

SCHOOL DISTRICT  
OF  
ALLAMUCHY TOWNSHIP

Allamuchy Township School District  
Board of Education  
Allamuchy Township, New Jersey

Annual Comprehensive Financial Report  
For the Fiscal Year Ended June 30, 2022

# Annual Comprehensive Financial Report

of the

Allamuchy Township School District  
Board of Education

Allamuchy Township, New Jersey

For the Fiscal Year Ended June 30, 2022

Prepared by

Allamuchy Township School District  
Board of Education

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
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INTRODUCTORY SECTION  
(UNAUDITED)



# Allamuchy Township School District

*Promoting The Allamuchy Learner*

20 Johnsonburg Road  
Allamuchy, NJ 07820

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January 5, 2023

The Honorable President and Members of  
the Board of Education  
Allamuchy Township School District  
County of Warren, New Jersey

Dear Honorable President and Board Members:

The Annual Comprehensive Financial Report of the Allamuchy Township School District (the “District”) for the fiscal year ended June 30, 2022 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 Allamuchy Board of Education (the “Board”). 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 basic financial statements and results of operations of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The Annual Comprehensive Financial Report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter, the District's organizational chart and a list of principal officials. The financial section includes The Independent Auditor's Report, the management's discussion and analysis, the basic financial statements and notes providing an overview of the District's financial position and operating results, and supplementary schedules providing detailed budgetary information. The statistical section includes selected economic and demographic information, financial trends and the fiscal capacity of the District, generally presented on a multi-year basis. The District is required to undergo an annual single audit in conformity with the provisions of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and the New Jersey's OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Information related to this single audit, including the auditors' report on the internal control and compliance with applicable laws, regulations, contracts and grants along with findings and questioned costs, are included in the single audit section of this report.

1. **REPORTING ENTITY AND ITS SERVICES:** The Allamuchy Township School District is an independent reporting entity within the criteria adopted by the Governmental Accounting Standards Board (“GASB”) in codification section 2100. All funds of the District are included in this report. The Allamuchy Township School District's elementary school constitutes the District's reporting entity.

The District provides a full range of educational services appropriate to grade levels K through 8. These include regular, as well as special education, for handicapped youngsters. The District completed the 2021-2022 fiscal year with an average daily enrollment of 422 students, which is 3 student more than the prior year's enrollment.

2. ECONOMIC CONDITION AND OUTLOOK: The Allamuchy area has developed at a faster rate than was experienced in the last decade due to a housing development that is located within the Township. This has resulted in an increase in the tax base. Construction is coming to an end, however, enrollment is expected to increase at a slower pace and the Allamuchy area will continue to prosper.
3. MAJOR INITIATIVES: Student Achievement and Growth remains as the major focus of activities within the District. Professional staff continue to work hard to review and revise curriculum to align to the New Jersey Student Learning Standards. State assessment results and data analysis in grades 3-8 are utilized to strengthen both program offerings and teaching strategies. Computerized assessment programs continue to be incorporated and staff have received professional development. Extended block scheduling allows for 400 minutes/week of math and 400 minutes/week of language arts in all grades. School wide enrichment activities are geared to reach all students and are supplemented by an active after school program through both the school and educational enhancement facility and community center, Rutherford Hall. Of particular note is our commitment to activities outside the traditional classroom, emphasizing authentic and inquiry-based learning with two outdoor classrooms in the district. Staff and students have access to one of the most beautiful natural resource areas in the state. During the year, the administration and staff make a major effort in the area of environmental education by utilizing the unique and rich environment. Initiatives include fishing, kayaking, hiking and team building. Transportation is provided to all students and for all activities, including Extended School Year programs and extracurricular clubs and sports. Professional staff development is stressed and Allamuchy has a relationship with Centenary University as a Professional Development School. Students utilize technology through Chromebooks, iPads and other state of the art technologies. Recent improvements have assured that all district classrooms are equipped with SmartBoards, and students in grades 3-8 have access to a 1-to-1 Chromebook.
4. INTERNAL ACCOUNTING CONTROLS: Management of the District is responsible for establishing and maintaining an internal control system designed to ensure that the assets of the District are protected from loss, theft or misuse, and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles (GAAP). The internal control system 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 District also is responsible for ensuring that an adequate internal control system is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control system is also subject to periodic evaluation by the District's management.

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



5. **BUDGETARY CONTROLS**: In addition to internal accounting 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 approved by a vote of the Board of Education. Annual appropriated budgets are adopted for the general fund, the special revenue fund, and the debt service fund. Project-length budgets are approved for the capital improvements accounted for in the capital projects fund. The final budget amount as amended for the fiscal year is reflected in the financial section.

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either cancelled or are included as reappropriations of fund balance in the subsequent year. Those amounts to be reappropriated are reported as restrictions, commitments and assignments of fund balance at June 30, 2022.

6. **ACCOUNTING SYSTEM AND REPORTS**: The District's accounting records reflect generally accepted accounting principles, 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 Basic 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 Basic Financial Statements", Note 3. 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, excess liability, automobile liability and comprehensive/collision, hazard and theft insurance on property and contents, and fidelity bonds. A schedule of insurance coverage is found on Exhibit J-20.
9. **OTHER INFORMATION**: Independent Audit - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Nisivoccia LLP, CPAs, was selected by the Board. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and New Jersey's OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. The auditors' report on the basic financial statements and specific required supplementary information is included in the financial section of this report. The auditors' reports related specifically to the single audit and *Government Auditing Standards* are included in the single audit section of this report.

