T-F membership contribute at 10.3% (base rate) of the member's qualifying compensation. Membership Class T-E and T-F are affected by a "shared risk" provision in Act 120 of 2010 that in future fiscal years could cause the Membership Class T-E contribution rate to fluctuate between 7.5% and 9.5% and Membership Class T-F contribution rate to fluctuate between 10.3% and 12.3%.

Camp Hill School District
 NOTES to FINANCIAL STATEMENTS
 (Continued)

NOTE 12 - DEFINED BENEFIT PENSION PLAN (Continued)

Employer Contributions

The School Districts' contractually required contribution rate for fiscal year ended June 30, 2020, was 33.45% of covered payroll, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Contributions to the pension plan from the School District were \$3,516,000 for the year ended June 30, 2020.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2020, the School District reported a liability of \$33,871,000 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by rolling forward PSERS's total pension liability as of June 30, 2018 to June 30, 2019. The School District's proportion of the net pension liability was calculated utilizing the employer's one-year reported covered payroll as it relates to the total one-year reported covered payroll. At June 30, 2020, the School District's proportion was .0724 percent, which was an increase of .0005 percent from its proportion measured as of June 30, 2019.

For the year ended June 30, 2020, the School District recognized pension expense of \$4,247,000. At June 30, 2020, the School District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	187,000	1,123,000
Changes in Assumptions	324,000	-0-
Net Difference Between Projected and Actual Investment Earnings	-0-	97,000
Changes in Proportion	965,000	-0-
Difference Between Employer Contributions and Proportionate Share of Total Contributions	57,000	8,000
Contributions Subsequent to the Measurement Date	<u>3,516,000</u>	<u>-0-</u>
	5,049,000	1,228,000

Camp Hill School District
NOTES to FINANCIAL STATEMENTS
(Continued)

NOTE 12 - DEFINED BENEFIT PENSION PLAN (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

An amount of \$3,516,000 reported as deferred outflows of resources related to pensions resulting from the School District's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as an increase or (decrease) in pension expense as follows:

Year Ended June 30:	
2020	662,000
2021	(149,000)
2022	(267,000)
2023	59,000

Actuarial Assumptions

The total pension liability as of June 30, 2019, was determined by rolling forward PSERS's total pension liability as of June 30, 2018 to June 30, 2019, using the following actuarial assumptions, applied to all periods included in the measurement:

Long Term Expected Rate of Return: 7.25%, includes inflation at 2.75%.

Actuarial Cost Method: Entry age normal, level percent of pay.

Salary Growth: Effective average of 5.00%, comprised of inflation of 2.75% and 2.25% for real wage growth and for merit or seniority increases.

Mortality Rates: RP-2014 mortality tables for males and females, adjusted to reflect PSERS' experience and projected using a modified version of the MP-2015 mortality improvement scale.

There were no changes in assumptions used in measurement of the total pension liability beginning June 30, 2019. The actuarial assumptions used in the June 30, 2019, valuation were based on the results of an actuarial experience study that was performed for the five-year period ending June 30, 2015.

The long-term expected rate of return on pension plan investments 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.

The pension plan's policy in regard to the allocation of invested plan assets is established and may be amended by the Board. Plan assets are managed with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the pension.

Camp Hill School District
 NOTES to FINANCIAL STATEMENTS
 (Continued)

NOTE 12 - DEFINED BENEFIT PENSION PLAN (Continued)

Actuarial Assumptions (Continued)

Asset Class	Target Allocation	Expected Real Rate of Return
Global Public Equity	20.0%	5.6%
Fixed Income	36.0%	1.9%
Commodities	8.0%	2.7%
Absolute Return	10.0%	3.4%
Risk Parity	10.0%	4.1%
Infrastructure/MLPs	8.0%	5.5%
Real Estate	10.0%	4.1%
Alternative Investments	15.0%	7.4%
Cash	3.0%	0.3%
Financing (LIBOR)	<u>(20.0%)</u>	0.7%
	100.0%	

The above was the Board's adopted asset allocation policy and best estimates of geometric real rates of return for each major asset class as of June 30, 2019.

Discount Rate

The discount rate used to measure the total pension liability was 7.25%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate and that contributions from employers will be made at contractually required rates, actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine 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 net pension liability, calculated using the discount rate of 7.25%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.25%) or 1 percentage point higher (8.25%) than the current rate.

	1% Decrease 6.25%	Current Discount Rate 7.25%	1% Increase 8.25%
School District's Proportionate Share of the Net Pension Liability	42,190,000	33,871,000	28,826,000

Pension Plan Fiduciary Net Position

Detailed information about PSERS' fiduciary net position is available in PSERS Comprehensive Annual Financial Report which can be found on PSERS' website at www.psers.pa.gov.

