

**BOARD OF EDUCATION
OF THE
TOWNSHIP OF PENNSAUKEN
SCHOOL DISTRICT
PENNSAUKEN, NEW JERSEY**



**ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
JUNE 30, 2023**

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INTRODUCTORY SECTION

PENNSAUKEN PUBLIC SCHOOLS

ADMINISTRATION OFFICES

1695 Hylton Road
Pennsauken NJ 08110

(856) 662-8505
FAX (856) 662-4080

January 19, 2024

Honorable President and
Members of the Board of Education
Pennsauken Township School District
1695 Hylton Road
Pennsauken, NJ 08110

Dear Board Members:

The annual comprehensive financial report of the Pennsauken School System for the fiscal year ended June 30, 2023, is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation including all disclosures rests with the management of the Board of Education. To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included:

Our annual comprehensive financial report is presented in four sections: introductory, financial, statistical and single audit.

The introductory section includes the following:

Transmittal Letter, District's Organizational Chart and List of Principal Officials

The financial section includes:

Basic Financial Statements, Fund Statements, Schedules and
Auditor's Reports

The statistical section includes:

Selected Financial and Demographic Information presented on a multi-year basis

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

1) REPORT ENTITY AND ITS SERVICES:

The Pennsauken School District is an independent reporting entity within the criteria adopted by GASB Statement No. 14. All funds of the District are included in this report.

The District provides a range of educational services appropriate to grade levels Pre-K through 12. These include regular and classified students Pre-K through 12. Student enrollment counts for the past ten years are detailed below.

<u>YEAR</u>	<u>STUDENT ENROLLMENT</u>	<u>PERCENT CHANGE</u>
2022-23	4774	2.62%
2021-22	4652	-1.19%
2020-21	4708	-0.15%
2019-20	4715	1.90%
2018-19	4627	-0.17%
2017-18	4635	-7.71%
2016-17	5022	1.23%
2015-16	4961	-1.74%
2014-15	5049	-0.92%
2013-14	5096	-2.84%

2) ECONOMIC CONDITION AND OUTLOOK:

In March 2018, Pennsauken residents overwhelmingly passed an almost \$36 million bond referendum, proposed by the Pennsauken School District to make significant capital improvements to every public school in the Township.

The referendum addressed a variety of projects in every part of the District, including new security vestibules at all schools; capital improvement to elementary schools with new windows and doors; the establishment of all-day pre-school; the demolition of an aging Longfellow Elementary and the erection of a comprehensive community park and playground in the school's old footprint; new science labs and additional classrooms at Phifer Middle School; the transformation of Roosevelt Elementary School into a STEM Elementary and Middle School; extensive renovations at Pennsauken High School, with improvement being made to the auditorium, media center, locker rooms, and gymnasium; construction of CTE classrooms, a new field house, and more.

Almost all projects outlined in the referendum have gone out to bid and are continually going out to bid; work on these items are ongoing. All bids are based on the same specifications and sealed until a set deadline has passed. The District goes with the lowest bidder and has the ability to reject all bids if the cost goes above what was anticipated for each individual project.

Most of the projects have been started at completed, with priorities given to outdoor projects, as well as work for the STEM elementary/middle school and the security vestibules.

Residential real estate sales in Pennsauken have remained constant in the past year which has been the trend throughout the nation. Pennsauken's residential community has reflected a moderate change and the minority populations are increasing.

3) MAJOR INITIATIVES:

The Pennsauken School District is continually evolving. Our community and our student population are greatly diverse. The District's initiatives reflect a renewed vision and articulate the next chapter in the laudable history of the Pennsauken School District. This direction aims at embracing and uplifting the assets of its diverse school community and taking advantage of new opportunities as they appear.

The initiatives detailed in this document are ambitious, but achievable. We seek input from all stakeholders to review, revise, and commit to full realization of them. We owe our students and ourselves our most dedicated work.

The Pennsauken Schools' vision is to foster diversity and talent as well as prepare students with the knowledge, higher-order thinking skills, and communication readiness for college, career, and workforce success, especially in vocational education and high performance academic college readiness. In partnership with parents and community stakeholders, our goal is to provide continuous student academic improvement for pursuit of lifelong learning and happiness.

Each school has developed a set of objectives and a plan of action to implement this vision. Teachers are encouraged to participate in our comprehensive staff development courses that focus on strategies that will help them improve student academic learning outcomes. All professional development is aligned with the District's initiatives.

This year, the administration is working with school administration to implement a structured literacy based curriculum and robust MTSS system, develop highly effective PLCs, expanding and strengthening CTE options. Professional development includes the following data: ed tech integration, NJSLA, New Jersey State Science Exams, benchmarks, student enrollment, violence and vandalism trend data, attendance, report cards, special education inclusion, student progress, support for English Language Learners and after-school programs.

The administrative staff and Board of Education continue to have discussed student achievement data analysis, including NJSLA, Benchmarks analysis, which tests student knowledge on NJSLs and NGSS, graduation rate, and ACCESS for ELLs data.

The District continues to collaborate with partners on several strategies. The administration is working with NJDOE Office on Safety and Security. Together with local emergency responders, the District continues to revise and improvise more comprehensive school safety emergency plan to further sustain a positive school climate and culture. In an effort to increase comprehensive support for students the district was awarded a grant to expand mental health services for students.

The staff continues to grow in the Masonic Model for Intervention and Referral Services, a state mandated system of clearly defined steps that are taken to assist a struggling student in improving educational outcomes and overall academic performance. The district has invested in expanding teacher capacity in this area, training teachers in the Masonic Model as well as the Wilson Language Training and certification to support the structured literacy approach and offer a robust MTSS model for students.

In addition, the District is working to enhance and grow CTE programs in line with Perkins V and the New Jersey State Plan. Pennsauken High School has a variety of related arts programs. Additionally, the District has expanded the Middle and High School STEM (Science, Technology, Engineering and Math) programs through partnerships with Rowan University, Camden County College, Rowan College of Burlington County (RCBC) and other community organizations. The high school has put in nine (9) Career and Technical Education Programs that include Culinary Arts, Cosmetology, Carpentry, HVACR, Welding, Electrical Construction, Health Occupations, EMT/Fire Safety, and Automotive Technology as well as a Air Force JROTC program which was started in September of 2018. The district will be adding three additional programs for September 2024 including Collision, Machinery, and Plumbing. This will be in addition to our Academy programs that are also housed in the high school (i.e. Criminal Justice, Information Technology, and Business & Finance).

The high school has housed multiple academies including a Health Science Academy, Engineering Academy, Music and Fine Arts Academy, Criminal Justice Academy, and a Communication Academy encompassing Television and Journalism. Through the expansion and improvement of technology, teachers at school levels are integrating the use of chromebooks, smart boards, and various ed tech platforms into their classroom instruction. Ultimately, it is our aim to strengthen and support our teaching staff with the state of the art equipment that will help prepare and engage students in 21st Century learning and College and Career Readiness.

4) INTERNAL ACCOUNTING CONTROLS:

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

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

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

5) BUDGETARY CONTROLS:

In addition to internal controls, the district maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget. Annual budgets are adopted for the general fund, the special revenue fund and the debt service fund. The final budget amounts, as amended for the fiscal year, are reflected in the financial section.

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either canceled or are included as reappropriations of fund balance in the subsequent year. Those amounts to be reappropriated are reported as assignments of fund balance at June 30, 2023.

6) ACCOUNTING SYSTEM AND REPORTS:

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

7) CASH MANAGEMENT:

The investment policy of the District is guided in large part by state statute as detailed in “Notes to the Financial Statements”, Note 1. The District has adopted a cash management plan, which requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (GUDPA). GUDPA was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey. The law requires governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act.

8) RISK MANAGEMENT:

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

9) OTHER INFORMATION:

Independent Audit – State statutes require an annual audit by independent certified public accountants. The accounting firm of Bowman & Company LLP was selected by the Board. In addition, to meeting the requirements set forth in state statutes, the audit also was designed to meet the provisions of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and State of New Jersey Circular 15-08-OMB, *Single Audit Policy for Requirements of Federal Grants, State Grants and State Aid*. The auditor's report on the general purpose financial statements and combined and individual fund statements and schedules are included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section of this report.

10) ACKNOWLEDGMENTS:

We would like to express our appreciation to the members of the Pennsauken Board of Education for their concern in providing fiscal accountability to the citizens and taxpayers of the School District and thereby contributing their full support to the development and maintenance of our financial operation.

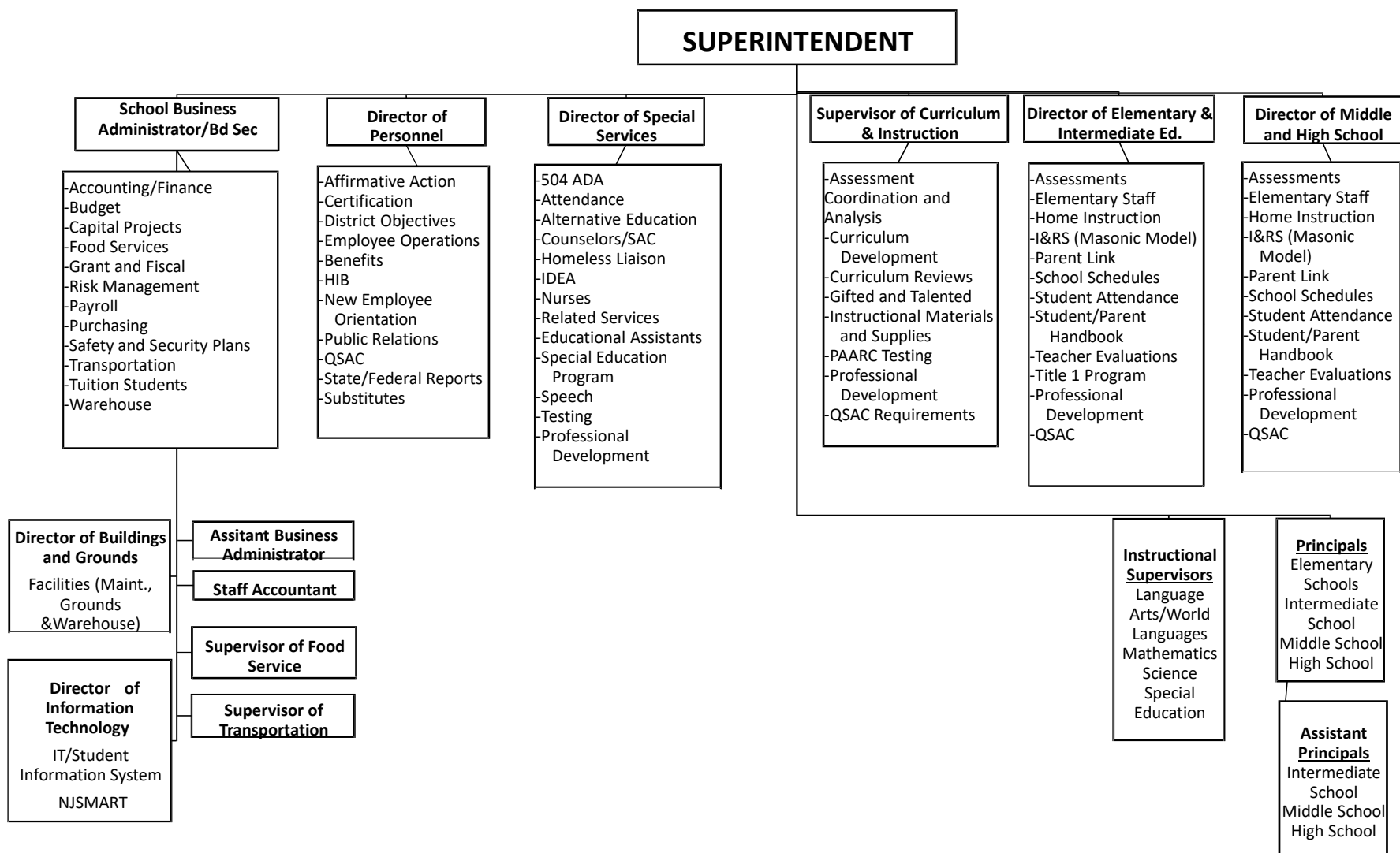
Respectfully submitted,



Ronnie Tarchichi
Superintendent of Schools
Pennsauken Public School District



John Ogunkanmi
School Business Administrator
Pennsauken Public School District



PENNSAUKEN BOARD OF EDUCATION

PENNSAUKEN, NEW JERSEY

ROSTER OF OFFICIALS

June 2023

MEMBERS OF THE BOARD OF EDUCATION	<u>TERM</u>
Nicholas Perry, President	2023
Joann Young, Vice-President	2023
Diane Johnson	2025
Dontay White	2024
Osvaldo Alves	2023
Scott La Vine	2025
Samer Jarbou-Rafeh	2025
Lisa Eckel	2024
Orlando Viera	2024

OTHER OFFICIALS

Dr. Ronnie Tarchichi, Superintendent of Schools

John Ogunkanmi, School Business Administrator/Board Secretary

Jeffrey Caccese, Board Solicitor – Comegno Law Group

PENNSAUKEN BOARD OF EDUCATION

PENNSAUKEN, NEW JERSEY

CONSULTANTS AND ADVISORS

Audit Firm

Daniel M. DiGangi
Bowman & Company LLP
601 White Horse Road
Voorhees, New Jersey 08043

Attorney

Jeffrey Caccese, Esq.
Comegno Law Group
521 Pleasant Valley Avenue
Moorestown, New Jersey 08057

Official Depositories

Phoenix Advisors, LLC
Cash Management Fund
4 W. Park Street
Bordentown, NJ 08505

Republic Bank
Two Liberty Place
50 S. 16th Street
Suite 2400
Philadelphia, PA 19102

State of New Jersey
Cash Management Fund
Harborside Financial Fund
Jersey City, New Jersey 07311

FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

The Honorable President and
Members of the Board of Education
Township of Pennsauken
County of Camden
Pennsauken, New Jersey 08110

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, and each major fund of the Township of Pennsauken School District, in the County of Camden, State of New Jersey, as of and for the fiscal year ended June 30, 2023, 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.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, and each major of the Township of Pennsauken School District, in the County of Camden, State of New Jersey, as of June 30, 2023, and the respective changes in financial position, and, where applicable, cash flows thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the School District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the School District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the School District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the School District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, schedule of the School District's proportionate share of the net pension liability, schedule of the School District's pension contributions, and schedule of changes in the School District's total OPEB liability and related ratios, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Township of Pennsauken School District's basic financial statements. The combining statements and related major fund supporting statements and schedules, are presented for purposes of additional analysis, as required by the Office of School Finance, Department of Education, State of New Jersey, and are not a required part of the basic financial statements. The accompanying schedules of expenditures of federal awards and state financial assistance, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and State of New Jersey Circular 15-08-OMB, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, respectively, are also presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining statements and related major fund supporting statements and schedules, and schedules of expenditures of federal awards and state financial assistance are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated [January 19, 2024](#) on our consideration of the Township of Pennsauken School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Township of Pennsauken School District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Township of Pennsauken School District's internal control over financial reporting and compliance.

Respectfully submitted,

Bowman & Company LLP

BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants

Daniel M. DiGangi

Daniel M. DiGangi
Certified Public Accountant
Public School Accountant No. CS 002376

Voorhees, New Jersey
January 19, 2024

REQUIRED SUPPLEMENTARY INFORMATION
PART I

Township of Pennsauken School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2023
(Unaudited)

The management's discussion and analysis of the Township of Pennsauken School District (School District) financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2023 and 2022. The intent of the discussion and analysis is to look at the School District's financial performance and review the notes to the basic financial statements to enhance the understanding of the School District's financial performance. It is recommended that the discussion and analysis be read in conjunction with a transmittal letter at the front of this financial report.

FINANCIAL HIGHLIGHTS

Financial Highlights for fiscal year 2023:

- The assets of the Township of Pennsauken School District exceeded its liabilities at the close of the most recent fiscal year by \$91,244,420 (net position).
- The School District's total net position increased by \$14,851,174. This increase is primarily attributable to the Township of Pennsauken School District's increase in revenues over expenditures and decrease in long term liabilities.
- As of the close of the current fiscal year, the School District's governmental funds reported combined ending fund balances of \$57,617,057 an increase of \$10,580,966 in comparison with the prior year.
- At the end of the current fiscal year, unassigned fund balance for the general fund had a balance of (\$3,072,161) which is a decrease of \$3,191,817 in comparison with the prior year.
- The Township of Pennsauken School District's total bonded debt decreased \$1,405,000.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

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

Township of Pennsauken School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2023
(Unaudited) (Cont'd)

OVERVIEW OF THE FINANCIAL STATEMENTS (CONT'D)

The financial statements also include notes that explain some of the information in the statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the financial statements with a comparison of the School District's budget for the year.

Government-Wide Statements

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

The two government-wide statements report the School District's net position and how they have changed. Net position is the difference between the School District's assets and deferred outflows of resources and liabilities and deferred inflows of resources and is one way to measure the School District's financial health or position. An increase or decrease in the School District's net position is an indicator of whether its financial position is improving or deteriorating, respectively. To assess the overall health or position of the School District, you need to consider additional nonfinancial factors such as changes in the School District's property tax base and the condition of school buildings and other facilities.

In the government-wide financial statements, the School District's activities are divided in two categories:

- *Governmental activities* – The basic services, such as instruction for regular and special education, maintenance and operations, transportation and administration are included as government activities. Property taxes, state aid and fund balance appropriated finance most of these activities.
- *Business-type activities* – The School District charges fees to cover the costs of certain services such as food services.

Fund Financial Statements

The fund financial statements provide more detailed information about the School District's funds, focusing on the significant funds, not the School District as a whole. Funds are used by the School District to keep track of specific sources of funding and spending on particular programs.

The School District has two kinds of funds:

- *Governmental funds* – The School District's basic services are included in governmental funds, which detail cash and other financial assets and also identify balances that remain at year-end. Governmental funds statements provide a short-term view to determine whether more or less financial resources can be spent in subsequent years.
- *Proprietary funds* – These funds represent charges or fees for such activities as food services.

Township of Pennsauken School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2023
(Unaudited) (Cont'd)

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

Table 1 provides a summary of the School District's net position for fiscal years 2023 and 2022.

TABLE 1				
Net Position				
	<u>June 30, 2023</u>	<u>June 30, 2022</u>	<u>Change</u>	<u>% Change</u>
Assets:				
Current and Other Assets	\$ 68,968,947	\$ 56,015,017	\$ 12,953,930	23.13%
Capital Assets	<u>94,155,342</u>	<u>95,752,219</u>	<u>(1,596,877)</u>	<u>-1.67%</u>
Total Assets	<u>163,124,289</u>	<u>151,767,236</u>	<u>11,357,053</u>	<u>7.48%</u>
Deferred Outflows of Resources:				
Related to Pensions	2,606,985	1,924,573	682,412	35.46%
Related to OPEB	<u>1,231,930</u>	<u>1,469,042</u>	<u>(237,112)</u>	<u>-16.14%</u>
Total Deferred Outflows of Resources	<u>3,838,915</u>	<u>3,393,615</u>	<u>445,300</u>	<u>13.12%</u>
Liabilities:				
Long-Term Liabilities	59,547,168	58,396,424	1,150,743	1.97%
Other Liabilities	<u>11,803,141</u>	<u>9,926,765</u>	<u>1,876,376</u>	<u>18.90%</u>
Total Liabilities	<u>71,350,309</u>	<u>68,323,189</u>	<u>3,027,120</u>	<u>4.43%</u>
Deferred Inflow of Resources:				
Related to Pensions	3,447,686	9,926,208	(6,478,522)	-65.27%
Related to OPEB	370,124	346,779	23,345	6.73%
Related to Leases	<u>550,666</u>	<u>171,429</u>	<u>379,237</u>	<u>100%</u>
Total Deferred Inflow of Resources	<u>4,368,476</u>	<u>10,444,416</u>	<u>(6,075,940)</u>	<u>41%</u>
Net Position:				
Net Investment in Capital Assets	58,820,819	58,163,753	657,065	1.13%
Restricted	54,397,558	44,423,291	9,974,267	22.45%
Unrestricted (Deficit)	<u>(21,973,957)</u>	<u>(26,193,798)</u>	<u>4,219,841</u>	<u>16.11%</u>
Total Net Position	<u>\$ 91,244,420</u>	<u>\$ 76,393,246</u>	<u>\$ 14,851,174</u>	<u>19.44%</u>

Table 2 provides an illustration of the impact of that GASB 68 and 71 had to the School District's Net Position.

TABLE 2				
Statement of Net Position - Effect of Pension Related Items				
	<u>June 30, 2023</u>	<u>June 30, 2022</u>	<u>Change</u>	<u>% Change</u>
Deferred Outflows Related to Pensions	\$ 2,606,985	\$ 1,924,573	\$ 682,412	35.46%
Less: Net Pension Liability	(18,889,136)	(15,030,340)	(3,858,796)	-25.67%
Less: Deferred Inflows Related to Pensions	<u>(3,447,686)</u>	<u>(9,926,208)</u>	<u>6,478,522</u>	<u>65.27%</u>
	<u>\$ (19,729,837)</u>	<u>\$ (23,031,975)</u>	<u>\$ 3,302,138</u>	<u>-14.34%</u>

Township of Pennsauken School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2023
(Unaudited) (Cont'd)

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE (CONT'D)

Table 3 reflects changes in net position for fiscal years 2023 and 2022.

TABLE 3
Change in Net Position

Revenues:	<u>June 30, 2023</u>	<u>June 30, 2022</u>	<u>Change</u>	<u>% Change</u>
Program Revenues:				
Charges for Services	\$ 910,893	\$ 602,183	\$ 308,709	51.27%
Operating Grants and Contributions	23,090,473	29,889,975	(6,799,502)	-22.75%
General Revenues:				
Property Taxes	44,308,550	42,987,068	1,321,482	3.07%
Grants and Contributions not Restricted to Specific Programs	70,704,642	70,444,264	260,378	0.37%
Other	<u>2,251,417</u>	<u>1,517,085</u>	<u>734,332</u>	<u>48.40%</u>
 Total Revenues	<u>141,265,975</u>	<u>145,440,575</u>	<u>(4,174,600)</u>	<u>-2.87%</u>
Expenses:				
Instruction:				
Regular	25,530,429	23,573,972	1,956,457	8.30%
Special Education	12,120,379	10,038,436	2,081,943	20.74%
Other Special Instruction	2,130,485	2,116,544	13,941	0.66%
Other Instruction	3,223,466	2,629,112	594,354	22.61%
Tuition	6,775,404	7,119,475	(344,071)	-4.83%
Student Services:				
Student and Instruction Related	11,046,387	10,138,595	907,791	8.95%
School Administrative Services	4,364,844	3,763,289	601,554	15.98%
Other Administrative Services	3,687,431	3,668,941	18,490	0.50%
Plant Operations and Maintenance	8,674,457	8,330,680	343,778	4.13%
Pupil Transportation	5,896,531	4,785,344	1,111,187	23.22%
Unallocated Benefits	26,372,029	31,292,048	(4,920,019)	-15.72%
Reimbursed TPAF and Social Security	2,944,906	2,785,524	159,382	5.72%
Transfer to Charter Schools	9,076,093	8,622,342	453,751	5.26%
Interest on Long-Term Debt	1,021,709	1,062,217	(40,508)	-3.81%
Food Service	<u>3,550,252</u>	<u>3,347,598</u>	<u>202,653</u>	<u>6.05%</u>
 Total Expenses	<u>126,414,801</u>	<u>123,274,116</u>	<u>3,140,684</u>	<u>2.55%</u>
 Increase (Decrease) in Net Position	<u>14,851,174</u>	<u>22,166,459</u>	<u>(7,315,284)</u>	<u>-33.00%</u>
 Beginning Net Position	<u>76,393,246</u>	<u>54,226,787</u>	<u>22,166,459</u>	<u>40.88%</u>
 Ending Net Position	<u>\$ 91,244,420</u>	<u>\$ 76,393,246</u>	<u>\$ 14,851,174</u>	<u>19.44%</u>

The table above includes revenues and expenses related to Governmental Accounting Standards Board (GASB) Statement No. 75 for the 2023 and 2022 fiscal years.

Township of Pennsauken School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2023
(Unaudited) (Cont'd)

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE (CONT'D)

Governmental Activities

In 2022-2023, Governmental Activities Revenues were \$137,736,422 or 97.50% of total revenues.

In 2021-2022, Governmental Activities Revenues were \$141,842,117 or 97.53% of total revenues.

The \$4,105,695 decrease in Governmental Activities Revenues from FY 2021-2022 to FY 2022-2023 was mainly related to the decrease in OPEB and pension revenue.

In 2022-2023, General Revenues - Property Taxes of \$44,308,550 made up 31.37%, and General Revenues – Federal and State Aid Restricted and not Restricted of \$70,704,641 made up 50.05% of total revenues.

In 2021-2022, General Revenues - Property Taxes of \$42,987,068 made up 29.56%, and General Revenues – Federal and State Aid Restricted and not Restricted of \$70,444,264 made up 48.44% of total revenues.

In 2022-2023, the School District's Governmental Activities expenditures increased by \$3,220,272.04 or 6.05%. This increase was mainly the result of increases in OPEB and pension expenses.

Business-Type Activities

In 2022-2023 Business-Type Activities Revenues were \$3,529,553 or 2.50% of total revenues. In 2021-2022 Business-Type Activities Revenues were \$3,598,458 or 2.47% of total revenues.

Charges for Services for Business-Type Activities were \$645,861 in 2022-2023 compared to \$325,792 in 2021-2022, a 98.24% increase.

Expenses for Business-Type Activities were \$3,550,252 in 2022-2023 compared to \$3,347,598 in 2021-2022, a 6.05% increase.

General Fund Budgeting Highlights

The final budgetary basis revenue estimate was \$112,630,504.

The 2022-2023 General Fund Tax Levy was \$42,457,125 as compared to \$41,145,911 in 2021-2022, a 3.19% increase.

During fiscal year 2023, the School District budgeted \$42,457,125 for property taxes (local tax levy) and \$69,042,121 for state aid revenues.

The School District also received \$2,941,186 and \$16,957,449 reimbursed T.P.A.F. Social Security Aid and On-behalf T.P.A.F. Medical, Pension Contributions, Long-term Disability Insurance and Non-Contributory Insurance, respectively. The Pennsauken Township School District's expenditures also include the reimbursed TPAF Social Security Aid and On-behalf T.P.A.F. Pension, Medical, Pension Contributions, Long-term Disability Insurance and Non-Contributory Insurance of \$2,941,186 and \$16,957,449 respectively, which contributes to an unfavorable expenditure variance for the fiscal year.

The final budgetary basis expenditure appropriation estimate was \$122,654,565.

Township of Pennsauken School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2023
(Unaudited) (Cont'd)

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE (CONT'D)

Financial Analysis of the Government's Funds

Governmental Funds - As of the end of the current fiscal year, the School District's governmental funds reported combining ending fund balances of \$57,617,057, an increase of \$10,580,966 in comparison with the prior year.

Of the combined ending fund balances, (\$3,072,161) constitutes unassigned fund balance. The remainder of fund balance of \$60,689,218, is restricted or assigned for various purposes.

Proprietary Funds - As of the end of the current fiscal year, the School District's proprietary fund had \$883,118 in unrestricted net position.

CAPITAL ASSETS

The Township of Pennsauken School District's investment in capital assets for its governmental and business-type activities as of June 30, 2023 amounts to \$94,155,342 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, land improvements, buildings and improvements, and equipment. There was a net increase in the Township of Pennsauken School District's investment in capital assets for the current fiscal year of (1.67) percent. Table 4 reflects the capital assets.

TABLE 4
Capital Assets

Capital Assets (Net of Depreciation):	<u>June 30, 2023</u>	<u>June 30, 2022</u>
Land	\$ 246,218	\$ 246,218
Construction in Progress	29,371,867	45,799,425
Land Improvements	313,772	347,186
Building and Improvements	60,253,674	43,571,428
Furniture, Fixtures and Equipment	<u>3,969,812</u>	<u>5,787,963</u>
Total Capital Assets	<u>\$ 94,155,342</u>	<u>\$ 95,752,219</u>

Depreciation expense was \$4,160,468 for fiscal year ended 2022 and \$4,791,640 for fiscal year ended 2023.

DEBT ADMINISTRATION

Long-term Debt - At the end of the current fiscal year, the Township of Pennsauken School District had total bonded debt outstanding of \$31,640,000. The entire Township of Pennsauken School District's bonded debt is governmental as opposed to business-type. The 2024 adopted budget has an appropriation of \$1,465,000 for the payment of the annual principal. The 2018 bonds will mature on July 15, 2038.

Township of Pennsauken School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2023
(Unaudited) (Cont'd)

FACTORS ON THE DISTRICT'S FUTURE

For the 2022-2023 school year, the Township of Pennsauken School District was able to sustain its budget through the township tax levy, federal aid, state aid and miscellaneous revenue sources. 31.37 percent of total revenue is from local tax levy and 50.05 percent of the Township of Pennsauken School District's revenue is from federal and state aid (restricted and not restricted).

In conclusion, the Township of Pennsauken Board of Education and Administration have committed themselves to financial excellence for many years. Additionally, the School District's system for financial planning, budgeting, and internal financial controls are well regarded. The School District will continue with sound fiscal management to meet the challenge of the future.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the School District's finances and to show the School District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the School Business Administrator/Board Secretary at Pennsauken Township Board of Education, 1695 Hylton Road, Pennsauken, New Jersey 08110.

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS

TOWNSHIP OF PENNSAUKEN SCHOOL DISTRICT

Statement of Net Position

June 30, 2023

	Governmental Activities	Business-Type Activities	Total
ASSETS:			
Cash and Cash Equivalents	\$ 56,462,422.31	\$ 1,808,676.11	\$ 58,271,098.42
Receivables (Note 4)	8,925,897.18	140,001.62	9,065,898.80
Inventory		44,262.26	44,262.26
Restricted Cash and Cash Equivalents	1,037,021.67		1,037,021.67
Leases Receivable (Note 5)	550,665.54		550,665.54
Capital Assets, net (Note 7)	93,849,775.87	305,566.44	94,155,342.31
Total Assets	160,825,782.57	2,298,506.43	163,124,289.00
DEFERRED OUTFLOWS OF RESOURCES:			
Related to Pensions (Note 9)	2,606,985.00		2,606,985.00
Related to OPEB (Note 10)	1,231,930.00		1,231,930.00
Total Deferred Outflows	3,838,915.00	-	3,838,915.00
LIABILITIES:			
Accounts Payable:			
Related to Pensions	1,630,323.00		1,630,323.00
Other	4,748,651.43	36,021.89	4,784,673.32
Internal Balances	(1,033,608.30)	1,033,608.30	
Payable to Other Governments	86,080.00		86,080.00
Accrued Interest	279,434.04		279,434.04
Unearned Revenue	5,007,161.11	15,469.49	5,022,630.60
Noncurrent Liabilities (Note 8):			
Due within One Year	2,410,747.17	4,944.40	2,415,691.57
Due beyond One Year	57,111,698.43	19,777.62	57,131,476.05
Total Liabilities	70,240,486.88	1,109,821.70	71,350,308.58
DEFERRED INFLOWS OF RESOURCES:			
Related to Pensions (Note 9)	3,447,686.00		3,447,686.00
Related to OPEB (Note 10)	370,124.00		370,124.00
Related to Leases (Note 5)	550,665.54		550,665.54
Total Deferred Inflows	4,368,475.54	-	4,368,475.54
NET POSITION:			
Net Investment in Capital Assets	58,515,252.19	305,566.44	58,820,818.63
Restricted for:			
Endowment Fund (nonexpendable)	8,981.73		8,981.73
Capital Projects	17,857,569.20		17,857,569.20
Unemployment Compensation	282,088.70		282,088.70
Special Revenue	411,332.80		411,332.80
Student Activities	189,013.80		189,013.80
Scholarships	19,879.20		19,879.20
Other Purposes	35,628,692.32		35,628,692.32
Unrestricted (Deficit)	(22,857,074.79)	883,118.29	(21,973,956.50)
Total Net Position	\$ 90,055,735.15	\$ 1,188,684.73	\$ 91,244,419.88

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

TOWNSHIP OF PENNSAUKEN SCHOOL DISTRICT
Statement of Activities
For the Fiscal Year Ended June 30, 2023

Functions / Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		Total
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	
Governmental Activities:							
Instruction:							
Regular	\$ 25,530,428.97	\$ 181,010.23			(25,349,418.74)		\$ (25,349,418.74)
Special Education	12,120,378.62	84,021.63	\$ 3,662,973.40		(8,373,383.59)		(8,373,383.59)
Other Special Instruction	2,130,484.92				(2,130,484.92)		(2,130,484.92)
Other Instruction	3,223,466.20				(3,223,466.20)		(3,223,466.20)
Tuition	6,775,403.78		1,481,824.00		(5,293,579.78)		(5,293,579.78)
Support Services:					-		
Student and Instruction Related Services	11,046,386.57		1,825,697.54		(9,220,689.03)		(9,220,689.03)
School Administrative Services	4,364,843.56				(4,364,843.56)		(4,364,843.56)
Other Administrative Services	3,687,430.89				(3,687,430.89)		(3,687,430.89)
Plant Operations and Maintenance	8,674,457.36				(8,674,457.36)		(8,674,457.36)
Pupil Transportation	5,896,531.21				(5,896,531.21)		(5,896,531.21)
Unallocated Benefits	26,372,029.16		10,074,719.85		(16,297,309.31)		(16,297,309.31)
Reimbursed TPAF and Social Security	2,944,905.95		2,944,905.95		-		
Transfer to Charter School	9,076,093.00				(9,076,093.00)		(9,076,093.00)
Interest on Long-Term Debt	1,021,709.25		264,189.43		(757,519.82)		(757,519.82)
Total Governmental Activities	122,864,549.44	265,031.86	20,254,310.17	-	(102,345,207.41)	-	(102,345,207.41)
Business-Type Activities:							
Food Service	3,550,251.58	645,861.09	2,836,163.10	-	-	\$ (68,227.39)	(68,227.39)
Total Government	\$ 126,414,801.02	\$ 910,892.95	\$ 23,090,473.27	-	(102,345,207.41)	(68,227.39)	(102,413,434.80)
General Revenues:							
Taxes:							
Property Taxes Levied for General Purposes					42,457,125.00		42,457,125.00
Taxes Levied for Debt Service					1,851,425.00		1,851,425.00
Federal and State Aid Not Restricted					70,059,024.37		70,059,024.37
Federal and State Aid Restricted					645,616.67		645,616.67
Miscellaneous Income					2,203,888.63	47,528.71	2,251,417.34
Total General Revenues					117,217,079.67	47,528.71	117,264,608.38
Change in Net Position					14,871,872.26	(20,698.68)	14,851,173.58
Net Position -- July 1					75,183,862.89	1,209,383.41	76,393,246.30
Net Position -- June 30					\$ 90,055,735.15	\$ 1,188,684.73	\$ 91,244,419.88

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

FUND FINANCIAL STATEMENTS

TOWNSHIP OF PENNSAUKEN SCHOOL DISTRICT
Governmental Funds
Balance Sheet
June 30, 2023

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Permanent Fund	Total Governmental Funds
ASSETS:						
Cash and Cash Equivalents	\$ 56,462,422.31	\$ 210,709.59	\$ 818,232.82	\$ 1.36	\$ 8,077.90	\$ 57,499,443.98
Receivables:						
Enterprise Fund	1,033,608.30					1,033,608.30
General Fund			169,022.24		57.24	169,079.48
Special Revenue Fund	496,212.22				846.59	497,058.81
Receivables from Other Governments:						
State of New Jersey	1,645,752.33	4,837,617.75				6,483,370.08
Federal		2,046,535.91				2,046,535.91
Other Receivables	327,741.19	68,250.00				395,991.19
Lease Receivable (Note 5)	550,665.54					550,665.54
Total Assets	\$ 60,516,401.89	\$ 7,163,113.25	\$ 987,255.06	\$ 1.36	\$ 8,981.73	\$ 68,675,753.29
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES:						
Liabilities:						
Accounts Payable	\$ 3,607,492.42	\$ 952,587.53				\$ 4,560,079.95
Payroll Deductions and Withholdings Payable	39,624.26					39,624.26
Unemployment Compensation Claims Payable	148,947.22					148,947.22
Interfunds Payable:						
General Fund		496,212.22				496,212.22
Capital Projects Fund	169,022.24					169,022.24
Permanent Fund	57.24	846.59				903.83
Payable to State Government		86,080.00				86,080.00
Unearned Revenue		5,007,161.11				5,007,161.11
Total Liabilities	3,965,143.38	6,542,887.45	-	-	-	10,508,030.83
Deferred Inflows of Resources:						
Related to Leases (Note 5)	550,665.54	-	-	-	-	550,665.54
Fund Balances:						
Nonspendable Fund Balance -- Permanent					\$ 8,000.00	8,000.00
Restricted:						
Capital Reserve	17,857,569.20					17,857,569.20
Emergency Reserve	1,000,000.00					1,000,000.00
Maintenance Reserve	5,249,187.00					5,249,187.00
Excess Surplus	14,430,102.32					14,430,102.32
Unemployment Compensation	282,088.70					282,088.70
Excess Surplus -- Designated for						
Subsequent Year's Expenditures	14,949,403.00					14,949,403.00
Special Revenue		411,332.80				411,332.80
Capital Projects			\$ 987,255.06			987,255.06
Debt Service				\$ 1.36		1.36
Student Activities		189,013.80				189,013.80
Scholarship		19,879.20				19,879.20
Other Purposes					981.73	981.73
Assigned:						
Other Purposes	1,818,173.49					1,818,173.49
Subsequent Year's Expenditures	3,486,230.00					3,486,230.00
Unassigned (Deficit)	(3,072,160.74)					(3,072,160.74)
Total Fund Balances (Deficit)	56,000,592.97	620,225.80	987,255.06	1.36	8,981.73	57,617,056.92
Total Liabilities Deferred Inflows and Fund Balances	\$ 60,516,401.89	\$ 7,163,113.25	\$ 987,255.06	\$ 1.36	\$ 8,981.73	

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$158,775,986.28 and the accumulated depreciation is \$64,926,210.41.	93,849,775.87
Interest on long term debt is accrued on the Statement of Net Position regardless when due.	(279,434.04)
Accounts Payable related to the April 1, 2024 Required PERS pension contribution that is not to be liquidated with current financial resources.	(1,630,323.00)
Deferred Outflows of Resources - Related to Pensions	2,606,985.00
Deferred Outflows of Resources - Related to Other Post Employment Benefits	1,231,930.00
Deferred Inflows of Resources - Related to Pensions	(3,447,686.00)
Deferred Inflows of Resources - Related to Other Post Employment Benefits	(370,124.00)
Long-term liabilities, including bonds payable and net pension liability, are not due and payable in the current period and therefore are not reported as liabilities in the funds.	(59,522,445.60)
Net Position of Governmental Activities	\$ 90,055,735.15

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

TOWNSHIP OF PENNSAUKEN SCHOOL DISTRICT
 Governmental Funds
 Statement of Revenues, Expenditures and Changes in Fund Balances
 For the Fiscal Year Ended June 30, 2023

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Permanent Fund	Total Governmental Funds
REVENUES:						
Local Tax Levy	\$ 42,457,125.00			\$ 1,851,425.00		\$ 44,308,550.00
Tuition	265,031.86					265,031.86
Miscellaneous	2,203,645.41				\$ 243.22	2,203,888.63
State Sources	89,636,139.16	\$ 2,017,822.39		614,169.00		92,268,130.55
Federal Sources	321,520.16	6,184,476.46				6,505,996.62
Local Sources		418,140.47				418,140.47
Total Revenues	134,883,461.59	8,620,439.32	-	2,465,594.00	243.22	145,969,738.13
EXPENDITURES:						
Regular Instruction	24,034,652.83					24,034,652.83
Special Education Instruction	6,606,980.91	4,549,464.40				11,156,445.31
Other Special Instruction	2,130,484.92					2,130,484.92
Other Instruction	3,214,907.36					3,214,907.36
Community Service Programs	8,558.84					8,558.84
Tuition	5,293,579.78	1,481,824.00				6,775,403.78
Support Services and Undistributed Costs:						
Student and Instruction Related Services	9,078,254.97	1,825,697.54				10,903,952.51
School Administrative Services	3,700,151.28					3,700,151.28
Other Administrative Services	3,450,040.79					3,450,040.79
Plant Operations and Maintenance	8,822,067.26					8,822,067.26
Pupil Transportation	5,754,097.15					5,754,097.15
Unallocated Benefits	19,247,839.69	1,354,307.28				20,602,146.97
Reimbursed TPAF Pension,						
Medical and Social Security	19,898,634.95					19,898,634.95
Transfer to Charter Schools	9,076,093.00					9,076,093.00
Debt Service:						
Principal				1,405,000.00		1,405,000.00
Interest and Other Charges				1,060,593.76		1,060,593.76
Capital Outlay	1,943,053.34	586,371.86	\$ 583,695.44			3,113,120.64
Total Expenditures	122,259,397.07	9,797,665.08	583,695.44	2,465,593.76	-	135,106,351.35
Excess (Deficiency) of Revenues over Expenditures	12,624,064.52	(1,177,225.76)	(583,695.44)	0.24	243.22	10,863,386.78
OTHER FINANCING SOURCES (USES):						
Capital Projects Canceled to Capital Reserve	153,482.59		(153,482.59)			
Cancellation of SDA Grant			(282,420.81)			(282,420.81)
Transfers to Special Revenue Fund	(886,491.00)	886,491.00				
Total Other Financing Sources and Uses	(733,008.41)	886,491.00	(435,903.40)	-	-	(282,420.81)
Net Change in Fund Balances	11,891,056.11	(290,734.76)	(1,019,598.84)	0.24	243.22	10,580,965.97
Fund Balance (Deficit) -- July 1	44,109,536.86	910,960.56	2,006,853.90	1.12	8,738.51	47,036,090.95
Fund Balance (Deficit) -- June 30	\$ 56,000,592.97	\$ 620,225.80	\$ 987,255.06	\$ 1.36	\$ 8,981.73	\$ 57,617,056.92

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

TOWNSHIP OF PENNSAUKEN SCHOOL DISTRICT
Reconciliation of the Statement of Revenues, Expenditures
and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
For the Fiscal Year Ended June 30, 2023

Total Net Change in Fund Balances - Governmental Funds	\$ 10,580,965.97
Amounts reported for governmental activities in the statement of activities (A-2) are different because:	
Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the period.	
Depreciation Expense	\$ (4,747,801.97)
Capital Outlays	<u>3,113,120.64</u>
	(1,634,681.33)
Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is not reported in the statement of activities.	1,405,000.00
Governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of the difference in the treatment of the long-term debt related items.	
Amortization of Bond Premiums	13,548.67
In the statement of activities, interest on long-term debt in the statement of activities is accrued, regardless of when due. In the governmental funds, interest is reported when due. The increase in accrued interest is a reduction in the reconciliation. (-)	
	25,335.84
In the statement of activities, certain operating expenses, e.g., compensated absences (vacations) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is reduction in the reconciliation (-); when the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+).	
	(45,336.93)
Governmental funds report School District other post employment benefit (OPEB) contributions as expenditures. However in the statement of activities, the cost of OPEB benefits earned is reported as OPEB expense. This is the amount by which the School District's OPEB contributions exceeded pension benefits earned in the current period.	
	(220,525.00)
Repayment of financed purchased leases is an expenditure in the governmental fund, but the repayment reduces long-term liabilities in the statement of net position and is not reported in the statement of activities.	1,214,937.23
Governmental funds report School District pension contributions as expenditures. However in the statement of activities, the cost of pension benefits earned is reported as pension expense. This is the amount by which the School District's pension contributions exceeded pension benefits earned in the current period.	
	<u>3,532,627.81</u>
Change in Net Position of Governmental Activities	<u>\$ 14,871,872.26</u>

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

TOWNSHIP OF PENNSAUKEN SCHOOL DISTRICT
 Proprietary Fund
 Business Type Activities - Enterprise Fund
 Statement of Net Position
 June 30, 2023

	<u>Food Service</u>
ASSETS:	
Current Assets:	
Cash and Cash Equivalents	\$ 1,808,676.11
Accounts Receivable:	
State	4,467.49
Federal	120,496.02
Other	15,038.11
Inventories	<u>44,262.26</u>
Total Current Assets	<u>1,992,939.99</u>
Noncurrent Assets:	
Capital Assets:	
Equipment	1,917,102.27
Less Accumulated Depreciation	<u>(1,611,535.83)</u>
Total Noncurrent Assets	<u>305,566.44</u>
Total Assets	<u>2,298,506.43</u>
LIABILITIES:	
Current Liabilities:	
Interfund Accounts Payable:	
Due General Fund	1,033,608.30
Accounts Payable	36,021.89
Unearned Revenue	15,469.49
Compensated Absences Payable	<u>4,944.40</u>
Total Current Liabilities	<u>1,090,044.08</u>
Noncurrent Liabilities:	
Compensated Absences Payable	<u>19,777.62</u>
Total Liabilities	<u>1,109,821.70</u>
NET POSITION:	
Net Investment in Capital Assets	305,566.44
Unrestricted	<u>883,118.29</u>
Total Net Position	<u>\$ 1,188,684.73</u>

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

TOWNSHIP OF PENNSAUKEN SCHOOL DISTRICT
Proprietary Fund
Business Type Activities - Enterprise Fund
Statement of Revenues, Expenses and Changes in Fund Net Position
For the Fiscal Year Ended June 30, 2023

	<u>Food Service</u>
OPERATING REVENUES:	
Charges for Services:	
Daily Sales - Reimbursable Programs:	
School Lunch Program	\$ 284,361.84
School Breakfast Program	106,694.31
Daily Sales - Non-Reimbursable Programs	204,654.34
Miscellaneous	19,751.13
Special Functions	30,399.47
	<hr/>
Total Operating Revenues	645,861.09
	<hr/>
OPERATING EXPENSES:	
Salaries	1,176,366.83
Employee Benefits	945,030.30
General Supplies	139,573.68
Other Purchased Services	68,357.44
Depreciation	43,838.33
Cost of Sales - Reimbursable Programs	1,061,460.00
Cost of Sales - Non-Reimbursable Programs	115,625.00
	<hr/>
Total Operating Expenses	3,550,251.58
	<hr/>
Operating Income / (Loss)	(2,904,390.49)
	<hr/>
NONOPERATING REVENUES (EXPENSES):	
State Sources:	
State School Lunch Program	50,875.85
State School Breakfast Program	10,508.40
State School Breakfast After the Bell Program	22,161.60
Summer Food Service Program State Supplement	343.80
Federal Sources:	
National School Lunch Program	1,575,806.80
National School Breakfast Program	661,977.31
Food Distribution Program	283,156.68
Summer Food Service Program Breakfast and Lunch	8,148.06
Summer Food Service Program Administration	807.94
Supply Chain Assistance	222,376.66
Interest Revenue	47,528.71
	<hr/>
Total Nonoperating Revenues (Expenses)	2,883,691.81
	<hr/>
Change in Net Position	(20,698.68)
	<hr/>
Net Position -- July 1	1,209,383.41
	<hr/>
Net Position -- June 30	\$ 1,188,684.73
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The accompanying Notes to Financial Statements are an integral part of this statement.