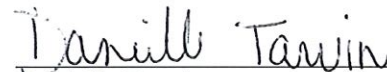
The Honorable President and Members of  
the Board of Education  
Allamuchy Township School District  
Page 4  
January 5, 2023

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

Respectfully submitted,



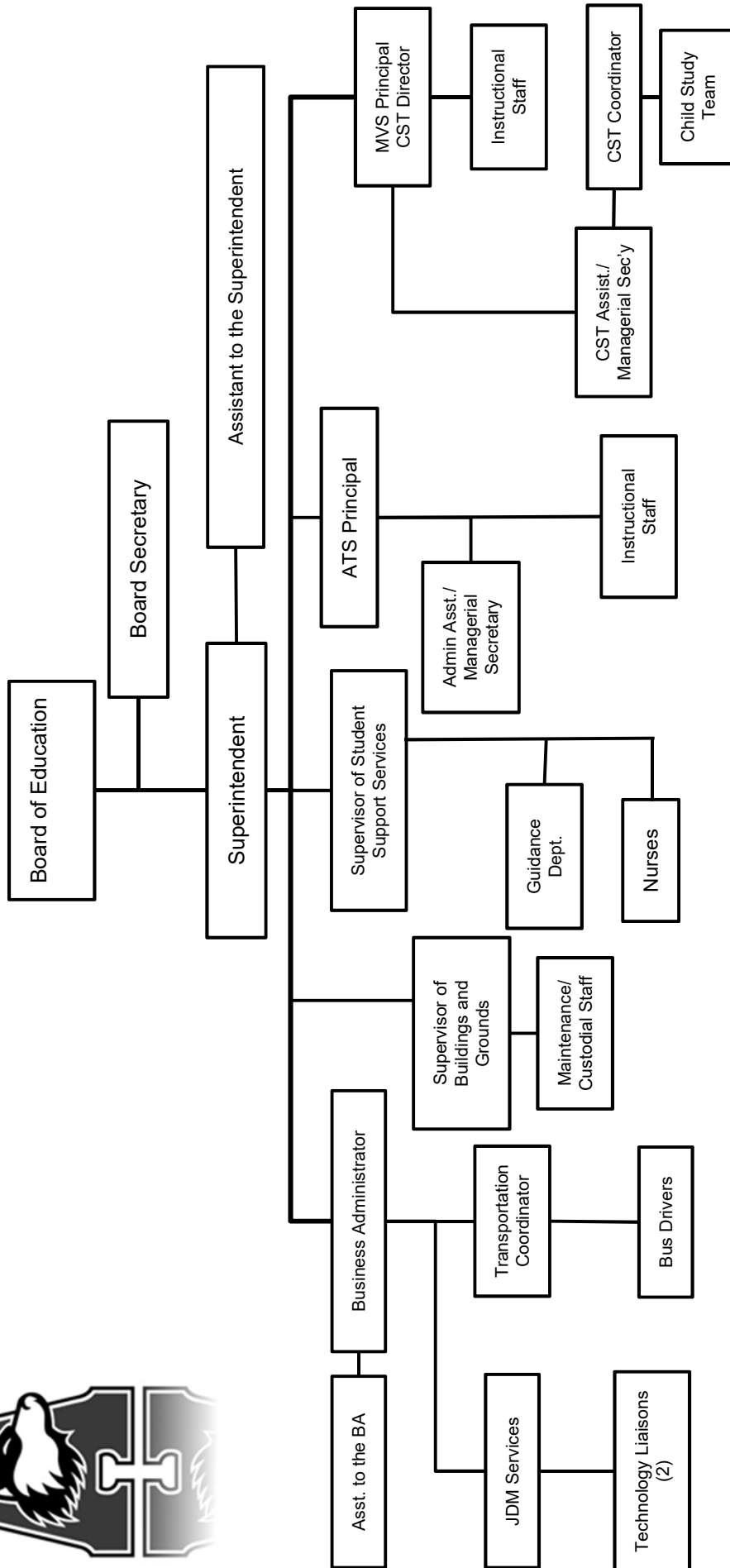
\_\_\_\_\_  
Dr. Melissa Sabol  
Superintendent



\_\_\_\_\_  
Danielle Tarvin  
Business Administrator



Allamuchy Board of Education Organizational Chart 2021-2022



ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
ROSTER OF OFFICIALS  
JUNE 30, 2022

<u>Members of the Board of Education</u>	<u>Term Expires</u>
Lisa Strutin, President	2024
Mary Renaud, Vice President	2022
Abigail Christmann	2024
Giovanni Cusmano	2022
Maryann Gibbs	2022
Harriet Gaddy	2024
Craig Green	2023
Lisa Moyer	2023
Venita Prudenti	2023

<u>Other Officials</u>	<u>Title</u>
Dr. Melissa Sabol	Superintendent of Schools
James Schlessinger	Business Administrator (To August 30, 2021)
Jim Minkewicz	Business Administrator (From August 30, 2021 to May 21, 2022)
Danielle Tarvin	Business Administrator (From July 1, 2022)
Donna Trainello	Board Secretary

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
CONSULTANTS AND ADVISORS  
YEAR ENDED JUNE 30, 2022

**Audit Firm**

Nisivoccia LLP, CPAs  
200 Valley Road Suite 300  
Mount Arlington, New Jersey 07856  
and  
11 Lawrence Road  
Newton, NJ 07860  
and  
1140 Route 22 East, Suite 203  
Bridgewater, NJ 08807

**Attorney**

Busch Law Group  
450 Main Street  
Metuchen, NJ 08840

**Special Projects Attorney**

Coughlin Duffy LLP  
350 Mount Kemble Ave.  
PO Box 1917  
Morristown, NJ 07962

**Special Education Attorney**

Scarinci & Hollenbeck, LLC  
1100 Valley Brook Avenue  
PO Box 790  
Lyndhurst, NJ 07071

**Official Depository**

Investors Bank  
388 State Rt. 517 West  
Washington, NJ 07882

FINANCIAL SECTION

## Independent Auditors' Report

The Honorable President and Members  
of the Board of Education  
Allamuchy Township School District  
County of Warren, New Jersey

### **Report on the Financial Statements**

#### ***Qualified Opinion***

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Board of Education of the Allamuchy Township School District (the "District"), in the County of Warren, as of and for the fiscal year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the District, as of June 30, 2022, 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 Qualified Opinion***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS), audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey (the "Office") and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 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 qualified audit opinion.