Camp Hill School District
NOTES to FINANCIAL STATEMENTS
(Continued)

NOTE 12 - DEFINED BENEFIT PENSION PLAN (Continued)

Payable to the Pension Plan

At June 30, 2020, the School District reported a payable of \$1,009,108 for the outstanding amount of employer contributions to PSERS required for the year ended June 30, 2020. These amounts relate to the second quarter of 2020 and are payable to PSERS within five business days of the School District receiving its related retirement subsidy from the Commonwealth of Pennsylvania. In addition, the School District also reported a payable of \$66,468 for employee contributions withheld during June 2020, which are payable to PSERS by July 5, 2020.

Pension Reform

Pursuant to Commonwealth Act 2017-5, members hired on or after July 1, 2019, are required to choose one of three new retirement plan design options for retirement benefits. The current defined benefit plan will no longer be available to new members hired on or after July 1, 2019. The new plan design options include two hybrid plans consisting of defined benefit and defined contribution components. The third option is a stand-alone defined contribution plan.

Membership Class T-G, one of the hybrid options, contains a “shared risk” provision whereby Membership Class T-G member contribution rates into the defined benefit plan can fluctuate between 2.5% and 8.5% (5.5% currently). In addition, employees electing this class contribute 2.75% into the defined contribution plan. The School District is required to contribute 2.25% into the defined contribution plan. This is the default option.

Membership Class T-H, one of the hybrid options, contains a “shared risk” provision whereby Membership Class T-H member contribution rates into the defined benefit plan can fluctuate between 1.5% and 7.5% (4.5% currently). In addition, employees electing this class contribute 3.00% into the defined contribution plan. The School District is required to contribute 2.00% into the defined contribution plan.

Membership Class DC, the defined contribution option, requires that employees electing this class contribute 7.5% into the defined contribution plan and the School District will contribute 2.00%.

The School District will continue to contribute to the defined benefit portion of PSERS based on an actuarially determined contribution rate which will continue to be calculated as a percent of all compensation of PSERS eligible employees but now reduced by the amounts already remitted to the defined contribution plan portion.

The total School District contribution into the defined contribution plan portion of PSERS was approximately \$9,200 for the year ended June 30, 2020.

PSERS school employers will be charged interest at the assumed rate of return, currently 7.25%, for delinquent payments to PSERS rather than 6%.

Camp Hill School District
NOTES to FINANCIAL STATEMENTS
(Continued)

NOTE 13 - OTHER POSTEMPLOYMENT BENEFITS (OPEB)

SINGLE-EMPLOYER DEFINED BENEFIT OPEB PLAN

General Information about the OPEB Plan

Plan Description

The School District maintains a single employer defined benefit OPEB plan to provide postemployment health care benefits. The Board of School Directors is authorized to establish and amend the financing requirements and benefits, subject to collective bargaining for certain classes of employees. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75. The plan does not issue stand-alone financial statements.

Benefits Provided

Eligible retirees including teachers, administrators, and support staff, are permitted to continue health and prescription drug coverage for themselves and their dependents until the retiree attains the Medicare eligible age. The School District pays an annual contribution based upon the number of years of service and the employee must pay any remaining amount. If the period of School District contributions ends before the employee reaches Medicare eligibility age, the employee can continue coverage by paying the full premium until the employee reaches Medicare eligibility age.

If a member retired without meeting the School District subsidy years of service but is eligible for PSERS retirement, the employee and spouse may continue coverage by paying the full premium as determined for the purpose of COBRA.

If the member does not meet the requirements for the School District subsidy, but the requirements are met for PSERS retirement, the member and spouse may continue coverage by paying the full premium determined for the purpose of COBRA.

Employees Covered by Benefit Terms

At July 1, 2019, the following employees were covered by the benefit terms:

Inactive Employees or Beneficiaries Currently Receiving Benefits	10
Inactive Employees Entitled to but not yet Receiving Benefits	-0-
Active Employees	<u>184</u>
	194

Total OPEB Liability and OPEB Expense

The School District's total OPEB liability of \$956,000 was measured as of July 1, 2019, and was determined by an actuarial valuation as of July 1, 2019.

For the year ended June 30, 2020, the School District recognized OPEB expense of \$89,000 related to this plan.