TOWNSHIP OF PENNSAUKEN SCHOOL DISTRICT
Proprietary Fund
Business Type Activities - Enterprise Fund
Statement of Cash Flows
For the Fiscal Year Ended June 30, 2023

	<u>Food Service</u>
CASH FLOWS FROM OPERATING ACTIVITIES:	
Receipts from Customers	\$ 655,343.42
Payments to Employees	(1,161,693.71)
Payments for Employee Benefits	(943,845.15)
Payments for Supplies and Services	<u>(1,464,073.22)</u>
Net Cash Provided by (used for) Operating Activities	<u>(2,914,268.66)</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:	
State Sources	82,357.20
Federal Sources	2,828,637.75
Operating Subsidies and Transfers	<u>281,702.04</u>
Net Cash Provided by (used for) Non-Capital Financing Activities	<u>3,192,696.99</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:	
Purchases of Capital Assets	<u>(73,474.12)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:	
Interest Revenue	<u>47,528.71</u>
Net Increase (Decrease) in Cash and Cash Equivalents	252,482.92
Cash and Cash Equivalents -- July 1	<u>1,556,193.19</u>
Cash and Cash Equivalents -- June 30	<u><u>\$ 1,808,676.11</u></u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:	
Operating Income (Loss)	<u>\$ (2,904,390.49)</u>
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (used for) Operating Activities:	
Depreciation	43,838.33
(Increase) Decrease in Inventories	4,106.86
Increase (Decrease) in Accounts Payable	(83,163.96)
Increase (Decrease) in Unearned Revenue	15,469.49
Increase (Decrease) in Accrued Salary Benefits	(819.05)
(Increase) Decrease in Prepaid Expenses	16,677.32
(Increase) Decrease in Accounts Receivable	<u>(5,987.16)</u>
Total Adjustments	<u>(9,878.17)</u>
Net Cash Provided by (used for) Operating Activities	<u><u>\$ (2,914,268.66)</u></u>
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES:	
Food Distribution Program	<u><u>\$ 283,156.68</u></u>

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

TOWNSHIP OF PENNSAUKEN SCHOOL DISTRICT

Notes to Financial Statements
For the Fiscal Year Ended June 30, 2023

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Township of Pennsauken School District (the "School District") have been prepared to conform with accounting principles generally accepted in the United States of America ("GAAP") as applied to governmental units. The Governmental Accounting Standards Board ("GASB") is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the more significant of these policies.

Description of the Financial Reporting Entity

The School District is a Type II district located in the County of Camden, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education (the "Board"). The Board is comprised of nine members elected to three-year terms. These terms are staggered so that three member's terms expire each year. The Superintendent is appointed by the Board to act as executive officer of the School District. The purpose of the School District is to educate students in grades Pre-K through 12 at its ten schools. The School District has an approximate enrollment at June 30, 2023 of 4,774.

The primary criterion for including activities within the School District's reporting entity, as set forth in Section 2100 of the Governmental Accounting Standards Board *Codification of Governmental Accounting and Financial Reporting Standards*, is the degree of oversight responsibility maintained by the School District. Oversight responsibility includes financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations and accountability for fiscal matters. The financial statements include all funds of the School District over which the Board exercises operating control.

Component Units

In evaluating how to define the School District for financial reporting purposes, management has considered all potential component units. The decision to include any potential component units in the financial reporting entity was made by applying the criteria set forth in GASB Statement No. 14, *The Financial Reporting Entity*, as amended. Blended component units, although legally separate entities, are in-substance part of the government's operations. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the government.

The basic-but not the only-criterion for including a potential component unit within the reporting entity is the governing body's ability to exercise oversight responsibility. The most significant manifestation of this ability is financial interdependency. Other manifestations of the ability to exercise oversight responsibility include, but are not limited to, the selection of governing authority, the designation of management, the ability to significantly influence operations, and accountability for fiscal matters. A second criterion used in evaluating potential component units is the scope of public service. Application of this criterion involves considering whether the activity benefits the government and / or its citizens.

A third criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of whether the government is able to exercise oversight responsibilities. Finally, the nature and significance of a potential component unit to the primary government could warrant its inclusion within the reporting entity.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Component Units (Cont'd)**

Based upon the application of these criteria, the School District has no component units.

Government-wide and Fund Financial Statements

The School District's basic financial statements consist of government-wide statements, and fund financial statements which provide a more detailed level of financial information.

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by property taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are specifically associated with a service, program, or department and, therefore, clearly identifiable to a particular function. It is the policy of the School District to not allocate indirect expenses to functions in the statement of activities. Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Property taxes and other items not properly included among program revenues are reported instead as general revenues.

In regards to the fund financial statements, the School District segregates transactions related to certain functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. Fund financial statements report detailed information about the School District. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a single column.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Measurement Focus, Basis of Accounting and Financial Statement Presentation**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Property taxes are recognized as revenues in the year for which they are levied. The Camden County Board of Taxation is responsible for the assessment of properties, and the respective municipal tax collector is responsible for the collection of property taxes. Assessments are certified and property taxes are levied on January 1. Property tax payments are due February 1, May 1, August 1 and November 1. Unpaid property taxes are considered delinquent the following January 1 and are then subject to municipal lien. In accordance with New Jersey State Statute, the School District is entitled to receive moneys under an established payment schedule, and any unpaid amount is considered as an accounts receivable. The governing body of each municipality is required to pay over to the School District, within forty (40) days after the beginning of the school year, twenty percent (20%) of the moneys from school tax due. Thereafter, but prior to the last day of the school year, the municipality must pay the balance of moneys from school tax due for school purposes in such amounts as requested, with certain limitations, from time to time by the School District, within thirty days after each request.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recorded when they are deemed both available and measurable. Available means when revenues are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the School District considers revenues to be available if they are collected within sixty (60) days of the end of the current fiscal year. Measurable means that the amount of revenue can be determined. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, tuition, reimbursable-type grants, and interest associated with the current fiscal year are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal year. All other revenue items are considered to be measurable and available only when cash is received by the School District.

The School District reports the following major governmental funds:

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

As required by the New Jersey State Department of Education, the School District includes budgeted capital outlay in this fund. Accounting principles generally accepted in the United States of America, as they pertain to governmental entities, state that general fund resources may be used to directly finance capital outlays for long-lived improvements as long as the resources in such cases are derived exclusively from unrestricted revenues.

Resources for budgeted capital outlay purposes are normally derived from State of New Jersey aid, ad valorem tax revenues, and appropriated fund balance. Expenditures are those which result in the acquisition of or additions to capital assets for land, existing buildings, improvements of grounds, construction of buildings, additions to, or remodeling of buildings, and the purchase of built-in equipment.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Measurement Focus, Basis of Accounting and Financial Statement Presentation (Cont'd)**

The School District reports the following major governmental funds (cont'd):

Special Revenue Fund - The special revenue fund is used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects.

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

Debt Service Fund - The debt service fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditures for principal and interest.

Permanent Fund - The permanent fund is used to account for and report resources that are restricted to the extent that only earnings, and not principal, may be used for purposes that support the School District's programs, that is, for the benefit of the School District or its students as a whole. The School District maintains a permanent fund for the purpose of scholarships.

Proprietary funds are used to account for the School District's ongoing organizations and activities, which are operated and financed in a manner similar to those found in the private sector. The measurement focus is upon the determination of net income. 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 a proprietary fund's principal ongoing operations. All items not meeting this definition are reported as nonoperating revenues and expenses.

The School District reports the following major proprietary funds:

Enterprise Funds

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

As a rule, the effect of internal/interfund activity has been eliminated from the government-wide financial statements.

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

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Budgets / Budgetary Control**

Annual appropriated budgets are prepared in the spring of each fiscal year for the general, special revenue, and debt service funds, and are submitted to the county office of education. In accordance with P.L. 2011, c. 202, the School District passed a resolution to move the school board election to the first Tuesday after the first Monday in November, starting in November of 2012, to be held simultaneously with the general election. As a result, a vote is not required on the School District's general fund tax levy for the budget year, other than the general fund tax levy required to support a proposal for additional funds, if any. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line-item accounts within each fund. Line-item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6A:23A-16.2(f)1. Transfers of appropriations may be made by school board resolution at any time during the fiscal year in accordance with N.J.A.C. 6A:23A-13.3.

Formal budgetary integration into the accounting system is employed as a management control device during the year. For governmental funds, there are no substantial differences between the budgetary basis of accounting and generally accepted accounting principles, with the exception of the legally mandated revenue recognition of the one or more June state aid payments for budgetary purposes only, and the special revenue fund. N.J.S.A. 18A:22-44.2 provides that in the event a state school aid payment is not made until the following school budget year, school districts must record the delayed one or more June state aid payments as revenue, for budget purposes only, in the current school budget year. The bill provides legal authority for school districts to recognize this revenue in the current budget year. Encumbrance accounting is also employed as an extension of formal budgetary integration in the governmental fund types. Unencumbered appropriations lapse at fiscal year-end.

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

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

Exhibit C-3 presents a reconciliation of the general fund revenues and special revenue fund revenues and expenditures from the budgetary basis of accounting, as presented in the general fund budgetary comparison schedule and the special revenue fund budgetary comparison schedule, to the GAAP basis of accounting as presented in the statement of revenues, expenditures and changes in fund balances - governmental funds. Note that the School District does not report encumbrances outstanding at fiscal year-end as expenditures in the general fund since the general fund budget follows the modified accrual basis of accounting, with the exception of the aforementioned revenue recognition policy for the one or more June state aid payments.

Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of funds are recorded to assign a portion of the applicable appropriation, is utilized for budgetary control purposes. Encumbrances are a component of fund balance at fiscal year-end as they do not constitute expenditures or liabilities, but rather commitments related to unperformed contracts for goods and services. Open encumbrances in the governmental funds, other than the special revenue fund, which have not been previously restricted, committed, or assigned, should be included within committed or assigned fund balance, as appropriate.

Open encumbrances in the special revenue fund, however, for which the School District has received advances of grant awards, are reflected on the balance sheet as unearned revenues at fiscal year-end.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Encumbrances (Cont'd)**

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

Cash, Cash Equivalents and Investments

Cash and cash equivalents, for all funds, include petty cash, change funds, cash in banks and all highly liquid investments with a maturity of three months or less at the time of purchase and are stated at cost plus accrued interest. Such is the definition of cash and cash equivalents used in the statement of cash flows for the proprietary funds. U.S. treasury and agency obligations and certificates of deposit with maturities of one year or less when purchased are stated at cost. All other investments are stated at fair value.

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

N.J.S.A. 17:9-41 et seq. establishes the requirements for the security of deposits of governmental units. The statute requires that no governmental unit shall deposit public funds in a public depository unless such funds are secured in accordance with the Governmental Unit Deposit Protection Act ("GUDPA"), a multiple financial institutional collateral pool, which was enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution in New Jersey. Public depositories include State or federally chartered banks, savings banks or associations located in or having a branch office in the State of New Jersey, the deposits of which are federally insured. All public depositories must pledge collateral, having a market value at least equal to five percent of the average daily balance of collected public funds, to secure the deposits of governmental units. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the amount of their deposits to the governmental units.

Inventories

Inventories are valued at cost, which approximates market. The costs are determined on a first-in, first-out method.

The cost of inventories in the governmental fund financial statements is recorded as expenditures when purchased rather than when consumed.

Inventories recorded on the government-wide financial statements and in the proprietary fund types are recorded as expenses when consumed rather than when purchased.

Tuition Receivable

Tuition charges were established by the School District based on estimated costs. The charges are subject to adjustment when the final costs are determined.

Lease Receivable

Lease receivables recorded on the government-wide financial statement, in the governmental funds, and in the proprietary fund types represents a contract that conveys control of the right to use the School District's (lessor) nonfinancial asset. At the commencement of the lease term, the lessor recognizes a lease receivable and a deferred inflow of resources. The lease receivable is measured at the present value of lease payments expected to be received during the lease term.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Prepaid Expenses**

Prepaid expenses recorded on the government-wide financial statements and in the proprietary fund types represent payments made to vendors for services that will benefit periods beyond June 30, 2023.

In the governmental fund financial statements, however, payments for prepaid items are fully recognized as expenditures in the fiscal year of payment. No asset for the prepayment is created, and no expenditure allocation to future accounting periods is required (*non-allocation method*). This is consistent with the basic governmental concept that only expendable financial resources are reported by a specific fund.

Short-Term Interfund Receivables / Payables

Short-term interfund receivables / payables (internal balances) represent amounts that are owed, other than charges for goods or services rendered to / from a particular fund within the School District, and that are due within one year. Such balances are eliminated in the statement of net position to minimize the grossing up of internal balances, thus leaving a net amount due between the governmental and business-type activities that are eliminated in the total government column.

Capital Assets

Capital assets represent the cumulative amount of capital assets used by the School District. Purchased capital assets are recorded as expenditures in the governmental fund financial statements and are capitalized at cost on the government-wide statement of net position and proprietary fund statement of net position. Intangible right to use assets (lease and subscription assets) are recorded as expenditures in the governmental fund financial statements. Lease assets are measured on the government-wide statement of net position and proprietary fund statement of net position at the amount of the initial measurement of the related lease liability, plus any payments made to the lessor at or before the commencement of the lease term and certain direct costs. Subscription assets are recorded as expenditures in the governmental fund financial statements. Subscription assets are measured on the government-wide statement of net position and proprietary fund statement of net position at the amount of the initial measurement of the related subscription liability, plus any payments associated with the arrangement made to the vendor at the commencement of the subscription term and capitalizable initial implementation costs. In the case of gifts or contributions, such capital assets are recorded at acquisition value at the time received.

The School District's capitalization threshold is \$2,000.00. Other costs incurred for repairs and maintenance are expensed as incurred. All reported capital assets, except land and construction in progress, are depreciated using the straight-line method over the useful life of the assets. Lease and subscription assets are amortized in a systematic and rational manner over the shorter of the lease and subscription term or the useful life of the underlying assets. The useful lives of the School District's capital assets are as follows:

<u>Description</u>	<u>Governmental Activities Estimated Lives</u>	<u>Business-Type Activities Estimated Lives</u>
Land Improvements	10 to 20 Years	N/A
Buildings and Improvements	10 to 50 Years	N/A
Equipment	5 to 20 Years	5 to 12 Years
Subscription Assets	5 to 10 Years	5 to 10 Years

The School District does not possess any infrastructure assets.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Deferred Outflows of Resources and Deferred Inflows of Resources**

The statement of net position and the balance sheet for governmental funds reports separate sections for deferred outflows of resources and deferred inflows of resources. Deferred outflows of resources, reported after total assets, represents a reduction of net position that applies to a future period(s) and will be recognized as an outflow of resources (expense) at that time. Deferred inflows of resources, reported after total liabilities, represents an acquisition of net position that applies to a future period(s) and will be recognized as an inflow of resources (revenue) at that time.

Transactions are classified as deferred outflows of resources and deferred inflows of resources only when specifically prescribed by the Governmental Accounting Standards Board (GASB) standards. The School District is required to report the following as deferred outflows of resources and deferred inflows of resources: leases, defined benefit pension plans, and postemployment benefit plans.

Tuition Payable

Tuition charges for the fiscal years ended June 30, 2023 and 2022 were based on rates established by the receiving district. These rates are subject to change when the actual costs have been determined.

Unearned Revenue

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

Accrued Salaries and Wages

Certain School District employees who provide services to the School District over the ten-month academic year have the option to have their salaries evenly disbursed during the entire twelve-month year. New Jersey statutes require that these earned but undisbursed amounts be retained in a separate bank account. As of June 30, 2023, the amounts earned by these employees were disbursed to the employees' own individual credit union accounts.

Compensated Absences

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

The School District uses the vesting to calculate the compensated absences amount. The entire compensated absence liability, including the employer's share of applicable taxes, is reported on the government-wide financial statements. The portion related to employees in the proprietary funds is recorded at the fund level. The current portion is the amount estimated to be used in the following fiscal year. Expenditures are recognized in the governmental funds as payments come due each period, for example, as a result of employee resignations and retirements. Compensated absences not recorded at the fund level represent a reconciling item between the fund level and government-wide presentations.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Accrued Liabilities and Long-Term Obligations**

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

Bond Discounts / Premiums

Bond discounts / premiums arising from the issuance of long-term debt (bonds) are amortized over the life of the bonds, in systematic and rational method, as a component of interest expense. Bond discounts / premiums are presented as an adjustment of the face amount of the bonds on the government-wide statement of net position and on the proprietary fund statement of net position.

Net Position

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

Net Investment in Capital Assets - This component represents capital assets, net of accumulated depreciation or amortization of intangible capital assets, net of outstanding balances of borrowings used for the acquisition, construction, or improvement of those assets.

Restricted - Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the School District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

Unrestricted - Net position is reported as unrestricted when it does not meet the criteria of the other two components of net position.

The School District applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

Fund Balance

The School District reports fund balance in classifications that comprise a hierarchy based primarily on the extent to which the School District is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. The School District's classifications, and policies for determining such classifications, are as follows:

Nonspendable - The nonspendable fund balance classification includes amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash, such as inventories and prepaid amounts.

Restricted - The restricted fund balance classification includes amounts that are restricted to specific purposes. Such restrictions, or constraints, are placed on the use of resources either by being (1) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (2) imposed by law through constitutional provisions or enabling legislation.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Fund Balance (Cont'd)**

Committed - The committed fund balance classification includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the School District's highest level of decision-making authority, which, for the School District, is the Board of Education. Such formal action consists of an affirmative vote by the Board of Education, memorialized by the adoption of a resolution. Once committed, amounts cannot be used for any other purpose unless the Board of Education removes, or changes, the specified use by taking the same type of action (resolution) it employed to previously commit those amounts.

Assigned - The assigned fund balance classification includes amounts that are constrained by the School District's *intent* to be used for specific purposes, but are neither restricted nor committed. *Intent* is expressed by either the Board of Education or by the business administrator, to which the Board of Education has delegated the authority to assign amounts to be used for specific purposes. Such authority of the business administrator is established by way of a formal job description for the position and standard operating procedures, approved by the Board of Education.

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

When expenditures are incurred for purposes for which both restricted and unrestricted fund balances are available, it is the policy of the School District to spend restricted fund balances first. Moreover, when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications can be used, it is the policy of the School District to spend fund balances, if appropriate, in the following order: committed, assigned, then unassigned.

Interfund Activity

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

Accounting Estimates

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

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Impact of Recently Issued Accounting Principles****Recently Issued Accounting Pronouncements**

The GASB has issued the following Statement that will become effective for the School District for fiscal years ending after June 30, 2024:

Statement No. 101, *Compensated Absences*. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The Statement will become effective for the School District in the fiscal year ending June 30, 2025. Management is currently evaluating whether or not this Statement will have an impact on the basic financial statements of the School District.

Note 2: CASH AND CASH EQUIVALENTS

Custodial Credit Risk Related to Deposits - Custodial credit risk is the risk that, in the event of a bank failure, the School District's deposits might not be recovered. Although the School District does not have a formal policy regarding custodial credit risk, N.J.S.A. 17:9-41 et seq. requires that governmental units shall deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (GUDPA). Under the Act, the first \$250,000.00 of governmental deposits in each insured depository is protected by the Federal Deposit Insurance Corporation (FDIC). Public funds owned by the School District in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds, salary withholdings, and student activity funds, or funds that may pass to the School District relative to the happening of a future condition. Such funds are classified as uninsured and uncollateralized.

As of June 30, 2023, the School District's bank balances of \$59,391,193.30 were exposed to custodial credit risk as follows:

Insured by FDIC and GUDPA	\$ 59,257,101.98
Uninsured and uncollateralized	<u>134,091.32</u>
	<u>\$ 59,391,193.30</u>

New Jersey Cash Management Fund - During the fiscal year, the School District participated in the New Jersey Cash Management Fund. The Fund is governed by regulations of the State Investment Council, who prescribe standards designed to insure the quality of investments in order to minimize risk to the Funds participants. Deposits with the New Jersey Cash Management Fund are not subject to custodial credit risk as defined above. At June 30, 2023, the School District's deposits with the New Jersey Cash Management Fund were \$515,311.00.

Note 3: CAPITAL RESERVE ACCOUNT

A capital reserve account was established by the School District by inclusion of \$1,000.00 on September 28, 2000 for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

Note 3: CAPITAL RESERVE ACCOUNT (CONT'D)

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

The activity of the capital reserve for the July 1, 2022 to June 30, 2023 fiscal year is as follows:

Beginning Balance, July 1, 2022		\$ 12,496,674.66
Increased by:		
Interest Earnings	\$ 360,894.54	
Transfer per June 13, 2023 Resolution	<u>5,000,000.00</u>	
		<u>5,360,894.54</u>
Ending Balance, June 30, 2023		<u>\$ 17,857,569.20</u>

The June 30, 2023 LRFP balance of local support costs of uncompleted projects at June 30, 2023 is \$25,658,320.60.

Note 4: ACCOUNTS RECEIVABLE

Accounts receivable at June 30, 2023 consisted of accounts (fees for services) and intergovernmental awards / grants. All receivables are considered collectible in full due to the stable condition of federal and state programs, the current fiscal year guarantee of federal funds, and the regulated budgetary control of governmental entities in New Jersey.

Accounts receivable as of fiscal year end for the School District's individual major funds, in the aggregate, are as follows:

<u>Description</u>	<u>Governmental Funds</u>		<u>Proprietary Fund</u>		<u>Total</u>
	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Total Governmental Activities</u>	<u>Food Service Fund</u>	
Federal Awards		\$ 2,046,535.91	\$ 2,046,535.91	\$ 120,496.02	\$ 2,167,031.93
State Awards	\$ 1,645,752.33	4,837,617.75	6,483,370.08	4,467.49	6,487,837.57
Tuition Charges	327,741.19		327,741.19		327,741.19
Other		68,250.00	68,250.00	15,038.11	83,288.11
	<u>\$ 1,973,493.52</u>	<u>\$ 6,952,403.66</u>	<u>\$ 8,925,897.18</u>	<u>\$ 140,001.62</u>	<u>\$ 9,065,898.80</u>

Note 5: LEASES RECEIVABLE

The School District is reporting leases receivable of \$550,665.54 at June 30, 2023. The School District reported lease revenue of \$116,150.16 and interest revenue of \$16,076.09 related to lease payments received during the fiscal year ended June 30, 2023. The leases are summarized as follows:

Fiscal Year Ending June 30,	<u>Principal</u>	<u>Interest</u>
2024	\$ 180,860.87	\$ 12,604.69
2025	97,793.34	9,768.66
2026	104,040.20	6,749.80
2027	110,574.39	3,539.61
2028	<u>57,396.74</u>	<u>503.26</u>
Total	<u>\$ 550,665.54</u>	<u>\$ 33,166.02</u>

ENFASCO - On March 29, 2012, the School District entered into a five-year lease agreement with ENFASCO Inc. This Lease was renewed on January 1, 2018 for another 5 years. Based on this agreement, the School District is receiving monthly payments through December 2022. This Lease was renewed on January 1, 2023 for another five years.

Building Lease - On October 24, 1994, the School District entered into a five year lease agreement with AMACS, Inc. for the lease of a Cell Tower. Based on this agreement, the School District is receiving monthly payments through June 2024. There are renewal options included in this lease agreement.

Note 6: INVENTORY

Inventory recorded at June 30, 2023 in business-type activities on the government-wide statement of net position, and on the food service enterprise fund statement of net position, consisted of the following:

Food	\$ 20,240.34
Supplies	<u>24,021.92</u>
	<u>\$ 44,262.26</u>

Note 7: CAPITAL ASSETS

Capital asset activity for the fiscal year ended June 30, 2023 is as follows:

	Balance July 1, 2022	Additions	Retirements and Transfers	Balance June 30, 2023
Governmental Activities:				
Capital Assets, not being Depreciated				
Land	\$ 246,218.00			\$ 246,218.00
Construction in Progress	45,799,424.80	\$ 2,779,279.65	\$ (19,206,837.88)	29,371,866.57
Total Capital Assets, not being Depreciated	46,045,642.80	2,779,279.65	(19,206,837.88)	29,618,084.57
Capital Assets, being Depreciated				
Land Improvements	3,934,395.51			3,934,395.51
Buildings and Improvements	89,851,507.09		19,206,837.88	109,058,344.97
Equipment	15,831,320.24	333,840.99		16,165,161.23
Total Capital Assets, being Depreciated	109,617,222.84	333,840.99	19,206,837.88	129,157,901.71
Total Capital Assets, Cost	155,662,865.64	3,113,120.64	-	158,775,986.28
Less Accumulated Depreciation				
Land Improvements	(3,587,209.21)	(33,414.10)		(3,620,623.31)
Buildings and Improvements	(46,280,079.53)	(2,830,158.32)		(49,110,237.85)
Equipment	(10,311,119.70)	(1,884,229.55)		(12,195,349.25)
Total Accumulated Depreciation	(60,178,408.44)	(4,747,801.97)	-	(64,926,210.41)
Total Capital Assets, being Depreciated, Net	49,438,814.40	(4,413,960.98)	19,206,837.88	64,231,691.30
Governmental Activities Capital Assets, Net	\$ 95,484,457.20	\$ (1,634,681.33)	-	\$ 93,849,775.87
Business-Type Activities:				
Equipment	\$ 1,835,459.55	\$ 81,642.72		\$ 1,917,102.27
Less: Accumulated Depreciation	(1,567,697.50)	(43,838.33)		(1,611,535.83)
Business-Type Activities Capital Assets, Net	\$ 267,762.05	\$ 37,804.39	-	\$ 305,566.44

Note 7: CAPITAL ASSETS (CONT'D)

Depreciation expense were charged to functions / programs of the School District as follows:

Governmental Activities:

Regular Instruction	\$ 2,373,900.99
Special Education Instruction	949,560.39
Transportation	142,434.06
General Administration	237,390.10
Technology	189,912.08
School Administration	474,780.20
Operations and Maintenance	237,390.10
Student and Instruction Related Services	142,434.05
Total Depreciation Expense - Governmental Activities	<u>\$ 4,747,801.97</u>

Business-Type Activities:

Food Service	<u>\$ 43,838.33</u>
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Note 8: LONG-TERM LIABILITIES

During the fiscal year ended June 30, 2023, the following changes occurred in long-term obligations for governmental activities:

	<u>Balance July 1, 2022</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance June 30, 2023</u>	<u>Due within One Year</u>
Governmental Activities:					
General Obligation Bonds	\$ 33,045,000.00		\$ (1,405,000.00)	\$ 31,640,000.00	\$ 1,465,000.00
Unamortized Costs:					
Premium on Bonds	230,327.41		(13,548.67)	216,778.74	
Net Pension Liability	15,030,340.00	\$ 9,231,055.00	(5,372,259.00)	18,889,136.00	
Financed Purchases	5,759,088.85		(1,294,088.85)	4,465,000.00	405,000.00
Other Post Employment Benefits	1,647,728.00	100,774.00	(140,707.00)	1,607,795.00	
Compensated Absences	2,658,398.93	577,016.72	(531,679.79)	2,703,735.86	540,747.17
Governmental Activities Long-Term Liabilities	<u>\$ 58,370,883.19</u>	<u>\$ 9,908,845.72</u>	<u>\$ (8,757,283.31)</u>	<u>\$ 59,522,445.60</u>	<u>\$ 2,410,747.17</u>

The bonds payable are generally liquidated by the debt service fund, while financed purchases, compensated absences, net pension liability and other postemployment benefits are liquidated by the general fund.

Note 8: LONG-TERM LIABILITIES (CONT'D)

During the fiscal year ended June 30, 2023, the following changes occurred in long-term obligations for business-type activities:

	<u>Balance</u> <u>July 1, 2022</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>June 30, 2023</u>	<u>Due within</u> <u>One Year</u>
Business-Type Activities:					
Compensated Absences	\$ 25,541.07	\$ 4,289.16	\$ (5,108.21)	\$ 24,722.02	\$ 4,944.40

Compensated absences are liquidated by the food service enterprise fund.

Bonds Payable - Bonds and loans are authorized in accordance with State law by the voters of the municipality through referendums. All bonds are retired in serial installments within the statutory period of usefulness. Bonds issued by the School District are general obligation bonds.

On July 17, 2018 the School District issued \$35,669,000.00 of School Bonds at interest rates varying from 1.50% to 4.00% to fund the cost of various renovations throughout the school district. The final maturity date of these bonds is July 15, 2038. The bonds will be paid from state aid and property taxes.

Principal and interest due on bonds outstanding is as follows:

<u>Fiscal Year</u> <u>Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 1,465,000.00	\$ 1,017,543.76	\$ 2,482,543.76
2025	1,515,000.00	972,843.76	2,487,843.76
2026	1,570,000.00	926,568.76	2,496,568.76
2027	1,625,000.00	878,643.76	2,503,643.76
2028	1,700,000.00	828,768.76	2,528,768.76
2029-2033	9,610,000.00	3,317,396.92	12,927,396.92
2034-2038	11,630,000.00	1,602,612.50	13,232,612.50
2039	2,525,000.00	50,500.00	2,575,500.00
	<u>\$ 31,640,000.00</u>	<u>\$ 9,594,878.22</u>	<u>\$ 41,234,878.22</u>

Bonds Authorized but not Issued - As of June 30, 2023, the School District had no authorizations to issue additional bonded debt.

Financed Purchases - The School District's payments on financed purchases are budgeted and paid from the general fund on an annual basis.

As of June 30, 2023, the School District is financing one (1) ESIP Project with a total cost of \$6,685,000.00. The agreement is for a term of fifteen (15) years with an interest rate of 2.158%. The final maturity of the financed purchase is June 30, 2032. The District also is financing two (2) Capital Projects with a total cost of \$2,000,000.00 for each project. The agreements are for five (5) and three (3) years with an interest rate of 1.990% and 2.060% respectively.

Note 8: LONG-TERM LIABILITIES (CONT'D)

Financed Purchases (Cont'd) - The following is a schedule of the remaining future minimum payments under the financed purchases, and the present value of the net minimum payments at June 30, 2023:

<u>Fiscal Year</u> <u>Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 405,000.00	\$ 94,196.70	\$ 499,196.70
2025	430,000.00	85,294.95	515,294.95
2026	455,000.00	75,853.70	530,853.70
2027	470,000.00	65,980.85	535,980.85
2028	500,000.00	55,676.40	555,676.40
2029-2032	2,205,000.00	104,501.15	2,309,501.15
	<u>\$ 4,465,000.00</u>	<u>\$ 481,503.75</u>	<u>\$ 4,946,503.75</u>

Financed purchases are depreciated in a manner consistent with the School District's depreciation policy for owned assets.

Compensated Absences - As previously stated, compensated absences will be paid from the fund from which the employees' salaries are paid. Refer to note 14 for a description of the School District's policy.

Net Pension Liability - For details on the net pension liability, refer to note 9. The School District's annual required contribution to the Public Employees' Retirement System is budgeted and paid from the general fund on an annual basis.

Other Postemployment Benefits - For details on other postemployment benefits, refer to note 10. The School District's contributions to the postemployment benefits plan are budgeted and paid from the general fund.

Note 9: PENSION PLANS

A substantial number of the School District's employees participate in one of the following defined benefit pension plans: the Teachers' Pension and Annuity Fund ("TPAF") and the Public Employees' Retirement System ("PERS"), which are administered by the New Jersey Division of Pensions and Benefits (the "Division"). In addition, several School District employees participate in the Defined Contribution Retirement Program, which is a defined contribution pension plan. The DCRP is administered by Empower (formerly Prudential Financial).

Each of the aforementioned plans have a Board of Trustees that is primarily responsible for its administration. The Division issues a publicly available financial report that includes financial statements, required supplementary information, and detailed information about the PERS and TPAF plans' fiduciary net position that can be obtained by writing to or at the following website:

State of New Jersey, Department of the Treasury
Division of Pensions and Benefits
P.O. Box 295
Trenton, New Jersey 08625-0295
<https://www.state.nj.us/treasury/pensions/financial-reports.shtml>

General Information about the Pension Plans**Plan Descriptions**

Teachers' Pension and Annuity Fund - The Teachers' Pension and Annuity Fund is a cost-sharing multiple-employer defined benefit pension plan, with a special funding situation, which was established as of January 1, 1955, under the provisions of N.J.S.A. 18A:66. The State of New Jersey ("State") is responsible to fund 100% of the employer contributions, excluding any local employer early retirement incentive (ERI) contributions. The TPAF's designated purpose is to provide retirement benefits, death, disability and medical benefits to certain qualified members. Membership in the TPAF is mandatory for substantially all teachers or members of the professional staff certified by the State Board of Examiners, who have titles that are unclassified, professional and certified. The TPAF Board of Trustees is primarily responsible for the administration of the Plan.

Public Employees' Retirement System - The Public Employees' Retirement System is a cost-sharing multiple-employer defined benefit pension plan that was established as of January 1, 1955, under the provisions of N.J.S.A. 43:15A. The PERS' designated purpose is to provide retirement, death, disability, and medical benefits to certain qualified members. Membership in the PERS is mandatory for substantially all full-time employees of the School District, provided the employee is not required to be a member of another state-administered retirement system or other state pensions fund or local jurisdiction's pension fund. The PERS' Board of Trustees is primarily responsible for the administration of the PERS.

Note 9: PENSION PLANS (CONT'D)**General Information about the Pension Plans (Cont'd)****Plan Descriptions (Cont'd)**

Defined Contribution Retirement Program - The Defined Contribution Retirement Program is a multiple-employer defined contribution pension fund established on July 1, 2007 under the provisions of P.L. 2007, c. 92 and P.L. 2007, c. 103, and expanded under the provisions of P.L. 2008, c. 89 and P.L. 2010, c. 1. The DCRP is a tax-qualified defined contribution money purchase pension plan under Internal Revenue Code (IRC) § 401(a) et seq., and is a "governmental plan" within the meaning of IRC § 414(d). The DCRP provides retirement benefits for eligible employees and their beneficiaries. Individuals covered under DCRP are employees enrolled in TPAF or PERS on or after July 1, 2007, who earn salary in excess of established "maximum compensation" limits; employees enrolled in New Jersey State Police Retirement System (SPRS) or the Police and Firemen's Retirement System (PFRS) after May 21, 2010, who earn salary in excess of established "maximum compensation" limits; employees otherwise eligible to enroll in TPAF or PERS on or after November 2, 2008, who do not earn the minimum annual salary for tier 3 enrollment but who earn salary of at least \$5,000.00 annually; and employees otherwise eligible to enroll in TPAF or PERS after May 21, 2010 who do not work the minimum number of hours per week required for tiers 4 or 5 enrollment, but who earn salary of at least \$5,000.00 annually.

Vesting and Benefit Provisions

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

The following represents the membership tiers for TPAF:

Tier Definition

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

Service retirement benefits of 1/55th of final average salary for each year of service credit is available to tiers 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to tier 4 members upon reaching age 62 and tier 5 members upon reaching age 65. Early retirement benefits are available to tiers 1 and 2 members before reaching age 60, tiers 3 and 4 with 25 years or more of service credit before age 62, and tier 5 before age 65 with 30 years or more of service credit. Benefits are reduced by a fraction of a percent for each month that a member retires prior to the retirement age for his/her respective tier. Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for the respective tier.

Note 9: PENSION PLANS (CONT'D)**General Information About the Pension Plans (Cont'd)****Vesting and Benefit Provisions (Cont'd)**

Public Employees' Retirement System - The vesting and benefit provisions are set by N.J.S.A. 43:15A. PERS provides retirement, death and disability benefits. All benefits vest after 10 years of service.

The membership tiers for PERS are the same as previously noted for TPAF.

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

Defined Contribution Retirement Program - Eligible members are provided with a defined contribution retirement plan intended to qualify for favorable Federal income tax treatment under IRC Section 401(a), a noncontributory group life insurance plan and a noncontributory group disability benefit plan. A participant's interest in that portion of his or her defined contribution retirement plan account attributable to employee contributions shall immediately become and shall at all times remain fully vested and nonforfeitable. A participant's interest in that portion of his or her defined contribution retirement plan account attributable to employer contributions shall be vested and nonforfeitable on the date the participant commences the second year of employment or upon his or her attainment of age 65, while employed by an employer, whichever occurs first.