#### ***Matter Giving Rise to Qualified Opinion***

The District's note disclosure on postemployment benefits other than pensions (OPEB) (Note 16) contains the June 30, 2020 information and not the June 30, 2021 information as the report for Governmental Accounting Standards Board ("GASB") Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, for the State of New Jersey State Health Benefits Local Education Retired Employees Plan ("SHBP") has not been released by the Division of Pensions and Benefits, Department of the Treasury, State of New Jersey (the "Division"), as of the date of this report. The District is in a "special funding situation" in that the OPEB contributions, expenses and related liability are the sole responsibility of the State of New Jersey, not the District and therefore does not affect the District's net position. An estimated release date for the June 30, 2021 OPEB information has not been announced by the Division. In our opinion, disclosure of this information is required by accounting principles generally accepted in the United States of America.

***Responsibilities of Management for the Financial Statements***

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

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 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 GAAS, *Government Auditing Standards* and audit requirements prescribed by the Office 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 GAAS, *Government Auditing Standards* and audit requirements prescribed by the Office, 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 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 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, which follows this report, the pension and postemployment benefit schedules in exhibits L-1 through L-5 and the related notes, and the budgetary comparison information in Exhibits C-1 through C-3 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

The Schedule of Changes in the State's Proportionate Share of the Total OPEB Liability Associated with the District and Related Ratios (Exhibit L-5) do not contain the June 30, 2021 OPEB information as the related GASB No. 75 report for SHBP has not been released by the State as of the date of this report. The District is in a "special funding situation" in that the OPEB contributions, expenses and related liability are the sole responsibility of the State of New Jersey, not the District and therefore does not affect the District's net position. An estimated release date for the June 30, 2021 OPEB information has not been announced by the Division. This required supplementary information is required to be presented to supplement the basic financial statements in accordance with accounting principles generally accepted in the United States of America. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying supplementary information schedules and the schedules of expenditures of federal and state awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*; and New Jersey's OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, are 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 accompanying supplementary information schedules and the schedules of expenditures of federal and state awards 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 5, 2023 on our consideration of the 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 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 District’s internal control over financial reporting and compliance.

January 5, 2023  
Mount Arlington, New Jersey

*Nisivoccia LLP*  
NISIVOCCIA LLP

*John J. Mooney*  
\_\_\_\_\_  
John J. Mooney  
Licensed Public School Accountant #2602  
Certified Public Accountant

REQUIRED SUPPLEMENTARY INFORMATION  
MANAGEMENT'S DISCUSSION AND ANALYSIS

## Allamuchy Township School District Management Discussion and Analysis

This section of Allamuchy Township School District’s annual financial report presents its discussion and analysis of the District’s financial performance during the fiscal year ending June 30, 2022. Please read it in conjunction with the transmittal letter at the front of this report and the District’s financial statements, which immediately follow this section.

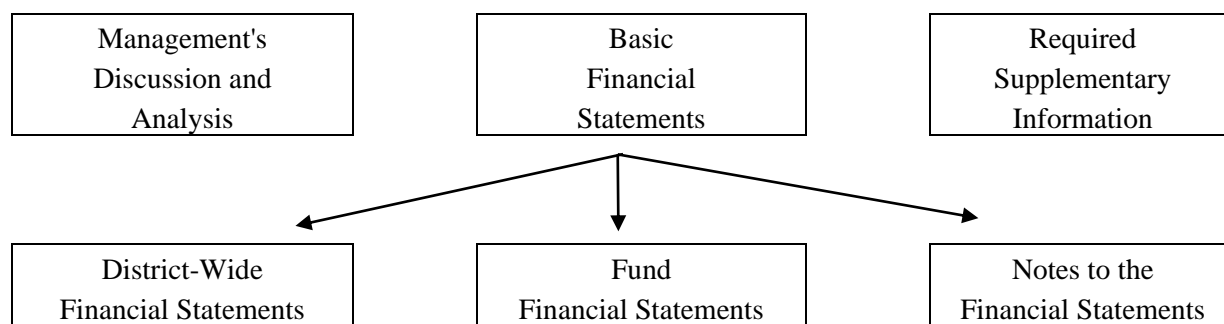
### Overview of the Financial Statements

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 District:

- The first two statements are *District-wide financial statements* that provide both *short-term* and *long-term* information about the District’s *overall* financial status.
- The remaining statements are *fund financial statements* that focus on *individual parts* of the District, reporting the District’s operations in *more* detail than the District-wide statements.
- The *governmental funds statements* tell how basic services such as 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 District operates like a business, such as food services and Rutherford Hall.
- *Notes to Basic Financial Statements*: Provide additional information essential to a full understanding of the district-wide and fund financial statements.

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 District’s budget for the year. Figure A-1 shows how the various parts of this annual report are arranged and related to one another.

**Figure A-1**  
**Organization of Allamuchy Township School District’s Financial Report**



**Allamuchy Township School District  
Management Discussion and Analysis**

Figure A-2 summarizes the major features of the District’s financial statements, including the portion of the District’s activities they cover and the types of information they contain. The remainder of this overview section of management’s discussion and analysis highlights that structure and contents of each of the statements.

**Figure A-2**

*Major Features of the District-Wide and Fund Financial Statements*

	District-Wide Statements	Fund Financial Statements	
		Governmental Funds	Proprietary Funds
Scope	Entire District	The activities of the District that are not proprietary, such as special education and building maintenance	Activities the District operates similar to private businesses: food services, Rutherford Hall
Required Financial Statements	<ul style="list-style-type: none"> <li>• Statement of net position</li> <li>• Statement of activities</li> </ul>	<ul style="list-style-type: none"> <li>• Balance sheet</li> <li>• Statement of revenue, expenditures, and changes in fund balances</li> </ul>	<ul style="list-style-type: none"> <li>• Statement of net position</li> <li>• Statement of revenue, expenses, and changes in net position</li> <li>• Statement of cash flows</li> </ul>
Accounting Basis and Measurement Focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus
Type of Asset/Liability Information	All assets and liabilities, both financial and capital, short-term and long-term	Generally, assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets, lease assets or long-term liabilities included	All assets and liabilities, both financial and capital, short-term and long-term
Type of Inflow/Outflow Information	All revenue and expenses during the year, regardless of when cash is received or paid	Revenue for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due and payable	All revenue and expenses during the year, regardless of when cash is received or paid

## Allamuchy Township School District Management Discussion and Analysis

### District-wide Statements

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

The two District-wide statements report the District's *net position* and how they have changed. Net position – the difference between the District's assets, deferred inflows and outflows, and liabilities – is one way to measure the District's financial health or *position*.