Camp Hill School District
 NOTES to FINANCIAL STATEMENTS
 (Continued)

NOTE 13 - OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)

SINGLE-EMPLOYER DEFINED BENEFIT OPEB PLAN (Continued)

Actuarial Assumptions and Other Inputs

The total OPEB liability in the July 1, 2019, measurement date was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

- Discount Rate: 3.36%, Based on S&P municipal bond 20-year high grade rate index.
- Long Term Expected Rate of Return: N/A, the plan is unfunded.
- Actuarial Cost Method: Entry age normal, level percent of pay.
- Healthcare Cost Trend: 5.5% in 2019, 2020, and 2021. Rates gradually decrease from 5.4% in 2022 to 3.8% in 2075 and later based on the Society of Actuaries long-run medical cost trend model.
- Mortality Rates: RP-2014 mortality tables for males and females adjusted for mortality improvement using the Buck Modified 2016 projection scale.

Changes in the Total OPEB Liability

Balance, July 1, 2019	861,000
Changes for the Year:	
Service Cost	82,000
Interest	28,000
Change of Benefit Terms	-0-
Differences Between Expected and Actual Experience	38,000
Changes of Assumptions	(26,000)
Benefit Payments	<u>(27,000)</u>
Net Changes	<u>95,000</u>
 Balance, July 1, 2020	 956,000

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability of the School District for the single-employer plan, as well as what the School District's total OPEB liability for the single-employer plan would be if it were calculated using a discount rate that is 1.0% lower or 1.0% higher than the current discount rate:

Total OPEB Liability	
2.36% Discount Rate (1% Decrease)	1,027,000
3.36% Discount Rate (Current Rate)	956,000
4.36% Discount Rate (1% Increase)	891,000

Camp Hill School District
 NOTES to FINANCIAL STATEMENTS
 (Continued)

NOTE 13 - OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)

SINGLE-EMPLOYER DEFINED BENEFIT OPEB PLAN (Continued)

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the total OPEB liability of the School District's single-employer plan, as well as what the School District's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1.0% lower or 1.0% higher than the current healthcare cost trend rates:

Total OPEB Liability

4.5% (1% Decrease)	855,000
5.5% (Current Rate)	956,000
6.5% (1% Increase)	1,077,000

COST-SHARING MULTIPLE-EMPLOYER DEFINED BENEFIT OPEB PLAN

General Information about the Health Insurance Premium Assistance Program

Health Insurance Premium Assistance Program

The Pennsylvania Public School Employees' Retirement System (System) provides Premium Assistance, which is a governmental cost sharing, multiple-employer other postemployment benefit plan for all eligible retirees who qualify and elect to participate. Employer contribution rates for Premium Assistance are established to provide reserves in the Health Insurance Account that are sufficient for the payment of Premium Assistance benefits for each succeeding year. Effective January 1, 2002 under the provisions of Act 9 of 2001, participating eligible retirees are entitled to receive premium assistance payments equal to the lesser of \$100 per month or their out-of-pocket monthly health insurance premium. To receive premium assistance, eligible retirees must obtain their health insurance through either their school employer or the PSERS' Health Options Program (HOP). As of June 30, 2019, there were no assumed future benefit increases to participating eligible retirees.

Premium Assistance Eligibility Criteria

Retirees of the System can participate in the Premium Assistance program if they satisfy the following criteria:

- Have 24½ or more years of service, or
- Are a disability retiree, or
- Have 15 or more years of service and retired after reaching superannuation age, and
- Participate in the HOP or employer-sponsored health insurance program.

Benefits Provided

Participating eligible retirees are entitled to receive premium assistance payments equal to the lesser of \$100 per month or their out-of-pocket monthly health insurance premium. To receive premium assistance, eligible retirees must obtain their health insurance through either their school employer or the PSERS' Health Options Program. As of June 30, 2019, there were no assumed future benefit increases to participating eligible retirees.

Employer Contributions

The School Districts' contractually required contribution rate for the fiscal year ended June 30, 2020, was 0.84% of covered payroll, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Contributions to the OPEB plan from the School District were \$86,000 for the year ended June 30, 2020.

Camp Hill School District
NOTES to FINANCIAL STATEMENTS
(Continued)

NOTE 13 - OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)

COST-SHARING MULTIPLE-EMPLOYER DEFINED BENEFIT OPEB PLAN (Continued)

OPEB Liabilities and OPEB Expense

At June 30, 2020, the School District reported a liability of \$1,540,000 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2019, and the total OPEB liability used to calculate the net OPEB liability was determined by rolling forward the System's total OPEB liability as of June 30, 2018 to June 30, 2019. The School District's proportion of the net OPEB liability was calculated utilizing the employer's one-year reported covered payroll as it relates to the total one-year reported covered payroll. At June 31, 2020, the School District's proportion was 0.0724 percent, which was an increase of 0.0005 percent from its proportion measured as of June 30, 2019.

For the year ended June 30, 2020, the School District recognized OPEB expense of \$89,000 related to this plan.