Contributions

Teachers' Pension and Annuity Fund - The contribution policy is set by N.J.S.A. 18A:66 and requires contributions by active members and contributing employers. Pursuant to the provisions of P.L. 2011, C. 78, the member contribution rate was 7.50% in State fiscal year 2022. The State's contribution is based on an actuarially determined amount, which includes the normal cost and an amortization of the unfunded accrued liability. For fiscal year 2022, the State's pension contribution was more than the actuarial determined amount.

Under current statute, all employer contributions are made by the State of New Jersey on-behalf of the School District and all other related non-contributing employers. No normal or accrued liability contribution by the School District has been required over several preceding fiscal years. These on-behalf contributions by the State of New Jersey are considered a special funding situation, under the definition of GASB 68, *Accounting and Financial Reporting for Pensions*.

The School District's contractually required contribution rate for the fiscal year ended June 30, 2023 was 34.87% of the School District's covered payroll, of which 0.00% of payroll was required from the School District and 100.00% of payroll was required from the State of New Jersey. The School District was not required to contribute to the pension plan during the fiscal year ended June 30, 2023 because of the 100.00% special funding situation with the State of New Jersey.

Note 9: PENSION PLANS (CONT'D)**General Information About the Pension Plans (Cont'd)****Contributions (Cont'd)**

Teachers' Pension and Annuity Fund (Cont'd) - Based on the most recent TPAF measurement date of June 30, 2022, the State's contractually required contribution, on-behalf of the School District, to the pension plan for the fiscal year ended June 30, 2023 was \$14,017,768, and was paid by April 1, 2023. School District employee contributions to the Plan during the fiscal year ended June 30, 2023 were \$3,098,674.96.

Public Employees' Retirement System - The contribution policy is set by N.J.S.A. 43:15A and requires contributions by active members and contributing employers. Pursuant to the provisions of P.L. 2011, C. 78, the member contribution rate was 7.50% in State fiscal year 2022. Employers' contributions are based on an actuarially determined amount, which includes the normal cost and an amortization of the unfunded accrued liability.

Special Funding Situation Component - Under N.J.S.A. 43:15A, local participating employers are responsible for their own contributions based on actuarially determined amounts, except where legislation was passed which legally obligated the State if certain circumstances occurred. One of such legislations, which legally obligate the State, is Chapter 133, P.L. 2001. This legislation increased the accrual rate from 1/60 to 1/55. In addition, it lowered the age required for a veteran benefit equal to 1/55 of highest 12-month compensation for each year of service from 60 to 55. Chapter 133, P.L. 2001 also established the Benefit Enhancement Fund (BEF) to fund the additional annual employer normal contribution due to the State's increased benefits. If the assets in the BEF are insufficient to cover the normal contribution for the increased benefits for a valuation period, the State will pay such amount for both the State and local employers. The amounts contributed on behalf of the local participating employers under this legislation is considered to be a *special funding situation* as defined by GASB Statement No. 68 and the State is treated as a nonemployer contributing entity. Since the local participating employers do not contribute under this legislation directly to the Plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to disclose in the notes to the financial statements of the local participating employers related to this legislation.

The School District's contractually required contribution rate for the fiscal year ended June 30, 2023 was 16.85% of the School District's covered payroll. This amount was actuarially determined as the amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, including an additional amount to finance any unfunded accrued liability.

Based on the most recent PERS measurement date of June 30, 2022, the School District's contractually required contribution to the pension plan for the fiscal year ended June 30, 2023 was \$1,578,392, and was paid by April 1, 2023. School District employee contributions to the Plan during the fiscal year ended June 30, 2023 were \$749,679.28.

The amount of contractually required contribution for the State of New Jersey's proportionate share, associated with the School District, under Chapter 133, P.L. 2001, for the fiscal year ended June 30, 2023 was 0.00% of the School District's covered payroll.

Based on the most recent PERS measurement date of June 30, 2022, the State's contractually required contribution, under Chapter 133, P.L. 2001, on-behalf of the School District, to the pension plan for the fiscal year ended June 30, 2023 was \$0.00.

Note 9: PENSION PLANS (CONT'D)**General Information About the Pension Plans (Cont'd)****Contributions (Cont'd)**

Defined Contribution Retirement Program - The contribution policy is set by N.J.S.A. 43:15C-3 and requires contributions by active members and contributing employers. In accordance with P.L. 2007, C. 92, and P.L. 2007, C. 103, Plan members are required to contribute 5.5% of their annual covered salary. In addition to the employee contributions, the School District contributes 3% of the employees' base salary, for each pay period.

For the fiscal year ended June 30, 2023, employee contributions totaled \$54,740.54, and the School District recognized pension expense, which equaled the required contributions, of \$40,250.96. There were no forfeitures during the fiscal year.

Pension Liabilities, Pension (Benefit) Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**Teachers' Pension and Annuity Fund**

Pension Liability - At June 30, 2023, the School District was not required to report a liability for its proportionate share of the net pension liability for TPAF because of the 100% special funding situation by the State of New Jersey.

The State's proportionate share of net pension liability, however, attributable to the School District is as follows:

Proportionate Share of Net Pension Liability	\$ -
State of New Jersey's Proportionate Share of Net Pension Liability associated with the Employer	172,806,487.00
	<u>\$ 172,806,487.00</u>

The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2021. The total pension liability was calculated using updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2022. For the June 30, 2022 measurement date, the School District's proportion of the net pension liability was based on a projection of the School District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers and the State of New Jersey, actuarially determined. At the June 30, 2022 measurement date, the School District proportion was 0.00% due to the 100% special funding situation with the State of New Jersey; however, the State's proportionate share of the TPAF net pension liability associated with the School District was .3349325395%, which was a decrease of .0010933475% from its proportion measured as of June 30, 2021.

Pension (Benefit) Expense - For the fiscal year ended June 30, 2023, the State's proportionate share of the pension (benefit) expense, associated with the School District, calculated by the Plan as of June 30, 2022 measurement date, was \$4,560,705.00. This on-behalf expense has been recognized by the School District in the government-wide financial statements.

Note 9: PENSION PLANS (CONT'D)**Pension Liabilities, Pension (Benefit) Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)****Public Employees' Retirement System**

Pension Liability - At June 30, 2023, there is no net pension liability associated with the special funding situation under Chapter 133, P.L. 2001, as there was no accumulated difference between the annual additional normal cost and the actual State contribution through the valuation date. The School District reported a liability of \$18,889,136.00 for its proportionate share of the net pension liability for PERS. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2021. The total pension liability was calculated using updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2022. The School District's proportion of the net pension liability was based on a projection of the School District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. For the June 30, 2022 measurement date, the School District's proportion was .1251650986%, which was a decrease of .0017106946% from its proportion measured as of June 30, 2021.

Pension (Benefit) Expense - For the fiscal year ended June 30, 2023, the School District recognized pension (benefit) expense of (\$1,671,815.00), in the government-wide financial statements. This pension expense was based on the pension plan's June 30, 2022 measurement date.

For the fiscal year ended June 30, 2023, the State's proportionate share of the pension (benefit) expense, associated with the School District, under Chapter 133, P.L. 2001, calculated by the Plan as of June 30, 2022 measurement date, was \$0.00.

Deferred Outflows and Inflows of Resources - At June 30, 2023, the School District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between Expected and Actual Experience	\$ 136,333.00	\$ 120,226.00
Changes of Assumptions	58,525.00	2,828,452.00
Net Difference between Projected and Actual Earnings on Pension Plan Investments	781,804.00	-
Changes in Proportion and Differences between Employer Contributions and Proportionate Share of Contributions	-	499,008.00
Contributions Subsequent to the Measurement Date	<u>1,630,323.00</u>	<u>-</u>
	<u><u>\$ 2,606,985.00</u></u>	<u><u>\$ 3,447,686.00</u></u>

Note 9: PENSION PLANS (CONT'D)**Pension Liabilities, Pension (Benefit) Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)****Public Employees' Retirement System (Cont'd)**

Deferred Outflows and Inflows of Resources (Cont'd) - Deferred outflows of resources in the amount of \$1,630,323.00 will be included as a reduction of the net pension liability in the subsequent fiscal year, June 30, 2024. The other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal Year Ending June 30,	
2024	\$ (1,868,717.00)
2025	(922,624.00)
2026	(486,629.00)
2027	811,459.00
2028	(4,513.00)
	<u>\$ (2,471,024.00)</u>

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

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>		<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between Expected and Actual Experience			Difference between Projected and Actual Earnings on Pension Plan Investments		
Year of Pension Plan Deferral:			Year of Pension Plan Deferral:		
June 30, 2017	5.48	-	June 30, 2018	5.00	-
June 30, 2018	-	5.63	June 30, 2019	5.00	-
June 30, 2019	5.21	-	June 30, 2020	5.00	-
June 30, 2020	5.16	-	June 30, 2021	5.00	-
June 30, 2021	-	5.13	June 30, 2022	5.00	-
June 30, 2022	-	5.04			
Changes of Assumptions			Changes in Proportion		
Year of Pension Plan Deferral:			Year of Pension Plan Deferral:		
June 30, 2017	-	5.48	June 30, 2017	5.48	5.48
June 30, 2018	-	5.63	June 30, 2018	5.63	5.63
June 30, 2019	-	5.21	June 30, 2019	5.21	5.21
June 30, 2020	-	5.16	June 30, 2020	5.16	5.16
June 30, 2021	5.13	-	June 30, 2021	5.13	5.13
June 30, 2022	-	5.04	June 30, 2022	5.04	5.04

Note 9: PENSION PLANS (CONT'D)**Actuarial Assumptions**

The net pension liabilities were measured as of June 30, 2022 and the total pension liabilities used to calculate the net pension liability were determined by an actuarial valuation as of July 1, 2021. The total pension liabilities were calculated using updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2022. The actuarial valuation used the following actuarial assumptions, applied to all periods included in the measurement:

	<u>TPAF</u>	<u>PERS</u>
Inflation Rate:		
Price	2.75%	2.75%
Wage	3.25%	3.25%
Salary Increases:	2.75% - 5.65%	2.75% - 6.55%
	Based on Years of Service	Based on Years of Service
Investment Rate of Return	7.00%	7.00%
Period of Actuarial Experience		
Study upon which Actuarial		
Assumptions were Based	July 1, 2018 - June 30, 2021	July 1, 2018 - June 30, 2021

For TPAF, pre-retirement mortality rates were based on the Pub-2010 Teachers Above-Median Income Employee mortality table with a 93.9% adjustment for males and 85.3% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 Teachers Above-Median Income Healthy Retiree mortality table with a 114.7% adjustment for males and 99.6% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability mortality rates were based on the Pub-2010 Non-Safety Disabled Retiree mortality table with a 106.3% adjustment for males and 100.3% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2021.

For PERS, pre-retirement mortality rates were based on the Pub-2010 General Below-Median Income Employee mortality table with an 82.2% adjustment for males and 101.4% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 General Below-Median Income Healthy Retiree mortality table with a 91.4% adjustment for males and 99.7% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability retirement rates used to value disabled retirees were based on the Pub-2010 Non-Safety Disabled Retiree mortality table with a 127.7% adjustment for males and 117.2% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2021.

Note 9: PENSION PLANS (CONT'D)**Actuarial Assumptions (Cont'd)**

For TPAF and PERS, in accordance with State statute, the long-term expected rate of return on Plan investments (7.00% at the June 30, 2022 measurement date) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Best estimates of arithmetic rates of return for each major asset class included in TPAF's and PERS' target asset allocation as of the June 30, 2022 measurement date are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Equity	27.00%	8.12%
Non-US Developed Markets Equity	13.50%	8.38%
Emerging Market Equity	5.50%	10.33%
Private Equity	13.00%	11.80%
Real Estate	8.00%	11.19%
Real Assets	3.00%	7.60%
High Yield	4.00%	4.95%
Private Credit	8.00%	8.10%
Investment Grade Credit	7.00%	3.38%
Cash Equivalents	4.00%	1.75%
U.S. Treasuries	4.00%	1.75%
Risk Mitigation Strategies	3.00%	4.91%
	<u>100.00%</u>	

Discount Rate -

Teachers' Pension and Annuity Fund - The discount rate used to measure the total pension liability was 7.00% as of June 30, 2022. The projection of cash flows used to determine the discount rate assumed that contributions from Plan members will be made at the current member contribution rates and that contributions from employers would be based on 100% of the actuarially determined contributions for the State. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on Plan investments was applied to projected benefit payments in determining the total pension liability.

Note 9: PENSION PLANS (CONT'D)**Actuarial Assumptions (Cont'd)****Discount Rate (Cont'd) -**

Public Employees' Retirement System - The discount rate used to measure the total pension liability was 7.00% as of June 30, 2022. The projection of cash flows used to determine the discount rate assumed that contributions from Plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity would be based on 100% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on Plan investments was applied to all projected benefit payments in determining the total pension liability.

Sensitivity of Proportionate Share of Net Pension Liability to Changes in the Discount Rate

Teachers' Pension and Annuity Fund (TPAF) - As previously mentioned TPAF has a special funding situation where the State pays 100% of the School District's annual required contribution. As such, the proportionate share of the net pension liability as of June 30, 2022, the Plan's measurement date, attributable to the School District is \$0.00. The following, however, presents the net pension liability of the State as of June 30, 2022 (Plan's measurement date), attributable to the School District, calculated using the discount rate of 7.00% as well as what the State's net pension liability would be if it was calculated using a discount rate that is 1-percentage point lower or 1-percentage-point higher than the current rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Proportionate Share of the Net Pension Liability	\$ -	\$ -	\$ -
State of New Jersey's Proportionate Share of Net Pension Liability associated with the Employer	202,619,278.00	172,806,487.00	147,692,956.00
	<u>\$ 202,619,278.00</u>	<u>\$ 172,806,487.00</u>	<u>\$ 147,692,956.00</u>

Public Employees' Retirement System (PERS) - The following presents the School District's proportionate share of the net pension liability at June 30, 2022, the Plan's measurement date, calculated using a discount rate of 7.00%, as well as what the School District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1% lower or 1% higher than the current rates used:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Proportionate Share of the Net Pension Liability	<u>\$ 24,267,007.00</u>	<u>\$ 18,889,136.00</u>	<u>\$ 14,312,352.00</u>

Note 9: PENSION PLANS (CONT'D)**Pension Plan Fiduciary Net Position**

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

Note 10 POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)**A. STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES PLAN****General Information about the OPEB Plan**

Plan Description and Benefits Provided - The State Health Benefit Local Education Retired Employees Plan (the "OPEB Plan") is a multiple-employer defined benefit OPEB plan, with a special funding situation, that is administered on a pay-as-you-go basis. Accordingly, no assets are accumulated in a qualifying trust that meets the criteria in paragraph 4 of GASB Statement No. 75 - *Accounting and Financial Reporting for the Postemployment Benefits Other Than Pensions*. The OPEB Plan is administered by the State of New Jersey Division of Pensions and Benefits (the "Division") and is part of the New Jersey State Health Benefits Program (SHBP). The Division issues a publicly available financial report that includes financial statements and required supplementary information which can be obtained by writing to or at the following website:

State of New Jersey
Division of Pensions and Benefits
P.O. Box 295
Trenton, New Jersey 08625-0295
<https://www.nj.gov/treasury/pensions/financial-reports.shtml>

The OPEB Plan provides medical, prescription drug, and Medicare Part B reimbursement to retirees and their covered dependents of local education employers.

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

Note 10: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONT'D)**A. STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES PLAN (CONT'D)****General Information about the OPEB Plan (Cont'd)**

Employees Covered by Benefit Terms - At June 30, 2022, the OPEB Plan's measurement date, the entire State Health Benefit Local Education Retired Employees OPEB Plan consisted of the following members.

Active Plan Members	213,148
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	151,669
Inactive Plan Members Entitled to but Not Yet Receiving Benefit Payments	-
	<u>364,817</u>

Total Non-Employer OPEB Liability

The State of New Jersey, a non-employer contributing entity, is the only entity that has a legal obligation to make employer contributions to the OPEB Plan for qualified retired TPAF, PERS, PFRS and ABP pension participants. The School District's proportionate share percentage determined under paragraphs 193 and 203 through 205 of GASBS No. 75 is zero percent. Accordingly, the School District did not recognize any portion of the collective net OPEB liability on the statement of net position.

The State's proportionate share of the net OPEB liability associated with the School District as of June 30, 2023 was \$208,272,190.00. Since the OPEB liability associated with the School District is 100% attributable to the State, the OPEB liability will be referred to as the total non-employer OPEB liability.

The total non-employer OPEB liability was measured as of June 30, 2022, and was determined by an actuarial valuation as of June 30, 2021, which was rolled forward to June 30, 2022. For the June 30, 2022 measurement date, the State's proportionate share of the non-employer OPEB liability associated with the School District was .4112275128%, which was a decrease of .0047007212% from its proportion measured as of June 30, 2021.

Actuarial Assumptions and Other Inputs - The actuarial assumptions and other inputs vary for each plan member depending on the pension plan in which the member is enrolled. The actuarial valuation at June 30, 2021, which was rolled forward to June 30, 2022, used the following actuarial assumptions, applied to all periods in the measurement:

Salary Increases -

	<u>TPAF/ABP</u> *	<u>PERS</u> *	<u>PFRS</u> *
Salary Increases	2.75% to 4.25%	2.75% to 6.55%	3.25% to 16.25%

* based on service years

Note 10: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONT'D)**A. STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES PLAN (CONT'D)****Total Non-Employer OPEB Liability (Cont'd)**

Mortality Rates - Preretirement mortality rates were based on the Pub-2010 Healthy "Teachers" (TPAF/ABP), "General" (PERS), and "Safety" (PFRS) classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021. Postretirement mortality rates were based on the Pub-2010 "General" classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021 for current disabled retirees. Future disabled retirees was based on the Pub-2010 "Safety" (PFRS), "General" (PERS), and "Teachers" (TPAF/ABP) classification headcount-weighted disabled mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021.

Experience Studies - The actuarial assumptions used in the June 30, 2021 valuation, which was rolled forward to June 30, 2022, were based on the results of actuarial experience studies for the periods July 1, 2018 to June 30, 2021 for TPAF, PERS, and PFRS.

Health Care Trend Assumptions - For pre-Medicare medical benefits, the trend rate is initially 6.25% and decreases to a 4.50% long-term trend rate after eight years. For post-65 medical benefits PPO, the trend is initially -1.99% in fiscal year 2023, increasing to 13.44% in fiscal year 2026 and decreases to 4.50% in fiscal year 2033. For HMO the trend is initially -3.54% in fiscal year 2023, increasing to 15.19% in fiscal year 2026 and decreases to 4.50% in fiscal year 2033. For prescription drug benefits, the initial trend rate is 8.00% and decreases to a 4.50% long-term trend rate after eight years. For the Medicare Part B reimbursement, the trend rate is 5.00%.

Discount Rate - The discount rate for June 30, 2022 measurement date was 3.54%. This represents the municipal bond return rate as chosen by the Division. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. As the long-term rate of return is less than the municipal bond rate, it is not considered in the calculation of the discount rate, rather the discount rate is set at the municipal bond rate.

Changes in the Total Non-Employer OPEB Liability

The below table summarizes the State's proportionate share of the change in the total non-employer OPEB liability associated with the School District:

Balance at June 30, 2022		\$ 249,588,763.00
Changes for the Year:		
Service Cost	\$ 10,419,074.00	
Interest Cost	5,519,443.00	
Changes in Benefit Terms	-	
Difference between Expected and Actual Experience	3,907,575.00	
Changes in Assumptions	(55,870,884.00)	
Member Contributions	175,390.00	
Gross Benefit Payments	(5,467,171.00)	
Net Changes		(41,316,573.00)
Balance at June 30, 2023		<u>\$ 208,272,190.00</u>

Note 10: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONT'D)**A. STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES PLAN (CONT'D)****Changes in the Total Non-Employer OPEB Liability (Cont'd)**

Differences between expected and actual experience reflect an increase in liability for the measurement period from June 30, 2021 to June 30, 2022 due to changes in the census and premium and claims experience.

Changes in assumptions reflect a decrease in the liability for the measurement period from June 30, 2021 to June 30, 2022 is due to the combined effect of the discount rate change; and changes in the trend, and experience study.

Sensitivity of the Total Non-Employer OPEB Liability to Changes in the Discount Rate - The State's proportionate share of the total non-employer OPEB liability as of June 30, 2022, associated with the School District, using a discount rate of 3.54%, as well as using a discount rate that is 1% lower or 1% higher than the current rate used is as follows:

	1% Decrease (2.54%)	Current Discount Rate (3.54%)	1% Increase (4.54%)
State of New Jersey's Proportionate Share of the Total Non-Employer OPEB Liability Associated with the Employer	<u>\$ 244,802,051.00</u>	<u>\$ 208,272,190.00</u>	<u>\$ 178,995,333.00</u>

Sensitivity of the Total Non-Employer OPEB Liability to Changes in the Healthcare Cost Trend Rates - The State's proportionate share of the total non-employer OPEB liability as of June 30, 2022, associated with the School District, using a healthcare cost trend rates that are 1% lower or 1% higher than the current healthcare cost trend rate used is as follows:

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
State of New Jersey's Proportionate Share of the Total Non-Employer OPEB Liability Associated with the Employer	<u>\$ 172,149,695.00</u>	<u>\$ 208,272,190.00</u>	<u>\$ 255,721,280.00</u>

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

OPEB Expense - For the fiscal year ended June 30, 2023, the School District recognized \$4,431,280.00 in OPEB expense and revenue, in the government-wide financial statements, for the State's proportionate share of the OPEB Plan's OPEB expense, associated with the School District. This expense and revenue was based on the OPEB Plan's June 30, 2022 measurement date.

Note 10: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONT'D)**A. STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES PLAN (CONT'D)****OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to the Total Non-Employer OPEB Liability (Cont'd)**

Deferred Outflows and Inflows of Resources - In accordance with GASBS No. 75, the School District's proportionate share of the OPEB liability is zero. As such, there is no recognition of the allocation of proportionate share of deferred outflows of resources and deferred inflows of resources by the School District; however, at June 30, 2023, the State's proportionate share of the total non-employer OPEB liability's deferred outflows of resources and deferred inflows of resources, associated with School District, from the following sources are as follows:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between Expected and Actual Experience	\$ 37,184,847.00	\$ 63,587,907.00
Changes of Assumptions	36,046,643.00	70,884,476.00
Changes in Proportion	<u>614,352.00</u>	<u>7,970,665.00</u>
	<u><u>\$ 73,845,842.00</u></u>	<u><u>\$ 142,443,048.00</u></u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to the State's proportionate share of the total non-employer OPEB liability, associated with the School District, will be recognized in OPEB expense as follows:

**Fiscal
Year Ending
June 30,**

2024	\$ (11,511,185.00)
2025	(11,511,185.00)
2026	(11,511,185.00)
2027	(10,058,030.00)
2028	(6,200,236.00)
Thereafter	<u>(17,805,385.00)</u>
	<u><u>\$ (68,597,206.00)</u></u>

Note 10: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (OPEB) (CONT'D)**B. HEALTH AND WELFARE POST-RETIREMENT BENEFITS****General Information about the OPEB Plan**

Plan Description - The School District's defined benefit OPEB plan (the "Plan") provides OPEB for all permanent full-time administrative and custodial employees of the School District. The Plan is a single-employer defined benefit OPEB plan and is administered by the School District. The Board of Education of the School District has the authority to establish and amend the benefit terms and financing requirements of the Plan. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits other than Pensions*.

Benefits Provided - The Plan provides dental insurance benefits for retired employees.

Employees Covered by Benefit Terms - As of June 30, 2023, the following employees were covered by the benefit terms:

Inactive Employees or Beneficiaries Currently Receiving Benefit Payments	70
Active Employees	438
	<hr/>
	508
	<hr/> <hr/>

Total OPEB Liability

The School District's total OPEB liability of \$1,607,795 was measured as of June 30, 2023, and was determined by an actuarial valuation as of that date.

Actuarial Assumptions and Other Inputs - The total OPEB liability in the June 30, 2023 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	3.00% Annually
Discount Rate	4.13%
Healthcare Cost Trend Rates	5.00% for Medical Benefits
Retirees' Share of Benefit-Related Costs	None

The discount rate was based on the 20-Bond General Obligation (GO) Index.

Note 10: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (OPEB) (CONT'D)**B. HEALTH AND WELFARE POST-RETIREMENT BENEFITS (CONT'D)****Total OPEB Liability (Cont'd)**

Actuarial Assumptions and Other Inputs (Cont'd) - Mortality rates were based on the following:

Pre-Retirement - RP-2014 Headcount-Weighted Healthy White-Collar Employee Male / Female Mortality Projected with Scale MP-2017

Post-Retirement - RP-2014 Headcount-Weighted Healthy White-Collar Annuitant Male / Female Mortality Projected with Scale MP-2017

Disabled - RP-2014 Headcount-Weighted Disabled Retiree Male / Female Mortality Projected with Scale MP-2017

The actuarial assumptions used in the June 30, 2023 valuation were based on the results of an actuarial experience study for the period July 1, 2025 - April 30, 2027.

Changes in Total OPEB Liability -

Balance at June 30, 2022		\$ 1,647,727
Changes for the Year:		
Service Cost	\$ 40,285	
Interest Cost	66,309	
Benefit Payments	(52,937)	
Actuarial Assumption Changes	(5,820)	
Difference Between Expected and Actual Experience	(87,769)	
Net Changes		<u>(39,932.00)</u>
Balance at June 30, 2023		<u>\$ 1,607,795</u>

Changes of assumptions and other inputs reflect a change in the discount rate from 4.09 percent (4.09%) in 2022 to 4.13 percent (4.13%) in 2023.

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate - The following presents the total OPEB liability of the School District, as well as what the School District's total OPEB liability would be if it were calculated for using a discount rate that is 1-percentage-point lower (3.13 percent) or 1-percentage-point higher (5.13 percent) than the current discount rate:

	June 30, 2023		
	1.00% Decrease (3.13%)	Current Discount Rate (4.13%)	1.00% Increase (5.13%)
Total OPEB Liability	<u>\$ 1,769,785</u>	<u>\$ 1,607,795</u>	<u>\$ 1,462,722</u>

Note 10: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (OPEB) (CONT'D)**B. HEALTH AND WELFARE POST-RETIREMENT BENEFITS (CONT'D)****OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

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, 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-percentage-point lower (5.00 percent decreasing to 4.00 percent) or 1-percentage-point higher (5.00 percent increasing to 6.00 percent) than the current healthcare cost trend rates:

	1.00% Decrease (4.00%)	Healthcare Cost Trend Rates (5.00%)	1.00% Increase (6.00%)
Total OPEB Liability	<u>\$ 1,442,305</u>	<u>\$ 1,607,795</u>	<u>\$ 1,798,150</u>

For the fiscal year ended June 30, 2023, the School District recognized OPEB expense of \$273,462.00. At June 30, 2023, 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
Changes of Assumptions or Other Inputs	\$ 1,231,930	\$ -
Changes of Actuarial Gains	-	370,124
	<u>\$ 1,231,930</u>	<u>\$ 370,124</u>

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

Year Ending June 30,	
2024	\$ 166,868
2025	166,868
2026	166,868
2027	166,866
2028	156,543
2029	35,524
2030	2,269
	<u>\$ 861,806</u>

Note 11: ON-BEHALF PAYMENTS

For the fiscal year ended June 30, 2023, the School District has recognized as revenues and expenditures on-behalf payments made by the State for normal costs and post-retirement medical costs related to TPAF, in the fund financial statements. The amounts recognized as revenues and expenditures in the fund financial statements for normal costs, non-contributory insurance, post-retirement medical costs, and long-term disability insurance were \$13,242,865.00, \$183,730.00, \$3,527,134.00 and \$3,720.00, respectively.

Note 12: RISK MANAGEMENT

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

New Jersey Unemployment Compensation Insurance - The School District has elected to fund its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method". Under this plan, the School District is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The School District is billed quarterly for amounts due to the State.

The following is a summary of the activity of the School District's unemployment claims for the current and previous two fiscal years:

<u>Fiscal Year Ended June 30,</u>	<u>Employee Contributions</u>	<u>School District Contributions</u>	<u>Interest Income</u>	<u>Claims Incurred</u>	<u>Ending Balance</u>	
					<u>Claims Payable</u>	<u>Restricted Fund Balance</u>
2023	\$ 103,678.06		\$ 11,533.57	\$ 152,762.56	\$ 148,947.22	\$ 282,088.70
2022	89,201.45	\$ 108,830.27	7,176.48	109,267.85	198,031.72	270,555.13
2021	78,485.02		5,836.41	20,113.76	109,267.85	263,378.65

Note 12: RISK MANAGEMENT (CONT'D)

Joint Insurance Fund - The School District is a member of the New Jersey Schools Insurance Group. Contributions to the Fund, including a reserve for contingencies, are payable in two installments and are based on actuarial assumptions determined by the Fund's actuary. The Commissioner of Insurance may order additional assessments to supplement the Fund's claim, loss retention, or administrative accounts to assure the payment of the Fund's obligations.

A complete schedule of insurance coverage can be found in the statistical section of this Annual Comprehensive Financial Report. The Fund provides the School District with the following coverage:

Property
Comprehensive General Liability
Commercial Inland Marine
Boiler and Machinery
Crime
Automobile
Environmental Impairment Liability
Workers' Compensation
Educators Legal Liability
Cyber Liability
Violent Malicious Acts

Contributions to the Pool, including a reserve for contingencies, are payable in two installments and are based on actuarial assumptions determined by the Pool's actuary. The School District's agreement with the Pool provides that the Pool will be self-sustaining through member premiums and will reinsure through the Municipal Excess Liability Joint Insurance Fund for claims in excess of \$50,000.00 to \$200,000.00 based on the line of coverage for each insured event.

The Fund publishes its own financial report for the fiscal year ended June 30, 2023, which can be obtained from:

New Jersey Schools Insurance Group
450 Veterans Drive
Burlington, New Jersey 08016

Note 13: DEFERRED COMPENSATION

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

Ameriprise Financial
AXA Equitable
Lincoln Investment Planning
Siracusa
Valic Investments
Midland National

Note 14: COMPENSATED ABSENCES

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

School District employees participate in one of six collective bargaining units with varying provisions for accumulation of unused sick leave. Benefits paid in any future year will be calculated according to formulas outlined in the School Districts' agreements with the various employee unions. The accounting and the accumulated days is maintained by the District.

The liability for vested compensated absences is recorded within those funds as the benefits accrue to employees. At June 30, 2023, the liability for compensated absences reported on the government-wide statement of net position and on the proprietary fund statement of net position was \$2,703,735.86 and \$24,722.02, respectively.

Note 15: INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

Interfunds - The composition of interfund balances as of June 30, 2023 is as follows:

<u>Fund</u>	<u>Interfunds Receivable</u>	<u>Interfunds Payable</u>
General	\$ 1,529,820.52	\$ 169,079.48
Special Revenue		497,058.81
Capital Projects	169,022.24	
Permanent	903.83	
Proprietary		1,033,608.30
	<u>\$ 1,699,746.59</u>	<u>\$ 1,699,746.59</u>

The interfund receivables and payables above predominately resulted from payments made by certain funds on behalf of other funds. During the fiscal year 2024, the School District expects to liquidate such interfunds, depending upon the availability of cash flow.

Note 16: CONCENTRATIONS

The School District depends on financial resources flowing from, or associated with, both the Federal government and the State of New Jersey. As a result of this dependency, the School District is subject to changes in specific flows of intergovernmental revenues based on modifications to Federal and State laws and Federal and State appropriations.

Note 17: COMMITMENTS

The School District had one construction project ongoing as of the fiscal year ended June 30, 2023 that is to continue into the subsequent fiscal year. This project which is related to the capital projects fund, is as follows:

<u>Contract</u>	<u>Commitment Date</u>	<u>Amount Outstanding</u>
Dandrea Construction Co., Inc.	5/21/2021	\$ <u>412,946.73</u>

Note 18: FUND BALANCES**NONSPENDABLE**

As stated in note 1, the nonspendable fund balance classification includes amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact. The nonspendable fund balances of the School District, as of June 30, 2023, are summarized as follows:

Permanent Fund - On June 6, 1966, the School District was the beneficiary of a distribution from an estate. In accordance with the terms of the distribution, the principal is to be invested upon good security, and the income only, derived there from, is to be used solely for the education of students in the fields of art and science. As of June 30, 2023, the nonspendable fund balance amount was \$8,000.00.

RESTRICTED

As stated in note 1, the restricted fund balance classification includes amounts that are restricted to specific purposes. Such restrictions, or constraints, are placed on the use of resources by either of the following: (1) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (2) imposed by law through constitutional provisions or enabling legislation. Specific restrictions of the School District's fund balance are summarized as follows:

General Fund

For Excess Surplus - In accordance with N.J.S.A. 18A:7F-7, as amended, the designation of restricted fund balance - excess surplus is the result of a required calculation. New Jersey school districts are required to restrict general fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2023 is \$14,430,102.32. Additionally, \$14,949,403.00 of excess fund balance generated during 2021-2022 has been restricted and designated for utilization in the 2023-2024 budget.

For Capital Reserve Account - As of June 30, 2023, the balance in the capital reserve account is \$17,857,569.20. These funds are restricted for future capital outlay expenditures for capital projects in the School District's approved Long Range Facilities Plan (LRFP).

For Maintenance Reserve Account - As of June 30, 2023, the balance in the maintenance reserve account is \$5,249,187.00. These funds are restricted for the required maintenance of school facilities in accordance with the Educational Facilities Construction and Financing Act (EFCFA) (N.J.S.A. 18A:7G-9) as amended by P.L. 2004, c. 73 (S1701).

Note 18: FUND BALANCES (CONT'D)**RESTRICTED (CONT'D)****General Fund (Cont'd)**

For Emergency Reserve - As of June 30, 2023, the balance in the emergency reserve is \$1,000,000.00. These funds are restricted for the purpose of financing unanticipated general fund expenditures required for a thorough and efficient education in accordance with N.J.S.A. 18A:7F-41c(1). The balance of the restricted fund balance is not permitted to exceed \$250,000.00, or one percent (1%) of the School District's general fund budget up to a maximum of \$1,000,000.00, whichever is greater. Deposits may be made to the emergency reserve account at budget time, or by board resolution at year end of any unanticipated revenue or unexpended line item appropriation, or both. Withdrawals from the emergency reserve require approval by the Commissioner.

For Unemployment Compensation - Pursuant to N.J.S.A. 43:21-7.3(g), the School District has elected to fund its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method" (see note 12). As a result, there exists at June 30, 2023 a restricted fund balance from employer contributions in the amount of \$282,088.70 for future unemployment claims.

Special Revenue Fund

Special Revenue - The School District was the beneficiary of various State, Federal and private grants. The district may only utilize these funds in accordance with the terms of the grant agreements. As of June 30, 2023, the restricted fund balance amount was \$411,332.80.

For Scholarships - The School District reports fund balance resulting from the receipt of an endowment to be used for scholarships for future teachers. These funds are required to be used as restricted by the donor. The balance of these funds as of June 30, 2023 is \$19,879.20.

For Student Activities - In accordance with N.J.A.C. 6A:23A-16.12(c), each school district shall ensure through adoption of a formal board policy that all financial and bookkeeping controls are adequate to ensure appropriate fiscal accountability and sound business practices for funds collected for student activities. As such, borrowing from student activity funds is prohibited. The balance of these funds as of June 30, 2023 is \$189,013.80.

Capital Projects Fund - On January 6, 2014 the District received approval from the Department of Education for the roof replacement at Pennsauken High School. This project was funded with a combination of a Grant from the State of New Jersey and a transfer from Capital Outlay. The School District entered into a lease agreement on August 17, 2016 for \$6,685,000.00. The proceeds of this lease is to be utilized to fund the School District's Energy Savings Improvement Program. The School District also entered into a lease agreement on January 23, 2018 for \$2,000,000.00. The proceeds of this lease is to be utilized for building renovations. The School District also entered into a lease agreement on December 10, 2019 for \$2,000,000.00. The proceeds of this lease is to be utilized for gym renovations. In addition, on July 17, 2018, the School District issued \$35,669,000.00 in bonds to complete various renovations throughout the District. As of June 30, 2023, the restricted fund balance amount was \$987,255.06.

Debt Service Fund - In accordance with N.J.A.C. 6A:23A-8.6, a district board of education shall appropriate annually all debt service fund balances in the budget certified for taxes unless expressly authorized and documented by the voters in a bond referendum. As a result, the School District has \$1.36 of debt service fund balance at June 30, 2023.

Note 18: FUND BALANCES (CONT'D)**RESTRICTED (CONT'D)**

Permanent Fund - Other Purposes - The School District was the beneficiary of a distribution from an estate. In accordance with the terms of the distribution, any interest income derived from permanent fund principal is to be used solely for student scholarships. As of June 30, 2023, the restricted fund balance amount was \$981.73.

ASSIGNED

As stated in note 1, the assigned fund balance classification includes amounts that are constrained by the School District's *intent* to be used for specific purposes, but are neither restricted nor committed. Specific assignments of the School District's fund balance are summarized as follows:

General Fund

For Subsequent Year's Expenditures - The School District has appropriated and included as an anticipated revenue for the fiscal year ending June 30, 2024, \$3,486,230.00 of general fund balance at June 30, 2023.

Other Purposes - As of June 30, 2023, the School District had \$1,818,173.49 of encumbrances outstanding for purchase orders and contracts signed by the School District, but not completed, as of the close of the fiscal year.

UNASSIGNED

As stated in note 1, the unassigned fund balance classification represents fund balance that has not been restricted, committed, or assigned to specific purposes. The School District's unassigned fund balance is summarized as follows:

General Fund - As of June 30, 2023, (\$3,072,160.74) of general fund balance was an unassigned deficit.

Note 19: DEFICIT FUND BALANCES

The School District has a deficit fund balance of \$3,072,160.74 in the general fund as of June 30, 2023 as reported in the fund statements (modified accrual basis). N.J.S.A. 18A:22-44.2 provides that in the event a state school aid payment is not made until the following school budget year, school districts must record the delayed one or more June state aid payments as revenue, for budget purposes only, in the current school budget year. The statute provides legal authority for school districts to recognize this revenue in the current budget year. For intergovernmental transactions, GASB Statement No. 33 requires that recognition (revenue, expenditure, asset, liability) should be in symmetry, i.e., if one government recognizes an asset, the other government recognizes a liability. Since the State is recording the June state aid payments in the subsequent fiscal year, the School District cannot recognize the June state aid payment on the GAAP financial statements until the year the State records the payable. Due to the timing difference of recording the June state aid payments, the general fund balance deficit does not alone indicate that the School District is facing financial difficulties.

Note 20: TAX ABATEMENTS

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

The Township of Pennsauken has entered into various property tax abatement agreements with properties having aggregate assessed valuations of \$34,425,200.00. Based on the School District's 2023 certified tax rate of \$1.904, abated taxes totaled \$655,455.81.

Note 21: SUBSEQUENT EVENTS

COVID-19 - On January 30, 2020, the World Health Organization ("WHO") announced a global health emergency because of a new strain of coronavirus originating in Wuhan, China (the "COVID-19 outbreak") and the risks to the international community as the virus spreads globally beyond its point of origin. In March 2020, the WHO classified the COVID-19 outbreak as a pandemic, based on the rapid increase in exposure globally.

The full impact of the COVID-19 outbreak continues to evolve as of the date of this report. As such, it is uncertain as to the full magnitude that the pandemic will have on the School District's financial condition, liquidity, and future results of operations. Management is actively monitoring the global situation on its financial condition, liquidity, operations, suppliers, industry, and workforce. Given the daily evolution of the COVID-19 outbreak and the global responses to curb its spread, the School District is not able to estimate the effects of the COVID-19 outbreak on its results of operations, financial condition, or liquidity for fiscal year 2024.