- Over time, increases or decreases in the District's net position are an indicator of whether its financial position is improving or deteriorating, respectively.
- To assess the District's overall health, you need to consider additional nonfinancial factors such as changes in the District's property tax base and the condition of school buildings and other facilities.

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

- *Governmental activities*: Most of the District's basic services are included here, such as regular and special education, transportation and administration. Property taxes and state formula aid finance most of these activities.
- *Business-type activities*: The District charges fees to help it cover the costs of certain services it provides. The District's food service and Rutherford Hall are included here.

### Fund Financial Statements

The fund financial statements provide more detailed information about the District's funds, focusing on its most significant or "major" funds – not the District as a whole. Funds are accounting devices the District uses to keep track of specific sources of funding and spending on particular programs:

- Some funds are required by state law and by bond covenants.
- The District establishes other funds to control and manage money for particular purposes (such as repaying its long-term debts) or to show that it is properly using certain revenue (such as federal grants).

The District has two kinds of funds:

- *Governmental funds*: Most of the District's basic services are included in governmental funds, which generally focus on {1} how cash and other financial assets that can readily be converted to cash flow in and out, and {2} the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the District-wide statements, additional information at the bottom of the governmental funds statements explains the relationship (or difference) between them.
- *Proprietary funds*: Services for which the District charges a fee are generally reported in proprietary funds. Proprietary funds are reported in the same way as the District-wide statements. The District's *enterprise funds* (one type of proprietary fund) are the same as its business-type activities but provide more detail and additional information, such as cash flows. The District uses *internal service funds* (the other kind of proprietary fund) to report activities that provide supplies and services for its other programs and activities. The District currently does not maintain any internal service funds.

**Allamuchy Township School District  
Management Discussion and Analysis**

*Notes to the Basic Financial Statements:* Provide additional information essential to a full understanding of the District-wide and fund financial statements.

**Financial Analysis of the District as a Whole**

*Net Position.* The District’s combined net position increased \$635,180. Net position from governmental activities increased by \$445,130 and the net position from business-type activities decreased by \$1,584. Net investment in capital assets increased by \$224,841, restricted net position decreased by \$100,913 and unrestricted net position increased by \$319,618.

**Figure A-3**

**Condensed Statement of Net Position**

	Government Activities		Business-Type Activities		Total School District		Total Percentage Change
	2021/22	(Restated) 2020-21	2021/22	(Restated) 2020-21	2021/22	(Restated) 2020-21	
Current and Other Assets	\$ 1,366,462	\$ 1,184,504	\$ 161,240	\$ 181,955	\$ 1,527,702	\$ 1,366,459	
Capital Assets, Net	7,699,938	8,066,469	15,708	20,230	7,715,646	8,086,699	
Total Assets	9,066,400	9,250,973	176,948	202,185	9,243,348	9,453,158	-2.22%
Deferred Outflow of Resources	310,234	523,296			310,234	523,296	-40.72%
Other Liabilities	847,358	644,706	300,828	288,203	1,148,186	932,909	
Long-Term Liabilities	9,027,027	10,114,087			9,027,027	10,114,087	
Total Liabilities	9,874,385	10,758,793	300,828	288,203	10,175,213	11,046,996	-7.89%
Deferred Inflows of Resources	1,114,351	1,072,708			1,114,351	1,072,708	3.88%
Net Position:							
Net Investment in Capital Assets	300,284	70,921	15,708	20,230	315,992	91,151	
Restricted	330,967	431,880			330,967	431,880	
Unrestricted/(Deficit)	(2,243,353)	(2,560,033)	(139,588)	(142,526)	(2,382,941)	(2,702,559)	
Total Net Position/ (Deficit)	<u>\$ (1,612,102)</u>	<u>\$ (2,057,232)</u>	<u>\$ (123,880)</u>	<u>\$ (122,296)</u>	<u>\$ (1,735,982)</u>	<u>\$ (2,179,528)</u>	<u>20.35%</u>

*Changes in Net Position.* The District’s combined net position was (\$1,735,982) on June 30, 2022, or \$443,546 more than it was the year before. The increase in the net position was primarily due to a decrease in Long-Term Liabilities. (See Figure A-3).

## Allamuchy Township School District Management Discussion and Analysis

**Figure A-4  
Changes in Net Position from Operating Results**

	Governmental Activities		Business-Type Activities		Total School District		Total
	2021/22	2020/21	2021/22	2020/21	2021/22	2020/21	Percentage Change
Revenue:							
Program Revenue:							
Charges for Services	\$ 216,143	\$ 136,431	\$ 155,518	\$ 46,559	\$ 371,661	\$ 182,990	
Operating Grants & Contribution:	2,574,407	2,658,880	216,356	198,014	2,790,763	2,856,894	
General Revenue:							
Property Taxes	10,231,511	10,043,309			10,231,511	10,043,309	
Unrestricted Federal and State Aid	63,094	62,963			63,094	62,963	
Other	608,508	280,672	3	14,174	608,511	294,846	
Total Revenue	<u>13,693,663</u>	<u>13,182,255</u>	<u>371,877</u>	<u>258,747</u>	<u>14,065,540</u>	<u>13,441,002</u>	4.65%
Expenses:							
Instruction	5,974,927	5,850,678			5,974,927	5,850,678	
Pupil and Instruction Services	3,631,311	3,824,079			3,631,311	3,824,079	
Administrative and Business	1,007,791	1,065,789			1,007,791	1,065,789	
Maintenance and Operations	1,136,425	967,329			1,136,425	967,329	
Transportation	1,211,113	978,568			1,211,113	978,568	
Other	286,966	341,223	373,461	212,515	660,427	553,738	
Total Expenses	<u>13,248,533</u>	<u>13,027,666</u>	<u>373,461</u>	<u>212,515</u>	<u>13,621,994</u>	<u>13,240,181</u>	2.88%
Increase/(Decrease) in Net Position	<u>\$ 445,130</u>	<u>\$ 154,589</u>	<u>\$ (1,584)</u>	<u>\$ 46,232</u>	<u>\$ 443,546</u>	<u>\$ 200,821</u>	120.87%

### Governmental Activities

As discussed elsewhere in this commentary, the financial position of the District improved significantly. However, maintaining existing programs along with the provision of programs and services for students with special needs place great demands on the District's resources along with rising employee salary and benefits costs.