Actuarial Assumptions

The total OPEB Liability as of June 30, 2019, was determined by rolling forward the System's Total OPEB Liability as of June 30, 2018 to June 30, 2019, using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Cost Method: Entry age normal, level percent of pay.

Investment Return: 2.79%, based on the 20-year S&P municipal bond rate.

Salary Growth: Effective average of 5.00%, comprised of inflation of 2.75% and 2.25% for real wage growth and for merit or seniority increases.

Premium Assistance reimbursement is capped at \$1,200 per year.

Assumed Healthcare Cost Trends: Applied to retirees with less than \$1,200 in Premium Assistance per year.

Mortality Rates: RP-2014 mortality tables for males and females, adjusted to reflect PSERS' experience and projected using a modified version of the MP-2015 mortality improvement scale.

Participation Rate:

Eligible retirees will elect to participate pre-age 65 at 50%.

Eligible retirees will elect to participate post-age 65 at 70%.

The actuarial assumptions used in the June 30, 2018, valuation were based on the results of an actuarial experience study that was performed for the five-year period ending June 30, 2015.

The following assumptions were used to determine the contribution rate:

The results of the actuarial valuation as of June 30, 2016, determined the employer contribution rate for fiscal year 2019.

Cost Method: Amount necessary to assure solvency of Premium Assistance through the third fiscal year after the valuation date.

Asset valuation method: Market Value.

Participation Rate: 63% of eligible retirees are assumed to elect premium assistance.

Camp Hill School District
 NOTES to FINANCIAL STATEMENTS
 (Continued)

NOTE 13 - OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)

COST-SHARING MULTIPLE-EMPLOYER DEFINED BENEFIT OPEB PLAN (Continued)

Actuarial Assumptions (Continued)

Mortality rates and retirement ages were based on the RP-2000 Combined Healthy Annuitant Tables with age set back three years for both males and females for healthy annuitants and for dependent beneficiaries. For disabled annuitants, the RP-2000 Combined Disabled Tables with age set back seven years for males and three years for females for disabled annuitants. (A unisex table based on the RP-2000 Combined Healthy Annuitant Tables with age set back three years for both genders assuming the population consists of 25% males and 75% females is used to determine actuarial equivalent benefits).

Investments consist primarily of short-term assets designed to protect the principal of the plan assets. The expected rate of return on OPEB plan investments was determined using the OPEB asset allocation policy and best estimates of geometric real rates of return for each asset class.

The OPEB plan's policy in regard to the allocation of invested plan assets is established and may be amended by the System's Board. Under the program, as defined in the retirement code, employer contribution rates for Premium Assistance are established to provide reserves in the Health Insurance Account that are sufficient for the payment of Premium Assistance benefits for each succeeding year.

OPEB - Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Cash	13.20%	0.20%
US Core Fixed Income	83.10%	1.00%
Non-US Developed Fixed	<u>3.70%</u>	0.00%
	100.00%	

The above was the Board's adopted asset allocation policy and best estimates of geometric real rates of return for each major asset class as of June 30, 2019.

Sensitivity of the School District's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate

The following presents the School District's proportionate share of the net OPEB liability, as well as what the School District's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1.0% lower or 1.0% higher than the current discount rate:

Net OPEB Liability

1.79% Discount Rate (1% Decrease)	1,754,000
2.79% Discount Rate (Current Rate)	1,540,000
3.79% Discount Rate (1% Increase)	1,362,000

Camp Hill School District
 NOTES to FINANCIAL STATEMENTS
 (Continued)

NOTE 13 - OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)

COST-SHARING MULTIPLE-EMPLOYER DEFINED BENEFIT OPEB PLAN (Continued)

Sensitivity of the School District's Proportionate Share of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates

Healthcare cost trends were applied to retirees receiving less than \$1,200 in annual Premium Assistance. As of June 30, 2019, retirees Premium Assistance benefits are not subject to future healthcare cost increases. The annual Premium Assistance reimbursement for qualifying retirees is capped as a maximum of \$1,200. As of June 30, 2019, 93,339 retirees were receiving the maximum amount allowed of \$1,200 per year. As of June 30, 2019, 780 members were receiving less than the maximum amount allowed of \$1,200 per year. The actual number of retirees receiving less than the \$1,200 per year cap is a small percentage of the total population and has minimal impact on the following healthcare cost trends.

The following presents the School District's proportionate share of the net OPEB liability, as well as what the School District's proportionate share of the net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1.0% lower or 1.0% higher than the current healthcare cost trend rates:

Net OPEB Liability

1% Decrease	1,540,000
Current Rate	1,540,000
1% Increase	1,540,000

OPEB Plan Fiduciary Net Position

Detailed information about the PSERS OPEB plan's fiduciary net position is available in the separately issued PSERS comprehensive annual financial report which is available on the System's website at www.psers.pa.gov.