REQUIRED SUPPLEMENTARY INFORMATION
PART II

BUDGETARY COMPARISON SCHEDULES

TOWNSHIP OF PENNSAUKEN SCHOOL DISTRICT
Required Supplementary Information
General Fund
Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2023

	Original <u>Budget</u>	Budget <u>Modifications</u>	Final <u>Budget</u>	<u>Actual</u>	Variance Positive (Negative) <u>Final to Actual</u>
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 42,457,125.00		\$ 42,457,125.00	\$ 42,457,125.00	
Tuition from Other LEA's Within the State	250,000.00		250,000.00	265,031.86	\$ 15,031.86
Rents and Royalties	150,000.00		150,000.00	191,553.11	41,553.11
Unrestricted Miscellaneous Revenues	490,000.00		490,000.00	1,651,197.76	1,161,197.76
Interest Earned on Emergency Reserve Funds	2.00	\$ 3,500.00	3,502.00		(3,502.00)
Interest Earned on Maintenance Reserve Funds	1,500.00	(1,500.00)			
Interest Earned on Capital Reserve Funds	2,000.00	(2,000.00)		360,894.54	360,894.54
Total - Local Sources	43,350,627.00	-	43,350,627.00	44,925,802.27	1,575,175.27
State Sources:					
Equalization Aid	61,316,535.00		61,316,535.00	61,316,535.01	0.01
Special Education Aid	3,608,865.00		3,608,865.00	3,608,865.00	
Transportation Aid	2,186,740.00		2,186,740.00	2,186,740.00	
Security Aid	1,929,981.00		1,929,981.00	1,929,981.00	
Extraordinary Aid				1,557,140.00	1,557,140.00
Non-Public Transportation Aid				77,248.00	77,248.00
Homeless Aid				1,731.00	1,731.00
On-behalf TPAF Pension Contributions (non-budgeted)				13,242,865.00	13,242,865.00
On-behalf TPAF Non-Contributory Insurance (non-budgeted)				183,730.00	183,730.00
On-behalf TPAF Medical Contributions (non-budgeted)				3,527,134.00	3,527,134.00
On-behalf TPAF Long-Term Disability Insurance (non-budgeted)				3,720.00	3,720.00
Reimbursed T.P.A.F. Social Security Contributions (non-budgeted)				2,941,185.95	2,941,185.95
Total - State Sources	69,042,121.00	-	69,042,121.00	90,595,139.96	21,553,018.96
Federal Sources:					
Special Education Medicaid Initiative	237,756.00		237,756.00	212,976.55	(24,779.45)
Medicaid Administrative Claiming Aid				87,680.97	87,680.97
FFRCA/SEMI				20,862.64	20,862.64
Total - Federal Sources	237,756.00	-	237,756.00	321,520.16	83,764.16
Total Revenues	112,630,504.00	-	112,630,504.00	135,842,462.39	23,211,958.39

(Continued)

TOWNSHIP OF PENNSAUKEN SCHOOL DISTRICT
 Required Supplementary Information
 General Fund
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2023

	Original <u>Budget</u>	Budget <u>Modifications</u>	Final <u>Budget</u>	<u>Actual</u>	Variance Positive (Negative) <u>Final to Actual</u>
EXPENDITURES:					
GENERAL CURRENT EXPENSE:					
Regular Programs - Instruction:					
Salaries of Teachers:					
Preschool		\$ 886,491.00	\$ 886,491.00	\$ 156,312.33	\$ 730,178.67
Local Contrib. - Trans to Special Rev - Inclusion	\$ 886,491.00	(886,491.00)			
Kindergarten	1,270,408.00	(298,000.00)	972,408.00	927,864.64	44,543.36
Grades 1 - 5	10,840,887.00	(328,300.00)	10,512,587.00	9,677,659.07	834,927.93
Grades 6 - 8	5,705,769.00	(212,091.88)	5,493,677.12	5,337,414.53	156,262.59
Grades 9 - 12	6,184,611.00		6,184,611.00	5,867,385.56	317,225.44
Regular Programs - Home Instruction:					
Salaries of Teachers	90,000.00		90,000.00	31,212.52	58,787.48
Purchased Professional - Educational Services	40,000.00	(3,348.00)	36,652.00	36,652.00	
Regular Programs - Undistributed Instruction:					
Purchased Professional - Educational Services	740,795.00	(126.02)	740,668.98	354,541.37	386,127.61
Other Purchased Services	286,750.00	50.00	286,800.00	237,212.29	49,587.71
General Supplies	1,334,011.00	(12,333.83)	1,321,677.17	1,168,470.58	153,206.59
Textbooks	240,000.00		240,000.00	239,927.94	72.06
Total - Regular Programs	27,619,722.00	(854,149.73)	26,765,572.27	24,034,652.83	2,730,919.44
Special Education - Instruction:					
Cognitive Mild:					
Salaries of Teachers	58,003.00	(1,803.00)	56,200.00		56,200.00
Other Salaries for Instruction	18,267.00	1,803.00	20,070.00		20,070.00
Total - Cognitive Mild	76,270.00	-	76,270.00		76,270.00
Learning and/or Language Disabilities:					
Salaries of Teachers	3,876,645.00	(37,683.35)	3,838,961.65	3,368,647.74	470,313.91
Other Salaries for Instruction	424,018.00	25,929.82	449,947.82	235,391.26	214,556.56
General Supplies	42,000.00	(9,752.00)	32,248.00	29,573.50	2,674.50
Textbooks	5,500.00	(1,000.00)	4,500.00	1,000.00	3,500.00
Total - Learning and/or Language Disabilities	4,348,163.00	(22,505.53)	4,325,657.47	3,634,612.50	691,044.97
Behavioral Disabilities:					
Salaries of Teachers	327,317.00	(39,886.04)	287,430.96	214,944.84	72,486.12
Other Salaries for Instruction	79,560.00	1,000.00	80,560.00	33,085.58	47,474.42
General Supplies	10,000.00	(3,000.00)	7,000.00	4,436.95	2,563.05
Textbooks	4,479.00	(1,500.00)	2,979.00		2,979.00
Total - Behavioral Disabilities	421,356.00	(43,386.04)	377,969.96	252,467.37	125,502.59

(Continued)

TOWNSHIP OF PENNSAUKEN SCHOOL DISTRICT
 Required Supplementary Information
 General Fund
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2023

	<u>Original Budget</u>	<u>Budget Modifications</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative) Final to Actual</u>
EXPENDITURES (CONT'D):					
GENERAL CURRENT EXPENSE (CONT'D):					
Special Education (Cont'd):					
Multiple Disabilities:					
Salaries of Teachers	\$ 548,764.00	\$ 119,000.00	\$ 667,764.00	\$ 586,077.81	\$ 81,686.19
Other Salaries for Instruction	1,000.00	97,272.31	98,272.31	86,012.12	12,260.19
General Supplies	21,000.00	(1,000.00)	20,000.00	17,921.95	2,078.05
Textbooks	11,000.00	(4,350.00)	6,650.00	4,400.00	2,250.00
Total - Multiple Disabilities	581,764.00	210,922.31	792,686.31	694,411.88	98,274.43
Resource Room/Center:					
Salaries of Teachers	1,014,285.00	(70,258.81)	944,026.19	830,606.08	113,420.11
Other Salaries for Instruction	102,812.00		102,812.00	29,021.98	73,790.02
General Supplies	9,000.00	(3,000.00)	6,000.00	4,208.99	1,791.01
Total - Resource Room/Center	1,126,097.00	(73,258.81)	1,052,838.19	863,837.05	189,001.14
Autism:					
Salaries of Teachers	729,833.00	(32,831.50)	697,001.50	667,395.66	29,605.84
Other Salaries for Instruction	44,912.00	107,616.59	152,528.59	105,008.87	47,519.72
General Supplies	16,000.00	500.00	16,500.00	15,452.63	1,047.37
Total - Autism	790,745.00	75,285.09	866,030.09	787,857.16	78,172.93
Preschool Disabilities - Full-Time:					
Salaries of Teachers	461,159.00	11,000.00	472,159.00	305,781.42	166,377.58
Other Salaries for Instruction	12,960.00	34,972.62	47,932.62	32,299.42	15,633.20
General Supplies	1,000.00	3,000.00	4,000.00	3,144.40	855.60
Total - Preschool Disabilities - Full-Time	475,119.00	48,972.62	524,091.62	341,225.24	182,866.38
Home Instruction:					
Salaries of Teachers	32,500.00		32,500.00	4,356.00	28,144.00
Purchased Professional - Educational Services	35,000.00	(2,000.00)	33,000.00	28,213.71	4,786.29
Total - Home Instruction	67,500.00	(2,000.00)	65,500.00	32,569.71	32,930.29
Total - Special Education	7,887,014.00	194,029.64	8,081,043.64	6,606,980.91	1,474,062.73
Basic Skills / Remedial - Instruction:					
Salaries of Teachers	1,748,887.00	(167,380.00)	1,581,507.00	1,226,421.98	355,085.02
Total - Basic Skills / Remedial - Instruction	1,748,887.00	(167,380.00)	1,581,507.00	1,226,421.98	355,085.02

(Continued)

TOWNSHIP OF PENNSAUKEN SCHOOL DISTRICT
 Required Supplementary Information
 General Fund
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2023

	<u>Original Budget</u>	<u>Budget Modifications</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative) Final to Actual</u>
EXPENDITURES (CONT'D):					
GENERAL CURRENT EXPENSE (CONT'D):					
Bilingual Education - Instruction:					
Salaries of Teachers	\$ 946,100.00	\$ (13,620.00)	\$ 932,480.00	\$ 903,269.12	\$ 29,210.88
Other Salaries for Instruction		1,000.00	1,000.00	50.00	950.00
Purchased Professional - Educational Services	3,050.00		3,050.00		3,050.00
General Supplies	3,800.00		3,800.00	743.82	3,056.18
Total - Bilingual Education - Instruction	952,950.00	(12,620.00)	940,330.00	904,062.94	36,267.06
Vocational Programs - Local - Instruction					
Salaries of Teachers	834,130.00		834,130.00	720,632.46	113,497.54
General Supplies	176,000.00		176,000.00	148,696.77	27,303.23
Total - Vocational Programs - Local - Instruction	1,010,130.00	-	1,010,130.00	869,329.23	140,800.77
School Sponsored Cocurricular Activities - Instruction:					
Salaries	538,000.00	(20,211.73)	517,788.27	391,276.20	126,512.07
Purchased Services	56,710.00	566.00	57,276.00	19,413.97	37,862.03
Supplies and Materials	34,435.00		34,435.00	17,760.81	16,674.19
Other Objects	20,034.00		20,034.00	3,270.60	16,763.40
Total - School Sponsored Cocurricular Activities - Instruction	649,179.00	(19,645.73)	629,533.27	431,721.58	197,811.69
School Sponsored Athletics - Instruction:					
Salaries	765,000.00	20,211.73	785,211.73	762,621.73	22,590.00
Purchased Services	142,004.00	5,603.50	147,607.50	52,584.32	95,023.18
Supplies and Materials	212,000.00	(9,000.00)	203,000.00	189,406.58	13,593.42
Other Objects	21,780.00	8,400.00	30,180.00	26,915.98	3,264.02
Transfers to Cover Deficit	49,500.00		49,500.00	45,000.00	4,500.00
Total - School Sponsored Athletics - Instruction	1,190,284.00	25,215.23	1,215,499.23	1,076,528.61	138,970.62
Summer School Instruction:					
Salaries of Teachers	319,154.00	61,331.50	380,485.50	300,533.65	79,951.85
Other Salaries for Instruction		12,935.46	12,935.46	12,935.46	
General Supplies		10,000.00	10,000.00	7,042.75	2,957.25
Total - Summer School Instruction	319,154.00	84,266.96	403,420.96	320,511.86	82,909.10
Instructional Alternative Education Program - Instruction:					
Salaries of Teachers	747,766.00	(128,424.00)	619,342.00	508,207.83	111,134.17
Purchased Professional & Technical Services	1,500.00		1,500.00		1,500.00
General Supplies	13,000.00		13,000.00	8,598.25	4,401.75
Other Objects	1,000.00	(1,000.00)			
Instructional Alternative Education Program - Support Services:					
Purchased Professional & Technical Services	19,425.00	(2,898.50)	16,526.50	10.00	16,516.50
Total - Alternative Education Program	782,691.00	(132,322.50)	650,368.50	516,816.08	133,552.42

(Continued)

TOWNSHIP OF PENNSAUKEN SCHOOL DISTRICT
 Required Supplementary Information
 General Fund
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2023

	<u>Original Budget</u>	<u>Budget Modifications</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative) Final to Actual</u>
EXPENDITURES (CONT'D):					
GENERAL CURRENT EXPENSE (CONT'D):					
Community Service Programs/Operations					
General Supplies		\$ 40,000.00	\$ 40,000.00	\$ 8,558.84	\$ 31,441.16
Other Objects	\$ 40,000.00	(40,000.00)			
Total - Community Services Programs/Operations	40,000.00	-	40,000.00	8,558.84	31,441.16
Undistributed Expenditures - Instruction:					
Tuition to Other LEAs within the State - Regular	77,456.00	240,973.55	318,429.55	256,198.23	62,231.32
Tuition to County Voc. School Dist. - Regular	871,000.00		871,000.00	523,515.74	347,484.26
Tuition to County Voc. School Dist. - Special	95,000.00		95,000.00	61,304.49	33,695.51
Tuition to CSSD & Reg. Day Schools	2,365,716.00	(51,483.80)	2,314,232.20	2,107,430.01	206,802.19
Tuition to Private School for the Disabled within State	4,416,955.00	(330,728.00)	4,086,227.00	2,228,660.06	1,857,566.94
Tuition to Private School for the Disabled & Other LEAs Outside State	80,301.00	(80,158.00)	143.00		143.00
Tuition -- State Facilities	18,000.00		18,000.00	18,000.00	
Tuition -- Other	493,593.00	(358,089.00)	135,504.00	87,961.00	47,543.00
Total - Undistributed Expenditures - Instruction	8,418,021.00	(568,975.00)	7,849,046.00	5,293,579.78	2,555,466.22
Total - Instruction	50,618,032.00	(1,451,581.13)	49,166,450.87	41,289,164.64	7,877,286.23
Undistributed Expenditures - Attendance and Social Work:					
Salaries	278,253.00	(104,278.00)	173,975.00	144,592.26	29,382.74
Other Purchased Services	2,400.00	17,479.69	19,879.69	16,761.71	3,117.98
Travel - All Other		3,050.00	3,050.00	1,064.53	1,985.47
Other Objects	17,750.00	(17,750.00)			
Total - Undistributed Expenditures - Attendance and Social Work	298,403.00	(101,498.31)	196,904.69	162,418.50	34,486.19
Undistributed Expenditures - Health Services:					
Salaries	1,048,722.00	49,878.00	1,098,600.00	941,764.80	156,835.20
Purchased Professional and Technical Services	64,000.00		64,000.00	52,500.00	11,500.00
Other Purchased Services	770.00	150.00	920.00	585.00	335.00
Supplies and Materials	18,410.00	468.00	18,878.00	17,623.92	1,254.08
Total - Undistributed Expenditures - Health Services	1,131,902.00	50,496.00	1,182,398.00	1,012,473.72	169,924.28
Other Support Services - Students - Related Services:					
Salaries	793,136.00	138,600.00	931,736.00	870,062.67	61,673.33
Purchased Professional - Educational Services	65,000.00	85,417.00	150,417.00	147,561.09	2,855.91
Supplies and Materials	11,000.00		11,000.00	10,307.71	692.29
Total - Other Support Services-Students-Related Services	869,136.00	224,017.00	1,093,153.00	1,027,931.47	65,221.53

(Continued)

TOWNSHIP OF PENNSAUKEN SCHOOL DISTRICT
 Required Supplementary Information
 General Fund
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2023

	Original <u>Budget</u>	Budget <u>Modifications</u>	Final <u>Budget</u>	<u>Actual</u>	Variance Positive (Negative) <u>Final to Actual</u>
EXPENDITURES (CONT'D):					
GENERAL CURRENT EXPENSE (CONT'D):					
Undistributed Expenditures (Cont'd):					
Other Support Services - Students - Extra Services:					
Salaries	\$ 1,006,937.00	\$ (345,626.04)	\$ 661,310.96	\$ 503,540.16	\$ 157,770.80
Purchased Professional - Educational Services	560,000.00	46,502.00	606,502.00	595,755.35	10,746.65
Total - Other Support Services - Students - Extra Services	1,566,937.00	(299,124.04)	1,267,812.96	1,099,295.51	168,517.45
Other Support Services - Students - Regular:					
Salaries of Other Professional Staff	1,646,041.00	71,910.00	1,717,951.00	1,515,810.01	202,140.99
Unused Vacation Payment to Terminated/Retired Staff	6,000.00		6,000.00		6,000.00
Other Purchased Services	65,700.00	670.31	66,370.31	64,670.31	1,700.00
Supplies and Materials	12,530.00	11,618.00	24,148.00	23,522.69	625.31
Total - Other Support Services - Students - Regular	1,730,271.00	84,198.31	1,814,469.31	1,604,003.01	210,466.30
Other Support Services - Students - Special Services:					
Salaries of Other Professional Staff	1,599,751.00	49,635.44	1,649,386.44	1,630,232.22	19,154.22
Salaries of Secretarial and Clerical Assistants	95,503.00	(15,908.00)	79,595.00	73,415.75	6,179.25
Other Salaries	50,000.00	(5,000.00)	45,000.00	22,786.17	22,213.83
Purchased Professional - Educational Services	578,780.00	487,506.00	1,066,286.00	1,055,584.16	10,701.84
Other Purchased Services	28,450.00	(28,450.00)			
Supplies and Materials	20,000.00		20,000.00	18,588.28	1,411.72
Total - Other Support Services - Students - Special Services	2,372,484.00	487,783.44	2,860,267.44	2,800,606.58	59,660.86
Improvement of Instruction Services:					
Salaries of Supervisors of Instruction	472,514.00	(48,923.12)	423,590.88	349,965.26	73,625.62
Other Salaries	5,000.00	1,015.00	6,015.00	6,015.00	
Supplies and Materials	2,300.00	(1,300.00)	1,000.00	810.79	189.21
Total - Improvement of Instruction Services	479,814.00	(49,008.12)	430,805.88	356,791.05	74,014.83
Educational Media Services/School Library:					
Salaries	993,914.00	(16,531.20)	977,382.80	924,514.12	52,868.68
Salaries - Other		17,031.20	17,031.20	17,031.20	
Other Purchased Services	27,594.00	(6,977.41)	20,616.59	20,612.39	4.20
Supplies and Materials	46,772.00	8,285.26	55,057.26	52,577.42	2,479.84
Total - Educational Media Services/School Library	1,068,280.00	1,807.85	1,070,087.85	1,014,735.13	55,352.72

(Continued)

TOWNSHIP OF PENNSAUKEN SCHOOL DISTRICT
 Required Supplementary Information
 General Fund
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2023

	Original <u>Budget</u>	Budget <u>Modifications</u>	Final <u>Budget</u>	<u>Actual</u>	Variance Positive (Negative) <u>Final to Actual</u>
EXPENDITURES (CONT'D):					
GENERAL CURRENT EXPENSE (CONT'D):					
Undistributed Expenditures (Cont'd):					
Support Services General Administration:					
Salaries	\$ 325,936.00	\$ 185,100.00	\$ 511,036.00	\$ 341,648.06	\$ 169,387.94
Legal Services	250,000.00		250,000.00	133,987.41	116,012.59
Audit Fees	130,000.00	500.00	130,500.00	130,500.00	
Architectural/Engineering Services	115,000.00		115,000.00	59,657.67	55,342.33
Other Purchased Professional Services	100,000.00	(500.00)	99,500.00	9,715.00	89,785.00
Communications/Telephone/ Postage	284,700.00	2,974.68	287,674.68	169,359.96	118,314.72
BOE Other Purchased Services	20,000.00	1,500.00	21,500.00	7,781.08	13,718.92
Other Purchased Services	305,000.00	(5,000.00)	300,000.00	69,060.35	230,939.65
General Supplies	22,000.00		22,000.00	17,199.53	4,800.47
BOE In-House Training / Meeting Supplies	15,000.00		15,000.00	3,575.00	11,425.00
Judgments Against the School District	250,000.00		250,000.00		250,000.00
Miscellaneous Expenditures	10,000.00		10,000.00	9,600.41	399.59
BOE Membership Dues and Fees	63,000.00		63,000.00	26,662.70	36,337.30
Total - Support Services General Administration	1,890,636.00	184,574.68	2,075,210.68	978,747.17	1,096,463.51
Support Services School Administration:					
Salaries of Principals/Assistant Principals	2,206,769.00	335,498.00	2,542,267.00	2,164,154.89	378,112.11
Salaries of Other Professional Staff	387,700.00	11,000.00	398,700.00	387,700.02	10,999.98
Salaries of Secretarial and Clerical Assistants	1,006,158.00	48,307.19	1,054,465.19	978,442.23	76,022.96
Unused Vacation Payment to Terminated/Retired Staff	157,000.00	(6,591.19)	150,408.81	96,452.18	53,956.63
Other Purchased Services	25,140.00	(9,665.00)	15,475.00	8,489.95	6,985.05
Travel - All Other		11,295.00	11,295.00	2,725.36	8,569.64
Supplies and Materials	62,220.00	165.00	62,385.00	41,534.15	20,850.85
Other Objects	35,000.00		35,000.00	20,652.50	14,347.50
Total - Support Services School Administration	3,879,987.00	390,009.00	4,269,996.00	3,700,151.28	569,844.72
Central Services:					
Salaries	1,180,904.00	137,000.00	1,317,904.00	1,093,594.37	224,309.63
Unused Vacation Payment to Terminated/Retired Staff	20,000.00		20,000.00	8,750.56	11,249.44
Purchased Professional Services	100,000.00		100,000.00		100,000.00
Purchased Technical Services	86,500.00	(200.00)	86,300.00	38,107.35	48,192.65
Miscellaneous Purchased Services	8,000.00	(600.00)	7,400.00	2,647.74	4,752.26
Supplies and Materials	57,000.00	800.00	57,800.00	14,435.35	43,364.65
Interest on Lease Purchase Agreements	16,255.00		16,255.00	16,238.62	16.38
Miscellaneous Expenditures	37,000.00		37,000.00	1,049.00	35,951.00
Total - Central Services	1,505,659.00	137,000.00	1,642,659.00	1,174,822.99	467,836.01

(Continued)

TOWNSHIP OF PENNSAUKEN SCHOOL DISTRICT
 Required Supplementary Information
 General Fund
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2023

	Original <u>Budget</u>	Budget <u>Modifications</u>	Final <u>Budget</u>	<u>Actual</u>	Variance Positive (Negative) <u>Final to Actual</u>
EXPENDITURES (CONT'D):					
GENERAL CURRENT EXPENSE (CONT'D):					
Undistributed Expenditures (Cont'd):					
Administrative Information Technology:					
Salaries	\$ 82,872.00	\$ 53,000.00	\$ 135,872.00	\$ 67,018.99	\$ 68,853.01
Unused Vacation Payment to Terminated/Retired Staff	8,000.00		8,000.00	7,692.18	307.82
Purchased Professional Services	13,000.00	(3,750.00)	9,250.00	9,250.00	
Purchased Technical Services	85,450.00	8,855.40	94,305.40	77,651.63	16,653.77
Other Purchased Services	3,900.00	(3,450.01)	449.99	449.99	
Supplies and Materials	235,000.00	(4,630.07)	230,369.93	226,323.40	4,046.53
Total - Administrative Information Technology	428,222.00	50,025.32	478,247.32	388,386.19	89,861.13
Required Maintenance for School Facilities:					
Salaries	1,415,992.00	70,200.00	1,486,192.00	1,270,286.07	215,905.93
Unused Vacation Payment to Terminated/Retired Staff	60,000.00	(15,000.00)	45,000.00	28,113.15	16,886.85
Cleaning, Repair & Maintenance Services	813,234.00		813,234.00	516,380.39	296,853.61
General Supplies	349,000.00	(10,000.00)	339,000.00	216,838.55	122,161.45
Total - Required Maintenance for School Facilities	2,638,226.00	45,200.00	2,683,426.00	2,031,618.16	651,807.84
Other Operation and Maintenance of Plant Services:					
Salaries	2,427,226.00	567,769.95	2,994,995.95	2,075,530.83	919,465.12
Salaries of Non-Instructional Aides	732,136.00	(58,118.00)	674,018.00	637,967.11	36,050.89
Unused Vacation Payment to Terminated/Retired Staff	20,000.00	(5,000.00)	15,000.00	2,038.50	12,961.50
Purchased Professional and Technical Services	105,000.00		105,000.00	19,751.50	85,248.50
Cleaning, Repair and Maintenance Services	120,000.00		120,000.00	87,000.11	32,999.89
Rental of Land & Building Other Than Lease Purchase Agreement		4,000.00	4,000.00		4,000.00
Lease Purchase Pymts - Energy Savings Improvement Program	487,559.00		487,559.00	487,558.95	0.05
Other Purchased Property Services	174,240.00		174,240.00	82,516.85	91,723.15
Insurance	670,000.00	49,000.00	719,000.00	718,387.65	612.35
Miscellaneous Purchased Services	9,000.00	(4,000.00)	5,000.00	4,924.40	75.60
General Supplies	341,810.00	(7,000.00)	334,810.00	111,445.22	223,364.78
Energy (Natural Gas)	471,186.00	202,735.39	673,921.39	460,319.78	213,601.61
Energy (Electricity)	1,097,000.00	123,036.61	1,220,036.61	1,131,223.41	88,813.20
Other Objects	33,000.00		33,000.00	29,742.61	3,257.39
Total - Other Operation and Maintenance of Plant Services	6,688,157.00	872,423.95	7,560,580.95	5,848,406.92	1,712,174.03
Care & Upkeep of Grounds:					
Salaries	324,857.00	51,200.00	376,057.00	371,614.70	4,442.30
Cleaning, Repair and Maintenance Services	40,000.00	(3,520.00)	36,480.00	19,934.03	16,545.97
General Supplies	60,000.00	20,520.00	80,520.00	80,278.28	241.72
Total - Care & Upkeep of Grounds	424,857.00	68,200.00	493,057.00	471,827.01	21,229.99

(Continued)

TOWNSHIP OF PENNSAUKEN SCHOOL DISTRICT
 Required Supplementary Information
 General Fund
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2023

	<u>Original Budget</u>	<u>Budget Modifications</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative) Final to Actual</u>
EXPENDITURES (CONT'D):					
GENERAL CURRENT EXPENSE (CONT'D):					
Undistributed Expenditures (Cont'd):					
Security:					
Salaries	\$ 402,016.00	\$ 15,248.05	\$ 417,264.05	\$ 416,828.99	\$ 435.06
Purchased Professional and Technical Services	305,000.00	(175,000.00)	130,000.00	53,386.18	76,613.82
General Supplies	5,000.00		5,000.00		5,000.00
Total - Security	<u>712,016.00</u>	<u>(159,751.95)</u>	<u>552,264.05</u>	<u>470,215.17</u>	<u>82,048.88</u>
Student Transportation Services:					
Salaries of Non-Instructional Aids	522,988.00	(60,968.51)	462,019.49	412,720.62	49,298.87
Salaries for Pupil Transportation (Between Home & School) - Regular	1,330,776.00	(179,950.00)	1,150,826.00	993,800.36	157,025.64
Salaries for Pupil Transportation (Between Home & School) - Special Education	337,602.00	(30,562.94)	307,039.06	256,532.35	50,506.71
Salaries for Pupil Transportation (Other than Between Home & School)	330,000.00	281,418.51	611,418.51	610,927.20	491.31
Salaries for Pupil Transportation (Between Home & School) - Non-Public School	15,820.00	(9,937.06)	5,882.94	5,882.94	
Unused Vacation Payment to Terminated/Retired Staff	10,925.00		10,925.00		10,925.00
Management Fee - ESC & CTSA Transportation Program	99,400.00	25,780.97	125,180.97	111,318.69	13,862.28
Other Purchased Professional and Technical Services	80,200.00	(22,176.00)	58,024.00	50,231.26	7,792.74
Cleaning, Repair and Maintenance Services	79,410.00	51,000.00	130,410.00	125,397.03	5,012.97
Contracted Services - Aid in Lieu of Payments - Non-Public Schools	206,000.00	(28,934.00)	177,066.00	177,061.59	4.41
Contracted Services - Aid in Lieu of Payments - Charter Schools	139,000.00	(8,680.97)	130,319.03	129,798.95	520.08
Contracted Services - Aid in Lieu of Payments - Choice Schools	50,000.00	511.00	50,511.00	43,985.69	6,525.31
Contracted Services (Between Home & School) - Vendors	750,000.00	(463,933.00)	286,067.00	158,617.00	127,450.00
Contracted Services (Other Than Between Home & School) - Vendors	82,000.00	(46,200.00)	35,800.00	3,922.00	31,878.00
Contracted Services (Between Home & School) - Joint Agreements	19,800.00	26,200.00	46,000.00	43,653.00	2,347.00
Contracted Services (Special Education Students) - Vendors	159,550.00		159,550.00	120,454.00	39,096.00
Contracted Services (Special Education Students) - ESCs & CTSAs	1,670,450.00	185,300.00	1,855,750.00	1,855,165.94	584.06
Miscellaneous Purchased Services	4,730.00		4,730.00	573.43	4,156.57
General Supplies	5,500.00	(200.00)	5,300.00	1,957.81	3,342.19
Transportation Supplies	594,000.00	169,900.00	763,900.00	578,521.83	185,378.17
Other Objects	11,960.00	(6,000.00)	5,960.00	2,965.96	2,994.04
Total - Student Transportation Services	<u>6,500,111.00</u>	<u>-</u>	<u>6,500,111.00</u>	<u>5,754,097.15</u>	<u>746,013.85</u>
Other Retirement Contributions - Regular	<u>30,000.00</u>	<u>(30,000.00)</u>	<u>-</u>	<u>-</u>	<u>-</u>

(Continued)

TOWNSHIP OF PENNSAUKEN SCHOOL DISTRICT
 Required Supplementary Information
 General Fund
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2023

	<u>Original Budget</u>	<u>Budget Modifications</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative) Final to Actual</u>
EXPENDITURES (CONT'D):					
GENERAL CURRENT EXPENSE (CONT'D):					
Undistributed Expenditures (Cont'd):					
Unallocated Benefits - Employee Benefits:					
Social Security Contributions	\$ 1,143,879.00	\$ 41,229.94	\$ 1,185,108.94	\$ 1,185,108.94	
TPAF Contributions - ERIP		684,824.35	684,824.35	684,824.35	
Other Retirement Contributions - PERS	1,750,000.00	(162,854.87)	1,587,145.13	1,587,145.13	
Other Retirement Contributions - Regular		40,201.24	40,201.24	40,201.24	
Workers Compensation	850,000.00	(122,400.66)	727,599.34	688,195.00	\$ 39,404.34
Health Benefits	18,200,000.00	(985,772.00)	17,214,228.00	14,339,855.03	2,874,372.97
Tuition Reimbursements	195,000.00		195,000.00	174,493.74	20,506.26
Other Employee Benefits	440,000.00		440,000.00	400,026.76	39,973.24
Unused Sick Payment to Terminated/Retired Staff	200,000.00		200,000.00	147,989.50	52,010.50
Total - Unallocated Benefits - Employee Benefits	<u>22,778,879.00</u>	<u>(504,772.00)</u>	<u>22,274,107.00</u>	<u>19,247,839.69</u>	<u>3,026,267.31</u>
TPAF Contributions:					
On-behalf TPAF Pension Contributions (non-budgeted)				13,242,865.00	(13,242,865.00)
On-behalf TPAF Non-Contributory Insurance (non-budgeted)				183,730.00	(183,730.00)
On-behalf TPAF Medical Contributions (non-budgeted)				3,527,134.00	(3,527,134.00)
On-behalf TPAF Long-Term Disability Insurance (non-budgeted)				3,720.00	(3,720.00)
Reimbursed T.P.A.F. Social Security Contributions (non-budgeted)				2,941,185.95	(2,941,185.95)
Total TPAF Contributions	<u>-</u>	<u>-</u>	<u>-</u>	<u>19,898,634.95</u>	<u>(19,898,634.95)</u>
Total Undistributed Expenses	<u>56,993,977.00</u>	<u>1,451,581.13</u>	<u>58,445,558.13</u>	<u>69,043,001.65</u>	<u>(10,597,443.52)</u>
Interest Earned on Maintenance Reserve	<u>1,500.00</u>	<u>-</u>	<u>1,500.00</u>	<u>-</u>	<u>1,500.00</u>
Interest Earned on Current Expense Emergency Reserve	<u>2.00</u>	<u>-</u>	<u>2.00</u>	<u>-</u>	<u>2.00</u>
Total Expenditures - Current Expense	<u>107,613,511.00</u>	<u>-</u>	<u>107,613,511.00</u>	<u>110,332,166.29</u>	<u>(2,718,655.29)</u>
CAPITAL OUTLAY:					
Interest Deposit to Capital Reserve	<u>2,000.00</u>	<u>-</u>	<u>2,000.00</u>	<u>-</u>	<u>2,000.00</u>
Equipment:					
Grades 1-5	5,000.00		5,000.00	4,285.56	714.44
Grades 9-12	35,000.00	29,464.90	64,464.90	64,413.77	51.13
Undistributed Expenditures - Central Services	246,163.00		246,163.00	188,805.00	57,358.00
Undistributed Expenditures - Admin Info Tech.		76,506.00	76,506.00	75,956.64	549.36
Undistributed Expenditures - Required Maintenance for Schools	180,975.00	(180,975.00)			
Undistributed Expenditures - Custodial Services		180,975.00	180,975.00	24,683.29	156,291.71
School Buses - Regular	395,000.00	22,119.00	417,119.00	222,195.60	194,923.40
Total - Equipment	<u>862,138.00</u>	<u>131,289.90</u>	<u>993,427.90</u>	<u>583,539.85</u>	<u>409,888.05</u>

(Continued)

TOWNSHIP OF PENNSAUKEN SCHOOL DISTRICT
 Required Supplementary Information
 General Fund
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2023

	<u>Original Budget</u>	<u>Budget Modifications</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative) Final to Actual</u>
EXPENDITURES (CONT'D):					
CAPITAL OUTLAY (CONT'D):					
Facilities Acquisition and Construction Services:					
Construction Services	\$ 3,468,058.34	\$ (131,289.90)	\$ 3,336,768.44	\$ 1,359,513.49	\$ 1,977,254.95
Lease Purchase Agreements- Principal	908,858.00		908,858.00	908,084.44	773.56
Total - Facilities Acquisition and Construction Services	4,376,916.34	(131,289.90)	4,245,626.44	2,267,597.93	1,978,028.51
Total Capital Outlay	5,241,054.34	-	5,241,054.34	2,851,137.78	2,389,916.56
Transfer of Funds to Charter Schools	9,800,000.00	-	9,800,000.00	9,076,093.00	723,907.00
Total Expenditures	122,654,565.34	-	122,654,565.34	122,259,397.07	395,168.27
Calculation of Deficiency of Revenues Under Expenditures:					
Excess (Deficiency) of Revenues Over (Under) Expenditures	(10,024,061.34)	-	(10,024,061.34)	13,583,065.32	23,607,126.66
Other Financing Sources (Uses):					
Transfers Out to Special Revenue Fund - Local Contribution				(886,491.00)	886,491.00
Operating Transfer In -- Capital Projects transferred to Capital Outlay				153,482.59	(153,482.59)
Total - Other Financing Sources (Uses)	-	-	-	(733,008.41)	733,008.41
Excess (Deficiency) of Revenues and Other Financing Sources					
Over (Under) Expenditures and Other Financing Uses	(10,024,061.34)	-	(10,024,061.34)	12,850,056.91	(22,874,118.25)
Fund Balances, July 1	49,922,029.86	-	49,922,029.86	49,922,029.86	-
Fund Balances, June 30	\$ 39,897,968.52	-	\$ 39,897,968.52	\$ 62,772,086.77	\$ (22,874,118.25)
Recapitulation:					
Restricted Fund Balance:					
Excess Surplus				\$ 14,430,102.32	
Excess Surplus -- Designated for Subsequent Years Expenditures				14,949,403.00	
Unemployment Compensation				282,088.70	
Emergency Reserve				1,000,000.00	
Maintenance Reserve				5,249,187.00	
Capital Reserve				17,857,569.20	
Assigned Fund Balance:					
Other Purposes - Encumbrances				1,818,173.49	
Designated for Subsequent Years Expenditures				3,486,230.00	
Unassigned Fund Balance				3,699,333.06	
				62,772,086.77	
Reconciliation to Governmental Funds Statements (GAAP):					
Last State Aid Payment Not Recognized on GAAP Basis				(6,771,493.80)	
Fund Balance per Governmental Funds (GAAP)				\$ 56,000,592.97	

TOWNSHIP OF PENNSAUKEN SCHOOL DISTRICT
 Required Supplementary Information
 Special Revenue Fund
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2023

	Original <u>Budget</u>	Budget <u>Transfers</u>	Final <u>Budget</u>	<u>Actual</u>	Positive (Negative) <u>Final to Actual</u> (Continued)
REVENUES:					
Federal Sources:					
Title I, Part A	\$ 1,248,161.00	\$ 874,158.00	\$ 2,122,319.00	\$ 1,919,307.43	\$ 203,011.57
Title I, SIA		68,800.00	68,800.00	19,233.52	49,566.48
Title II, Part A	169,557.00	241,768.00	411,325.00	93,087.50	318,237.50
Title III	71,610.00	40,796.00	112,406.00	71,138.52	41,267.48
Title IV	150,356.00	91,986.00	242,342.00	80,008.76	162,333.24
I.D.E.A., Part B, Basic	1,302,141.00	228,040.00	1,530,181.00	1,475,434.27	54,746.73
I.D.E.A., Part B, Preschool		50,116.00	50,116.00	49,519.00	597.00
Mental Health		396,387.18	396,387.18	351,900.37	44,486.81
Perkins Secondary	32,005.00	15,883.00	47,888.00	47,584.73	303.27
CRRSA ESSER II		1,909,923.58	1,909,923.58	1,453,930.70	455,992.88
CRRSA Learning Acceleration		111,996.83	111,996.83	111,979.73	17.10
CRRSA Mental Health		23,901.19	23,901.19	23,901.19	
ARP - ESSER III		6,132,500.63	6,132,500.63	641,406.47	5,491,094.16
ARP/ESSER Accelerated Learning		516,219.00	516,219.00	53,940.00	462,279.00
ARP/ESSER Summer Learning		40,000.00	40,000.00	5,137.62	34,862.38
ARP/ESSER Extended Day Learning		16,262.00	16,262.00	5,467.00	10,795.00
ARP/ESSER Mental Health		88,501.00	88,501.00	895.92	87,605.08
Homeless II ARP		54,192.00	54,192.00		54,192.00
ACSERS		143,660.00	143,660.00	143,660.00	
Total - Federal Sources	2,973,830.00	11,045,090.41	14,018,920.41	6,547,532.73	7,471,387.68
State Sources:					
Preschool Education Aid	2,343,473.00		2,343,473.00	1,362,936.80	980,536.20
Non-Public Nursing	47,644.83	11,939.17	59,584.00	58,212.00	1,372.00
Non-Public Textbook	27,812.54	6,969.46	34,782.00	31,461.61	3,320.39
Non-Public Technology	17,698.89	4,435.11	22,134.00	20,795.36	1,338.64
Non-Public Security	87,207.05	21,852.95	109,060.00	87,224.75	21,835.25
Chapter 192 Auxiliary Services	166,039.63	41,607.37	207,647.00	176,166.66	31,480.34
Chapter 193 Handicapped Services	95,264.06	23,871.94	119,136.00	92,403.90	26,732.10
SSB-VEEVR HVAC		4,869,057.75	4,869,057.75	2,461,100.00	2,407,957.75
SDA Emergent Grant Needs		229,019.00	229,019.00	214,711.00	14,308.00
Total - State Sources	2,785,140.00	5,208,752.75	7,993,892.75	4,505,012.08	3,488,880.67
Local Sources:					
Special Olympics		33,500.00	33,500.00	30,500.00	3,000.00
Scholarship Awards		2,850.00	2,850.00	616.30	2,233.70
Student Activities	50,000.00	325,000.00	375,000.00	387,024.17	(12,024.17)
Total - Local Sources	50,000.00	361,350.00	411,350.00	418,140.47	(6,790.47)
Total Revenues	5,808,970.00	16,615,193.16	22,424,163.16	11,470,685.28	10,953,477.88

Variance

TOWNSHIP OF PENNSAUKEN SCHOOL DISTRICT
Required Supplementary Information
Special Revenue Fund
Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Positive (Negative) Final to Actual
EXPENDITURES:					
Instruction:					
Salaries of Teachers	\$ 1,812,642.75	\$ 938,360.46	\$ 2,751,003.21	\$ 2,560,926.62	\$ 190,076.59
Other Salaries for Instruction	302,065.64		302,065.64	300,645.64	1,420.00
Purchased Professional & Technical Services		18,261.00	18,261.00	11,641.15	6,619.85
Purchased Professional Educational Services	363,672.43	104,357.57	468,030.00	339,995.46	128,034.54
Other Purchased Services		21,000.00	21,000.00		21,000.00
Tuition	1,201,065.15	280,758.85	1,481,824.00	1,481,824.00	
General Supplies	281,604.37	2,455,989.66	2,737,594.03	1,537,502.63	1,200,091.40
Textbooks	17,698.89	17,083.11	34,782.00	31,461.61	3,320.39
Total Instruction	3,978,749.23	3,835,810.65	7,814,559.88	6,263,997.11	1,550,562.77
Support Services:					
Salaries of Supervisors of Instruction	313,531.76	237,069.45	550,601.21	109,285.92	441,315.29
Salaries of Program Directors	58,202.00	88,600.00	146,802.00	145,871.99	930.01
Salaries of Other Professional Staff		214,641.46	214,641.46	139,308.86	75,332.60
Other Salaries		23,213.00	23,213.00	23,213.00	
Personal Services - Employee Benefits	977,227.12	407,080.16	1,384,307.28	1,354,307.28	30,000.00
Purchased Professional & Technical Services	156,010.61	1,564,124.62	1,720,135.23	430,510.26	1,289,624.97
Purchased Professional Educational Services	47,644.82	46,381.18	94,026.00	72,780.90	21,245.10
Other Purchased Services		30,003.00	30,003.00	14,003.00	16,000.00
Purchased Property Services		46,000.00	46,000.00		46,000.00
Travel	11,576.14	45,424.79	57,000.93	15,176.56	41,824.37
Supplies and Materials	202,076.73	741,921.89	943,998.62	558,973.31	385,025.31
Scholarship Awards		2,850.00	2,850.00	2,850.00	
Student Activities	50,000.00	325,000.00	375,000.00	374,751.23	248.77
Total Support Services	1,816,269.18	3,772,309.55	5,588,578.73	3,241,032.31	2,347,546.42
Capital Outlay:					
Instructional Equipment	13,951.59	12,879.71	26,831.30	26,534.53	296.77
Non-Instructional Equipment		8,994,193.25	8,994,193.25	2,815,573.09	6,178,620.16
	13,951.59	9,007,072.96	9,021,024.55	2,842,107.62	6,178,916.93
Total Expenditures	5,808,970.00	16,615,193.16	22,424,163.16	12,347,137.04	10,077,026.12
Other Financing Sources (Uses):					
Transfers from/(to) General Fund		-	-	886,491.00	(886,491.00)
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	10,039.24	\$ (10,039.24)
Fund Balance, July 1				198,853.76	
Fund Balance, June 30				\$ 208,893.00	
Recapitulation:					
Restricted:					
Scholarships				\$ 19,879.20	
Student Activities				189,013.80	
				208,893.00	
Reconciliation to Governmental Funds Statements (GAAP):					
Preschool Education Aid Receipts Recognized on GAAP Basis				511,522.00	
Fiscal Year 2023 Last State Aid Payments Not Recognized on GAAP Basis				(100,189.20)	
Fund Balance per Governmental Funds (GAAP)				\$ 620,225.80	