Careful management of expenses remains essential for the District to maintain its financial health. State aid has been relatively flat while costs continue to escalate.

Figure A-5 presents the cost of six major District activities: instruction, pupil and instructional services, administration and business, maintenance and operations, transportation, and other. The table also shows each activity's net cost (total cost less fees generated by the activities and intergovernmental aid provided for specific programs). The net cost shows the financial obligation placed on the District's taxpayers by each of these functions:



**Allamuchy Township School District  
Management Discussion and Analysis**

**Figure A-5  
Net Cost of Governmental Activities**

	Total Costs of Services		Net Cost of Services	
	2021/22	2020/21	2021/22	2020/21
Instruction	\$ 5,974,927	\$ 5,850,678	\$ 3,686,148	\$ 3,650,469
Pupil and Instruction Services	3,631,311	3,824,079	3,545,863	3,709,189
Administrative and Business	1,007,791	1,065,789	927,944	932,849
Maintenance and Operations	1,136,425	967,329	1,105,278	933,694
Transportation	1,211,113	978,568	905,784	664,931
Other	286,966	341,223	286,966	341,223
	<u>\$ 13,248,533</u>	<u>\$ 13,027,666</u>	<u>\$ 10,457,983</u>	<u>\$ 10,232,355</u>

**Business-Type Activities**

Net position from the District’s business-type activities decreased by \$1,584, (Refer to Figure A-4). The primary factors contributing to these results were:

- Food service net position increased by \$3,51. (Refer to Figure A-4)
- Rutherford Hall net position decreased by \$5,101. (Refer to Figure A-4)

***Financial Analysis of the District’s Funds***

To maintain a stable financial position, the District must continue to practice sound fiscal management, including but not limited to cost containment practices, seeking out all available efficiencies and a continual evaluation of all offered services and programs.

**General Fund Budgetary Highlights**

Over the course of the year, the District revised the annual operating budget several times. These budget amendments fall into two categories:

- Changes made within budgetary line items for changes in school-based needs for programs, supplies and equipment.
- Changes in budgetary line accounts to more accurately reflect current requirements.

**Allamuchy Township School District  
Management Discussion and Analysis**

**Capital Asset Administration**

**Figure A-6**

**Capital Assets (net of depreciation)**

	Governmental Activities		Business-Type Activities		Total School District		Percentage Change 2021/22
	(Restated)		(Restated)		(Restated)		
	2021/22	2020/21	2021/22	2020/21	2021/22	2020/21	
Sites	\$ 2,311,034	\$ 2,311,034			\$ 2,311,034	\$ 2,311,034	
Site Improvements	210,736	62,711			210,736	62,711	
Buildings & Building Improvements	5,020,482	5,257,827			5,020,482	5,257,827	
Machinery and Equipment	157,686	434,897	\$ 15,708	\$ 20,230	173,394	455,127	
<b>Total</b>	<b>\$ 7,699,938</b>	<b>\$ 8,066,469</b>	<b>\$ 15,708</b>	<b>\$ 20,230</b>	<b>\$ 7,715,646</b>	<b>\$ 8,086,699</b>	<b>-4.59%</b>

- The change in Capital Assets is a result of the acquisition of assets in the amount of \$172,291 offset by depreciation expense of \$538,822.

**Long-Term Liabilities**

At year-end, the District had \$6,800,000 in general obligation bonds outstanding as shown in Figure A-7. (More detailed information about the District’s long-term liabilities is presented in Note 7 to the basic financial statements.)

**Figure A-7**

**Outstanding Long-Term Liabilities**

	Total School District		Percentage Change 2021/22
	2021/22	2020/21	
General Obligation Bonds (Financed with Property Taxes)	\$ 6,800,000	\$ 7,280,000	
Obligations Under Financed Purchases	599,654	683,945	
Net Pension Liability	1,355,162	1,929,891	
Compensated Absences Payable	272,211	220,251	
<b>Total</b>	<b>\$ 9,027,027</b>	<b>\$ 10,114,087</b>	<b>-10.75%</b>

- The District continued to pay down its debt, retiring \$480,000 of outstanding bonds.
- Obligations Under Financed Purchases decreased \$84,291 which comprised of additions in the amount of \$47,677 offset by a pay down of \$163,571.
- Compensated Absences Payable increased \$51,960.
- Net Pension Liability decreased by \$574,729.

## **Allamuchy Township School District Management Discussion and Analysis**

### **Factors Bearing on the District's Future**

At this time these financial statements were prepared and audited, the District was in a good financial position. However, the State imposed tax levy cap limit of 2% leaves the District with little protection in the event of costly emergencies and there is still a possibility of increased costs due to COVID-19.

### **Contacting the District's Financial Management**

This financial report is designed to provide the District's citizens, taxpayers, customers and investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Board of Education Office at P.O. Box B, Allamuchy, New Jersey 07820.