AGGREGATE OPEB INFORMATION

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

For the year ended June 30, 2020, the School District recognized OPEB expense of \$203,000. At June 30, 2020, the School District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Contributions and Benefit Payments After the Measurement Date	139,000	-0-
Differences Between Expected and Actual Experience	9,000	-0-
Changes of Assumptions	108,000	71,000
Difference Between Projected and Actual Investment Earnings	3,000	-0-
Changes in Proportion	<u>59,000</u>	<u>-0-</u>
	318,000	71,000

Camp Hill School District
 NOTES to FINANCIAL STATEMENTS
 (Continued)

NOTE 13 - OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)

AGGREGATE OPEB INFORMATION (Continued)

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)

An amount of \$139,000 reported as deferred outflows of resources related to OPEB resulting from the School District's benefit payments after the measurement date of the single-employer plan and contributions after the measurement date of the cost-sharing multiple-employer plan will be recognized as a reduction in the total or net OPEB liability, respectively, in the year ended June 30, 2021. Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized as an increase (decrease) in OPEB expense as follows:

Year Ended June 30:	
2021	17,000
2022	17,000
2023	17,000
2024	15,000
2025	18,000
Thereafter	24,000

NOTE 14 - FUND BALANCE CLASSIFICATIONS

Nonspendable fund balance consists of amounts that cannot be spent, either because they are not in a spendable form or because they are legally or contractually required to be maintained intact. At June 30, 2020, the School District has included the following as nonspendable fund balances:

General Fund - Prepaid Expense	1,425,453
General Fund - Inventory	<u>3,332</u>
	1,428,785

Restricted fund balance represents fund balances that can only be used for specific purposes stipulated by external resource providers, constitutionally, or through enabling legislation. Restrictions may be changed only with the consent of the resource providers.

General Fund - Restricted for Lion Foundation	156,823
Capital Projects Fund - Restricted for Capital Outlays	<u>8,867,115</u>
	9,023,938

Camp Hill School District
 NOTES to FINANCIAL STATEMENTS
 (Continued)

NOTE 14 - FUND BALANCE CLASSIFICATIONS (Continued)

Committed fund balances represent fund balances that can only be used for the specific purposes determined by a formal action of the government's highest level of decision-making authority. At June 30, 2020, the School District has included the following as committed fund balances:

General Fund - Committed to Offset Future Retirement Contributions	1,000,000
General Fund - Committed for Curriculum and Technology	1,000,000
General Fund - Committed for Band Uniforms	13,510
General Fund - Committed for School Funds	37,958
General Fund - Committed for Athletics	49,019
Capital Reserve Fund - Committed for Future Capital Outlays	<u>4,813,774</u>
	6,914,261

Assigned fund balance comprises amounts intended to be used by the government for specific purposes determined by the governing body or by an official body to which the governing body delegates authority:

General Fund - Healthcare	793,723
General Fund - Instruction	977,359
General Fund - Maintenance, Infrastructure and Construction	<u>2,226,856</u>
	3,997,938

NOTE 15 - CONTINGENCIES and COMMITMENTS

General

On March 11, 2020, the World Health Organization declared the coronavirus (COVID-19) a pandemic. The School District has continued operations within rigid guidelines aimed at halting the spread of the virus. At this point, the future impact of COVID-19 on the School District's operations and financial condition cannot be estimated. The School District's management is monitoring the evolving situation and adapting operations and decision making, as necessary.

The School District is involved in various claims and legal actions arising in the ordinary course of business. The outcome of these matters cannot be determined at this time.

Grant Programs

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures that may be disallowed by the grantor cannot be determined at this time, although the School District expects such amounts, if any, to be immaterial.

Capital Projects

The School District has entered into various contracts for building improvement projects. The amount remaining on the outstanding contracts is approximately \$5,749,147.

Camp Hill School District
NOTES to FINANCIAL STATEMENTS
(Continued)

NOTE 15 - CONTINGENCIES and COMMITMENTS (Continued)

Collective Bargaining Agreement

The School District has entered into a collective bargaining agreement with the Camp Hill Education Association. The agreement in effect is for the period of July 1, 2018 through June 30, 2020. The agreement stipulates the overall working conditions as well as the provisions for wages and employee benefits for the School District's professional staff for the term of the contract. A new contract was signed March 2020 effective for the period of July 1, 2020 through June 30, 2024.