TOWNSHIP OF PENNSAUKEN SCHOOL DISTRICT

Required Supplementary Information
 Budget-to-GAAP Reconciliation
 For the Fiscal Year Ended June 30, 2023

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

	General Fund	Special Revenue Fund
Sources / Inflows of Resources:		
Actual amounts (budgetary basis) "revenues" from the budgetary comparison schedules	\$ 135,842,462.39	\$ 11,470,685.28
Differences - Budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		(2,549,471.96)
The Restricted State Aids recorded in the Special Revenue Fund are realized utilizing the budgetary basis which dictates that revenue must equal expenditures and differs from GAAP which recognizes the revenue once the eligibility criteria are met as specified in Note 1 and GASB 33.		(361,044.80)
The last State aid payment is recognized as revenue for budgetary purposes, and differs from GAAP which does not recognize this revenue until the subsequent year when the State recognizes the related expense (GASB 33) received July 2022.	5,812,493.00	160,460.00
The last State aid payment is recognized as revenue for budgetary purposes, and differs from GAAP which does not recognize this revenue until the subsequent year when the State recognizes the related expense (GASB 33) received July 2023.	(6,771,493.80)	(100,189.20)
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	<u>\$ 134,883,461.59</u>	<u>\$ 8,620,439.32</u>
Uses / Outflows of Resources:		
Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule	\$ 122,259,397.07	\$ 12,347,137.04
Differences - Budget to GAAP:		
Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.		(2,549,471.96)
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds (B-2)	<u>\$ 122,259,397.07</u>	<u>\$ 9,797,665.08</u>

REQUIRED SUPPLEMENTARY INFORMATION
PART III

TOWNSHIP OF PENNSAUKEN SCHOOL DISTRICT
Required Supplementary Information - Part III
Schedule of the School District's Proportionate Share of the Net Pension Liability
Public Employees' Retirement System (PERS)
Last Ten Plan Years

	Measurement Date Ending June 30,				
	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
School District's Proportion of the Net Pension Liability	0.1251650986%	0.1268757932%	0.1272809138%	0.1276062572%	0.1277335360%
School District's Proportionate Share of the Net Pension Liability	\$ 18,889,136.00	\$ 15,030,340.00	\$ 20,756,188.00	\$ 22,992,712.00	\$ 25,150,097.00
School District's Covered Payroll (Plan Measurement Period)	\$ 9,674,328.00	\$ 9,895,652.00	\$ 9,891,192.00	\$ 9,527,596.00	\$ 9,652,312.00
School District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	195.25%	151.89%	209.85%	241.33%	260.56%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	62.91%	70.33%	58.32%	56.27%	53.60%

	Measurement Date Ending June 30,				
	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
School District's Proportion of the Net Pension Liability	0.1335544128%	0.1319386363%	0.1318579811%	0.1328969151%	0.1403594782%
School District's Proportionate Share of the Net Pension Liability	\$ 31,089,333.00	\$ 39,076,440.00	\$ 29,599,474.00	\$ 24,881,937.00	\$ 26,825,485.00
School District's Covered Payroll (Plan Measurement Period)	\$ 9,697,140.00	\$ 9,590,840.00	\$ 9,616,260.00	\$ 9,686,132.00	\$ 10,301,872.00
School District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	320.60%	407.44%	307.81%	256.88%	260.39%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	48.10%	40.14%	47.93%	52.08%	48.72%

TOWNSHIP OF PENNSAUKEN SCHOOL DISTRICT
Required Supplementary Information - Part III
Schedule of the School District's Contributions
Public Employees' Retirement System (PERS)
Last Ten Plan Years

	Fiscal Year Ended June 30,				
	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Contractually Required Contribution	\$ 1,630,323.00	\$ 1,578,392.00	\$ 1,485,863.00	\$ 1,392,390.00	\$ 1,241,233.00
Contributions in Relation to the Contractually Required Contribution	<u>(1,630,323.00)</u>	<u>(1,578,392.00)</u>	<u>(1,485,863.00)</u>	<u>(1,392,390.00)</u>	<u>(1,241,233.00)</u>
Contribution Deficiency (Excess)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
School District's Covered Payroll (Fiscal Year)	\$ 9,673,817.00	\$ 9,089,999.00	\$ 8,992,089.00	\$ 9,167,476.00	\$ 9,163,227.00
Contributions as a Percentage of School District's Covered Payroll	16.85%	17.36%	16.52%	15.19%	13.55%

	Fiscal Year Ended June 30,				
	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually Required Contribution	\$ 1,270,536.00	\$ 1,237,239.00	\$ 1,172,124.00	\$ 1,133,625.00	\$ 1,095,583.00
Contributions in Relation to the Contractually Required Contribution	<u>(1,270,536.00)</u>	<u>(1,237,239.00)</u>	<u>(1,172,124.00)</u>	<u>(1,133,625.00)</u>	<u>(1,095,583.00)</u>
Contribution Deficiency (Excess)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
School District's Covered Payroll (Fiscal Year)	\$ 8,805,019.00	\$ 9,027,225.00	\$ 8,949,683.00	\$ 8,984,419.00	\$ 8,967,114.00
Contributions as a Percentage of School District's Covered Payroll	14.43%	13.71%	13.10%	12.62%	12.22%

TOWNSHIP OF PENNSAUKEN SCHOOL DISTRICT
Required Supplementary Information - Part III
Schedule of the School District's Proportionate Share of the Net Pension Liability
Teachers' Pension and Annuity Fund (TPAF)
Last Ten Plan Years

	Measurement Date Ending June 30,				
	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
School District's Proportion of the Net Pension Liability	0.00%	0.00%	0.00%	0.00%	0.00%
State's Proportion of the Net Pension Liability Associated with the School District	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>
	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>
School District's Proportionate Share of the Net Pension Liability	-	-	-	-	-
State's Proportionate Share of the School District's Net Pension Liability	<u>\$ 172,806,487.00</u>	<u>\$ 161,545,079.00</u>	<u>\$ 221,812,691.00</u>	<u>\$ 204,824,540.00</u>	<u>\$ 224,881,188.00</u>
	<u>\$ 172,806,487.00</u>	<u>\$ 161,545,079.00</u>	<u>\$ 221,812,691.00</u>	<u>\$ 204,824,540.00</u>	<u>\$ 224,881,188.00</u>
School District's Covered Payroll (Plan Measurement Period)	\$ 44,197,044.00	\$ 44,826,532.00	\$ 43,725,652.00	\$ 42,788,856.00	\$ 41,686,132.00
School District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	0.00%	0.00%	0.00%	0.00%	0.00%
State's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	390.99%	360.38%	507.28%	478.69%	539.46%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	32.29%	35.52%	24.60%	26.95%	26.49%

	Measurement Date Ending June 30,				
	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
School District's Proportion of the Net Pension Liability	0.00%	0.00%	0.00%	0.00%	0.00%
State's Proportion of the Net Pension Liability Associated with the School District	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>
	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>
School District's Proportionate Share of the Net Pension Liability	-	-	-	-	-
State's Proportionate Share of the School District's Net Pension Liability	<u>\$ 224,881,188.00</u>	<u>\$ 264,850,367.00</u>	<u>\$ 222,951,239.00</u>	<u>\$ 191,090,175.00</u>	<u>\$ 188,332,270.00</u>
	<u>\$ 224,881,188.00</u>	<u>\$ 264,850,367.00</u>	<u>\$ 222,951,239.00</u>	<u>\$ 191,090,175.00</u>	<u>\$ 188,332,270.00</u>
School District's Covered Payroll (Plan Measurement Period)	\$ 40,773,360.00	\$ 40,489,584.00	\$ 40,476,520.00	\$ 41,511,116.00	\$ 41,586,444.00
School District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	0.00%	0.00%	0.00%	0.00%	0.00%
State's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	551.54%	654.12%	550.82%	460.33%	452.87%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	25.41%	22.33%	28.71%	33.64%	33.76%

TOWNSHIP OF PENNSAUKEN SCHOOL DISTRICT
Required Supplementary Information - Part III
Schedule of the School District's Contributions
Teachers' Pension and Annuity Fund (TPAF)
Last Ten Plan Years

This schedule is not applicable.

The School District is not required to make any contributions towards TPAF.

There is a special funding situation where the State of New Jersey pays 100% of the required contributions.

TOWNSHIP OF PENNSAUKEN SCHOOL DISTRICT
Notes to Required Supplementary Information - Part III
For the Fiscal Year Ended June 30, 2023

Teachers' Pension and Annuity Fund (TPAF)

Changes in Benefit Terms:

The Division of Pensions and Benefits adopted a new policy regarding the crediting of interest on member contributions for the purpose of refund of accumulated deductions. Previously, after termination of employment, but prior to retirement or death, interest was credited on member accumulated deductions at the valuation interest rate for the entire period. Effective July 1, 2018, interest is only credited at the valuation interest rate for the first two years of inactivity prior to retirement or death.

Changes in Assumptions:

The discount rate used as of June 30 measurement date is as follows:

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
2022	7.00%	2017	4.25%
2021	7.00%	2016	3.22%
2020	5.40%	2015	4.13%
2019	5.60%	2014	4.68%
2018	4.86%		

The long-term expected rate of return used as of June 30 measurement date is as follows:

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
2022	7.00%	2017	7.00%
2021	7.00%	2016	7.65%
2020	7.00%	2015	7.90%
2019	7.00%	2014	7.90%
2018	7.00%		

For 2022, demographic assumptions were updated to reflect the most recent experience study for the period July 1, 2018 to June 30, 2021.

Public Employees' Retirement System (PERS)

Changes in Benefit Terms:

The Division of Pensions and Benefits adopted a new policy regarding the crediting of interest on member contributions for the purpose of refund of accumulated deductions. Previously, after termination of employment, but prior to retirement or death, interest was credited on member accumulated deductions at the valuation interest rate for the entire period. Effective July 1, 2018, interest is only credited at the valuation interest rate for the first two years of inactivity prior to retirement or death.

The June 30, 2022 measurement date included three changes to the plan provisions, only one of which had an impact on the Total Pension Liability (TPL). Chapter 226, P.L. 2021 reopened the Prosecutors Part of PERS and made membership in the Prosecutors Part of PERS mandatory for all prosecutors.

Changes in Assumptions:

The discount rate used as of June 30 measurement date is as follows:

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
2022	7.00%	2017	5.00%
2021	7.00%	2016	3.98%
2020	7.00%	2015	4.90%
2019	6.28%	2014	5.39%
2018	5.66%		

The long-term expected rate of return used as of June 30 measurement date is as follows:

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
2022	7.00%	2017	7.00%
2021	7.00%	2016	7.65%
2020	7.00%	2015	7.90%
2019	7.00%	2014	7.90%
2018	7.00%		

For 2022, demographic assumptions were updated to reflect the most recent experience study for the period July 1, 2018 to June 30, 2021.

REQUIRED SUPPLEMENTARY INFORMATION
PART IV

TOWNSHIP OF PENNSAUKEN SCHOOL DISTRICT
 Required Supplementary Information - Part IV
 Schedule of Changes in the School District's
 Total OPEB Liability and Related Ratios
 Pennsauken School District Health Benefit Plan
 Last Six Plan Years

	Plan Measurement Date Ending June 30,					
	2023	2022	2021	2020	2019	2018
Total OPEB Liability						
Service Cost	\$ 40,285.00	\$ 21,903.00	\$ 22,201.00	\$ 57,862.00	\$ 53,933.00	\$ 86,562.00
Interest Cost	66,309.00	16,722.00	21,007.00	18,709.00	21,569.00	67,606.00
Benefit Payments	(52,937.00)	(48,041.00)	(40,330.00)	(39,691.00)	(33,000.00)	(32,993.00)
Change of Benefits						(1,394,211.00)
Actuarial Assumption Changes	(5,820.00)	(329,501.00)	34,636.00	11,438.00	60,418.00	
Difference Between Expected and Actual Experience	(87,769.00)	1,195,540.00	(56,307.00)	71,152.00	(33,179.00)	
Net Change in Total OPEB Liability	(39,932.00)	856,623.00	(18,793.00)	119,470.00	69,741.00	(1,273,036.00)
Total OPEB Liability - Beginning of Fiscal Year	1,647,728.00	791,105.00	809,898.00	690,428.00	620,687.00	1,893,723.00
Total OPEB Liability - End of Fiscal Year	\$ 1,607,796.00	\$ 1,647,728.00	\$ 791,105.00	\$ 809,898.00	\$ 690,428.00	\$ 620,687.00
Covered-Employee Payroll	\$ 40,881,610.00	\$ 53,131,053.00	\$ 50,551,478.00	\$ 51,325,254.00	\$ 50,690,000.00	\$ 50,000,000.00
Total OPEB Liability as a Percentage of Covered-Employee Payroll	3.93%	3.10%	1.56%	1.58%	1.36%	1.24%

Note: This schedule is presented to illustrate the requirement to show information for 10 years.
 However, until a full 10-year trend is compiled, this presentation will only include information
 for those years for which information is available.

TOWNSHIP OF PENNSAUKEN SCHOOL DISTRICT
Notes to Required Supplementary Information - Part IV
For the Fiscal Year Ended June 30, 2023

Changes of Benefit Terms - None.

Changes in Assumptions:

The discount rate used as of June 30 measurement date is as follows:

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
2023	4.13%	2020	2.66%
2022	4.09%	2019	2.79%
2021	2.18%	2018	3.57%

TOWNSHIP OF PENNSAUKEN SCHOOL DISTRICT
Required Supplementary Information
Schedule of Changes in the School District's Total OPEB Liability and Related Ratios
Last Six Plan Years

	Measurement Date Ended June 30,					
	2022	2021	2020	2019	2018	2017
Total Non-Employer OPEB Liability - State's Proportionate Share of the Total OPEB Liability Associated with the School District						
Changes for the Year:						
Service Cost	\$ 10,419,074.00	\$ 11,844,309.00	\$ 6,661,056.00	\$ 6,684,076.00	\$ 7,402,435.00	8,925,283.00
Interest Cost	5,519,443.00	6,474,595.00	6,330,614.00	7,792,025.00	8,371,758.00	7,249,824.00
Changes in Benefit Terms		(265,657.00)				
Difference between Expected and Actual Experience	3,907,575.00	(45,340,122.00)	45,323,735.00	(32,544,505.00)	(19,748,931.00)	
Changes in Assumptions	(55,870,884.00)	246,238.00	51,432,075.00	2,632,670.00	(22,637,148.00)	(30,088,213.00)
Member Contributions	175,390.00	165,524.00	148,573.00	160,669.00	182,305.00	195,285.00
Gross Benefit Payments	(5,467,171.00)	(5,100,168.00)	(4,901,798.00)	(5,420,166.00)	(5,274,796.00)	(5,303,417.00)
Net Change in Total Non-Employer OPEB Liability	(41,316,573.00)	(31,975,281.00)	104,994,255.00	(20,695,231.00)	(31,704,377.00)	(19,021,238.00)
Total Non-Employer OPEB Liability - July 1	249,588,763.00	281,564,044.00	176,569,789.00	197,265,020.00	228,969,397.00	247,990,635.00
Total Non-Employer OPEB Liability - June 30	<u>\$ 208,272,190.00</u>	<u>\$ 249,588,763.00</u>	<u>\$ 281,564,044.00</u>	<u>\$ 176,569,789.00</u>	<u>\$ 197,265,020.00</u>	<u>\$ 228,969,397.00</u>
School District's Covered Payroll (Plan Measurement Period)	<u>\$ 46,732,501.00</u>	<u>\$ 46,374,785.00</u>	<u>\$ 46,791,248.00</u>	<u>\$ 45,847,100.00</u>	<u>\$ 44,684,037.00</u>	<u>\$ 43,986,393.00</u>
State's Proportionate Share of the Total Non-Employer OPEB Liability Associated with the School District as a Percentage of Covered Payroll	445.67%	538.20%	601.75%	385.13%	441.47% #	520.55%

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, this presentation will only include information for those years for which information is available.

TOWNSHIP OF PENNSAUKEN SCHOOL DISTRICT
 Required Supplementary Information - Part IV
 Notes to Required Supplementary Information - Part IV
 For the Fiscal Year Ended June 30, 2023

Changes in Benefit Terms:

None.

Changes in Assumptions:

The discount rate used as of June 30 measurement date is as follows:

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
2022	3.54%	2019	3.50%
2021	2.16%	2018	3.87%
2020	2.21%	2017	3.58%

In addition to changes in the discount rate, other factors that affected the valuation of the net OPEB liability included update in trend and experience study.

For pre-Medicare medical benefits, the trend rate is initially 6.25% and decreases to a 4.50% long-term trend rate after eight years. For post-65 medical benefits PPO, the trend is initially -1.99% in fiscal year 2023, increasing to 13.44% in fiscal year 2026 and decreases to 4.50% in fiscal year 2033. For HMO, the trend is initially -3.54% in fiscal year 2023, increasing to 15.19% in fiscal year 2026 and decreases to 4.50% in fiscal year 2033. For prescription drug benefits, the initial trend rate is 8.00% and decreases to a 4.50% long-term trend rate after eight years. For the Medicare Part B reimbursement, the trend is 5.00%.

OTHER SUPPLEMENTARY INFORMATION

SPECIAL REVENUE FUND

TOWNSHIP OF PENNSAUKEN SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Revenues and Expenditures - Budgetary Basis
For the Fiscal Year Ended June 30, 2023

E.S.S.A.						
	<u>Total</u>	<u>Title I, Part A Grants to Local Educational Agencies</u>	<u>Supporting Title I, Part A Grants to Local Educational Agencies - SIA</u>	<u>Effective Instruction State Grants (Title II Part A) ESSA</u>	<u>English Language Acquisition (Title III)</u>	<u>Total Brought Forward</u>
REVENUES:						
Federal Sources	\$ 6,547,532.73	\$ 1,919,307.43	\$ 19,233.52	\$ 93,087.50	\$ 71,138.52	\$ 4,444,765.76
State Sources	4,505,012.08					4,505,012.08
Local Sources	418,140.47					418,140.47
Total Revenues	11,470,685.28	1,919,307.43	19,233.52	93,087.50	71,138.52	9,367,918.31
EXPENDITURES:						
Instruction:						
Salaries of Teachers	2,560,926.62	1,072,981.89	19,233.52			1,468,711.21
Other Salaries for Instruction	300,645.64					300,645.64
Purchased Professional & Technical Services	11,641.15					11,641.15
Purchased Professional Educational Services	339,995.46	61,384.00				278,611.46
Tuition	1,481,824.00					1,481,824.00
General Supplies	1,537,502.63	186,600.07			29,877.03	1,321,025.53
Textbooks	31,461.61					31,461.61
Total Instruction	6,263,997.11	1,320,965.96	19,233.52	-	29,877.03	4,893,920.60
Support Services:						
Salaries of Supervisors of Instruction	109,285.92	38,285.87		18,010.52	11,953.42	41,036.11
Salaries of Program Directors	145,871.99					145,871.99
Salaries of Other Professional Staff	139,308.86					139,308.86
Other Salaries	23,213.00					23,213.00
Personal Services - Employee Benefits	1,354,307.28	537,406.00				816,901.28
Purchased Professional & Technical Services	430,510.26			61,526.98	28,968.73	340,014.55
Purchased Professional Educational Services	72,780.90					72,780.90
Other Purchased Services	14,003.00					14,003.00
Travel	15,176.56			13,550.00		1,626.56
Supplies and Materials	558,973.31	22,649.60			339.34	535,984.37
Scholarship Awards	2,850.00					2,850.00
Student Activities	374,751.23					374,751.23
Total Support Services	3,241,032.31	598,341.47	-	93,087.50	41,261.49	2,508,341.85
Capital Outlay:						
Instructional Equipment	26,534.53					26,534.53
Non-Instructional Equipment	2,815,573.09					2,815,573.09
Total Capital Outlay	2,842,107.62	-	-	-	-	2,842,107.62
Total Expenditures	12,347,137.04	1,919,307.43	19,233.52	93,087.50	71,138.52	10,244,370.07
Other Financing Sources (Uses):						
Transfers from/(to) General Fund	886,491.00	-	-	-	-	886,491.00
Total Expenditures and Other Financing Sources (Uses)	11,460,646.04	1,919,307.43	19,233.52	93,087.50	71,138.52	9,357,879.07
Excess (Deficiency) of Revenues Over (Under) Expenditures						
	10,039.24	-	-	-	-	10,039.24
Fund Balance, July 1	198,853.76	-	-	-	-	198,853.76
Fund Balance, June 30	\$ 208,893.00	-	-	-	-	208,893.00

(Continued)

TOWNSHIP OF PENNSAUKEN SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
For the Fiscal Year Ended June 30, 2023

		E.S.S.A.		I.D.E.A. Part B		
	Total Carried Forward	Title IV - Student Support and Academic Enrichment (ESSA)	Special Education Grants to States (I.D.E.A. Basic)	Special Education Preschool Grants (I.D.E.A. Preschool)	Perkins	Total Brought Forward
REVENUES:						
Federal Sources	\$ 4,444,765.76	\$ 80,008.76	\$ 1,475,434.27	\$ 49,519.00	\$ 47,584.73	\$ 2,792,219.00
State Sources	4,505,012.08					4,505,012.08
Local Sources	418,140.47					418,140.47
Total Revenues	9,367,918.31	80,008.76	1,475,434.27	49,519.00	47,584.73	7,715,371.55
EXPENDITURES:						
Instruction:						
Salaries of Teachers	1,468,711.21					1,468,711.21
Other Salaries for Instruction	300,645.64					300,645.64
Purchased Professional & Technical Services	11,641.15				10,891.15	750.00
Purchased Professional Educational Services	278,611.46		90,503.80			188,107.66
Tuition	1,481,824.00		1,382,625.00	49,519.00		49,680.00
General Supplies	1,321,025.53	39,002.76	2,305.47		10,956.70	1,268,760.60
Textbooks	31,461.61					31,461.61
Total Instruction	4,893,920.60	39,002.76	1,475,434.27	49,519.00	21,847.85	3,308,116.72
Support Services:						
Salaries of Supervisors of Instruction	41,036.11	8,972.00			1,800.00	30,264.11
Salaries of Program Directors	145,871.99					145,871.99
Salaries of Other Professional Staff	139,308.86					139,308.86
Other Salaries	23,213.00					23,213.00
Personal Services - Employee Benefits	816,901.28				138.00	816,763.28
Purchased Professional & Technical Services	340,014.55	3,367.36			3,220.00	333,427.19
Purchased Professional Educational Services	72,780.90					72,780.90
Other Purchased Services	14,003.00					14,003.00
Travel	1,626.56					1,626.56
Supplies and Materials	535,984.37	28,666.64				507,317.73
Scholarship Awards	2,850.00					2,850.00
Student Activities	374,751.23					374,751.23
Total Support Services	2,508,341.85	41,006.00			5,158.00	2,462,177.85
Capital Outlay:						
Instructional Equipment	26,534.53				20,578.88	5,955.65
Non-Instructional Equipment	2,815,573.09					2,815,573.09
Total Capital Outlay	2,842,107.62	-	-	-	20,578.88	2,821,528.74
Total Expenditures	10,244,370.07	80,008.76	1,475,434.27	49,519.00	47,584.73	8,591,823.31
Other Financing Sources (Uses):						
Transfers from/(to) General Fund	886,491.00	-	-	-	-	886,491.00
Total Expenditures and Other Financing Sources (Uses)	9,357,879.07	80,008.76	1,475,434.27	49,519.00	47,584.73	7,705,332.31
Excess (Deficiency) of Revenues Over (Under) Expenditures	10,039.24	-	-	-	-	10,039.24
Fund Balance, July 1	198,853.76	-	-	-	-	198,853.76
Fund Balance, June 30	\$ 208,893.00	-	-	-	-	\$ 208,893.00

(Continued)

TOWNSHIP OF PENNSAUKEN SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
For the Fiscal Year Ended June 30, 2023

	Total Carried Forward	C.R.S.S.A.				Total Brought Forward
		ESSER II	Accelerated Learning Coach and Educator Support	Mental Health	Mental Health	
REVENUES:						
Federal Sources	\$ 2,792,219.00	\$ 1,453,930.70	\$ 111,979.73	\$ 23,901.19	\$ 351,900.37	\$ 850,507.01
State Sources	4,505,012.08					4,505,012.08
Local Sources	418,140.47					418,140.47
Total Revenues	7,715,371.55	1,453,930.70	111,979.73	23,901.19	351,900.37	5,773,659.56
EXPENDITURES:						
Instruction:						
Salaries of Teachers	1,468,711.21	306,861.35	64,278.50			1,097,571.36
Other Salaries for Instruction	300,645.64					300,645.64
Purchased Professional & Technical Services	750.00					750.00
Purchased Professional Educational Services	188,107.66					188,107.66
Tuition	49,680.00					49,680.00
General Supplies	1,268,760.60	604,297.85	47,701.23			616,761.52
Textbooks	31,461.61					31,461.61
Total Instruction	3,308,116.72	911,159.20	111,979.73	-	-	2,284,977.79
Support Services:						
Salaries of Supervisors of Instruction	30,264.11			23,901.19		6,362.92
Salaries of Program Directors	145,871.99				22,172.00	123,699.99
Salaries of Other Professional Staff	139,308.86				139,308.86	
Other Salaries	23,213.00				23,213.00	
Personal Services - Employee Benefits	816,763.28	77,634.03			37,625.25	701,504.00
Purchased Professional & Technical Services	333,427.19				104,072.18	229,355.01
Purchased Professional Educational Services	72,780.90					72,780.90
Other Purchased Services	14,003.00				14,003.00	
Travel	1,626.56					1,626.56
Supplies and Materials	507,317.73	404,930.60			11,506.08	90,881.05
Scholarship Awards	2,850.00					2,850.00
Student Activities	374,751.23					374,751.23
Total Support Services	2,462,177.85	482,564.63	-	23,901.19	351,900.37	1,603,811.66
Capital Outlay:						
Instructional Equipment	5,955.65					5,955.65
Non-Instructional Equipment	2,815,573.09	60,206.87				2,755,366.22
Total Capital Outlay	2,821,528.74	60,206.87	-	-	-	2,761,321.87
Total Expenditures	8,591,823.31	1,453,930.70	111,979.73	23,901.19	351,900.37	6,650,111.32
Other Financing Sources (Uses):						
Transfers from/(to) General Fund	886,491.00	-	-	-	-	886,491.00
Total Expenditures and Other Financing Sources (Uses)	7,705,332.31	1,453,930.70	111,979.73	23,901.19	351,900.37	5,763,620.32
Excess (Deficiency) of Revenues Over (Under) Expenditures	10,039.24	-	-	-	-	10,039.24
Fund Balance, July 1	198,853.76	-	-	-	-	198,853.76
Fund Balance, June 30	\$ 208,893.00	-	-	-	-	\$ 208,893.00

(Continued)

TOWNSHIP OF PENNSAUKEN SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
For the Fiscal Year Ended June 30, 2023

	Total Carried Forward	American Rescue Plan					Total Brought Forward
		ESSER III	Evidence Based Summer Learning	Evidence Based Beyond the School Day	Evidence Based Comprehensive Beyond the School Day	ARP/ESSER III NJTSS Mental Health	
REVENUES:							
Federal Sources	\$ 850,507.01	\$ 641,406.47	\$ 53,940.00	\$ 5,137.62	\$ 5,467.00	\$ 895.92	\$ 143,660.00
State Sources	4,505,012.08						4,505,012.08
Local Sources	418,140.47						418,140.47
Total Revenues	5,773,659.56	641,406.47	53,940.00	5,137.62	5,467.00	895.92	5,066,812.55
EXPENDITURES:							
Instruction:							
Salaries of Teachers	1,097,571.36						1,097,571.36
Other Salaries for Instruction	300,645.64						300,645.64
Purchased Professional & Technical Services	750.00						750.00
Purchased Professional Educational Services	188,107.66						188,107.66
Tuition	49,680.00						49,680.00
General Supplies	616,761.52	552,295.59		5,137.62			59,328.31
Textbooks	31,461.61						31,461.61
Total Instruction	2,284,977.79	552,295.59	-	5,137.62	-	-	1,727,544.58
Support Services:							
Salaries of Supervisors of Instruction	6,362.92				5,467.00	895.92	
Salaries of Program Directors	123,699.99						123,699.99
Salaries of Other Professional Staff							
Other Salaries							
Personal Services - Employee Benefits	701,504.00						701,504.00
Purchased Professional & Technical Services	229,355.01	3,600.01	53,940.00				171,815.00
Purchased Professional Educational Services	72,780.90						72,780.90
Other Purchased Services							
Travel	1,626.56						1,626.56
Supplies and Materials	90,881.05						90,881.05
Scholarship Awards	2,850.00						2,850.00
Student Activities	374,751.23						374,751.23
Total Support Services	1,603,811.66	3,600.01	53,940.00	-	5,467.00	895.92	1,539,908.73
Capital Outlay:							
Instructional Equipment	5,955.65	5,955.65					
Non-Instructional Equipment	2,755,366.22	79,555.22					2,675,811.00
Total Capital Outlay	2,761,321.87	85,510.87	-	-	-	-	2,675,811.00
Total Expenditures	6,650,111.32	641,406.47	53,940.00	5,137.62	5,467.00	895.92	5,943,264.31
Other Financing Sources (Uses):							
Transfers from/(to) General Fund	886,491.00	-	-	-	-	-	886,491.00
Total Expenditures and Other Financing Sources (Uses)	5,763,620.32	641,406.47	53,940.00	5,137.62	5,467.00	895.92	5,056,773.31
Excess (Deficiency) of Revenues Over (Under) Expenditures	10,039.24	-	-	-	-	-	10,039.24
Fund Balance, July 1	198,853.76	-	-	-	-	-	198,853.76
Fund Balance, June 30	\$ 208,893.00	-	-	-	-	-	\$ 208,893.00

(Continued)

TOWNSHIP OF PENNSAUKEN SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
For the Fiscal Year Ended June 30, 2023

	N.J. Non-Public Handicapped Services Ch. 193						
	Total Carried Forward	Non-Public Technology Aid	Non-Public Textbook Aid	Supplemental Instruction	Examination and Classification	Corrective Speech	Total Brought Forward
REVENUES:							
Federal Sources	\$ 143,660.00						\$ 143,660.00
State Sources	4,505,012.08	\$ 20,795.36	\$ 31,461.61	\$ 32,957.40	\$ 39,823.50	\$ 19,623.00	4,360,351.21
Local Sources	418,140.47						418,140.47
Total Revenues	5,066,812.55	20,795.36	31,461.61	32,957.40	39,823.50	19,623.00	4,922,151.68
EXPENDITURES:							
Instruction:							
Salaries of Teachers	1,097,571.36						1,097,571.36
Other Salaries for Instruction	300,645.64						300,645.64
Purchased Professional & Technical Services	750.00						750.00
Purchased Professional Educational Services	188,107.66						188,107.66
Tuition	49,680.00						49,680.00
General Supplies	59,328.31	20,795.36					38,532.95
Textbooks	31,461.61		31,461.61				
Total Instruction	1,727,544.58	20,795.36	31,461.61	-	-	-	1,675,287.61
Support Services:							
Salaries of Supervisors of Instruction							
Salaries of Program Directors	123,699.99						123,699.99
Salaries of Other Professional Staff							
Other Salaries							
Personal Services - Employee Benefits	701,504.00						701,504.00
Purchased Professional & Technical Services	171,815.00						
Purchased Professional Educational Services	72,780.90			32,957.40	39,823.50	19,623.00	152,192.00
Other Purchased Services							
Travel	1,626.56						1,626.56
Supplies and Materials	90,881.05						90,881.05
Scholarship Awards	2,850.00						2,850.00
Student Activities	374,751.23						374,751.23
Total Support Services	1,539,908.73	-	-	32,957.40	39,823.50	19,623.00	1,447,504.83
Capital Outlay:							
Instructional Equipment							
Non-Instructional Equipment	2,675,811.00						2,675,811.00
Total Capital Outlay	2,675,811.00	-	-	-	-	-	2,675,811.00
Total Expenditures	5,943,264.31	20,795.36	31,461.61	32,957.40	39,823.50	19,623.00	5,798,603.44
Other Financing Sources (Uses):							
Transfers from/(to) General Fund	886,491.00	-	-	-	-	-	886,491.00
Total Expenditures and Other Financing Sources (Uses)	5,056,773.31	20,795.36	31,461.61	32,957.40	39,823.50	19,623.00	4,912,112.44
Excess (Deficiency) of Revenues Over (Under) Expenditures	10,039.24	-	-	-	-	-	10,039.24
Fund Balance, July 1	198,853.76	-	-	-	-	-	198,853.76
Fund Balance, June 30	\$ 208,893.00	-	-	-	-	-	\$ 208,893.00

(Continued)

TOWNSHIP OF PENNSAUKEN SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
For the Fiscal Year Ended June 30, 2023

	Total Carried Forward	N.J. Non-Public Auxiliary Services Ch. 192				Total Brought Forward
		Compensatory Education	English as a Second Language	Transportation	Non-Public Nursing Aid	
REVENUES:						
Federal Sources	\$ 143,660.00					\$ 143,660.00
State Sources	4,360,351.21	\$ 139,943.28	\$ 27,360.06	\$ 8,863.32	\$ 58,212.00	4,125,972.55
Local Sources	418,140.47					418,140.47
Total Revenues	4,922,151.68	139,943.28	27,360.06	8,863.32	58,212.00	4,687,773.02
EXPENDITURES:						
Instruction:						
Salaries of Teachers	1,097,571.36					1,097,571.36
Other Salaries for Instruction	300,645.64					300,645.64
Purchased Professional & Technical Services	750.00					750.00
Purchased Professional Educational Services	188,107.66	139,943.28	27,360.06	8,863.32		11,941.00
Tuition	49,680.00					49,680.00
General Supplies	38,532.95					38,532.95
Textbooks						
Total Instruction	1,675,287.61	139,943.28	27,360.06	8,863.32	-	1,499,120.95
Support Services:						
Salaries of Supervisors of Instruction						
Salaries of Program Directors	123,699.99					123,699.99
Salaries of Other Professional Staff						
Other Salaries						
Personal Services - Employee Benefits	701,504.00					701,504.00
Purchased Professional & Technical Services	152,192.00				58,212.00	93,980.00
Purchased Professional Educational Services						
Other Purchased Services						
Travel	1,626.56					1,626.56
Supplies and Materials	90,881.05					90,881.05
Scholarship Awards	2,850.00					2,850.00
Student Activities	374,751.23					374,751.23
Total Support Services	1,447,504.83	-	-	-	58,212.00	1,389,292.83
Capital Outlay:						
Instructional Equipment						
Non-Instructional Equipment	2,675,811.00					2,675,811.00
Total Capital Outlay	2,675,811.00	-	-	-	-	2,675,811.00
Total Expenditures	5,798,603.44	139,943.28	27,360.06	8,863.32	58,212.00	5,564,224.78
Other Financing Sources (Uses):						
Transfers from/(to) General Fund	886,491.00	-	-	-	-	886,491.00
Total Expenditures and Other Financing Sources (Uses)	4,912,112.44	139,943.28	27,360.06	8,863.32	58,212.00	4,677,733.78
Excess (Deficiency) of Revenues Over (Under) Expenditures	10,039.24	-	-	-	-	10,039.24
Fund Balance, July 1	198,853.76	-	-	-	-	198,853.76
Fund Balance, June 30	\$ 208,893.00	-	-	-	-	\$ 208,893.00

(Continued)

TOWNSHIP OF PENNSAUKEN SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
For the Fiscal Year Ended June 30, 2023

	<u>Total Carried Forward</u>	<u>Non-Public Security Aid</u>	<u>Preschool Education Aid</u>	<u>SSB-VEEVR HVAC Replacement</u>	<u>SDA Emergent Needs</u>	<u>Total Brought Forward</u>
REVENUES:						
Federal Sources	\$ 143,660.00					\$ 143,660.00
State Sources	4,125,972.55	\$ 87,224.75	\$ 1,362,936.80	\$ 2,461,100.00	\$ 214,711.00	
Local Sources	418,140.47					418,140.47
Total Revenues	4,687,773.02	87,224.75	1,362,936.80	2,461,100.00	214,711.00	561,800.47
EXPENDITURES:						
Instruction:						
Salaries of Teachers	1,097,571.36		1,097,571.36			
Other Salaries for Instruction	300,645.64		300,645.64			
Purchased Professional & Technical Services	750.00		750.00			
Purchased Professional Educational Services	11,941.00		11,941.00			
Tuition	49,680.00					49,680.00
General Supplies	38,532.95		38,532.95			
Textbooks						
Total Instruction	1,499,120.95	-	1,449,440.95	-	-	49,680.00
Support Services:						
Salaries of Supervisors of Instruction						
Salaries of Program Directors	123,699.99		123,699.99			
Salaries of Other Professional Staff						
Other Salaries						
Personal Services - Employee Benefits	701,504.00		671,004.00			30,500.00
Purchased Professional & Technical Services	93,980.00					93,980.00
Purchased Professional Educational Services						
Other Purchased Services						
Travel	1,626.56		1,626.56			
Supplies and Materials	90,881.05	87,224.75	3,656.30			
Scholarships Awarded	2,850.00					2,850.00
Student Activities	374,751.23					374,751.23
Total Support Services	1,389,292.83	87,224.75	799,986.85	-	-	502,081.23
Capital Outlay:						
Instructional Equipment						
Non-Instructional Equipment	2,675,811.00			2,461,100.00	214,711.00	
Total Capital Outlay	2,675,811.00	-	-	2,461,100.00	214,711.00	-
Total Expenditures	5,564,224.78	87,224.75	2,249,427.80	2,461,100.00	214,711.00	551,761.23
Other Financing Sources (Uses):						
Transfers from/(to) General Fund	886,491.00	-	886,491.00	-	-	-
Total Expenditures and Other Financing Sources (Uses)	4,677,733.78	87,224.75	1,362,936.80	2,461,100.00	214,711.00	551,761.23
Excess (Deficiency) of Revenues Over (Under) Expenditures	10,039.24	-	-	-	-	10,039.24
Fund Balance, July 1	198,853.76	-	-	-	-	198,853.76
Fund Balance, June 30	\$ 208,893.00	-	-	-	-	\$ 208,893.00

(Continued)

TOWNSHIP OF PENNSAUKEN SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
For the Fiscal Year Ended June 30, 2023

	Total Carried Forward	ACSERS	Local Grants	Scholarship	Student Activities
REVENUES:					
Federal Sources	\$ 143,660.00	\$ 143,660.00			
State Sources					
Local Sources	418,140.47		\$ 30,500.00	\$ 616.30	\$ 387,024.17
Total Revenues	561,800.47	143,660.00	30,500.00	616.30	387,024.17
EXPENDITURES:					
Instruction:					
Salaries of Teachers					
Other Salaries for Instruction					
Purchased Professional & Technical Services					
Purchased Professional Educational Services					
Tuition	49,680.00	49,680.00			
General Supplies					
Textbooks					
Total Instruction	49,680.00	49,680.00	-	-	-
Support Services:					
Salaries of Supervisors of Instruction					
Salaries of Program Directors					
Salaries of Other Professional Staff					
Other Salaries					
Personal Services - Employee Benefits	30,500.00		30,500.00		
Purchased Professional & Technical Services	93,980.00	93,980.00			
Purchased Professional Educational Services					
Other Purchased Services					
Travel					
Supplies and Materials					
Scholarships Awarded	2,850.00			2,850.00	
Student Activities	374,751.23				374,751.23
Total Support Services	502,081.23	93,980.00	30,500.00	2,850.00	374,751.23
Capital Outlay:					
Instructional Equipment					
Non-Instructional Equipment					
Total Capital Outlay	-	-	-	-	-
Total Expenditures	551,761.23	143,660.00	30,500.00	2,850.00	374,751.23
Other Financing Sources (Uses):					
Transfers from/(to) General Fund	-	-	-	-	-
Total Expenditures and Other Financing Sources (Uses)	551,761.23	143,660.00	30,500.00	2,850.00	374,751.23
Excess (Deficiency) of Revenues					
Over (Under) Expenditures	10,039.24	-	-	(2,233.70)	12,272.94
Fund Balance, July 1	198,853.76	-	-	22,112.90	176,740.86
Fund Balance, June 30	\$ 208,893.00	-	-	\$ 19,879.20	\$ 189,013.80

TOWNSHIP OF PENNSAUKEN SCHOOL DISTRICT
Special Revenue Fund
Schedule of Preschool Education Aid
Budgetary Basis
For the Fiscal Year Ended June 30, 2023

	<u>Budgeted</u>	<u>Actual</u>	<u>Variance</u>
EXPENDITURES:			
Instruction:			
Salaries of Teachers	\$ 1,097,571.36	\$ 1,097,571.36	
Other Salaries for Instruction	302,065.64	300,645.64	\$ 1,420.00
Purchased Professional Educational Services	4,200.00	750.00	3,450.00
Other Purchased Professional Services	21,000.00	11,941.00	9,059.00
General Supplies	50,600.00	38,532.95	12,067.05
	<u>1,475,437.00</u>	<u>1,449,440.95</u>	<u>25,996.05</u>
Total Instruction			
Support Services:			
Salaries of Program Directors	124,630.00	123,699.99	930.01
Salaries of Other Professional Staff	58,202.00		58,202.00
Employee Benefits	671,004.00	671,004.00	
Travel	5,500.00	1,626.56	3,873.44
Supplies and Materials	8,700.00	3,656.30	5,043.70
	<u>868,036.00</u>	<u>799,986.85</u>	<u>68,049.15</u>
Total Support Services			
Total Expenditures	<u>\$ 2,343,473.00</u>	<u>\$ 2,249,427.80</u>	<u>\$ 94,045.20</u>

Calculation of Budget and Carryover

Total Revised 2022-2023 Preschool Education Aid Allocation	\$ 1,001,892.00
Add: Actual ECPA Carryover (June 30, 2022)	872,566.80
Add: Budgeted Transfer from the General Fund 2022-2023	<u>886,491.00</u>
Total Preschool Education Aid Funds Available for 2021-2022 Budget	2,760,949.80
Less: 2022-2023 Budgeted Preschool Education Aid (Including Prior Year Budgeted Carryover)	<u>(2,343,473.00)</u>
Available and Unbudgeted Preschool Education Aid Funds as of June 30, 2023	417,476.80
Add: 2022-2023 Unexpended Preschool Education Aid	<u>94,045.20</u>
2022-2023 Carryover -- Preschool Education Aid	<u>\$ 511,522.00</u>
2022-2023 Preschool Education Aid Carryover Budgeted in 2023-2024	<u>\$ 872,566.00</u>

CAPITAL PROJECTS FUND

TOWNSHIP OF PENNSAUKEN SCHOOL DISTRICT
 Capital Projects Fund
 Summary Schedule of Project Expenditures
 For the Fiscal Year Ended June 30, 2023

<u>Project Title / Issue</u>	<u>Original Date</u>	<u>Appropriations</u>	<u>Expenditures to Date</u>		<u>Transfers</u>	<u>Cancellations</u>	<u>Unexpended Balance June 30, 2023</u>
			<u>Prior Years</u>	<u>Current Year</u>			
Senior High School Roof Replacement	1/6/2014	\$ 3,815,420.00	\$ 3,254,516.60		\$ (125,000.00)	\$ 435,903.40	
Longfellow Elementary Demolition & Playground Construction	7/17/2018	750,000.00	621,753.18	\$ 22,373.12	225,000.00		\$ 330,873.70
Senior High School Rehabilitation and Addition	7/17/2018	15,770,750.00	15,493,528.13	132,708.01	(144,513.86)		
Phifer Middle School Rehabilitation, Addition and Security	7/17/2018	3,650,000.00	3,580,601.74		95,474.85		164,873.11
Baldwin Elementary School Rehabilitation, Addition and Security	7/17/2018	4,509,980.41	4,374,312.27	85,505.00	(10,882.38)		39,280.76
Roosevelt Magnet High School Rehabilitation and Addition	7/17/2018	9,212,400.00	8,376,984.59	343,109.31	(40,078.61)		452,227.49
Total		<u>\$ 37,708,550.41</u>	<u>\$ 35,701,696.51</u>	<u>\$ 583,695.44</u>	<u>-</u>	<u>\$ 435,903.40</u>	<u>\$ 987,255.06</u>

TOWNSHIP OF PENNSAUKEN SCHOOL DISTRICT

Capital Project Funds

Summary Schedule of Revenues, Expenditures, and Changes in Fund Balance -- Budgetary Basis
For the Fiscal Year Ended June 30, 2023**Revenues and Other Financing Sources**

State Sources--SDA Grant

Bond Proceeds and Transfers

Transfer from (to) Other Local Projects

Transfer from Capital Outlay

Total Revenues

Expenditures and Other Financing Uses

Expenditures:

Equipment

Other Purchased Professional and Technical Services

Construction Services

Total Expenditures

Other Financing Uses:

Cancellation of SDA Grants

Transfer to General Fund -- Unrestricted

Total Other Financing Uses

Total Expenditures and Other Financing Uses

Excess (Deficiency) of Revenues Over (Under) Expenditures

Fund Balance -- July 1

Fund Balance -- June 30

\$ 583,695.44

282,420.81

153,482.59

\$ 583,695.44

435,903.40

1,019,598.84

(1,019,598.84)

2,006,853.90

\$ 987,255.06

Note: For F-2 Exhibits, SDA Grant awards are recognized as
revenue and encumbrances are not included in expenditures.