BASIC FINANCIAL STATEMENTS

DISTRICT-WIDE FINANCIAL STATEMENTS

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
STATEMENT OF NET POSITION  
JUNE 30, 2022

	Governmental Activities	Business-Type Activities	Total
<b>ASSETS:</b>			
Cash and Cash Equivalents	\$ 208,180	\$ 90,442	\$ 298,622
Receivables from State Government	124,394	292	124,686
Receivables from Federal Government	452,949	12,670	465,619
Receivables from Other Governments	2,840		2,840
Other Accounts Receivable	246,393	31,918	278,311
Internal Balances	739	(739)	
Inventory		5,169	5,169
Restricted Cash and Cash Equivalents	330,967		330,967
Capital Assets:			
Sites (Land)	2,311,034		2,311,034
Depreciable Site Improvements, Buildings and Building Improvements and Machinery and Equipment	5,388,904	15,708	5,404,612
Total Assets	<u>9,066,400</u>	<u>155,460</u>	<u>9,221,860</u>
<b>DEFERRED OUTFLOWS OF RESOURCES:</b>			
Deferred Outflows Related to Pensions	<u>310,234</u>		<u>310,234</u>
Total Deferred Outflows of Resources	<u>310,234</u>		<u>310,234</u>
<b>LIABILITIES:</b>			
Accounts Payable	755,599	213,802	969,401
Payable to Federal Government	6,743		6,743
Unearned Revenue	5,683	65,538	71,221
Accrued Interest Payable	79,333		79,333
Noncurrent Liabilities:			
Due Within One Year	663,116		663,116
Due Beyond One Year	8,363,911		8,363,911
Total Liabilities	<u>9,874,385</u>	<u>279,340</u>	<u>10,153,725</u>
<b>DEFERRED INFLOWS OF RESOURCES:</b>			
Deferred Inflows Related to Pensions	<u>1,114,351</u>		<u>1,114,351</u>
Total Deferred Inflows of Resources	<u>1,114,351</u>		<u>1,114,351</u>
<b>NET POSITION:</b>			
Net Investment in Capital Assets	300,284	15,708	315,992
Restricted for:			
Capital Projects	203,532		203,532
Maintenance Reserve	71,813		71,813
Unemployment Compensation	11,603		11,603
Student Activities	44,019		44,019
Unrestricted/(Deficit)	<u>(2,243,353)</u>	<u>(139,588)</u>	<u>(2,382,941)</u>
Total Net Position/(Deficit)	<u>\$ (1,612,102)</u>	<u>\$ (123,880)</u>	<u>\$ (1,735,982)</u>

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS ARE  
AN INTEGRAL PART OF THIS STATEMENT

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Functions/Programs	Expenses	Program Revenue			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental Activities:							
Instruction:							
Regular	\$ 4,632,400	\$ 185,563	\$ 1,338,736		\$ (3,108,101)	\$ (3,108,101)	
Special Education	1,055,898		717,329		(338,569)	(338,569)	
Other Special Instruction	97,678		16,209		(81,469)	(81,469)	
Other Instruction	188,951		30,942		(158,009)	(158,009)	
Support Services:							
Tuition	2,579,406				(2,579,406)	(2,579,406)	
Student & Instruction Related Services	1,051,905	30,580	54,868		(966,457)	(966,457)	
General Administrative Services	330,569		8,376		(322,193)	(322,193)	
School Administrative Services	427,699		71,471		(356,228)	(356,228)	
Central Services	249,523				(249,523)	(249,523)	
Plant Operations and Maintenance	1,136,425		31,147		(1,105,278)	(1,105,278)	
Pupil Transportation	1,211,113		305,329		(905,784)	(905,784)	
Capital Outlay	1,366				(1,366)	(1,366)	
Interest on Long-Term Debt	285,600				(285,600)	(285,600)	
Total Governmental Activities	13,248,533	216,143	2,574,407	\$ -0-	(10,457,983)	(10,457,983)	

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022  
(Continued)

Functions/Programs	Program Revenue			Net (Expense) Revenue and Changes in Net Position			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Business-Type Activities:							
Food Service	\$ 221,298	\$ 8,456	\$ 216,356		\$ 3,514	\$ 3,514	\$ 3,514
Rutherford Hall	152,163	147,062			(5,101)	(5,101)	(5,101)
Total Business-Type Activities	373,461	155,518	216,356		(1,587)	(1,587)	(1,587)
Total Primary Government	\$ 13,621,994	\$ 371,661	\$ 2,790,763	\$ -0-	\$ (10,457,983)	(1,587)	(10,459,570)
General Revenue:							
Taxes:							
Property Taxes, Levied for General Purposes, Net					9,523,405		9,523,405
Taxes Levied for Debt Service					708,106		708,106
Federal and State Aid not Restricted					63,094		63,094
Miscellaneous Income					608,508	3	608,511
Total General Revenue					10,903,113	3	10,903,116
Change in Net Position					445,130	(1,584)	443,546
Net Position/(Deficit) - Beginning (Restated)					(2,057,232)	(122,296)	(2,179,528)
Net Position/(Deficit) - Ending					\$ (1,612,102)	\$ (123,880)	\$ (1,735,982)

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT



FUND FINANCIAL STATEMENTS

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2022

	General Fund	Special Revenue Fund	Debt Service Fund	Total Governmental Funds
<b>ASSETS:</b>				
Cash and Cash Equivalents	\$ 208,180			\$ 208,180
Receivables From State Government	124,394			124,394
Receivables From Federal Governments		\$ 452,949		452,949
Receivables From Other Governments		2,840		2,840
Other Receivables	438,027			438,027
Interfund Receivable	361,853			361,853
Restricted Cash and Cash Equivalents	286,948	44,019		330,967
Total Assets	<u>\$ 1,419,402</u>	<u>\$ 499,808</u>	<u>\$ -0-</u>	<u>\$ 1,919,210</u>
<b>LIABILITIES AND FUND BALANCES:</b>				
Liabilities:				
Accounts Payable	\$ 520,290	\$ 87,013		\$ 607,303
Interfunds Payable		361,114		361,114
Payable to Federal Government		6,743		6,743
Unearned Revenue	4,764	919		5,683
Total Liabilities	<u>525,054</u>	<u>455,789</u>		<u>980,843</u>
Fund Balances:				
Restricted:				
Capital Reserve Account	203,532			203,532
Maintenance Reserve Account	71,813			71,813
Unemployment Compensation	11,603			11,603
Student Activities		44,019		44,019
Assigned:				
Year-End Encumbrances	161,892			161,892
Unassigned	253,874			253,874
Total Fund Balances	<u>702,714</u>	<u>44,019</u>		<u>746,733</u>
Total Liabilities and Fund Balances	<u>\$ 1,227,768</u>	<u>\$ 499,808</u>	<u>\$ -0-</u>	