Camp Hill School District

SCHEDULE of REVENUES, EXPENDITURES, and CHANGES in FUND BALANCES - BUDGET and ACTUAL - GENERAL FUND Year Ended June 30, 2020

	Budgeted Amounts		Actual Budgetary Basis	Variance with Final Budget - Favorable (Unfavorable)
	Original	Final		
REVENUES				
Local Sources:				
Real Estate Taxes	\$ 13,609,845	\$ 13,609,845	\$ 13,708,649	\$ 98,804
Other Taxes	4,362,300	4,362,300	4,609,988	247,688
Investment Earnings	185,000	185,000	208,337	23,337
Other Revenue	763,000	763,000	945,112	182,112
Total Local Sources	18,920,145	18,920,145	19,472,086	551,941
State Sources	4,721,368	4,721,368	5,039,179	317,811
Federal Sources	157,200	157,200	168,541	11,341
Total Revenues	23,798,713	23,798,713	24,679,806	881,093
EXPENDITURES				
Instructional Services:				
Regular Programs	10,350,646	10,607,041	10,391,692	215,349
Special Programs	3,690,694	3,547,788	3,648,500	(100,712)
Vocational Programs	54,877	54,877	54,877	-0-
Other Instructional Programs	5,025	5,025	57	4,968
Other Nonpublic School Programs	-0-	4,823	4,823	-0-
Adult Programs	64,928	65,957	65,957	-0-
Support Services:				
Pupil Personnel Services	1,311,714	1,245,404	1,279,737	(34,333)
Instructional Staff Services	875,125	860,944	881,331	(20,387)
Administrative Services	1,699,539	1,760,738	1,853,647	(92,909)
Pupil Health	236,790	236,854	242,634	(5,780)
Business Services	396,980	398,489	404,881	(6,392)
Operation of Plant and Maintenance Services	2,103,756	1,924,538	1,957,309	(32,771)
Student Transportation Services	113,000	166,100	166,002	98
Central and Other Business Services	13,700	17,452	13,247	4,205
Noninstructional Services:				
Student Activities	757,267	819,267	861,833	(42,566)
Community Service	34,800	35,570	32,809	2,761
Debt Service:				
Principal	1,089,000	1,089,000	1,089,000	-0-
Interest and Other Charges	759,044	759,044	675,067	83,977
Total Expenditures	23,556,885	23,598,911	23,623,403	(24,492)
EXCESS of REVENUES over EXPENDITURES	241,828	199,802	1,056,403	856,601
OTHER FINANCING SOURCES (USES)				
Interfund Transfers Out	(239,152)	(197,126)	(192,357)	4,769
Bond Premium	-0-	-0-	369,403	369,403
Payment to Bond Escrow Agent	-0-	-0-	(9,819,225)	(9,819,225)
Sale of Fixed Assets	-0-	-0-	4,335	4,335
Bond Proceeds	-0-	-0-	9,625,000	9,625,000
Net Other Financing Uses	(239,152)	(197,126)	(12,844)	184,282
NET CHANGES in FUND BALANCES	\$ 2,676	\$ 2,676	1,043,559	\$ 1,040,883
FUND BALANCES				
Beginning			8,520,474	
Ending			\$ 9,564,033	

See independent auditors' report.

Camp Hill School District
NOTES to REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE of REVENUES, EXPENDITURES, and CHANGES in FUND BALANCES -
BUDGET and ACTUAL - GENERAL FUND

Camp Hill School District follows the following procedures on establishing the budgetary data reflected in the supplementary information:

1. The Pennsylvania Department of Education (PDE) issues a schedule of actions for school districts for the development of the annual budget under Act 1. One deadline is the action to resolve to keep any tax increase in the real estate tax millage rate below the index announced by PDE. Prior to that deadline, management submits to the School Board, for consideration, a draft operating budget projection or other information to review, for the fiscal year commencing the following July 1. The School Board determines if it will approve a resolution to keep any tax increase below the index.
2. If the School Board adopts the resolution, prior to May 31, management submits to the School Board a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them for the general fund.
3. A public hearing is conducted to obtain taxpayer comments.
4. If the School Board does not adopt the resolution, management prepares and submits a proposed operating budget for the fiscal year commencing the following July 1 in accordance to the deadlines established by PDE under Act 1. These deadlines will vary with the setting of the spring municipal election date each year.
5. Prior to June 30, the budget is legally enacted through passage of a resolution.
6. Legal budgetary control is maintained by the School Board at the departmental level. Transfers between departments, whether between funds or within a fund, or revisions that alter the total revenues and expenditures of any fund, must be approved by the School Board. Budgetary information in the combined operating statements is presented at or below the legal level of budgetary control. It also includes the effects of approved budget amendments.
7. Budgetary data is included in the School District's management information system and is employed as a management control device during the year.
8. Unused appropriations lapse at the end of each fiscal year; however, the School District increases the subsequent year's appropriation by an amount equal to outstanding encumbrances and reserves a portion of the fund balance in a like amount. There were no outstanding encumbrances for the year ended June 30, 2020.
9. The budget for the general fund is adopted on the modified accrual basis of accounting, which is consistent with accounting principles generally accepted in the United States of America.
10. Where applicable, unbudgeted federal and state revenue and expenditures have been added to the original budgeted revenue and expenditures.