TOWNSHIP OF PENNSAUKEN SCHOOL DISTRICT
 Capital Projects Fund
 Schedule of Project Revenues, Expenditures, Project Balance and Project Status
 Senior High School Roof Replacement
 From Inception and for the Fiscal Year Ended June 30, 2023

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources--SDA Grant	\$ 2,475,144.00		\$ 2,475,144.00	\$ 2,475,144.00
Bond Proceeds and Transfers				
Transfer from (to) Other Local Projects	(100,000.00)	\$ (125,000.00)	(225,000.00)	(225,000.00)
Transfer from Capital Outlay	1,440,276.00		1,440,276.00	1,440,276.00
Total Revenues	3,815,420.00	(125,000.00)	3,690,420.00	3,690,420.00
Expenditures and Other Financing Uses				
Equipment				
Other Purchased Professional and Technical Services	51,154.90		51,154.90	51,154.90
Construction Services	3,203,361.70		3,203,361.70	3,203,361.70
Transfer to General Fund -- Capital Outlay		153,482.59	153,482.59	153,482.59
Cancellation of SDA Grant		282,420.81	282,420.81	282,420.81
Total Expenditures	3,254,516.60	435,903.40	3,690,420.00	3,690,420.00
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ 560,903.40	\$ (560,903.40)	-	-
Additional Project Information:				
Project Number	4060-050-14-1003-G04			
Grant Date	1/6/2014			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Proceeds from Lease Purchase	N/A			
Original Authorized Cost	\$ 3,915,420.00			
Additional Authorized Cost	\$ (225,000.00)			
Revised Authorized Cost	\$ 3,690,420.00			
Percentage Increase over Original Authorized Cost	-5.75%			
Percentage Completion	100.00%			
Original Target Completion Date	8/31/2015			
Revised Target Completion Date	6/30/2023			

TOWNSHIP OF PENNSAUKEN SCHOOL DISTRICT
 Capital Projects Fund
 Schedule of Project Revenues, Expenditures, Project Balance and Project Status
 Longfellow Elementary Demolition & Playground Construction
 From Inception and for the Fiscal Year Ended June 30, 2023

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources--SDA Grant				
Bond Proceeds and Transfers	\$ 850,000.00		\$ 850,000.00	\$ 850,000.00
Transfer from (to) Other Local Projects	(100,000.00)	\$ 225,000.00	125,000.00	125,000.00
Transfer from Capital Outlay				
Total Revenues	<u>750,000.00</u>	<u>225,000.00</u>	<u>975,000.00</u>	<u>975,000.00</u>
Expenditures and Other Financing Uses				
Equipment				
Other Purchased Professional and Technical Services	81,442.49		81,442.49	85,000.00
Construction Services	540,310.69	22,373.12	562,683.81	890,000.00
Transfer to General Fund -- Capital Outlay				
Total Expenditures	<u>621,753.18</u>	<u>22,373.12</u>	<u>644,126.30</u>	<u>975,000.00</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 128,246.82</u>	<u>\$ 202,626.88</u>	<u>\$ 330,873.70</u>	<u>-</u>
Encumbered			\$ 210,926.88	
Designated for Subsequent Years Expenditures			<u>119,946.82</u>	
			<u>\$ 330,873.70</u>	

Additional Project Information:

Project Number	4060-160-18-1000
Grant Date	N/A
Bond Authorization Date	2/8/2018
Bonds Authorized	\$ 850,000.00
Bonds Issued	\$ 850,000.00
Proceeds from Lease Purchase	N/A
Original Authorized Cost	\$ 850,000.00
Additional Authorized Cost	\$ 125,000.00
Revised Authorized Cost	\$ 975,000.00
Percentage Increase over Original Authorized Cost	0.00%
Percentage Completion	66.06%
Original Target Completion Date	6/30/2021
Revised Target Completion Date	6/30/2025

TOWNSHIP OF PENNSAUKEN SCHOOL DISTRICT

Capital Projects Fund

Schedule of Project Revenues, Expenditures, Project Balance and Project Status

Senior High School Rehabilitation and Addition

From Inception and for the Fiscal Year Ended June 30, 2023

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources--SDA Grant				
Bond Proceeds and Transfers	\$ 16,960,750.00		\$ 16,960,750.00	\$ 16,960,750.00
Transfer from (to) Other Local Projects	(1,190,000.00)	\$ (144,513.86)	(1,334,513.86)	(1,334,513.86)
Transfer from Capital Outlay				
Total Revenues	<u>15,770,750.00</u>	<u>(144,513.86)</u>	<u>15,626,236.14</u>	<u>15,626,236.14</u>
Expenditures and Other Financing Uses				
Equipment	59,700.33		59,700.33	59,700.33
Other Purchased Professional and Technical Services	1,705,317.52		1,705,317.52	1,705,317.52
Construction Services	13,728,510.28	132,708.01	13,861,218.29	13,861,218.29
Transfer to General Fund -- Capital Outlay				
Total Expenditures	<u>15,493,528.13</u>	<u>132,708.01</u>	<u>15,626,236.14</u>	<u>15,626,236.14</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 277,221.87</u>	<u>\$ (277,221.87)</u>	<u>-</u>	<u>-</u>
Additional Project Information:				
Project Number	4060-050-18-1000			
Grant Date	N/A			
Bond Authorization Date	2/8/2018			
Bonds Authorized	\$ 16,960,750.00			
Bonds Issued	\$ 16,960,750.00			
Proceeds from Lease Purchase	N/A			
Original Authorized Cost	\$ 16,960,750.00			
Additional Authorized Cost	\$ (1,334,513.86)			
Revised Authorized Cost	\$ 15,626,236.14			
Percentage Increase over Original Authorized Cost	0.00%			
Percentage Completion	100.00%			
Original Target Completion Date	6/30/2021			
Revised Target Completion Date	6/30/2023			

TOWNSHIP OF PENNSAUKEN SCHOOL DISTRICT
 Capital Projects Fund
 Schedule of Project Revenues, Expenditures, Project Balance and Project Status
 Phifer Middle School Rehabilitation, Addition and Security
 From Inception and for the Fiscal Year Ended June 30, 2023

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources--SDA Grant				
Bond Proceeds and Transfers	\$ 3,950,000.00		\$ 3,950,000.00	\$ 3,950,000.00
Transfer from (to) Other Local Projects	(300,000.00)	\$ 95,474.85	(204,525.15)	(204,525.15)
Transfer from Capital Outlay				
Total Revenues	<u>3,650,000.00</u>	<u>95,474.85</u>	<u>3,745,474.85</u>	<u>3,745,474.85</u>
Expenditures and Other Financing Uses				
Equipment				
Other Purchased Professional and Technical Services	387,303.05		387,303.05	420,000.00
Construction Services	3,193,298.69		3,193,298.69	3,325,474.85
Transfer to General Fund -- Capital Outlay				
Total Expenditures	<u>3,580,601.74</u>	<u>-</u>	<u>3,580,601.74</u>	<u>3,745,474.85</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 69,398.26</u>	<u>\$ 95,474.85</u>	<u>\$ 164,873.11</u>	<u>-</u>
Encumbered			\$ 19,640.38	
Designated for Subsequent Years Expenditures			<u>145,232.73</u>	
			<u>\$ 164,873.11</u>	
Additional Project Information:				
Project Number	4060-055-18-1000			
Grant Date	N/A			
Bond Authorization Date	2/8/2018			
Bonds Authorized	\$ 3,950,000.00			
Bonds Issued	\$ 3,950,000.00			
Proceeds from Lease Purchase	N/A			
Original Authorized Cost	\$ 3,950,000.00			
Additional Authorized Cost	\$ (204,525.15)			
Revised Authorized Cost	\$ 3,745,474.85			
Percentage Increase over Original Authorized Cost	0.00%			
Percentage Completion	95.60%			
Original Target Completion Date	6/30/2021			
Revised Target Completion Date	6/30/2024			

TOWNSHIP OF PENNSAUKEN SCHOOL DISTRICT
 Capital Projects Fund
 Schedule of Project Revenues, Expenditures, Project Balance and Project Status
 Baldwin Elementary School Rehabilitation, Addition and Security
 From Inception and for the Fiscal Year Ended June 30, 2023

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources--SDA Grant				
Bond Proceeds and Transfers	\$ 1,528,750.00		\$ 1,528,750.00	\$ 1,528,750.00
Transfer from (to) Other Local Projects	2,981,230.41	\$ (10,882.38)	2,970,348.03	2,970,348.03
Transfer from Capital Outlay				
Total Revenues	<u>4,509,980.41</u>	<u>(10,882.38)</u>	<u>4,499,098.03</u>	<u>4,499,098.03</u>
Expenditures and Other Financing Uses				
Legal Services				
Other Purchased Professional and Technical Services	164,189.22		164,189.22	175,000.00
Construction Services	4,210,123.05	85,505.00	4,295,628.05	4,324,098.03
Transfer to General Fund -- Capital Outlay				
Total Expenditures	<u>4,374,312.27</u>	<u>85,505.00</u>	<u>4,459,817.27</u>	<u>4,499,098.03</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 135,668.14</u>	<u>\$ (96,387.38)</u>	<u>\$ 39,280.76</u>	<u>-</u>
Encumbered			<u>\$ 39,280.76</u>	

Additional Project Information:

Project Number	4060-090-18-1000
Grant Date	N/A
Bond Authorization Date	2/8/2018
Bonds Authorized	\$ 1,528,750.00
Bonds Issued	\$ 1,528,750.00
Proceeds from Lease Purchase	N/A
Original Authorized Cost	\$ 1,528,750.00
Additional Authorized Cost	\$ 2,970,348.03
Revised Authorized Cost	\$ 4,499,098.03
Percentage Increase over Original Authorized Cost	0.00%
Percentage Completion	99.13%
Original Target Completion Date	6/30/2021
Revised Target Completion Date	6/30/2024

TOWNSHIP OF PENNSAUKEN SCHOOL DISTRICT
 Capital Projects Fund
 Schedule of Project Revenues, Expenditures, Project Balance and Project Status
 Roosevelt Magnet High School Rehabilitation and Addition
 From Inception and for the Fiscal Year Ended June 30, 2023

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources--SDA Grant				
Bond Proceeds and Transfers	\$ 9,942,000.00		\$ 9,942,000.00	\$ 9,942,000.00
Transfer from (to) Other Local Projects	(729,600.00)	\$ (40,078.61)	(769,678.61)	(769,678.61)
Transfer from Capital Outlay				
Total Revenues	<u>9,212,400.00</u>	<u>(40,078.61)</u>	<u>9,172,321.39</u>	<u>9,172,321.39</u>
Expenditures and Other Financing Uses				
Equipment				
Other Purchased Professional and Technical Services	1,039,209.84		1,039,209.84	1,250,000.00
Construction Services	7,335,774.75	343,109.31	7,678,884.06	7,922,321.39
Transfer to General Fund -- Capital Outlay				
Total Expenditures	<u>8,374,984.59</u>	<u>343,109.31</u>	<u>8,718,093.90</u>	<u>9,172,321.39</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 837,415.41</u>	<u>\$ (383,187.92)</u>	<u>\$ 454,227.49</u>	<u>-</u>
Encumbered			\$ 452,227.49	
Designated for Subsequent Years Expenditures			<u>2,000.00</u>	
			<u>\$ 454,227.49</u>	
Additional Project Information:				
Project Number	4060-180-18-1000			
Grant Date	N/A			
Bond Authorization Date	2/8/2018			
Bonds Authorized	\$ 9,942,000.00			
Bonds Issued	\$ 9,942,000.00			
Proceeds from Lease Purchase	N/A			
Original Authorized Cost	\$ 9,942,000.00			
Additional Authorized Cost	\$ (769,678.61)			
Revised Authorized Cost	\$ 9,172,321.39			
Percentage Increase over Original Authorized Cost	-7.74%			
Percentage Completion	95.05%			
Original Target Completion Date	6/30/2021			
Revised Target Completion Date	6/30/2024			

PROPRIETARY FUNDS

TOWNSHIP OF PENNSAUKEN SCHOOL DISTRICT
Proprietary Fund
Business Type Activities - Enterprise Fund
Statement of Net Position
June 30, 2023

	<u>Food Service</u>
ASSETS:	
Current Assets:	
Cash and Cash Equivalents	\$ 1,808,676.11
Accounts Receivable:	
State	4,467.49
Federal	120,496.02
Other	15,038.11
Inventories	<u>44,262.26</u>
Total Current Assets	<u>1,992,939.99</u>
Noncurrent Assets:	
Capital Assets:	
Equipment	1,917,102.27
Less Accumulated Depreciation	<u>(1,611,535.83)</u>
Total Noncurrent Assets	<u>305,566.44</u>
Total Assets	<u>2,298,506.43</u>
LIABILITIES:	
Current Liabilities:	
Interfund Accounts Payable:	
Due General Fund	1,033,608.30
Accounts Payable	36,021.89
Unearned Revenue	15,469.49
Compensated Absences Payable	<u>4,944.40</u>
Total Current Liabilities	<u>1,090,044.08</u>
Noncurrent Liabilities:	
Compensated Absences Payable	<u>19,777.62</u>
Total Liabilities	<u>1,109,821.70</u>
NET POSITION:	
Net Investment in Capital Assets	305,566.44
Unrestricted	<u>883,118.29</u>
Total Net Position	<u>\$ 1,188,684.73</u>

TOWNSHIP OF PENNSAUKEN SCHOOL DISTRICT
Proprietary Fund
Business Type Activities - Enterprise Fund
Statement of Revenues, Expenses and Changes in Fund Net Position
For the Fiscal Year Ended June 30, 2023

	<u>Food Service</u>
OPERATING REVENUES:	
Charges for Services:	
Daily Sales - Reimbursable Programs:	
School Lunch Program	\$ 284,361.84
School Breakfast Program	106,694.31
Daily Sales - Non-Reimbursable Programs	204,654.34
Miscellaneous	19,751.13
Special Functions	30,399.47
	<hr/>
Total Operating Revenues	645,861.09
	<hr/>
OPERATING EXPENSES:	
Salaries	1,176,366.83
Employee Benefits	945,030.30
General Supplies	139,573.68
Other Purchased Services	68,357.44
Depreciation	43,838.33
Cost of Sales - Reimbursable Programs	1,061,460.00
Cost of Sales - Non-Reimbursable Programs	115,625.00
	<hr/>
Total Operating Expenses	3,550,251.58
	<hr/>
Operating Income / (Loss)	(2,904,390.49)
	<hr/>
NONOPERATING REVENUES (EXPENSES):	
State Sources:	
State School Lunch Program	50,875.85
State School Breakfast Program	10,508.40
State School Breakfast After the Bell Program	22,161.60
Summer Food Service Program State Supplement	343.80
Federal Sources:	
National School Lunch Program	1,575,806.80
National School Breakfast Program	661,977.31
Food Distribution Program	283,156.68
Summer Food Service Program Breakfast and Lunch	8,148.06
Summer Food Service Program Administration	807.94
Supply Chain Assistance	222,376.66
Interest Revenue	47,528.71
	<hr/>
Total Nonoperating Revenues (Expenses)	2,883,691.81
	<hr/>
Change in Net Position	(20,698.68)
	<hr/>
Net Position -- July 1	1,209,383.41
	<hr/>
Net Position -- June 30	\$ 1,188,684.73
	<hr/>

TOWNSHIP OF PENNSAUKEN SCHOOL DISTRICT
 Proprietary Fund
 Business Type Activities - Enterprise Fund
 Statement of Cash Flows
 For the Fiscal Year Ended June 30, 2023

	<u>Food Service</u>
CASH FLOWS FROM OPERATING ACTIVITIES:	
Receipts from Customers	\$ 655,343.42
Payments to Employees	(1,161,693.71)
Payments for Employee Benefits	(943,845.15)
Payments for Supplies and Services	<u>(1,464,073.22)</u>
Net Cash Provided by (used for) Operating Activities	<u>(2,914,268.66)</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:	
State Sources	82,357.20
Federal Sources	2,828,637.75
Operating Subsidies and Transfers	<u>281,702.04</u>
Net Cash Provided by (used for) Non-Capital Financing Activities	<u>3,192,696.99</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:	
Purchases of Capital Assets	<u>(73,474.12)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:	
Interest Revenue	<u>47,528.71</u>
Net Increase (Decrease) in Cash and Cash Equivalents	252,482.92
Cash and Cash Equivalents -- July 1	<u>1,556,193.19</u>
Cash and Cash Equivalents -- June 30	<u><u>\$ 1,808,676.11</u></u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:	
Operating Income (Loss)	<u>\$ (2,904,390.49)</u>
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (used for) Operating Activities:	
Depreciation	43,838.33
(Increase) Decrease in Inventories	4,106.86
Increase (Decrease) in Accounts Payable	(83,163.96)
Increase (Decrease) in Unearned Revenue	15,469.49
Increase (Decrease) in Accrued Salary Benefits	(819.05)
(Increase) Decrease in Prepaid Expenses	16,677.32
(Increase) Decrease in Accounts Receivable	<u>(5,987.16)</u>
Total Adjustments	<u>(9,878.17)</u>
Net Cash Provided by (used for) Operating Activities	<u><u>\$ (2,914,268.66)</u></u>
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES:	
Food Distribution Program	<u><u>\$ 283,156.68</u></u>

LONG-TERM DEBT

TOWNSHIP OF PENNSAUKEN SCHOOL DISTRICT
Schedule of Serial Bonds
For the Fiscal Year Ended June 30, 2023

<u>Issue</u>	<u>Date of Issue</u>	<u>Amount of Issue</u>	<u>Annual Maturities</u>		<u>Interest Rate</u>	<u>Balance June 30, 2022</u>	<u>Issued</u>	<u>Disbursed</u>	<u>Balance June 30, 2023</u>
			<u>Date</u>	<u>Amount</u>					
School District Bonds -- Series 2018	7/17/2018	\$ 35,669,000.00	7-15-23	\$ 1,465,000.00	3.000%				
			7-15-24	1,515,000.00	3.000%				
			7-15-25	1,570,000.00	3.000%				
			7-15-26	1,625,000.00	3.000%				
			7-15-27	1,700,000.00	3.000%				
			7-15-28	1,770,000.00	3.000%				
			7-15-29	1,840,000.00	3.000%				
			7-15-30	1,925,000.00	3.000%				
			7-15-31	2,000,000.00	3.000%				
			7-15-32	2,075,000.00	3.125%				
			7-15-33	2,150,000.00	3.250%				
			7-15-34	2,240,000.00	3.375%				
			7-15-35	2,325,000.00	3.500%				
			7-15-36	2,415,000.00	3.500%				
			7-15-37	2,500,000.00	4.000%				
			7-15-38	2,525,000.00	4.000%	\$ 33,045,000.00		\$ 1,405,000.00	\$ 31,640,000.00
						<u>\$ 33,045,000.00</u>	<u>-</u>	<u>\$ 1,405,000.00</u>	<u>\$ 31,640,000.00</u>

TOWNSHIP OF PENNSAUKEN SCHOOL DISTRICT
Debt Service Fund
Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2023

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative) Final to Actual</u>
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 1,854,425.00		\$ 1,851,425.00	\$ 1,851,425.00	
State Sources:					
Debt Service Aid Type II	<u>614,169.00</u>		<u>614,169.00</u>	<u>614,169.00</u>	
Total Revenues	<u>2,468,594.00</u>	<u>-</u>	<u>2,465,594.00</u>	<u>2,465,594.00</u>	<u>-</u>
EXPENDITURES:					
Regular Debt Service:					
Interest	1,060,594.00		1,060,594.00	1,060,593.76	\$ 0.24
Redemption of Principal	<u>1,405,000.00</u>		<u>1,405,000.00</u>	<u>1,405,000.00</u>	
Total Expenditures	<u>2,465,594.00</u>	<u>-</u>	<u>2,465,594.00</u>	<u>2,465,593.76</u>	<u>0.24</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	3,000.00	-	-	0.24	(0.24)
Fund Balance, July 1	<u>1.12</u>	<u>-</u>	<u>1.12</u>	<u>1.12</u>	<u>-</u>
Fund Balance, June 30	<u>\$ 3,001.12</u>	<u>-</u>	<u>\$ 1.12</u>	<u>\$ 1.36</u>	<u>\$ (0.24)</u>

STATISTICAL SECTION

Financial Trends Information

Financial trends information is intended to assist the user in understanding and assessing how the School District's financial position has changed over time. Please refer to the following exhibits for a historical view of the School District's financial performance.

TOWNSHIP OF PENNSAUKEN SCHOOL DISTRICT
Net Position by Component
Last Ten Fiscal Years (Accrual Basis of Accounting)
Unaudited

	Fiscal Year Ended June 30,									
	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Governmental Activities:										
Net Investment in Capital Assets	\$ 58,515,252.19	\$ 57,895,991.44	\$ 48,253,330.93	\$ 44,638,879.26	\$ 44,714,802.98	\$ 37,039,161.14	\$ 35,170,017.39	\$ 39,102,374.55	\$ 35,626,094.86	\$ 29,398,954.36
Restricted	54,397,557.75	44,423,291.27	35,532,940.76	27,888,112.57	26,382,575.64	30,876,998.19	28,912,987.12	19,449,838.03	18,150,270.56	18,702,639.09
Unrestricted (Deficit)	<u>(22,857,074.79)</u>	<u>(27,135,419.82)</u>	<u>(30,518,007.76)</u>	<u>(32,456,282.38)</u>	<u>(35,677,566.59)</u>	<u>(32,801,445.46)</u>	<u>(34,259,383.97)</u>	<u>(30,423,489.47)</u>	<u>(32,598,950.66)</u>	<u>(6,318,706.08)</u>
Total Governmental Activities Net Position	<u>\$ 90,055,735.15</u>	<u>\$ 75,183,862.89</u>	<u>\$ 53,268,263.93</u>	<u>\$ 40,070,709.45</u>	<u>\$ 35,419,812.03</u>	<u>\$ 35,114,713.87</u>	<u>\$ 29,823,620.54</u>	<u>\$ 28,128,723.11</u>	<u>\$ 21,177,414.76</u>	<u>\$ 41,782,887.37</u>
Business-type Activities:										
Net Investment in Capital Assets	\$ 305,566.44	\$ 267,762.05	\$ 231,157.36	\$ 274,646.57	\$ 282,513.65	\$ 314,391.21	\$ 354,304.74	\$ 385,707.40	\$ 338,302.56	\$ 376,618.30
Unrestricted (Deficit)	<u>883,118.29</u>	<u>941,621.36</u>	<u>727,366.09</u>	<u>266,054.70</u>	<u>807,337.81</u>	<u>747,681.32</u>	<u>675,142.45</u>	<u>508,241.37</u>	<u>553,601.35</u>	<u>591,993.53</u>
Total Business-type Activities Net Position	<u>\$ 1,188,684.73</u>	<u>\$ 1,209,383.41</u>	<u>\$ 958,523.45</u>	<u>\$ 540,701.27</u>	<u>\$ 1,089,851.46</u>	<u>\$ 1,062,072.53</u>	<u>\$ 1,029,447.19</u>	<u>\$ 893,948.77</u>	<u>\$ 891,903.91</u>	<u>\$ 968,611.83</u>
Government-wide:										
Net Investment in Capital Assets	\$ 58,820,818.63	\$ 58,163,753.49	\$ 48,484,488.29	\$ 44,913,525.83	\$ 44,997,316.63	\$ 37,353,552.35	\$ 35,524,322.13	\$ 39,488,081.95	\$ 35,964,397.42	\$ 29,775,572.66
Restricted	54,397,557.75	44,423,291.27	35,532,940.76	27,888,112.57	26,382,575.64	30,876,998.19	28,912,987.12	19,449,838.03	18,150,270.56	18,702,639.09
Unrestricted (Deficit)	<u>(21,973,956.50)</u>	<u>(26,193,798.46)</u>	<u>(29,790,641.67)</u>	<u>(32,190,227.68)</u>	<u>(34,870,228.78)</u>	<u>(32,053,764.14)</u>	<u>(33,584,241.52)</u>	<u>(29,915,248.10)</u>	<u>(32,045,349.31)</u>	<u>(5,726,712.55)</u>
Total Government-wide Net Position	<u>\$ 91,244,419.88</u>	<u>\$ 76,393,246.30</u>	<u>\$ 54,226,787.38</u>	<u>\$ 40,611,410.72</u>	<u>\$ 36,509,663.49</u>	<u>\$ 36,176,786.40</u>	<u>\$ 30,853,067.73</u>	<u>\$ 29,022,671.88</u>	<u>\$ 22,069,318.67</u>	<u>\$ 42,751,499.20</u>

For the fiscal year ended June 30, 2015, the School District adopted GASBS No's. 68 and 71, which required the School District to record its proportionate share of the net pension liability and related deferred outflows and inflows of resources in the government-wide financial statements. Balances prior to June 30, 2015 are shown as originally reported and have not been restated for this adoption.

For the fiscal year ended June 30, 2018, the School District adopted GASB No. 75, which required the School District to recognize a revenue and expense on the government-wide statement of activities for the State's proportionate share of the postemployment expense associated with the School District. The June 30, 2017 balance has not been restated on this schedule for the adoption of GASB 75.

For the fiscal year ended June 30, 2021, the School District adopted GASBS No. 84, which required the School District to report several funds that were previously reported as fiduciary fund type as governmental activities and governmental fund type. Balances prior to June 30, 2021 are shown as originally reported and have not been restated for this adoption.

Source: Exhibit A-1

TOWNSHIP OF PENNSAUKEN SCHOOL DISTRICT
Changes in Net Position
Last Ten Fiscal Years (Accrual Basis of Accounting)
Unaudited

	Fiscal Year Ended June 30,									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Expenses:										
Governmental Activities:										
Instruction:										
Regular	\$ 25,530,428.97	\$ 23,573,971.54	\$ 22,000,769.22	\$ 23,920,669.48	\$ 24,001,016.94	\$ 23,800,912.41	\$ 22,771,676.81	\$ 23,124,832.46	\$ 24,725,446.31	\$ 23,844,608.39
Special Education	12,120,378.62	10,038,435.51	12,315,262.98	9,200,258.96	8,850,016.87	9,249,509.72	9,575,467.37	9,514,466.29	9,244,956.80	8,680,173.44
Other Special Education	2,130,484.92	2,116,543.71	1,667,095.30	1,975,842.16	2,046,712.53	1,571,662.21	1,342,823.68	701,368.56	594,090.69	389,029.50
Other Instruction	3,223,466.20	2,629,112.25	1,836,555.71	2,823,394.87	2,264,286.66	1,443,554.32	1,330,115.73	1,126,398.82	1,202,434.37	1,185,925.72
Tuition	6,775,403.78	7,119,475.02	7,581,094.68	8,235,891.13	9,198,727.27	8,987,439.31	10,267,822.57	9,620,422.54	9,637,485.76	8,656,264.36
Support Services:										
Student and Instruction Related Services	11,046,386.57	10,138,595.23	8,639,082.47	9,068,524.90	8,668,310.11	7,828,426.13	8,197,632.13	7,607,191.51	7,009,893.76	6,444,151.75
School Administrative Services	4,364,843.56	3,763,289.19	3,818,322.32	3,776,254.47	3,448,980.91	3,114,220.26	2,738,953.35	2,654,634.75	2,521,857.13	2,711,107.89
Other Administrative Services	3,687,430.89	3,668,940.51	3,529,213.70	2,910,460.38	3,054,968.98	2,709,358.04	2,474,180.42	2,397,953.81	2,572,935.00	3,096,759.20
Plant Operations and Maintenance	8,674,457.36	8,330,679.52	7,730,634.09	7,858,784.79	9,716,240.40	9,216,841.25	8,671,102.79	8,547,332.57	8,645,523.57	9,475,486.53
Pupil Transportation	5,896,531.21	4,785,344.23	3,270,972.31	4,468,033.55	5,302,119.99	5,020,863.94	5,437,486.65	5,107,036.63	5,284,782.51	4,494,416.21
Unallocated Benefits	26,372,029.16	31,292,048.24	43,601,244.43	33,620,944.25	39,443,360.79	50,254,724.91	39,182,267.13	30,934,863.31	26,383,597.05	16,401,704.17
Reimbursed TPAF and Social Security	2,944,905.95	2,785,524.15	2,684,515.66	2,663,195.83	2,597,848.16	2,554,665.02	5,636,389.56	8,331,086.77	7,383,515.97	6,490,899.54
Transfer to Charter Schools	1,021,709.25	8,622,342.00	7,339,147.00	6,425,618.00	5,434,277.00	3,939,925.00	3,725,444.00	3,363,325.00	2,813,640.00	2,380,337.00
Interest on Long-term Debt		1,062,217.11	1,112,386.55	879,695.76	1,154,457.79	192,756.71	484,135.76	472,972.63	460,659.96	882,344.47
Amortization of Bond Issuance Costs									127,905.03	
Unallocated Depreciation										132,741.00
Total Governmental Activities Expenses	122,864,549.44	119,926,518.21	127,126,296.42	117,827,568.53	125,181,324.40	129,884,859.23	121,835,497.95	113,503,885.65	108,608,723.91	95,265,949.17
Business-type Activities:										
Food Service	3,550,251.58	3,347,598.21	2,349,466.72	2,813,626.09	2,999,536.50	2,922,377.85	2,975,061.49	3,225,480.13	3,362,986.53	2,926,370.70
Total Government Expenses	\$ 126,414,801.02	\$ 123,274,116.42	\$ 129,475,763.14	\$ 120,641,194.62	\$ 128,180,860.90	\$ 132,807,237.08	\$ 124,810,559.44	\$ 116,729,365.78	\$ 111,971,710.44	\$ 98,192,319.87
Program Revenues:										
Governmental Activities:										
Charges for Services	\$ 265,031.86	\$ 276,391.61	\$ 299,772.47	\$ 394,718.38	\$ 296,896.02	\$ 424,664.09	\$ 489,786.86	\$ 604,374.35	\$ 1,021,182.47	\$ 1,240,575.61
Operating Grants and Contributions	20,254,310.17	26,637,847.44	38,531,434.71	23,968,582.30	27,916,725.74	40,447,397.84	30,652,833.17	27,442,817.04	22,887,205.28	11,806,629.98
Capital Grants and Contributions									11,280.00	
Total Governmental Activities Program Revenues	20,519,342.03	26,914,239.05	38,831,207.18	24,363,300.68	28,213,621.76	40,872,061.93	31,142,620.03	28,047,191.39	23,919,667.75	13,047,205.59

(Continued)

TOWNSHIP OF PENNSAUKEN SCHOOL DISTRICT
Changes in Net Position
Last Ten Fiscal Years (Accrual Basis of Accounting)
Unaudited

	Fiscal Year Ended June 30,									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Program Revenues (Cont'd):										
Business-type activities:										
Charges for services										
Food service	\$ 645,861.09	\$ 325,791.87	\$ 74,259.52	\$ 481,046.19	\$ 689,440.28	\$ 627,092.59	\$ 715,768.62	\$ 777,301.73	\$ 768,053.84	\$ 796,238.22
Operating Grants and Contributions	2,836,163.10	3,252,127.17	2,685,415.79	1,768,006.44	2,326,313.06	2,323,950.93	2,392,174.07	2,449,151.23	2,517,062.38	2,219,112.96
Total Business-type Activities Program Revenues	3,482,024.19	3,577,919.04	2,759,675.31	2,249,052.63	3,015,753.34	2,951,043.52	3,107,942.69	3,226,452.96	3,285,116.22	3,015,351.18
Total Government Program Revenues	\$ 24,001,366.22	\$ 30,492,158.09	\$ 41,590,882.49	\$ 26,612,353.31	\$ 31,229,375.10	\$ 43,823,105.45	\$ 34,250,562.72	\$ 31,273,644.35	\$ 27,204,783.97	\$ 16,062,556.77
Net (Expense)/Revenue:										
Governmental Activities	\$ (102,345,207.41)	\$ (93,012,279.16)	\$ (88,295,089.24)	\$ (93,464,267.85)	\$ (96,967,702.64)	\$ (89,012,797.30)	\$ (90,692,877.92)	\$ (85,456,694.26)	\$ (84,689,056.16)	\$ (82,218,743.58)
Business-type Activities	(68,227.39)	230,320.83	410,208.59	(564,573.46)	16,216.84	28,665.67	132,881.20	972.83	(77,870.31)	88,980.48
Total Government-wide Net Expense	\$ (102,413,434.80)	\$ (92,781,958.33)	\$ (87,884,880.65)	\$ (94,028,841.31)	\$ (96,951,485.80)	\$ (88,984,131.63)	\$ (90,559,996.72)	\$ (85,455,721.43)	\$ (84,766,926.47)	\$ (82,129,763.10)
General Revenues and Other Changes in Net Position:										
Governmental Activities:										
Property Taxes Levied for General Purposes, Net	\$ 42,457,125.00	\$ 41,145,911.00	\$ 41,090,161.00	\$ 40,284,472.00	\$ 39,764,188.00	\$ 39,764,188.00	\$ 38,479,786.00	\$ 37,284,104.00	\$ 35,323,974.00	\$ 35,323,974.00
Taxes Levied for Debt Service	1,851,425.00	1,841,157.00	1,806,467.00	1,280,727.00	1,894,721.00	1,973,659.00	1,765,092.00	2,138,665.00	2,344,923.00	2,368,317.00
Unrestricted Grants and Contributions	70,059,024.37	62,195,404.38	56,121,656.58	54,904,887.13	52,852,857.42	50,479,867.36	49,710,702.62	49,031,333.82	49,275,115.81	48,852,589.64
Restricted Grants and Contributions	645,616.67	8,248,859.90	389,001.81	322,441.96	1,431,573.38	1,403,176.38	1,593,280.25	3,279,300.93	2,941,290.99	1,363,007.04
Investment Earnings							79,258.76	16,609.27	127,905.03	2,282.15
Other	2,203,888.63	1,496,545.84	1,615,673.62	1,322,637.18	1,329,461.00	682,999.89	759,655.72	657,989.59	935,296.73	459,284.70
Cancellation of Prior Year Accounts Receivable									(27,654.98)	(169,585.80)
Cancellation of Special Revenue Grant Balances									(11,782.03)	
Total Governmental Activities	117,217,079.67	114,927,878.12	101,022,960.01	98,115,165.27	97,272,800.80	94,303,890.63	92,387,775.35	92,408,002.61	90,909,068.55	88,199,868.73
Business-type Activities:										
Investment Earnings	47,528.71	20,539.13	7,613.59	15,423.27	11,562.09	3,959.67	2,617.22	1,072.03	1,162.39	1,234.22
Total Government-wide	\$ 117,264,608.38	\$ 114,948,417.25	\$ 101,030,573.60	\$ 98,130,588.54	\$ 97,284,362.89	\$ 94,307,850.30	\$ 92,390,392.57	\$ 92,409,074.64	\$ 90,910,230.94	\$ 88,201,102.95
Change in Net Position:										
Governmental Activities	\$ 14,871,872.26	\$ 21,915,598.96	\$ 12,727,870.77	\$ 4,650,897.42	\$ 305,098.16	\$ 5,291,093.33	\$ 1,694,897.43	\$ 6,951,308.35	\$ 6,220,012.39	\$ 5,981,125.15
Business-type Activities	(20,698.68)	250,859.96	417,822.18	(549,150.19)	27,778.93	32,625.34	135,498.42	2,044.86	(76,707.92)	90,214.70
Total Government	\$ 14,851,173.58	\$ 22,166,458.92	\$ 13,145,692.95	\$ 4,101,747.23	\$ 332,877.09	\$ 5,323,718.67	\$ 1,830,395.85	\$ 6,953,353.21	\$ 6,143,304.47	\$ 6,071,339.85

For the fiscal year ended June 30, 2015, the School District adopted GASBS No's. 68 and 71, which required the School District to record its proportionate share of the net pension liability and related deferred outflows and inflows of resources in the government-wide financial statements. Balances prior to June 30, 2015 are shown as originally reported and have not been restated for this adoption.

For the fiscal year ended June 30, 2018, the School District adopted GASBS No. 75, which required the School District to recognize a revenue and expense on the government-wide statement of activities for the State's proportionate share of the postemployment expense associated with the School District. Revenues and expenses prior to June 30, 2018 are shown as originally reported and have not been restated for this adoption.

For the fiscal year ended June 30, 2021, the School District adopted GASBS No. 84, which required the School District to report several funds that were previously reported as fiduciary fund type as governmental activities and governmental fund type. Balances prior to June 30, 2021 are shown as originally reported and have not been restated for this adoption.