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.	\$ 7,699,938
Accrued liability for interest on long-term debt is not due and payable in the current period and is not reported as a liability in the funds.	(79,333)
Certain amounts related to the Net Pension Liability are deferred and amortized in the Statement of Activities and are not reported in the Governmental Funds:	
Deferred Outflows	161,938
Deferred Inflows	(1,114,351)
Long-term liabilities, including bonds payable, net pension liability and other long-term liabilities, are not due and payable in the current period and therefore are not reported as liabilities in the funds.	<u>(9,027,027)</u>
Net Position of Governmental Activities	<u>\$ (1,612,102)</u>

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS ARE  
AN INTEGRAL PART OF THIS STATEMENT

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	General Fund	Special Revenue Fund	Debt Service Fund	Total Governmental Funds
<b>REVENUES</b>				
Local Sources:				
Local Tax Levy	\$ 9,523,405		\$ 708,106	\$ 10,231,511
Tuition	570,351			570,351
Rents and Royalties	1,325			1,325
Restricted Miscellaneous Revenues	4,857	\$ 40,672		45,529
Unrestricted Miscellaneous Revenues	217,538			217,538
Total - Local Sources	10,317,476	40,672	708,106	11,066,254
State Sources	2,400,618		63,094	2,463,712
Federal Sources		746,506		746,506
Total Revenues	12,718,094	787,178	771,200	14,276,472
<b>EXPENDITURES:</b>				
Current:				
Regular Instruction	2,432,260	635,980		3,068,240
Special Education Instruction	605,634	120,617		726,251
Other Special Instruction	60,652			60,652
Other Instruction	112,335			112,335
Support Services and Undistributed Costs:				
Tuition	2,579,406			2,579,406
Student & Instruction Related Services	796,777	35,445		832,222
General Administrative Services	277,427			277,427
School Administrative Services	270,794			270,794
Central Services	193,427			193,427
Plant Operations and Maintenance	982,159			982,159
Pupil Transportation	1,040,521			1,040,521
Unallocated/Allocated Benefits	3,235,175			3,235,175
Capital Outlay	221,334			221,334

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	General Fund	Special Revenue Fund	Debt Service Fund	Total Governmental Funds
Debt Service:				
Principal			\$ 480,000	\$ 480,000
Interest and Other Charges			291,200	291,200
Total Expenditures	\$ 12,807,901	\$ 792,042	771,200	14,371,143
Excess/(Deficiency) of Revenue over/(under) Expenditures	(89,807)	(4,864)		(94,671)
OTHER FINANCING SOURCES/(USES):				
Financed Purchases Payable (Non-budgeted)	47,677			47,677
Total Other Financing Sources/(Uses)	47,677			47,677
Net Change in Fund Balances	(42,130)	(4,864)		(46,994)
Fund Balance - July 1	744,844	48,883		793,727
Fund Balance - June 30	\$ 702,714	\$ 44,019	\$ - 0 -	\$ 746,733

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF  
THIS STATEMENT

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Total Net Change in Fund Balances - Governmental Funds (from Exhibit B-2) \$ (46,994)

Amounts Reported for Governmental Activities in the Statement of Activities (A-2) are Different Because:

Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation differs from the capital asset additions for the current year.

Depreciation Expense	\$ (538,822)
Capital Outlays	<u>172,291</u>
	(366,531)

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. When the accrued interest exceeds the interest paid, the difference is a reduction in the reconciliation (-); when the interest paid exceeds the accrued interest, the difference is an addition to the reconciliation (+).

5,600

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 (+).

(51,960)

The net pension liability reported in the statement of activities does not require the use of current financial resources and is not reported as an expenditure in the Governmental Funds:

Change in Net Pension Liability	574,729
Change in Deferred Outflows	(223,965)
Change in Deferred Inflows	(41,643)

Financed purchases obligations are other financing sources in the Governmental Funds, but the obligations increase

(47,677)

Long-term Liabilities in the Statement of Net Position and are not reported in the Statement of Activities.  
 Repayment of serial bonds and financed purchases payable are an expenditure in the Governmental Funds, but the repayment reduces Long-Term Liabilities in the Statement of Net Position and is not reported in the Statement of Activities.

643,571

Change in Net Position of Governmental Activities (Exhibit A-2)

\$ 445,130

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
JUNE 30, 2022

	<u>Business-Type Activities - Enterprise Funds</u>		
	<u>Major Fund</u>	<u>Total</u>	<u>Total</u>
	<u>Food Service</u>	<u>Non-Major Fund</u>	<u>Enterprise</u>
<b>ASSETS:</b>			
Current Assets:			
Cash and Cash Equivalents	\$ 90,442		\$ 90,442
Intergovernmental Accounts Receivable:			
State	292		292
Federal	12,670		12,670
Other Accounts Receivable		\$ 31,918	31,918
Inventories	5,169		5,169
Total Current Assets	<u>108,573</u>	<u>31,918</u>	<u>140,491</u>
Non-Current Assets:			
Capital Assets	78,086		78,086
Less: Accumulated Depreciation	(62,378)		(62,378)
Total Non-Current Assets	<u>15,708</u>		<u>15,708</u>
Total Assets	<u>124,281</u>	<u>31,918</u>	<u>156,199</u>
<b>LIABILITIES:</b>			
Current Liabilities:			
Accounts Payable	6,227	207,575	213,802
Interfund Payable	739		739
Unearned Revenue - Summer Events		61,041	61,041
Unearned Revenue - Donations		3,725	3,725
Unearned Revenue - Donated Commodities	772		772
Total Current Liabilities	<u>7,738</u>	<u>272,341</u>	<u>280,079</u>
Total Liabilities	<u>7,738</u>	<u>272,341</u>	<u>280,079</u>
<b>NET POSITION:</b>			
Investment in Capital Assets	15,708		15,708
Unrestricted/(Deficit)	100,835	(240,423)	(139,588)
Total Net Position/(Deficit)	<u>\$ 116,543</u>	<u>\$ (240,423)</u>	<u>\$ (123,880)</u>

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS  
ARE AN INTEGRAL PART OF THIS STATEMENT