See independent auditors' report.

Camp Hill School District
 SCHEDULE of CHANGES in NET OTHER POSTEMPLOYMENT BENEFITS (OPEB)
 LIABILITY and RELATED RATIOS -
 SINGLE-EMPLOYER DEFINED BENEFIT OPEB PLAN
 Last 10 Fiscal Years

	2020	2019	2018
Total OPEB Liability			
Service Cost	\$ 82,000	\$ 75,000	\$ 71,000
Interest	28,000	26,000	19,000
Change of Benefit Terms	-0-	-0-	-0-
Differences Between Expected and Actual Experience	38,000	-0-	-0-
Changes of Assumptions	(26,000)	1,000	27,000
Benefit Payments	<u>(27,000)</u>	<u>(24,000)</u>	<u>(23,000)</u>
Net Change in Total OPEB Liability	95,000	78,000	94,000
Total OPEB Liability - Beginning	<u>861,000</u>	<u>783,000</u>	<u>689,000</u>
Total OPEB Liability - Ending	<u>\$ 956,000</u>	<u>\$ 861,000</u>	<u>\$ 783,000</u>
Covered Payroll	9,897,095	9,057,042	9,057,042
Net OPEB Liability as a Percentage of Covered Payroll	9.7%	9.5%	8.6%

Note: Information is not available prior to 2018.

See independent auditors' report.

Camp Hill School District
NOTES to REQUIRED SUPPLEMENTARY INFORMATION
SINGLE-EMPLOYER DEFINED BENEFIT OPEB PLAN
Last 10 Fiscal Years

Funding

No assets are accumulated in a trust that meet the criteria included in GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*, to pay related benefits.

Changes of Assumptions

The measurement date is the first day of the School District's fiscal year.

Measurement period July 1, 2019:

Discount rate was increased from 2.98% to 3.36%.

Measurement period July 1, 2018:

Discount rate was reduced from 3.13% to 2.98%.

The marriage assumption was lowered from 70% to 50%.

Measurement period July 1, 2017:

Discount rate was increased from 2.49% to 3.13%.

Assumptions for salary, mortality, withdrawal, and retirement were updated based on new PSERS assumptions.

See independent auditors' report.

Camp Hill School District
 SCHEDULE of EMPLOYER CONTRIBUTIONS -
 PUBLIC SCHOOL EMPLOYEES' RETIREMENT SYSTEM
 (PSERS) HEALTH INSURANCE PREMIUM ASSISTANCE PLAN
 LAST 10 FISCAL YEARS*

Fiscal Year Ended June 30	Contractually Required Contributions	Contributions from Employer	Contributions Deficiency (Excess)	Covered-Employee Payroll	Contributions as a Percentage of Covered-Employee Payroll
2018	80,448	80,448	-0-	9,692,543	.83%
2019	83,517	83,517	-0-	10,062,199	.83%
2020	86,000	86,000	-0-	10,270,349	.84%

* The amounts presented for each fiscal year were determined as of the measurement date of June 30 of the year prior to the fiscal year presented. This schedule is presented to illustrate the requirement to show information for 10 years. However, GASB 75 was implemented in fiscal year ending June 30, 2018, and, until a full 10-year trend is compiled, the School District has only presented information for the years in which information is available.

See independent auditors' report.

Camp Hill School District
NOTES to REQUIRED SUPPLEMENTARY INFORMATION
PSERS HEALTH INSURANCE PREMIUM ASSISTANCE PLAN
Last 10 Fiscal Years

Changes of Assumptions

Measurement period ending June 30, 2019:

Discount rate was decreased from 2.98% to 2.79%.

Measurement period ending June 30, 2018:

Discount rate was decreased from 3.13% to 2.98%.

Measurement period ending June 30, 2017:

Discount rate was increased from 2.71% to 3.13%.

Salary growth changes from an effective average of 5.50% to 5.00%.

Mortality rates were modified from the RP-2000 Combined Healthy Annuitant Tables (male and female) with age set back 3 years for both males and females to the RP-2014 Mortality Tables for Males and Females, adjusted to reflect PSERS' experience and projected using a modified version of the MP-2015 Mortality Improvement Scale.