Source: Exhibit A-2

TOWNSHIP OF PENNSAUKEN SCHOOL DISTRICT
Fund Balances, Governmental Funds
Last Ten Fiscal Years (Modified Accrual Basis of Accounting)
Unaudited

	Fiscal Year Ended June 30,									
	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
General Fund:										
Nonspendable						\$ 160,032.78	\$ 132,851.88	\$ 174,372.11	\$ 200,858.96	\$ 205,893.61
Restricted	\$ 53,768,350.22	\$ 43,145,956.99	\$ 34,697,993.57	\$ 26,979,400.65	\$ 25,613,540.05	24,024,374.03	23,277,403.88	18,535,134.48	16,009,261.75	17,701,857.94
Assigned	5,304,403.49	843,924.34	1,277,363.50	2,280,763.68	502,465.58	2,559,413.61	1,257,174.64	2,444,221.01	401,493.41	292,190.94
Unassigned (Deficit)	<u>(3,072,160.74)</u>	<u>119,655.53</u>	<u>(156,507.76)</u>	<u>(2,013,642.98)</u>	<u>(2,191,914.63)</u>	<u>(2,201,393.81)</u>	<u>(2,071,351.91)</u>	<u>(2,298,567.38)</u>	<u>(2,590,630.95)</u>	<u>(2,321,050.34)</u>
Total General Fund	<u>\$ 56,000,592.97</u>	<u>\$ 44,109,536.86</u>	<u>\$ 35,818,849.31</u>	<u>\$ 27,246,521.35</u>	<u>\$ 23,924,091.00</u>	<u>\$ 24,542,426.61</u>	<u>\$ 22,596,078.49</u>	<u>\$ 18,855,160.22</u>	<u>\$ 14,020,983.17</u>	<u>\$ 15,878,892.15</u>
All Other Governmental Funds:										
Nonspendable	\$ 8,000.00	\$ 8,000.00	\$ 8,000.00	\$ 8,000.00	\$ 8,000.00	\$ 8,000.00	\$ 8,000.00	\$ 8,000.00	\$ 8,000.00	\$ 8,000.00
Restricted	1,608,463.95	2,715,285.90	9,260,414.41	12,048,364.21	29,143,257.40	6,844,624.49	5,627,583.57	876,547.78	1,734,080.04	791,922.20
Unassigned, Reported in:										
Capital Projects Fund										
Special Revenue Fund (Deficit)					<u>(56,682.00)</u>	<u>(62,765.00)</u>	<u>(51,441.96)</u>	<u>(47,404.96)</u>		
Total All Other Governmental Funds	<u>\$ 1,616,463.95</u>	<u>\$ 2,723,285.90</u>	<u>\$ 9,268,414.41</u>	<u>\$ 12,056,364.21</u>	<u>\$ 29,094,575.40</u>	<u>\$ 6,789,859.49</u>	<u>\$ 5,584,141.61</u>	<u>\$ 837,142.82</u>	<u>\$ 1,742,080.04</u>	<u>\$ 799,922.20</u>

For the fiscal year ended June 30, 2021, the School District adopted GASBS No. 84, which required the School District to report several funds that were previously reported as fiduciary fund type as governmental activities and governmental fund type. Balances prior to June 30, 2021 are shown as originally reported and have not been restated for this adoption.

Source: Exhibit B-1

TOWNSHIP OF PENNSAUKEN SCHOOL DISTRICT
Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years (Modified Accrual Basis of Accounting)
Unaudited

	Fiscal Year Ended June 30,									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Revenues:										
Tax Levy	\$ 44,308,550.00	\$ 42,987,068.00	\$ 42,896,628.00	\$ 41,565,199.00	\$ 41,658,909.00	\$ 41,737,847.00	\$ 40,244,878.00	\$ 39,422,769.00	\$ 37,668,897.00	\$ 37,692,291.00
Other Local Revenue	2,468,920.49	1,772,937.45	1,909,609.68	1,817,672.56	1,626,357.02	1,123,557.75	1,329,807.57	1,278,973.21	1,973,580.20	1,712,525.20
State Sources	92,268,130.55	84,745,280.97	74,538,065.16	70,119,749.50	67,447,552.14	63,742,853.74	61,752,746.87	61,857,826.17	60,682,776.03	58,240,081.49
Federal Sources	6,505,996.62	13,593,638.86	7,445,479.14	4,014,522.89	4,083,460.40	4,090,433.07	4,054,752.94	4,282,445.62	4,121,289.05	3,771,762.43
Local Sources	418,140.47	344,535.89	128,514.21							
Total Revenue	145,969,738.13	143,443,461.17	126,918,296.19	117,517,143.95	114,816,278.56	110,694,691.56	107,382,185.38	106,842,014.00	104,446,542.28	101,416,660.12
Expenditures:										
Instruction										
Regular Instruction	24,034,652.83	22,593,788.52	21,436,706.79	22,862,127.67	24,156,005.78	23,284,498.43	22,735,815.59	24,601,305.34	23,241,590.12	23,335,721.43
Special Education Instruction	11,156,445.31	9,197,841.79	11,673,683.04	8,634,730.79	8,259,915.85	8,732,569.02	9,157,988.28	8,987,144.08	8,287,914.36	8,364,364.02
Other Special Instruction	2,130,484.92	2,116,543.71	1,667,095.30	1,975,842.16	2,046,712.53	1,571,662.21	701,368.56	594,090.69	389,029.50	406,592.66
Other Instruction	3,214,907.36	2,616,767.37	1,836,555.71	2,819,133.87	2,264,286.66	1,443,554.32	1,126,398.82	1,202,434.37	1,185,925.72	1,120,288.39
Community Services Programs	8,558.84	12,344.88		4,261.00						
Tuition	6,775,403.78	7,119,475.02	7,581,094.68	8,235,891.13	9,198,727.27	8,987,439.31	9,620,422.54	9,637,485.76	8,656,264.36	8,389,161.81
Support Services:										
Student and Instruction Related Services	10,903,952.51	10,015,026.97	8,419,474.55	8,872,874.42	8,663,097.51	7,612,314.13	7,403,264.51	6,805,849.76	6,369,360.75	6,538,232.51
School Administrative Services	3,700,151.28	3,186,637.33	3,336,167.66	3,351,214.88	3,300,332.25	3,103,063.26	2,610,661.75	2,527,503.34	2,756,902.72	2,852,777.05
Other Administrative Services	3,450,040.79	3,462,993.42	3,371,804.05	2,774,373.25	3,054,968.98	2,457,878.67	2,163,538.69	2,369,038.90	2,843,355.16	2,981,466.79
Plant Operations and Maintenance	8,822,067.26	8,544,732.43	7,906,575.18	8,105,097.06	8,166,276.48	7,845,000.10	7,354,406.91	7,581,679.95	8,215,703.48	7,799,982.52
Pupil Transportation	5,754,097.15	4,661,775.97	2,906,271.12	4,125,493.99	5,101,501.80	4,767,825.94	4,834,736.62	4,974,448.51	4,218,301.21	4,305,008.68
Unallocated Benefits	20,602,146.97	19,215,749.24	18,737,741.43	18,755,468.25	19,239,432.79	17,858,197.91	16,769,976.31	16,514,849.05	16,401,704.17	17,089,019.69
Reimbursed TPAF Pension and Social Security	19,898,634.95	20,034,964.15	15,757,565.66	12,974,174.83	12,339,029.16	10,877,634.02	8,331,086.77	7,383,515.97	6,490,899.54	7,764,947.73
Transfer to Charter Schools	9,076,093.00	8,622,342.00	7,339,147.00	6,425,618.00	5,434,277.00	3,939,925.00	3,363,325.00	2,813,640.00	2,380,337.00	1,988,577.00
Debt Service:										
Principal	1,405,000.00	1,350,000.00	1,274,000.00		3,565,000.00	3,500,000.00	3,170,000.00	3,230,000.00	3,130,000.00	3,040,000.00
Interest and Other Charges	1,060,593.76	1,101,918.76	1,131,723.76	1,705,577.69	142,600.00	282,600.00	510,500.00	515,906.68	816,255.00	945,455.02
Bond Issuance Costs								127,905.03		
Capital Outlay	3,113,120.64	17,845,000.57	7,227,995.81	21,510,728.80	13,991,223.51	3,465,676.92	3,074,317.20	5,578,929.36	6,198,993.72	3,928,551.09
Total Expenditures	135,106,351.35	141,697,902.13	121,603,601.74	133,132,607.79	128,923,387.57	109,729,839.24	102,927,807.55	105,445,726.79	101,582,536.81	100,850,146.39
Excess (Deficiency) of Revenues Over (Under) Expenditures	10,863,386.78	1,745,559.04	5,314,694.45	(15,615,463.84)	(14,107,109.01)	964,852.32	4,454,377.83	1,396,287.21	2,864,005.47	566,513.73
Other Financing Sources (Uses):										
Proceeds from Lease Purchase				2,000,000.00		2,000,000.00	6,685,000.00			
Proceeds from Issuance of Bonds					35,669,000.00					
Premium from Issuance of Bonds					284,522.09					
Change in Inventory									(26,486.85)	(5,034.65)
Accounts Receivable/Payable Canceled									(27,654.98)	(169,585.80)
Cancellation of Special Revenue Grant Balances									(11,782.03)	
Cancellation of Capital Project Balances to Capital Reserve										
Proceeds from Issuance of Refunding Bonds									13,555,000.00	
Premium from Issuance of Refunding Bonds									1,002,412.55	
Defeasance of Bond									(14,150,000.00)	
Loss from Issuance of Refunding Bonds									(804,424.82)	
Unamortized Loss on Bonds									524,917.30	
Transfers In									3,695,836.00	
Transfers Out				(100,317.00)					(3,695,836.00)	
Total Other Financing Sources (Uses)	-	-	-	1,899,683.00	35,953,522.09	2,000,000.00	6,685,000.00	-	61,981.17	(174,620.45)
Net Change in Fund Balances	\$ 10,863,386.78	\$ 1,745,559.04	\$ 5,314,694.45	\$ (13,715,780.84)	\$ 21,846,413.08	\$ 2,964,852.32	\$ 11,139,377.83	\$ 1,396,287.21	\$ 2,925,986.64	\$ 391,893.28
Debt Service as a Percentage of Noncapital Expenditures	1.9%	2.0%	2.1%	1.5%	3.2%	3.6%	3.7%	3.9%	4.1%	4.1%

For the fiscal year ended June 30, 2021, the School District adopted GASBS No. 84, which required the School District to report several funds that were previously reported as fiduciary fund type as governmental activities and governmental fund type. Balances prior to June 30, 2021 are shown as originally reported and have not been restated for this adoption.

Source: Exhibit B-2

TOWNSHIP OF PENNSAUKEN SCHOOL DISTRICT
General Fund - Other Local Revenue by Source
Last Ten Fiscal Years (Modified Accrual Basis of Accounting)
Unaudited

	Fiscal Year Ended June 30,									
	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Rental of School Facilities	\$ 191,553.11	\$ 177,993.11	\$ 164,691.07	\$ 163,553.69	\$ 166,129.56	\$ 157,224.68	\$ 133,775.31	\$ 154,726.50	\$ 215,032.39	\$ 1,000.00
Comcast Tower Rental							22,969.05			54,236.00
Refund of Prior Year Expenditures	322,767.92	514,418.73	447,393.51	45,766.20	78,495.16	52,013.15	138,412.45	66,064.56	92,972.50	56,846.33
Cancellation of Prior Year Accounts Payable								115,526.83		159,992.55
Cancellation of Outstanding Checks			15,714.48				13,318.81		8,291.19	
Other	289,795.03	156,361.53	134,330.63	201,665.96	198,591.12	127,714.68	258,998.96	79,097.39	74,914.55	43,087.68
Settlement										143,296.67
Miscellaneous Sales								1,970.22	980.00	818.69
Transportation Fees	15,395.57									
Air Force JROTC Payments	32,173.39									
E-Rate Refunds			168,019.21	220,108.18	159,784.20	194,900.26	188,165.32	240,600.66	527,946.71	
Interest Earned on Deposits	1,351,960.39	647,620.37	679,539.31	791,719.57	726,393.34	151,113.48	79,258.76	16,609.27	15,155.76	2,282.15
Total Miscellaneous Revenues	<u>\$ 2,203,645.41</u>	<u>\$ 1,496,393.74</u>	<u>\$ 1,609,688.21</u>	<u>\$ 1,422,813.60</u>	<u>\$ 1,329,393.38</u>	<u>\$ 682,966.25</u>	<u>\$ 838,898.66</u>	<u>\$ 674,595.43</u>	<u>\$ 935,293.10</u>	<u>\$ 461,560.07</u>

Source: District Records

Revenue Capacity Information

Revenue capacity information is intended to assist users in understanding and assessing the factors affecting the School District's ability to generate revenues. Please refer to the following exhibits for a historical view of these factors and how they relate to the School District's ability to generate revenues.

TOWNSHIP OF PENNSAUKEN SCHOOL DISTRICT
Assessed Value and Actual Value of Taxable Property
Last Ten Fiscal Years
Unaudited

<u>Year Ended Dec. 31</u>	<u>Vacant Land</u>	<u>Residential</u>	<u>Commercial</u>	<u>Industrial</u>	<u>Apartment</u>	<u>Total Assessed Value</u>	<u>Public Utilities (1)</u>	<u>Net Valuation Taxable</u>	<u>Tax-Exempt Property</u>	<u>Estimated Actual (County Equalized) Value</u>	<u>Total Direct School Tax Rate (2)</u>
2023	\$ 32,668,500.00	\$ 1,565,580,200.00	\$ 445,061,800.00	\$ 282,937,400.00	\$ 39,721,800.00	\$ 2,365,969,700.00	\$ 4,302,654.00	\$ 2,370,272,354.00	\$ 502,025,000.00	\$ 3,323,898,968.00	\$ 1.904
2022	34,918,100.00	1,553,368,500.00	447,346,900.00	278,259,000.00	39,717,800.00	2,353,610,300.00	4,900,723.00	2,358,511,023.00	484,937,300.00	2,830,666,134.00	1.851
2021	32,551,000.00	1,547,183,900.00	458,155,000.00	274,467,800.00	39,717,800.00	2,352,075,500.00	5,253,491.00	2,357,328,991.00	461,608,600.00	2,574,908,783.00	1.860
2020	33,055,300.00	1,542,826,600.00	510,395,300.00	221,472,800.00	39,680,700.00	2,347,430,700.00	4,939,118.00	2,352,369,818.00	441,046,600.00	2,420,133,557.00	1.757
2019	30,339,000.00	1,541,784,200.00	524,666,200.00	211,082,600.00	39,601,100.00	2,347,473,100.00	4,204,029.00	2,351,677,129.00	444,392,700.00	2,436,466,151.00	1.771
2018	29,169,300.00	1,540,368,000.00	537,847,900.00	194,547,900.00	39,601,100.00	2,341,534,200.00	4,069,785.00	2,345,603,985.00	447,282,600.00	2,380,598,787.00	1.777
2017	27,286,700.00	1,539,397,100.00	554,549,700.00	185,246,300.00	39,601,100.00	2,346,080,900.00	3,970,666.00	2,350,051,566.00	449,106,800.00	2,490,516,708.00	1.744
2016	24,260,500.00	1,540,472,200.00	559,006,900.00	179,253,200.00	39,549,100.00	2,342,541,900.00	3,901,660.00	2,346,443,560.00	455,250,500.00	2,442,939,677.00	1.697
2015 (R)	24,869,000.00	1,542,080,900.00	574,671,000.00	160,468,300.00	39,638,700.00	2,341,727,900.00	4,038,671.00	2,345,766,571.00	450,370,900.00	2,423,429,001.00	1.644
2014	15,861,900.00	996,054,700.00	380,295,100.00	108,444,900.00	22,637,800.00	1,523,294,400.00	2,028,950.00	1,525,323,350.00	274,829,900.00	2,483,431,049.00	2.471

(R) Revaluation

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

(2) Tax Rates are per \$100.00 of Assessed Valuation

Source: Camden County Board of Taxation

TOWNSHIP OF PENNSAUKEN SCHOOL DISTRICT

Direct and Overlapping Property Tax Rates

Last Ten Fiscal Years

(Rate per \$100 of Assessed Value)

Unaudited

Year Ended Dec. 31	District Direct Rate			Overlapping Rates			Total Direct and Overlapping Tax Rate
	<u>Basic Rate</u>	<u>General Obligation Debt Service</u>	<u>Total Direct School Tax Rate</u>	<u>Township of Pennsauken</u>	<u>Township of Pennsauken Garbage District</u>	<u>Camden County</u>	
2023	\$ 1.824	\$ 0.080	\$ 1.904	\$ 1.206	\$ 0.199	\$ 0.959	\$ 4.268
2022	1.772	0.079	1.851	1.114	0.197	0.894	4.056
2021	1.786	0.074	1.860	1.033	0.192	0.878	3.963
2020	1.703	0.054	1.757	0.961	0.185	0.832	3.735
2019	1.690	0.081	1.771	0.964	0.182	0.856	3.773
2018	1.693	0.084	1.777	0.967	0.179	0.866	3.789
2017	1.668	0.076	1.744	0.971	0.176	0.902	3.793
2016	1.605	0.092	1.697	0.975	0.173	0.880	3.725
2015	1.542	0.102	1.644	0.979	0.170	0.865	3.658
2014	2.316	0.155	2.471	1.505	0.262	1.324	5.562

Source: Municipal Tax Collector

TOWNSHIP OF PENNSAUKEN SCHOOL DISTRICT

Principal Property Tax Payers
Current Year and Nine Years Ago
Unaudited

<u>Taxpayer</u>	2023			2014		
	<u>Taxable Assessed Value</u>	<u>Rank</u>	<u>% of Total District Net Assessed Value</u>	<u>Taxable Assessed Value</u>	<u>Rank</u>	<u>% of Total District Net Assessed Value</u>
W-W Pennsauken Industrial Owner	\$ 52,953,600.00	1	2.23%			
Buckeye Pennsauken Terminal	23,392,800.00	2	0.99%	\$ 14,863,600.00	2	0.97%
Lockbourne MA LLC	13,583,000.00	3	0.57%	6,750,000.00	6	0.44%
Sauken Associates	10,849,500.00	4	0.46%	7,618,200.00	3	0.50%
Cooper RPA LLC	8,670,300.00	5	0.37%			
Beverage Distribution Center Inc	8,163,400.00	6	0.34%	5,615,000.00	7	0.37%
Kevon Office Partners	8,040,100.00	7	0.34%			
City of Camden Dept of Utilities	7,926,700.00	8	0.33%	5,150,200.00	8	0.34%
Union River Realty Co Inc	7,494,000.00	9	0.32%			
Helvoet Pharman Inc	6,909,400.00	10	0.29%			
Bloom Organization of South Jersey				50,705,100.00	1	3.32%
Delair Aluminum, LLC				7,503,000.00	4	0.49%
Menu Foods Inc				7,026,900.00	5	0.46%
Sun Life Assurance Company of Canada				5,100,000.00	9	0.33%
Pennsauken Senior Living				5,075,300.00	10	0.33%
Total	<u>\$ 147,982,800.00</u>		<u>6.24%</u>	<u>\$ 115,407,300.00</u>		<u>7.57%</u>

Source: Municipal Tax Assessor

TOWNSHIP OF PENNSAUKEN SCHOOL DISTRICT
Property Tax Levies and Collections
Last Ten Fiscal Years
Unaudited

Fiscal Year Ended June 30,	School District Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy (1)		Collections in Subsequent Years
		Amount	Percentage of Levy	
2023	\$ 44,308,550.00	\$ 44,308,550.00	100.00%	-
2022	42,987,068.00	42,987,068.00	100.00%	-
2021	42,896,628.00	42,896,628.00	100.00%	-
2020	41,565,199.00	38,101,435.00	91.67%	\$ 3,463,764.00
2019	41,658,909.00	41,658,909.00	100.00%	-
2018	41,737,847.00	41,737,847.00	100.00%	-
2017	40,244,878.00	40,244,878.00	100.00%	-
2016	39,422,769.00	39,422,769.00	100.00%	-
2015	37,668,897.00	37,668,897.00	100.00%	-
2014	37,692,291.00	37,357,741.00	99.11%	334,550.00

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

Source: District Records

Debt Capacity Information

Debt capacity information is intended to assist users in understanding and assessing the School District's debt burden and its ability to issue additional debt. Please refer to the following exhibits for a historical view of the School District's outstanding debt and its debt capacity.

TOWNSHIP OF PENNSAUKEN SCHOOL DISTRICT

Ratios of Outstanding Debt by Type

Last Ten Fiscal Years

Unaudited

Fiscal Year Ended June 30,	Governmental Activities		Total District	Percentage of Personal Income (2)	Per Capita (3)
	General Obligation Bonds (1)	Financed Purchases			
2023	\$ 31,640,000.00	\$ 4,465,000.00	\$ 36,105,000.00	Unavailable	Unavailable
2022	33,045,000.00	5,759,088.85	38,804,088.85	1.70%	\$ 1,045.93
2021	34,395,000.00	7,299,657.83	41,694,657.83	1.98%	1,167.00
2020	35,669,000.00	8,797,273.79	44,466,273.79	2.26%	1,243.67
2019	35,669,000.00	7,611,651.71	43,280,651.71	2.29%	1,213.06
2018	3,565,000.00	8,385,000.00	11,950,000.00	0.66%	335.36
2017	7,065,000.00	6,685,000.00	13,750,000.00	0.78%	385.24
2016	10,385,000.00	-	10,385,000.00	0.61%	292.26
2015	13,555,000.00	-	13,555,000.00	0.82%	380.75
2014	17,380,000.00	79,116.45	17,459,116.45	1.10%	488.54

Sources:

(1) District Records

(2) Personal income has been estimated based upon the municipal population and per capita

(3) Per Capita personal income by county-estimated based upon the 2020 Census published

TOWNSHIP OF PENNSAUKEN SCHOOL DISTRICT
 Ratios of Net General Bonded Debt Outstanding
 Last Ten Fiscal Years
Unaudited

Fiscal Year Ended June 30,	General Bonded Debt Outstanding			Percentage of Net Assessed Valuation Taxable (2)	Per Capita (3)
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding (1)		
2023	\$ 31,640,000.00	-	\$ 31,640,000.00	1.33%	Unavailable
2022	33,045,000.00	-	33,045,000.00	1.40%	\$ 889.77
2021	34,395,000.00	-	34,395,000.00	1.46%	927.09
2020	35,669,000.00	-	35,669,000.00	1.52%	998.35
2019	35,669,000.00	-	35,669,000.00	1.52%	997.62
2018	3,565,000.00	-	3,565,000.00	0.15%	99.92
2017	7,065,000.00	-	7,065,000.00	0.30%	198.27
2016	10,385,000.00	-	10,385,000.00	0.44%	290.96
2015	13,555,000.00	-	13,555,000.00	0.58%	381.48
2014	17,380,000.00	-	17,380,000.00	1.14%	488.19

Sources:

- (1) District Records
- (2) Net Assessed Valuation provided by Abstract of Ratables, County Board of Taxation
- (3) Per Capita calculation based upon population information provided by the NJ Dept of Labor and Workforce Development

TOWNSHIP OF PENNSAUKEN SCHOOL DISTRICT
Direct and Overlapping Governmental Activities Debt
As of December 31, 2022
Unaudited

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Statutory Net Debt Outstanding</u>	<u>Net Debt Outstanding Allocated to Pennsauken Township</u>
Municipal Debt: (1)				
Pennsauken Township School District	\$ 31,640,000.00	\$ 31,640,000.00		
Pennsauken Township	60,927,200.00	1,606,716.00	\$ 59,320,484.00	\$ 59,320,484.00
	<u>92,567,200.00</u>	<u>33,246,716.00</u>	<u>59,320,484.00</u>	<u>59,320,484.00</u>
Overlapping Debt Apportioned to the Municipality: (2)				
Pennsauken Sewerage Authority	304,723.77		304,723.77	304,723.77
County of Camden:				
General:				
Bonds	64,387,267.00	22,237,615.00	42,149,652.00	2,780,927.31
Notes	42,980,000.00		42,980,000.00	2,835,711.56
Loan Agreements	347,760,000.00		347,760,000.00	22,944,324.19
Bonds Issued by Other Public Bodies Guaranteed by the County	<u>223,550,595.00</u>	<u>223,550,595.00</u>		
	<u>678,982,585.77</u>	<u>245,788,210.00</u>	<u>433,194,375.77</u>	<u>28,865,686.83</u>
	<u>\$ 771,549,785.77</u>	<u>\$ 279,034,926.00</u>	<u>\$ 492,514,859.77</u>	<u>\$ 88,186,170.83</u>

Sources:

- (1) 2022 Annual Debt Statement
- (2) Entity's Respective 2022 Reports of Audit
- (3) Includes Reserve for Payment of Bonds, Other Accounts Receivable and General Obligation Pension Refunding Bonds.
- (4) Deductible in accordance with N.J.S. 40:37A-80.
- (5) Such debt is allocated as a proportion of the Township's share of the total 2022 Equalized Value, which is 6.598%.

TOWNSHIP OF PENNSAUKEN SCHOOL DISTRICT
Legal Debt Margin Information
Last Ten Fiscal Years
Unaudited

Legal Debt Margin Calculation for Fiscal Year 2023

Equalized valuation basis (1)

\$	3,300,533,305	2022
	2,822,942,271	2021
	<u>2,564,096,887</u>	2020

\$ 8,687,572,463

\$ 2,895,857,488 Average equalized valuation of taxable property

115,834,299.51	Debt limit 4% of	\$ 2,895,857,487.67 (2)
<u>33,045,000.00</u>	Less Total Net Debt Applicable to Limit	

\$ 82,789,299.51 Legal Debt Margin

	Fiscal Year Ended June 30,									
	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Debt limit	\$ 115,834,299.51	\$ 104,028,452.23	\$ 98,735,335.88	\$ 92,695,148.28	\$ 97,194,646.93	\$ 97,355,614.48	\$ 98,882,076.88	\$ 98,850,792.07	\$ 98,849,083.37	\$ 65,754,850.00
Total net debt applicable to limit (3)	<u>33,045,000.00</u>	<u>33,045,000.00</u>	<u>34,395,000.00</u>	<u>35,669,000.00</u>	<u>35,669,000.00</u>	<u>3,565,000.00</u>	<u>7,065,000.00</u>	<u>10,385,000.00</u>	<u>13,555,000.00</u>	<u>17,380,000.00</u>
Legal debt margin	<u>\$ 82,789,299.51</u>	<u>\$ 70,983,452.23</u>	<u>\$ 64,340,335.88</u>	<u>\$ 57,026,148.28</u>	<u>\$ 61,525,646.93</u>	<u>\$ 93,790,614.48</u>	<u>\$ 91,817,076.88</u>	<u>\$ 88,465,792.07</u>	<u>\$ 85,294,083.37</u>	<u>\$ 48,374,850.00</u>
Total net debt applicable to the limit as a percentage of debt limit	28.53%	31.77%	34.84%	38.48%	36.70%	3.66%	7.14%	10.51%	13.71%	26.43%

Sources:

- (1) Equalized valuation bases were provided by the Annual Report of the State of New Jersey, Department of Treasury, Division of Taxation.
(2) Limit set by NJSA 18A:24-19 for a K through 12 district.
(3) District Records

Demographic and Economic Information

Demographic and economic information is intended (1) to assist users in understanding the socioeconomic environment within which the School District operates and (2) to provide information that facilitates comparisons of financial statement information over time and among school districts. Please refer to the following exhibits for a historical view of the demographic and economic statistics and factors prevalent in the location in which the School District operates.

TOWNSHIP OF PENNSAUKEN SCHOOL DISTRICT
Demographic and Economic Statistics
Last Ten Fiscal Years
Unaudited

<u>Year</u>	<u>Population (1)</u>	<u>Personal Income (2)</u>	<u>Per Capita Personal Income (3)</u>	<u>Unemployment Rate (4)</u>
2023	37,139	Unavailable	Unavailable	4.30%
2022	37,100	\$ 2,286,918,200.00	\$ 61,642.00	7.40%
2021	35,728	2,101,878,240.00	58,830.00	10.50%
2020	35,754	1,964,968,332.00	54,958.00	4.00%
2019	35,679	1,891,914,654.00	53,026.00	4.70%
2018	35,633	1,820,703,768.00	51,096.00	5.00%
2017	35,692	1,762,899,264.00	49,392.00	5.40%
2016	35,533	1,705,655,066.00	48,002.00	6.40%
2015	35,601	1,644,516,993.00	46,193.00	7.50%
2014	35,737	1,588,759,809.00	44,457.00	10.00%

Sources:

- (1) Population information provided by the NJ Dept of Labor and Workforce Development
- (2) Personal income has been estimated based upon the municipal population and per capita
- (3) Per Capita personal income by municipality-estimated based upon the 2020 Census published
- (4) Unemployment data provided by the NJ Dept of Labor and Workforce Development

	<u>2023</u>			<u>2014</u>		
<u>Employer</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total Municipal Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total Municipal Employment</u>
	Information Unavailable			Information Unavailable		
	<u>-</u>			<u>-</u>		
	<u><u>-</u></u>		<u><u></u></u>	<u><u>-</u></u>		<u><u></u></u>

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Operating Information

Operating information is intended to provide contextual information about the School District's operations and resources to assist readers in using financial statement information to understand and assess the School District's economic condition. Please refer to the following exhibits for a historical view of the factors and statistics pertinent to the School District's operations.

TOWNSHIP OF PENNSAUKEN SCHOOL DISTRICT
 Full-time Equivalent District Employees by Function/Program
 Last Ten Fiscal Years
Unaudited

<u>Function/Program</u>	Fiscal Year Ended June 30,									
	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Instruction										
Regular	309	323	324	328	292	327	351	342	362	343
Special education	122	102	111	104	100	94	86	161	158	170
Other instruction	40	33	23	20	30	29	26	24	25	45
Support Services:										
Student & instruction related services	93	92	124	126	123	107	116	51	49	126
General administrative services	5	4	2	2	2	4	4	2	2	4
School administrative services	57	63	50	48	44	60	58	40	41	49
Business administrative services	33	27	17	15	17	27	25	16	16	18
Plant operations and maintenance	81	78	102	102	97	87	92	92	96	96
Pupil transportation	105	66	62	69	72	68	67	62	62	64
Food Service	43	38	38	47	29	48	54	38	33	40
Total	<u>888</u>	<u>826</u>	<u>852</u>	<u>861</u>	<u>806</u>	<u>851</u>	<u>879</u>	<u>828</u>	<u>844</u>	<u>955</u>

Source: District Records

TOWNSHIP OF PENNSAUKEN SCHOOL DISTRICT
 Operating Statistics
 Last Ten Fiscal Years
Unaudited

Fiscal Year Ended June 30,	Enrollment	Operating Expenditures	Cost Per Pupil	Percentage Change	Teaching Staff	Pupil/Teacher Ratio				Average Daily Enrollment (ADE)	Average Daily Attendance (ADA)	% Change in Average Daily Enrollment	Student Attendance Percentage
						Elementary	Intermediate	Middle School	High School				
2023	4,774	\$ 122,259,397.07	\$ 25,609.43	1.95%	471	8/1	8/1	10/1	12/1	4,794.0	4,431.0	4.63%	92.43%
2022	4,652	116,858,377.33	25,120.03	10.81%	458	9/1	9/1	11/1	13/1	4,582.0	4,210.0	-1.14%	91.88%
2021	4,708	106,731,733.60	22,670.29	-2.75%	458	9/1	8/1	11/1	12/1	4,635.0	4,304.0	-1.58%	92.86%
2020	4,715	109,916,301.30	23,312.05	-2.24%	452	9/1	9/1	12/1	12/1	4,709.5	4,530.2	1.78%	96.19%
2019	4,627	110,338,951.33	23,846.76	7.85%	421	10/1	10/1	12/1	13/1	4,627.0	4,339.0	-0.24%	93.78%
2018	4,635	102,481,562.32	22,110.37	11.98%	450	9/1	13/1	11/1	11/1	4,638.3	4,370.2	-2.76%	94.22%
2017	5,022	99,156,200.75	19,744.36	1.85%	455	9/1	12/1	11/1	12/1	4,770.2	4,517.4	-4.50%	94.70%
2016	4,961	96,172,990.35	19,385.81	1.83%	405	13/1	13/1	11/1	12/1	4,994.8	4,706.5	-1.61%	94.23%
2015	5,049	96,120,890.75	19,037.61	6.10%	462	9.18/1	10.36/1	9.2/1	11.3/1	5,076.4	4,791.3	-0.75%	94.38%
2014	5,096	91,437,288.09	17,942.95	1.26%	488	9.58/1	10.52/1	9.58/1	11.46/1	5,114.6	4,841.9	-2.37%	94.67%

Sources: District Records

TOWNSHIP OF PENNSAUKEN SCHOOL DISTRICT
 School Building Information
 Last Ten Fiscal Years
Unaudited

	Fiscal Year Ended June 30,									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
District Building										
<u>Elementary</u>										
Baldwin (1955)										
Square Feet	21,241	21,241	21,241	14,370	14,370	14,370	14,370	14,370	14,370	14,370
Capacity (students)	275	275	275	275	275	275	275	275	275	275
Enrollment	149	138	135	123	108	79	100	120	118	108
Burling (1963)										
Square Feet	15,650	15,650	15,650	15,650	15,650	15,650	15,650	15,650	15,650	15,650
Capacity (students)	150	150	150	150	150	150	150	150	150	150
Enrollment	37	112	40	43	105	111	115	124	132	118
Carson (1954)										
Square Feet	51,597	51,597	51,597	51,597	51,597	51,597	51,597	51,597	51,597	51,597
Capacity (students)	403	314	314	314	314	314	314	314	314	314
Enrollment	358	301	356	380	310	306	309	329	344	354
Delair (2002)										
Square Feet	51,480	51,480	51,480	51,480	51,480	51,480	51,480	51,480	51,480	51,480
Capacity (students)	430	430	430	430	430	430	430	430	430	430
Enrollment	285	307	232	358	374	381	381	417	428	413
Fine (1964)										
Square Feet	54,637	54,637	54,637	54,637	54,637	54,637	54,637	54,637	54,637	54,637
Capacity (students)	392	378	378	378	378	378	378	378	378	378
Enrollment	280	229	237	266	256	298	304	318	322	327
Franklin (1954)										
Square Feet	59,550	59,550	59,550	59,558	59,558	59,558	59,558	59,558	59,558	59,558
Capacity (students)	551	551	551	551	551	551	551	551	551	551
Enrollment	363	330	364	398	381	388	384	378	402	423
Longfellow (1926)										
Square Feet	n/a	22,320	22,320	22,320	22,320	22,320	22,320	22,320	22,320	22,320
Capacity (students)	Demolished	227	227	227	227	227	227	227	227	227
Enrollment	Closed	Closed	Closed	Closed	Closed	200	209	222	201	223
Roosevelt (1926)										
Square Feet	50,620	50,620	50,620	35,200	35,200	35,200	35,200	35,200	35,200	35,200
Capacity (students)	217	217	217	217	217	217	217	217	217	217
Enrollment	135	Closed	Closed	Closed	Closed	136	151	168	170	170
<u>Intermediate</u>										
Intermediate School (2002)										
Square Feet	105,145	105,145	105,145	105,145	105,145	105,145	105,145	105,145	105,145	105,145
Capacity (students)	986	986	986	986	986	986	986	986	986	986
Enrollment	609	627	673	692	702	727	766	765	778	731
<u>Middle School</u>										
Middle School (1965)										
Square Feet	158,419	158,419	158,419	151,750	151,750	151,750	151,750	151,750	151,750	151,750
Capacity (students)	1,274	1,274	1,274	1,274	1,274	1,274	1,274	1,274	1,274	1,274
Enrollment	1,034	1,085	1,110	1,113	1,142	760	771	771	790	822
<u>Booker T Washington Annex</u>										
Booker T. Washington (1927)										
Square Feet	n/a	n/a	n/a	n/a	n/a	n/a	n/a	6,206	6,206	6,206
Capacity (students)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	43	43	43
Enrollment	sold	sold	sold	sold	sold	sold	sold	closed	closed	26
<u>High School</u>										
Pennsauken High School (1959)										
Square Feet	296,367	296,367	296,367	238,693	238,693	238,693	238,693	238,693	238,693	238,693
Capacity (students)	2,334	1,986	1,986	1,986	1,986	1,986	1,986	1,986	1,986	1,986
Enrollment	1,524	1,523	1,437	1,342	1,249	1,262	1,319	1,349	1,364	1,381
<u>Other</u>										
District Administration Building (2014)										
Square Feet	52,984	52,984	54,740	54,740	54,740	54,740	54,740	54,740	54,740	54,740

Number of Schools at June 30, 2023

 Elementary = 7

 Intermediate = 1

 Middle School = 1

 High School = 1

 Other = 1

Source: District Records

TOWNSHIP OF PENNSAUKEN SCHOOL DISTRICT
Schedule of Required Maintenance
Last Ten Fiscal Years
Unaudited

UNDISTRIBUTED EXPENDITURES - REQUIRED MAINTENANCE FOR SCHOOL FACILITIES (11-000-261-XXX)

* School Facilities	Project # (s)	Fiscal Year Ended June 30,									
		2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Pennsauken High	050	\$ 543,704.23	\$ 535,051.71	\$ 490,895.83	\$ 627,940.09	\$ 584,792.81	\$ 490,284.14	\$ 314,347.01	\$ 536,289.04	\$ 504,013.95	\$ 614,370.31
Administration	999	240,387.94	168,520.10	286,534.25	165,491.34	167,501.83	48,410.33	70,348.04	59,796.13	36,634.34	79,810.70
Howard M. Phifer Middle	055	324,553.52	332,649.51	208,620.79	264,445.00	235,193.26	366,067.65	88,323.41	271,351.07	319,279.66	333,801.46
Intermediate	175	153,474.14	141,376.52	144,876.08	55,439.71	86,714.78	36,311.61	140,696.08	84,903.39	68,553.13	95,840.27
A. E. Burling Magnet	104	96,506.12	136,445.98	26,903.38	155,960.35	46,125.80	31,080.00	77,948.74	41,587.68	58,685.11	70,359.94
Booker T. Washington	N/A				5,860.80	5,860.80				11,468.79	26,752.99
Baldwin	090	67,239.12	60,472.89	36,415.95	100,030.27	61,280.69	92,032.69	111,236.45	37,940.95	37,803.89	93,364.23
Benjamin Franklin	100	87,187.97	79,410.81	184,443.59	120,087.42	193,709.05	137,713.98	194,733.14	153,277.28	98,031.21	120,475.29
Delair	120	109,970.28	171,692.88	116,735.20	115,981.45	133,850.54	89,637.71	118,282.35	73,882.92	120,943.09	98,449.13
Carson	130	103,860.93	122,185.13	226,221.46	88,922.88	93,719.51	41,193.28	80,334.36	72,931.93	76,767.87	86,778.46
George B. Fine	140	195,202.97	113,215.51	165,098.33	228,811.17	84,176.57	59,991.48	80,223.40	86,773.33	73,630.31	135,965.62
Longfellow	160			7,879.75	5,019.24	5,019.24	28,317.47	88,378.89	67,908.32	55,942.70	107,729.78
Roosevelt	180	109,530.91		10,336.58	10,220.00	10,220.00	46,865.48	213,596.18	67,252.75	58,722.73	82,941.09
		<u>2,031,618.13</u>	<u>1,861,021.04</u>	<u>1,904,961.21</u>	<u>1,944,209.72</u>	<u>1,708,164.88</u>	<u>1,467,905.82</u>	<u>1,578,448.05</u>	<u>1,553,894.79</u>	<u>1,520,476.78</u>	<u>1,946,639.27</u>
Other Facilities		-	-	-	-	-	-	-	-	-	-
Total		<u>\$ 2,031,618.13</u>	<u>\$ 1,861,021.04</u>	<u>\$ 1,904,961.21</u>	<u>\$ 1,944,209.72</u>	<u>\$ 1,708,164.88</u>	<u>\$ 1,467,905.82</u>	<u>\$ 1,578,448.05</u>	<u>\$ 1,553,894.79</u>	<u>\$ 1,520,476.78</u>	<u>\$ 1,946,639.27</u>

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

Source: District Records

TOWNSHIP OF PENNSAUKEN SCHOOL DISTRICT

Insurance Schedule

June 30, 2023

Unaudited

		<u>Coverage</u>	<u>Deductible</u>
Gloucester, Cumberland, Salem School District Joint Insurance Fund			
Property / Inland Marine / Automobile Physical Damage - JIF Self Insured Retention	(A) \$	250,000.00	\$ 500.00
Crime - JIF Self Insured Retention	(A)	250,000.00	500.00
General Liability / Auto Liability - JIF Self Insured Retention	(A)	250,000.00	
Educators Legal Liability - JIF Self Insured Retention	(A)	250,000.00	
Workers Compensation - JIF Self Insured Retention	(A)	250,000.00	
School Pool for Excess Liability Limits Joint Insurance Fund (SPELL JIF)			
Property, Inland Marine and Automobile Physical Damage	(B)	175,000,000.00	
Boiler and Machinery	(A)	125,000,000.00	1,000.00
Crime	(A)	500,000.00	
General and Automobile Liability	(A)	20,000,000.00	
Workers' Compensation		Statutory	
Employers Liability	(A)	10,000,000.00	
Educator's Legal Liability	(A)	20,000,000.00	
Pollution Legal Liability	(A)	3,000,000.00	25,000.00
Cyber Liability	(A)	2,000,000.00	50,000.00
Disaster Management Service	(A)	1,000,000.00	10,000.00
Zurich American Insurance Company			
Student Accident	(A)	5,000,000.00	
Ohio Casualty Insurance Company			
Treasurer	(A)	440,000.00	
Selective Insurance Company of America			
School Business Administrator	(A)	375,000.00	
(A) Per Claim/Annual Aggregate			
(B) Per Occurrence			

Source: District Records

SINGLE AUDIT SECTION

Exhibit K-1

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

INDEPENDENT AUDITOR'S REPORT

The Honorable President and
Members of the Board of Education
Township of Pennsauken School District
County of Camden
Pennsauken, New Jersey 08110

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the standards applicable to financial statement audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, and each major fund of the Township of Pennsauken School District, in the County of Camden, State of New Jersey, as of and for the fiscal year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements, and have issued our report thereon dated January 19, 2024.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

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

Respectfully submitted,

Bowman & Company LLP

BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants

Daniel M. DiGangi

Daniel M. DiGangi
Certified Public Accountant
Public School Accountant No. CS 002376

Voorhees, New Jersey
January 19, 2024

Exhibit K-2**REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND REPORT ON INTERNAL CONTROL
OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE AND
STATE OF NEW JERSEY CIRCULAR 15-08-OMB****INDEPENDENT AUDITOR'S REPORT**

The Honorable President and
Members of the Board of Education
Township of Pennsauken School District
County of Camden
Pennsauken, New Jersey 08110

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

We have audited the Township of Pennsauken School District's, in the County of Camden, State of New Jersey, compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* and the *New Jersey State Grant Compliance Supplement* that could have a direct and material effect on each of the School District's major federal and state programs for the fiscal year ended June 30, 2023. The School District's major federal and state programs are identified in the *Summary of Auditor's Results* section of the accompanying *Schedule of Findings and Questioned Costs*.