See independent auditors' report.

Camp Hill School District

SCHEDULE of the SCHOOL DISTRICT'S PROPORTIONATE SHARE of the NET OTHER
POSTEMPLOYMENT BENEFITS (OPEB) LIABILITY - PUBLIC SCHOOL EMPLOYEES'
RETIREMENT SYSTEM HEALTH INSURANCE PREMIUM ASSISTANCE PLAN
LAST 10 FISCAL YEARS*

Fiscal Year Ended June 30	School District's Proportion of the Net OPEB Liability	School District's Proportionate Share of the Net OPEB Liability	School District's Covered-Employee Payroll	School District's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered-Employee Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability
2018	.0712%	1,450,637	9,477,674	15.3058%	5.73%
2019	.0719%	1,499,079	9,680,279	15.4859%	5.56%
2020	.0724%	1,540,000	10,270,349	14.9946%	5.56%

* The amounts presented for each fiscal year were determined as of the measurement date of June 30 of the year prior to the fiscal year presented. This schedule is presented to illustrate the requirement to show information for 10 years. However, GASB 75 was implemented in fiscal year ending June 30, 2018, and, until a full 10-year trend is compiled, the School District has only presented information for the years in which information is available.

See independent auditors' report.

Camp Hill School District
 SCHEDULE of EMPLOYER CONTRIBUTIONS -
 PUBLIC SCHOOL EMPLOYEES' RETIREMENT SYSTEM
 LAST 10 FISCAL YEARS*

Year Ended	Contractually Required Contribution	Contributions from Employer	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered-Employee Payroll
2015	1,800,309	1,800,309	-0-	8,781,995	20.50%
2016	2,230,109	2,230,109	-0-	8,920,436	25.00%
2017	2,702,824	2,702,824	-0-	9,256,247	29.20%
2018	3,076,413	3,076,413	-0-	9,692,543	31.74%
2019	3,280,277	3,280,277	-0-	10,062,199	32.60%
2020	3,516,000	3,516,000	-0-	10,270,349	34.23%

* The amounts presented for each fiscal year were determined as of the measurement date of June 30 of the year prior to the fiscal year presented. This schedule is presented to illustrate the requirement to show information for 10 years. However, GASB 68 was implemented in fiscal year ending June 30, 2015, and, until a full 10-year trend is compiled, the School District has only presented information for the years in which information is available.

See independent auditors' report.

Camp Hill School District

SCHEDULE of SCHOOL DISTRICT'S PROPORTIONATE SHARE of the NET PENSION LIABILITY -
PUBLIC SCHOOL EMPLOYEES' RETIREMENT SYSTEM
LAST 10 FISCAL YEARS*

For the Fiscal Year Ended June 30	School District's Proportion of the Net Pension Liability (Asset)	School District's Proportionate Share of the Net Pension Liability (Asset)	School District's Covered Payroll	School District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2015	0.0700%	26,400,653	8,517,113	309.97%	57.24%
2016	0.0675%	29,237,973	8,686,616	336.59%	54.36%
2017	0.0680%	33,699,272	8,807,770	382.61%	50.14%
2018	0.0712%	35,165,000	9,477,674	371.03%	51.84%
2019	0.0719%	34,515,084	10,062,199	343.02%	54.00%
2020	0.0724%	33,871,000	10,270,349	329.79%	55.66%

* The amounts presented for each fiscal year were determined as of the measurement date of June 30 of the year prior to the fiscal year presented. This schedule is presented to illustrate the requirement to show information for 10 years. However, GASB 68 was implemented in fiscal year ending June 30, 2015, and, until a full 10-year trend is compiled, the School District has only presented information for the years in which information is available.

See independent auditors' report.

Camp Hill School District
NOTES to REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE of SCHOOL DISTRICT'S PROPORTIONATE SHARE of the NET PENSION LIABILITY
Last 10 Fiscal Years

Changes of Benefit Terms

Measurement period ending June 30, 2017:

Beginning June 12, 2017, with the passage of Act 5 class T-E & T-F members are now permitted to elect a lump sum payment of member contributions upon retirement.

Changes of Assumptions

Measurement period ending June 30, 2016:

Investment Rate of Return was adjusted from 7.50% to 7.25%.

Inflation assumption was decreased from 3.0% to 2.75%.

Salary growth changed from an effective average of 5.50% to 5.00%.

Mortality rates were modified from the RP-2000 Combined Healthy Annuitant Tables (male and female) with age set back 3 years for both males and females to the RP-2014 Mortality Tables for Males and Females, adjusted to reflect PSERS' experience and projected using a modified version of the MP-2015 Mortality Improvement Scale.