In our opinion, the Township of Pennsauken School District, in the County of Camden, State of New Jersey, complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the fiscal year ended June 30, 2023.

Basis for Opinion on Each Major Federal and State Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey; the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and State of New Jersey Circular 15-08-OMB, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Our responsibilities under those standards, the Uniform Guidance, and State of New Jersey Circular 15-08-OMB, are further described in the *Auditor's Responsibilities for the Audit of Compliance* section of our report.

We are required to be independent of the School District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal and state program. Our audit does not provide a legal determination of the School District's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the School District's federal and state programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the School District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the United States of America; *Government Auditing Standards*; the Office of School Finance, Department of Education, State of New Jersey; Uniform Guidance; and State of New Jersey Circular 15-08-OMB, will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgement made by a reasonable user of the report on compliance about the School District's compliance with the requirements of each major federal and state program as a whole.

In performing an audit in accordance with auditing standards generally accepted in the United States of America, *Government Auditing Standards*, the Uniform Guidance, and State of New Jersey Circular 15-08-OMB, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the School District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the School District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance and State of New Jersey Circular 15-08-OMB, but not for the purpose of expressing an opinion on the effectiveness of the School District's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Other Matters

The results of our auditing procedures disclosed one instance of noncompliance which is required to be reported in accordance with the New Jersey Circular 15-08-OMB and which is described in the accompanying *Schedule of Findings and Questioned Costs* and *Independent Auditor's Management Report on Administrative Findings - Financial, Compliance and Performance* as Finding Number 2023-001. Our opinion on each major state program is not modified with respect to this matter.

Government Auditing Standards requires the auditor to perform limited procedures on the Township of Pennsauken School District's response to the noncompliance finding identified in our audit described in the accompanying *Schedule of Findings and Questioned Costs*. The School District's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the *Auditor's Responsibilities for the Audit of Compliance* section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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

Respectfully submitted,

Bowman & Company LLP

BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants

Daniel M. DiGangi

Daniel M. DiGangi
Certified Public Accountant
Public School Accountant No. CS 02376

Voorhees, New Jersey
January 19, 2024

TOWNSHIP OF PENNSAUKEN SCHOOL DISTRICT
Schedule of Expenditures of Federal Awards, Schedule A
For the Fiscal Year Ended June 30, 2023

Pass-through Grantor/Program Title	Federal Assistance Listing Number	Additional Award Identification	Federal Fain Number	Pass-Through Entity Identifying Number	Program or Award Amount	Grant Period From To	Balance June 30, 2022	Carryover / (Walkover) Amount
General Fund								
U.S. Department of Health and Human Services:								
Passed-through the State Department of Education:								
Medical Assistance Program (Medicaid):								
Special Education Medicaid Initiative	93.778	N/A	2205NJ5MAP	Unavailable	\$ 212,976.55	7-1-22 6-30-23	\$ (91,810.64)	
Medicaid Administrative Claiming Aid	93.778	N/A	2205NJ5MAP	Unavailable	87,680.97	7-1-22 6-30-23	(16,866.61)	
Special Education Medicaid Initiative - FFRCFA	93.778	COVID-19	2205NJ5MAP	N/A	20,862.64	7-1-22 6-30-23		
Total Medical Assistance Program (Medicaid) Cluster							(108,677.25)	-
Total General Fund							(108,677.25)	-
Special Revenue Fund:								
U.S. Department of Education:								
Passed-through State Department of Education:								
E.S.S.A.:								
Title I, Part A Grants to Local Educational Agencies	84.010	N/A	S010A220030	NCLB406023	2,076,323.00	7-1-22 9-30-23		
Title I, Part A Grants to Local Educational Agencies	84.010	N/A	S010A210030	NCLB406022	1,554,976.00	7-1-21 9-30-22	(37,181.95)	
Title I, SIA Part A Grants to Local Educational Agencies	84.010	N/A	S010A220030	NCLB406023	36,600.00	7-1-22 9-30-23		
Title I, SIA Part A Grants to Local Educational Agencies	84.010	N/A	S010A210030	NCLB406022	32,200.00	7-1-21 9-30-22	(1,210.00)	
Total Title I, Part A Grants to Local Educational Agencies							(38,391.95)	-
Supporting Effective Instruction State Grants (Title II, Part A) ESSA	84.367	N/A	S367A220029	NCLB406023	261,513.00	7-1-22 9-30-23		
Supporting Effective Instruction State Grants (Title II, Part A) ESSA	84.367	N/A	S367A210029	NCLB406022	224,127.00	7-1-21 9-30-22	(1,407.65)	
Total Supporting Effective Instruction State Grants (Title II, Part A) ESSA							(1,407.65)	-
English Language Acquisition (Title III)	84.365	N/A	S365A220030	NCLB406023	68,982.00	7-1-22 9-30-23		
English Language Acquisition (Title III)	84.365	N/A	S365A210030	NCLB406022	60,764.00	7-1-21 9-30-22	(7,490.40)	
English Language Acquisition (Title III, Immigrant)	84.365	N/A	S365A220030	NCLB406023	10,531.00	7-1-21 9-30-22	(767.00)	
Total English Language Acquisition (Title III)							(8,257.40)	-
Title IV - Student Support and Academic Enrichment (ESSA)	84.424	N/A	S424A220031	NCLB406023	134,188.00	7-1-22 9-30-23		
Title IV - Student Support and Academic Enrichment (ESSA)	84.424	N/A	S424A210031	NCLB406022	116,609.00	7-1-21 9-30-22	(27,998.95)	
Total Title IV - Student Support and Academic Enrichment (ESSA)							(27,998.95)	-
I.D.E.A. Part B:								
Special Education Cluster:								
Special Education Grants to States (I.D.E.A. Basic)	84.027	N/A	H027A220100	FT406023	1,470,029.00	7-1-22 9-30-23		
Special Education Grants to States (I.D.E.A. Basic)	84.027	N/A	H027A210100	FT406022	1,628,200.00	7-1-21 9-30-22	(409,869.20)	
Special Education Grants to States (I.D.E.A. Basic ARP)	84.027X	COVID-19	H027X210100	Unavailable	289,286.00	7-1-21 9-30-22	(63,010.00)	
Total Special Education Grants to States							(472,879.20)	-
Special Education Preschool Grants (I.D.E.A. Preschool)	84.173	N/A	H173A220114	PS406023	50,116.00	7-1-22 9-30-23		
Special Education Preschool Grants (I.D.E.A. Preschool ARP)	84.173X	COVID-19	H173X210114	Unavailable	24,536.00	7-1-21 9-30-22	(4,329.00)	
Total Special Education Preschool Grants to States							(4,329.00)	-
Total I.D.E.A. Part B Special Education Cluster							(477,208.20)	-
Perkins Secondary Federal Funds	84.048	N/A	V048A220030	Unavailable	47,888.00	7-1-22 6-30-23		
Perkins Secondary Federal Funds	84.048	N/A	V048A210030	Unavailable	42,673.00	7-1-21 6-30-22	0.20	
Total Perkins Secondary Federal Funds							0.20	-
Mental Health Grant	84.184	N/A	S184H210025	Unavailable	322,266.00	10-1-19 9-30-24	(38,307.16)	\$ (13,388.38)
Mental Health Grant	84.184	N/A	S184H220025	Unavailable	322,266.00	10-1-19 9-30-24		13,388.38
Total Mental Health Grant							(38,307.16)	-
Coronavirus Aid Relief and Economic Security Act 2020 - CARES Act:								
Elementary and Secondary School Emergency Relief Fund (ESSER I)	84.425D	COVID-19	S425D210027	Unavailable	1,465,762.00	3-13-20 9-30-22	(4,084.00)	
Elementary and Secondary School Emergency Relief Fund (ESSER II)	84.425D	COVID-19	S425D210027	Unavailable	5,236,266.00	3-13-20 9-30-23	(3,627,270.29)	
Elementary and Secondary School Emergency Relief Fund (Learning Acceleration)	84.425D	COVID-19	S425D210027	Unavailable	336,036.00	3-13-20 9-30-23	(224,056.27)	
Elementary and Secondary School Emergency Relief Fund (Mental Health)	84.425D	COVID-19	S425D210027	Unavailable	45,000.00	3-13-20 9-30-23	(21,098.81)	
Elementary and Secondary School Emergency Relief Fund (ESSER III)	84.425U	COVID-19	S425U210027	Unavailable	11,768,171.00	3-15-20 9-30-24	(8,040,865.00)	
Accelerated Learning Coach and Educator Support	84.425U	COVID-19	S425U210027	Unavailable	516,219.00	3-15-20 9-30-24		
Evidence Based Summer Learning and Enrichment	84.425U	COVID-19	S425U210027	Unavailable	40,000.00	3-15-20 9-30-24		
Evidence Based Comprehensive Beyond the School Day	84.425U	COVID-19	S425U210027	Unavailable	40,000.00	3-15-20 9-30-24	(23,738.00)	
NJTS Mental Health Support Staffing	84.425U	COVID-19	S425U210027	Unavailable	88,501.00	3-15-20 9-30-24		
ARP Homeless Children and Youth Program	84.425W	COVID-19	S425W210031	Unavailable	54,192.00	3-15-20 9-30-24		
Total Education Stabilization Fund (ESSER)							(11,941,112.37)	-
U.S. Department of Treasury:								
Coronavirus Relief Fund:								
Nonpublic Technology Grant	21.019	COVID-19	C8220COVID19	Unavailable	28,493.00	7-16-20 10-31-20	(8,583.00)	
Total Coronavirus Relief Funding							(8,583.00)	-
U.S. Department of Treasury:								
Additional or Compensatory Special Education and Related Services								
Additional or Compensatory Special Education and Related Services	21.027	COVID-19	SLFRFDOE1SES	Unavailable	251,405.00	3-13-20 9-30-24	125,703.00	
Additional or Compensatory Special Education and Related Services	21.027	COVID-19	SLFRFDOE1SES	Unavailable	143,660.00	3-13-20 9-30-24		
							125,703.00	-
Total Special Revenue Fund							(12,415,563.48)	-
Enterprise Fund:								
U.S. Department of Agriculture:								
Passed-through State Department of Agriculture:								
Child Nutrition Cluster:								
School Breakfast Program	10.553	N/A	221NJ304N1099	Unavailable	766,728.95	7-1-21 6-30-22	(54,043.33)	
School Breakfast Program	10.553	N/A	231NJ304N1199	Unavailable	661,977.31	7-1-22 6-30-23		
National School Lunch Program - Commodities (Non-Cash)	10.555	N/A	231NJ304N1199	Unavailable	283,156.68	7-1-22 6-30-23		
National School Lunch Program	10.555	N/A	221NJ304N1199	Unavailable	2,171,957.38	7-1-21 6-30-22	(142,473.19)	
National School Lunch Program	10.555	N/A	231NJ304N1199	Unavailable	1,575,806.80	7-1-22 6-30-23		
Summer Food Service Program Breakfast	10.559	N/A	231NJ304N1199	Unavailable	8,148.06	7-1-22 6-30-23		
Summer Food Service Program Admin	10.559	N/A	231NJ304N1199	Unavailable	807.94	7-1-22 6-30-23		
Supply Chain Assistance	10.555	COVID-19	231NJ304N1099	Unavailable	222,376.66	7-1-21 6-30-22		
Total Child Nutrition Cluster							(196,516.52)	-
Total Enterprise Fund							(196,516.52)	-
Total Federal Financial Assistance							\$ (12,720,757.25)	-

(A) See Note 6 to the Schedules of Expenditures of Federal Awards and State Financial Assistance
The accompanying Notes to Financial Statements and Notes to the Schedules of Expenditures of Federal Awards and State Financial Assistance are an integral part of this schedule.

Cash Received	Budgetary Expenditures			Passed- Through to Subrecipients	Adjustments (A)	Repayment of Prior Years' Balances	Balance June 30, 2023		Due to Grantor
	Pass-Through Funds	Direct Funds	Total Budgetary Expenditures				(Accounts Receivable)	Unearned Revenue	
\$ 304,787.19 104,547.58 20,862.64	\$ 212,976.55 87,680.97 20,862.64		\$ 212,976.55 87,680.97 20,862.64						
430,197.41	321,520.16	-	321,520.16	-	-	-	-	-	-
430,197.41	321,520.16	-	321,520.16	-	-	-	-	-	-
1,490,348.00 37,182.00	1,919,307.43 19,233.52		1,919,307.43 19,233.52		\$ (0.05) (0.48)		\$ (631,971.00) (68,800.00)	\$ 203,011.57 49,566.00	
1,210.00									
1,528,740.00	1,938,540.95	-	1,938,540.95	-	(0.53)	-	(700,771.00)	252,577.57	-
29,300.00 1,408.00	93,087.50		93,087.50		(0.50) (0.35)		(382,025.00)	318,237.00	
30,708.00	93,087.50	-	93,087.50	-	(0.85)	-	(382,025.00)	318,237.00	-
41,654.00 7,486.00 767.00	71,138.52		71,138.52		(0.48) 4.40		(70,752.00)	41,267.00	
49,907.00	71,138.52	-	71,138.52	-	3.92	-	(70,752.00)	41,267.00	-
47,930.00 27,999.00	80,008.76		80,008.76		(0.24) (0.05)		(194,412.00)	162,333.00	
75,929.00	80,008.76	-	80,008.76	-	(0.29)	-	(194,412.00)	162,333.00	-
1,213,321.00 409,869.00 63,010.00	1,475,434.27		1,475,434.27		0.27 0.20		(316,860.00) (9,965.00)	54,747.00 9,965.00	
1,686,200.00	1,475,434.27	-	1,475,434.27	-	0.47	-	(326,825.00)	64,712.00	-
4,000.00 4,329.00	49,519.00		49,519.00				(46,116.00)	597.00	
8,329.00	49,519.00	-	49,519.00	-	-	-	(46,116.00)	597.00	-
1,694,529.00	1,524,953.27	-	1,524,953.27	-	0.47	-	(372,941.00)	65,309.00	-
45,985.00	47,584.73		47,584.73		(0.20)		(1,903.00)	303.27	
45,985.00	47,584.73	-	47,584.73	-	(0.20)	-	(1,903.00)	303.27	-
99,074.97 240,861.34	47,379.42 304,520.95		47,379.42 304,520.95		(0.01)		(81,404.66)	31,133.43	
339,936.31	351,900.37	-	351,900.37	-	(0.01)	-	(81,404.66)	31,133.43	-
1.00 4,610,023.00 251,074.00 21,099.00 8,028,700.00 850.00 28,358.00 523.00	1,453,930.70 111,979.73 23,901.19 641,406.47 53,940.00 5,137.62 5,467.00 895.92		1,453,930.70 111,979.73 23,901.19 641,406.47 53,940.00 5,137.62 5,467.00 895.92		4,083.00		(626,243.00) (84,962.00) (23,901.00) (3,739,471.00) (516,219.00) (39,150.00) (11,642.00) (87,978.00) (54,192.00)	155,065.01 3,085,899.53 462,279.00 34,862.38 10,795.00 87,605.08 54,192.00	
12,940,628.00	2,296,658.63	-	2,296,658.63	-	4,083.00	-	(5,183,758.00)	3,890,698.00	-
					8,583.00				
-	-	-	-	-	8,583.00	-	-	-	-
125,703.00 71,830.00	143,660.00	-	143,660.00	-	-	-	- (71,830.00)	107,746.00 143,660.00	-
197,533.00	143,660.00	-	143,660.00	-	-	-	(71,830.00)	251,406.00	-
16,903,895.31	6,547,532.73	-	6,547,532.73	-	12,668.51	-	(7,059,796.66)	5,013,264.27	-
54,043.33 623,113.36 283,156.68 142,473.19 1,494,174.73 8,148.06 807.94 222,376.66	661,977.31 283,156.68 1,575,806.80 8,148.06 807.94 222,376.66		661,977.31 283,156.68 1,575,806.80 8,148.06 807.94 222,376.66				(38,863.95) (81,632.07)		
2,828,293.95	2,752,273.45	-	2,752,273.45	-	-	-	(120,496.02)	-	-
2,828,293.95	2,752,273.45	-	2,752,273.45	-	-	-	(120,496.02)	-	-
\$ 20,162,386.67	\$ 9,621,326.34	-	\$ 9,621,326.34	-	\$ 12,668.51	-	\$ (7,180,292.68)	\$ 5,013,264.27	-

TOWNSHIP OF PENNSAUKEN SCHOOL DISTRICT
Schedule of Expenditures of State Financial Assistance, Schedule B
For the Fiscal Year Ended June 30, 2023

State Grantor/ Program Title	State Project Number	Award Amount	Required Match	Grant Period		Balance at June, 30, 2022		Carryover / (Walkover) Amount
				From	To	Unearned Revenue / Accounts Receivable	Due to Grantor	
General Fund:								
New Jersey Department of Education:								
Current Expense:								
State Aid Public:								
Equalization Aid	22-495-034-5120-078	\$ 52,693,445.00	N/A	7-1-21	6-30-22	\$ (5,069,268.33)		
Equalization Aid	23-495-034-5120-078	61,316,535.01	N/A	7-1-22	6-30-23			
Categorical Special Education Aid	22-495-034-5120-089	3,608,865.00	N/A	7-1-21	6-30-22	(347,183.70)		
Categorical Special Education Aid	23-495-034-5120-089	3,608,865.00	N/A	7-1-22	6-30-23			
Categorical Security Aid	22-495-034-5120-084	1,929,981.00	N/A	7-1-21	6-30-22	(185,669.99)		
Categorical Security Aid	23-495-034-5120-084	1,929,981.00	N/A	7-1-22	6-30-23			
Total State Aid Public						(5,602,122.02)	-	-
Transportation Aid:								
Categorical Transportation Aid	22-495-034-5120-014	2,186,740.00	N/A	7-1-21	6-30-22	(210,370.98)		
Categorical Transportation Aid	23-495-034-5120-014	2,186,740.00	N/A	7-1-22	6-30-23			
Additional Non-Public Transportation Aid	22-495-034-5120-014	70,610.00	N/A	7-1-21	6-30-22	(70,610.00)		
Additional Non-Public Transportation Aid	23-495-034-5120-014	77,248.00	N/A	7-1-22	6-30-23			
Total Transportation Aid						(280,980.98)	-	-
Extraordinary Aid								
Extraordinary Aid	22-495-034-5120-044	1,988,602.00	N/A	7-1-21	6-30-22	(1,988,602.00)		
Extraordinary Aid	23-495-034-5120-044	1,557,140.00	N/A	7-1-22	6-30-23			
Total Extraordinary Aid						(1,988,602.00)	-	-
Homeless Tuition Aid								
Homeless Tuition Aid	22-495-034-5120-005	49,424.00	N/A	7-1-21	6-30-22	(49,424.00)		
Homeless Tuition Aid	23-495-034-5120-005	1,731.00	N/A	7-1-22	6-30-23			
Total Homeless Tuition Aid						(49,424.00)	-	-
Reimbursed TPAF Social Security Contributions								
	23-495-034-5094-003	2,941,185.95	N/A	7-1-22	6-30-23	-	-	-
Lead Testing for Schools Aid								
	23-495-034-5120-104	18,265.00	N/A	7-1-22	6-30-23	-	-	-
New Jersey Department of the Treasury:								
On-Behalf T.P.A.F. Pension Contributions -								
Post-Retirement Medical (non-budgeted)								
On-Behalf T.P.A.F. Pension Contributions - Normal	23-495-034-5094-001	3,527,134.00	N/A	7-1-22	6-30-23			
Cost (non-budgeted)								
On-Behalf T.P.A.F. Non-contributory Insurance	23-495-034-5094-002	13,242,865.00	N/A	7-1-22	6-30-23			
On-Behalf T.P.A.F. Pension Contributions - Long-Term								
On-Behalf T.P.A.F. Pension Contributions - Long-Term	23-495-034-5094-004	183,730.00	N/A	7-1-22	6-30-23			
Disability Insurance (non-budgeted)								
	23-495-034-5094-004	3,720.00	N/A	7-1-22	6-30-23			
Total On-Behalf TPAF Pension Contributions (non-budgeted)						-	-	-
Total General Fund						(7,921,129.00)	-	-
Special Revenue Fund:								
New Jersey Department of Education:								
Nonpublic Aid:								
Nursing Services	22-100-034-5120-070	61,824.00	N/A	7-1-21	6-30-22		\$ 1,394.40	
Nursing Services	23-100-034-5120-070	59,584.00	N/A	7-1-22	6-30-23			
Textbook Aid (Ch. 194)	22-100-034-5120-064	32,951.00	N/A	7-1-21	6-30-22		763.93	
Textbook Aid (Ch. 194)	23-100-034-5120-064	34,782.00	N/A	7-1-22	6-30-23			
Technology	22-100-034-5120-373	23,058.00	N/A	7-1-21	6-30-22		2,519.90	
Technology	23-100-034-5120-373	22,134.00	N/A	7-1-22	6-30-23			
Security	22-100-034-5120-509	93,600.00	N/A	7-1-21	6-30-22		1,361.32	
Security	23-100-034-5120-509	109,060.00	N/A	7-1-22	6-30-23			
Auxiliary Services (Ch. 192)								
Compensatory Education	22-100-034-5120-067	125,412.00	N/A	7-1-21	6-30-22		30,188.46	
Compensatory Education	23-100-034-5120-067	156,153.00	N/A	7-1-22	6-30-23			
English as a Second Language	22-100-034-5120-067	31,060.00	N/A	7-1-21	6-30-22		10,414.90	
English as a Second Language	23-100-034-5120-067	33,275.00	N/A	7-1-22	6-30-23			
Transportation	22-100-034-5120-068	16,618.00	N/A	7-1-21	6-30-22		8,044.45	
Transportation	23-100-034-5120-068	18,219.00	N/A	7-1-22	6-30-23			
Handicapped Services (Ch. 193)								
Corrective Speech	22-100-034-5120-066	30,690.00	N/A	7-1-21	6-30-22		8,556.00	
Corrective Speech	23-100-034-5120-066	25,110.00	N/A	7-1-22	6-30-23			
Supplementary Instruction	22-100-034-5120-066	41,796.00	N/A	7-1-21	6-30-22		6,773.60	
Supplementary Instruction	23-100-034-5120-066	39,235.00	N/A	7-1-22	6-30-23			
Examination and Classification	22-100-034-5120-066	60,096.00	N/A	7-1-21	6-30-22		5,304.73	
Examination and Classification	23-100-034-5120-066	54,791.00	N/A	7-1-22	6-30-23			
Total Nonpublic Aid:						-	75,321.69	-
Preschool Education Aid								
Preschool Education Aid	22-495-034-5120-086	1,604,600.00	NA	7-1-21	6-30-22	712,106.80		
Preschool Education Aid	23-495-034-5120-086	1,001,892.00	\$ 886,491.00	7-1-22	6-30-23			
Total Preschool Education Aid						712,106.80	-	-
Emergent and Capital Needs Grant								
Emergent and Capital Needs Grant	Unknown	111,705.00	NA	7-1-21	6-30-22	111,705.00		
Emergent and Capital Needs Grant	Unknown	117,314.00	NA	7-1-22	6-30-23			
Total Emergent and Capital Needs Grant						111,705.00	-	-
SSB-VEEVR HVAC Grant								
	Unknown	4,869,057.75	NA	7-1-22	6-30-23	-	-	-
Climate Awareness Grant								
	23-100-034-5063-359	6,660.00	N/A	4-1-23	6-30-23	-	-	-
Total Special Revenue Fund						823,811.80	75,321.69	-
Capital Projects Fund:								
New Jersey School Development Authority:								
School Facility Project -- High School Roof Replacement	4060-050-14-1003-G04	2,475,144.00	1,440,276.00	7-1-14	Completion	278,482.59	-	-
Debt Service Fund:								
New Jersey Department of Education:								
School Construction Debt Service Aid	23-495-034-5120-075	614,169.00	N/A	7-1-22	6-30-23	-	-	-
Enterprise Fund:								
New Jersey Department of Agriculture:								
State School Lunch Aid	22-100-010-3350-023	59,747.77	N/A	7-1-21	6-30-22	(3,278.84)		
State School Lunch Aid	23-100-010-3350-023	50,875.85	N/A	7-1-22	6-30-23			
State Supplement for Summer Food Service Program	23-495-010-3350-005	343.80	N/A	7-1-22	6-30-23			
State School Breakfast Aid	23-100-010-3350-495	10,508.40	N/A	7-1-22	6-30-23			
State School Breakfast After the Bell Aid	23-100-010-3350-495	22,161.60	N/A	7-1-22	6-30-23			
Total Enterprise Fund						(3,278.84)	-	-
Total State Financial Assistance						\$ (6,822,113.45)	\$ 75,321.69	-
Less: State Financial Assistance not subject to Calculation for Major Program Determination for State Single Audit:								
General Fund (Non-Cash Assistance):								
New Jersey Department of the Treasury:								
On-Behalf T.P.A.F. Pension Contributions -								
Post-Retirement Medical (non-budgeted)								
On-Behalf T.P.A.F. Pension Contributions - Normal	23-495-034-5094-001	3,527,134.00	N/A	7-1-22	6-30-23			
Cost (non-budgeted)								
On-Behalf T.P.A.F. Non-contributory Insurance	23-495-034-5094-002	13,242,865.00	N/A	7-1-22	6-30-23			
On-Behalf T.P.A.F. Pension Contributions - Long-Term								
On-Behalf T.P.A.F. Pension Contributions - Long-Term	23-495-034-5094-004	183,730.00	N/A	7-1-22	6-30-23			
Disability Insurance (non-budgeted)								
	23-495-034-5094-004	3,720.00	N/A	7-1-22	6-30-23			
Total General Fund (Non-Cash Assistance)								

(A) See Note 6 to the Schedules of Expenditures of Federal Awards and State Financial Assistance
The accompanying Notes to Financial Statements and Notes to the Schedules of Expenditures of Federal Awards and State Financial Assistance are an integral part of this schedule.

Cash Received	Total Budgetary Expenditures	Passed Through to Subrecipients	Adjustments (A)	Repayment of Prior Years' Balances	Balance June 30, 2023			Budgetary Receivable June 30, 2023	Cumulative Total Expenditures
					(Accounts Receivable)	Unearned Revenue	Due to Grantor		
\$ 5,069,268.33									
55,302,749.07	\$ 61,316,535.01				\$ (6,013,785.94)			\$ (6,013,785.94)	\$ 61,316,535.01
347,183.70									
3,254,915.75	3,608,865.00				(353,949.25)			(353,949.25)	3,608,865.00
185,669.99									
1,740,692.86	1,929,981.00				(189,288.14)			(189,288.14)	1,929,981.00
65,900,479.70	66,855,381.01	-	-	-	(6,557,023.33)	-	-	(6,557,023.33)	66,855,381.01
210,370.98									
1,972,269.53	2,186,740.00				(214,470.47)			(214,470.47)	2,186,740.00
70,610.00									
	77,248.00				(77,248.00)				77,248.00
2,253,250.51	2,263,988.00	-	-	-	(291,718.47)	-	-	(214,470.47)	2,263,988.00
1,988,602.00									
	1,557,140.00				(1,557,140.00)				1,557,140.00
1,988,602.00	1,557,140.00	-	-	-	(1,557,140.00)	-	-	-	1,557,140.00
49,424.00									
	1,731.00				(1,731.00)				1,731.00
49,424.00	1,731.00	-	-	-	(1,731.00)	-	-	-	1,731.00
2,931,552.62	2,941,185.95	-	-	-	(9,633.33)	-	-	-	2,941,185.95
18,265.00	18,265.00	-	-	-	-	-	-	-	18,265.00
3,527,134.00	3,527,134.00								3,527,134.00
13,242,865.00	13,242,865.00								13,242,865.00
183,730.00	183,730.00								183,730.00
3,720.00	3,720.00								3,720.00
16,957,449.00	16,957,449.00	-	-	-	-	-	-	-	16,957,449.00
90,099,022.83	90,595,139.96	-	-	-	(8,417,246.13)	-	-	(6,771,493.80)	90,595,139.96
59,584.00	58,212.00			\$ 1,394.40			\$ 1,372.00		58,212.00
34,782.00	31,461.61		\$ (0.39)	763.93			3,320.00		31,461.61
22,134.00	20,795.36		0.36	2,519.90			1,339.00		20,795.36
109,060.00	87,224.75		(0.25)	1,361.32			21,835.00		87,224.75
156,153.00	139,943.28		0.28	30,188.46			16,210.00		139,943.28
33,275.00	27,360.06		0.06	10,414.90			5,915.00		27,360.06
18,219.00	8,863.32		0.32	8,044.45			9,356.00		8,863.32
25,110.00	19,623.00			8,556.00			5,487.00		19,623.00
39,235.00	32,957.40		0.40	6,773.60			6,278.00		32,957.40
54,791.00	39,823.50		0.50	5,304.73			14,968.00		39,823.50
552,343.00	466,264.28	-	1.28	75,321.69	-	-	86,080.00	-	466,264.28
160,460.00	872,566.80				(100,189.20)	\$ 511,522.00		(100,189.20)	872,566.80
901,702.80	490,370.00								490,370.00
1,062,162.80	1,362,936.80	-	-	-	(100,189.20)	511,522.00	-	(100,189.20)	1,362,936.80
117,314.00	103,006.00					14,308.00			103,006.00
117,314.00	214,711.00	-	-	-	-	14,308.00	-	-	214,711.00
38,100.00	2,461,100.00	-	-	-	(4,830,957.75)	2,407,957.75	-	(4,830,957.75)	2,461,100.00
-	-	-	-	-	(6,660.00)	6,660.00	-	-	-
1,769,919.80	4,505,012.08	-	1.28	75,321.69	(4,937,806.95)	2,940,447.75	86,080.00	(4,931,146.95)	4,505,012.08
-	-	-	(278,482.59)	-	-	-	-	-	1,974,276.98
614,169.00	614,169.00	-	-	-	-	-	-	-	614,169.00
3,278.84	50,875.85				(2,599.59)				50,875.85
48,276.26	343.80								343.80
9,878.40	10,508.40				(630.00)				10,508.40
20,923.70	22,161.60				(1,237.90)				22,161.60
82,701.00	83,889.65	-	-	-	(4,467.49)	-	-	-	83,545.85
\$ 92,565,812.63	95,798,210.69	-	\$ (278,481.31)	\$ 75,321.69	\$ (13,359,520.57)	\$ 2,940,447.75	\$ 86,080.00	\$ (11,702,640.75)	\$ 97,772,143.87
3,527,134.00									3,527,134.00
13,242,865.00									13,242,865.00
183,730.00									183,730.00
3,720.00									3,720.00
16,957,449.00									16,957,449.00
\$ 78,840,761.69									\$ 78,840,761.69

TOWNSHIP OF PENNSAUKEN SCHOOL DISTRICT

Notes to Schedules of Expenditures of Federal Awards and State Financial Assistance
For the Fiscal Year Ended June 30, 2023

Note 1: **BASIS OF PRESENTATION**

The accompanying schedules of expenditures of federal awards and state financial assistance ("the schedules") include federal and state award activity of the Township of Pennsauken School District (hereafter referred to as the "School District"). The School District is defined in note 1 to the School District's basic financial statements. The information in these schedules is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and State of New Jersey Circular 15-08-OMB, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. All federal and state awards received directly from federal and state agencies, as well as federal awards and state financial assistance passed through other government agencies, are included on the schedules. Because these schedules present only a selected portion of the operations of the School District, it is not intended to and does not present the financial position and changes in operations of the School District.

Note 2: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accompanying schedules are presented using the budgetary basis of accounting, with the following exceptions: programs recorded in the capital projects fund are presented on the modified accrual basis of accounting and programs recorded in the enterprise fund are presented using the accrual basis of accounting. These bases of accounting are described in note 1 to the School District's basic financial statements. Such expenditures are recognized following the cost principles contained in Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and State of New Jersey Circular 15-08-OMB, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, wherein certain types of expenditures are not allowed or are limited as to reimbursement. The expenditures reflected in the schedules are presented at the federal and state participation level; thus, any matching portion is not included.

Note 3: **INDIRECT COST RATE**

The School District has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

Note 4: **RELATIONSHIP TO BASIC FINANCIAL STATEMENTS**

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

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

**Notes to the Schedules of Expenditures of Federal Awards
and State Financial Assistance (Cont'd)**

Note 4: RELATIONSHIP TO BASIC FINANCIAL STATEMENTS (CONT'D)

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$959,000.80 for the general fund and \$2,850,245.96 for the special revenue fund. See exhibit C-3, notes to required supplementary information, for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds.

Awards and financial assistance revenues reported in the School District's basic financial statements on a GAAP basis with a reconciliation to the budgetary basis reported on the schedule of expenditures of federal awards and schedule of expenditures of state financial assistance are presented as follows:

<u>Fund</u>	<u>Federal</u>	<u>State</u>	<u>Total</u>
General	\$ 321,520.16	\$ 89,636,139.16	\$ 89,957,659.32
Special Revenue	6,184,476.46	2,017,822.39	8,202,298.85
Debt Service		614,169.00	614,169.00
Food Service	2,752,273.45	83,889.65	2,836,163.10
	<u>9,258,270.07</u>	<u>92,352,020.20</u>	<u>101,610,290.27</u>
GAAP Basis Revenues			
GAAP Adjustments:			
State Aid Payments		898,730.00	898,730.00
Encumbrances	363,056.27	2,186,415.69	2,549,471.96
Preschool Education Aid Carryover		361,044.80	361,044.80
	<u>363,056.27</u>	<u>3,446,190.49</u>	<u>3,809,246.76</u>
Total Awards and Financial Assistance Expended	<u>\$ 9,621,326.34</u>	<u>\$ 95,798,210.69</u>	<u>\$ 105,419,537.03</u>

Note 5: RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

Note 6: ADJUSTMENTS

Amounts reported in the column entitled "adjustments" represent rounding differences, cancellation of receivables and favorable differences incurred in the liquidation of encumbrances charged as budgetary basis expenditures in fiscal year 2022-2023.

Note 7: REIMBURSED AND ON-BEHALF PAYMENTS

During the fiscal year ended June 30, 2023, the School District was the recipient of federal and state assistance that represented either a reimbursement to the School District or payments made on-behalf of the School District. Revenues and expenditures reported under the federal food distribution program represent the current year value received and the current year distribution, respectively, of American-grown United States Department of Agriculture foods utilized in the School District's food service program. TPAF Social Security Contributions represents the amount reimbursed by the State for the employer's share of social security contributions for TPAF members for the fiscal year. Lastly, the School District has recognized as revenues and expenditures on-behalf payments made by the State for normal costs, non-contributory insurance, post-retirement medical costs, and long-term disability insurance related to TPAF members.

Note 8: MAJOR PROGRAMS

Major programs are identified in the *Summary of Auditor's Results* section of the *Schedule of Findings and Questioned Costs*.

TOWNSHIP OF PENNSAUKEN SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2023

Section 1- Summary of Auditor's Results

Financial Statements

Type of auditor's report issued Unmodified

Internal control over financial reporting:

Material weakness(es) identified? ___ yes X no

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

Noncompliance material to financial statements noted? ___ yes X no

Federal Awards

Internal control over major programs:

Material weakness(es) identified? ___ yes X no

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

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

Any audit findings disclosed that are required to be reported in accordance with Section 516 of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance)? ___ yes X no

Identification of major programs:

<u>Assistance Listing Number(s)</u>	<u>FAIN Number(s)</u>	<u>Name of Federal Program or Cluster</u>
		Medical Assistance Program (Medicaid):
93.778	2205NJ5MAP	Special Education Medicaid Initiative
93.778	2205NJ5MAP	Medicaid Administrative Claiming Aid
93.778	2205NJ5MAP	Special Education Medicaid Initiative - FFRCA
		Child Nutrition Cluster:
10.553	231NJ304N1199	School Breakfast Program
10.555	231NJ304N1199	National School Lunch Program
10.555	231NJ304N1199	National School Lunch Program - Commodities
10.559	231NJ304N1199	Summer Food Service Program Breakfast
10.559	231NJ304N1199	Summer Food Service Program Admin
10-555	231NJ304N1099	Supply Chain Assistance
		Elementary and Secondary School Emergency Relief Fund:
84.425D	S425D210027	Education Stabilization Fund - ESSER I
84.425D	S425D210027	Education Stabilization Fund - ESSER II
84.425D	S425D210027	Education Stabilization Fund - Learning Acceleration Grant
84.425D	S425D210027	Education Stabilization Fund - Mental Health
84.425U	S425U210027	Elementary and Secondary School Emergency Relief Fund (ESSER III)
84.425U	S425U210027	Accelerated Learning Coach and Educator Support
84.425U	S425U210027	Evidence Based Summer Learning and Enrichment
84.425U	S425U210027	Evidence Based Comprehensive Beyond the School Day
84.425U	S425U210027	NJTSS Mental Health Support Staffing
84.425W	S245W210031	ARP Homeless Children and Youth Program

Dollar threshold used to distinguish between type A and type B programs: \$ 750,000.00

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

TOWNSHIP OF PENNSAUKEN SCHOOL DISTRICT
 Schedule of Findings and Questioned Costs
 For the Fiscal Year Ended June 30, 2023

Section 1- Summary of Auditor's Results (Cont'd)

State Financial Assistance

Internal control over major programs:

Material weakness(es) identified? _____ yes X no

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

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

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

Identification of major programs:

GMIS Number(s)

Name of State Program

23-495-034-5120-078

State Aid Public:

Equalization Aid

23-495-034-5120-089

Categorical Special Education Aid

23-495-034-5120-084

Categorical Security Aid

Unknown

SSB-VEEVR HVAC Grant

Transportation Aid:

23-495-034-5120-014

Categorical Transportation Aid

23-495-034-5120-014

Additional Non-Public Transportation Aid

Dollar threshold used to distinguish between type A and type B programs: \$ 2,365,223.00

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

TOWNSHIP OF PENNSAUKEN SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2023

Section 2- Schedule of Financial Statement Findings

This section identifies the significant deficiencies, material weaknesses, fraud, noncompliance with provisions of laws, regulations, contracts, and grant agreements related to financial statements for which *Government Auditing Standards* and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, requires.

None

TOWNSHIP OF PENNSAUKEN SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2023

Section 3- Schedule of Federal Award Findings and Questioned Costs

This section identifies the significant deficiencies, material weaknesses, material instances of noncompliance, including questioned costs, and significant instances of abuse related to the audit of major Federal programs, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

None

TOWNSHIP OF PENNSAUKEN SCHOOL DISTRICT

Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2023

Section 4- Schedule of State Financial Assistance Findings and Questioned Costs

This section identifies the significant deficiencies, material weaknesses, material instances of noncompliance, including questioned costs, and significant instances of abuse related to the audit of major State programs, as required by State of New Jersey Circular 15-08-OMB.

Finding No. 2023-001**Information on the State Program**

The New Jersey Department of Education Transportation Aid including Categorical Transportation Aid (State Project Number (23-495-034-5130-014) and Additional Non-Public Transportation Aid (State Project Number 23-495-034-5120-014).

Criteria or Specific Requirement

School Districts must complete the District Report of Transported Resident Students (DRTRS) in accordance with instructions provided by the Office of School Finance, Department of Education. School Districts must complete a set of workpapers that document the compilation of data and retain supporting documentation that provide and audit trail for testing the information reported on the DRTRS report.

Condition

Several differences were identified between the School District's supporting documentation and the submitted DRTRS report.

Questioned Costs

None.

Context

Our test of reported students on the DRTRS disclosed that ten students reported in the category "Special Education Public School Students" were not on roll at the School District and shouldn't be included on the report.

Effect or Potential Effect

The School District is not in compliance with the DRTRS reporting requirements and the differences could impact the School District's Transportation Aid allocation.

Cause

Students reported on the DRTRS were not updated to agree with School District records.

Recommendation

That the submitted DRTRS report agrees to the School District's supporting documentation.

View of Responsible Officials and Planned Corrective Action

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

TOWNSHIP OF PENNSAUKEN SCHOOL DISTRICT
Summary Schedule of Prior Year Audit Findings
and Questioned Costs as Prepared by Management

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

FINANCIAL STATEMENT FINDINGS

None

FEDERAL AWARDS

None

STATE FINANCIAL ASSISTANCE PROGRAMS

None