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION  
PROPRIETARY FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Business-Type Activities - Enterprise Funds		
	Major Fund	Total	
	Food Service	Non-Major Fund	Total Enterprise
Operating Revenue:			
Daily Sales:			
Non-Reimbursable Programs	\$ 8,456		\$ 8,456
Program Fees		\$ 147,062	147,062
Total Operating Revenue	8,456	147,062	155,518
Operating Expenses:			
Cost of Sales:			
Reimbursable Programs	100,407		100,407
Non-Reimbursable Programs	4,184		4,184
Salaries	60,902	80,748	141,650
Purchased Professional Technical Services		7,868	7,868
Other Purchased Services		2,217	2,217
Supplies and Materials	43,447	48,221	91,668
Miscellaneous Expenditures		13,109	13,109
Management Fee	7,836		7,836
Depreciation Expense	4,522		4,522
Total Operating Expenses	221,298	152,163	373,461
Operating (Loss)	(212,842)	(5,101)	(217,943)
Non-Operating Revenue:			
Local Sources:			
Interest Income	3		3
State Sources:			
COVID-19 - Seamless Summer Option	4,606		4,606
Federal Sources:			
COVID-19 - Seamless Summer Option	195,938		195,938
COVID-19 P-EBT Administrative Cost Reimbursement	1,242		1,242
COVID-19 Emergency Operational Cost Reimbursement	838		838
Food Distribution Program	13,732		13,732
Total Non-Operating Revenue	216,359		216,359
Change in Net Position	3,517	(5,101)	(1,584)
Net Position/(Deficit) - Beginning of Year	113,026	(235,322)	(122,296)
Net Position/(Deficit)- End of Year	\$ 116,543	\$ (240,423)	\$ (123,880)

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN  
INTEGRAL PART OF THIS STATEMENT

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Business-Type Activities - Enterprise Funds		
	Major Fund	Total	
	Food Service	Non-Major Fund	Total Enterprise
Cash Flows from Operating Activities:			
Receipts from Customers	\$ 8,456	\$ 147,062	\$ 155,518
Payments to Food Service Company	(60,902)		(60,902)
Payments to/for Employees	(119,482)	(80,748)	(200,230)
Payments to Suppliers	(43,447)	(66,314)	(109,761)
Net Cash (Used for) Operating Activities	(215,375)		(215,375)
Cash flows from Financing Activities:			
Interest Income	3		3
Net Cash Provided by Financing Activities	3		3
Cash Flows from Noncapital Financing Activities:			
State Sources	5,185		5,185
Federal Sources	197,577		197,577
Net Cash Provided by Noncapital Financing Activities	202,762		202,762
Net Decrease in Cash and Cash Equivalents	(12,610)	-0-	(12,610)
Cash and Cash Equivalents, July 1	103,052	-0-	103,052
Cash and Cash Equivalents, June 30	\$ 90,442	\$ -0-	\$ 90,442
Adjustment to Reconcile Operating (Loss)			
Net Cash (Used for) Operating Activities:			
Operating (Loss)	\$ (212,842)	\$ (5,101)	\$ (217,943)
Depreciation	4,522		4,522
Food Distribution Program	13,732		13,732
Changes in Assets and Liabilities:			
(Increase)/Decrease in Other Accounts Receivable		(3,920)	(3,920)
(Increase)/Decrease in Interfund Receivable	(20,749)		(20,749)
Increase/(Decrease) in Accounts Payable	3,249	(34,255)	(31,006)
Increase/(Decrease) in Unearned Revenue - Summer Events		43,276	43,276
Increase/(Decrease) in Unearned Revenue - Donated Commodities	355		355
(Increase)/Decrease in Inventory	(3,642)		(3,642)
Net Cash (Used for) Operating Activities	\$ (215,375)	\$ -0-	\$ (215,375)

Noncash Investing, Capital and Financing Activities:

The Food Service Enterprise Fund received U.S.D.A. Commodities through the Food Distribution Program valued at \$14,087 and utilized U.S.D.A. Commodities valued at \$13,732.

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT



ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Board of Education (the "Board") of the Allamuchy Township School District (the "District") have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Board's accounting policies are described below.

A. Reporting Entity:

The Board is an instrumentality of the State of New Jersey, established to function as an educational institution. The Board consists of elected officials and is responsible for the fiscal control of the District. A superintendent is appointed by the Board and is responsible for the administrative control of the District.

Governmental Accounting Standards Board ("GASB") Codification Section 2100, "Defining the Financial Reporting Entity" establishes standards to determine whether a governmental component unit should be included in the financial reporting entity. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. In addition, component units can be other organizations for which the nature and significance of their relationship with a primary government are such that exclusion would cause the reporting entity's financial statements to be misleading. The primary government is financially accountable if it appoints a voting majority of the organization's governing body and (1) it is able to impose its will on that organization or (2) there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government. A legally separate, tax-exempt organization should be reported as a component unit of a reporting entity if all of the following criteria are met: (1) The economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government, its component units, or its constituents. (2) The primary government, or its component units, is entitled to, or has the ability to otherwise access, a majority of the economic resources received or held by the separate organization. (3). The economic resources received or held by an individual organization that the specific primary government, or its component units, is entitled to, or has the ability to otherwise access, are significant to that primary government. There were no additional entities required to be included in the reporting entity under the criteria as described above, in the current fiscal year. Furthermore, the District is not includable in any other reporting entity on the basis of such criteria.

B. Basis of Presentation:

District-Wide Financial Statements:

The statement of net position and the statement of activities present financial information about the District's governmental activities. These statements include the financial activities of the overall District in its entirety. Eliminations have been made to minimize the double counting of internal transactions. These statements distinguish between the governmental activities of the District. Governmental activities generally are financed through taxes, intergovernmental revenue and other nonexchange transactions. Business-type activities are financed in part by fees charged to external parties.

The statement of activities presents a comparison between direct expenses and program revenue for business-type activities and for each function of the District's governmental activities. Direct expenses are those that are specifically associated with and are clearly identifiable to a particular function. Indirect expenses are allocated to the functions using an appropriate allocation method or association with the specific function. Indirect expenses include health benefits, employer's share of payroll taxes, compensated absences and tuition reimbursements.

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022  
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

B. Basis of Presentation: (Cont'd)

District-Wide Financial Statements: (Cont'd)

Program revenue includes (a) charges paid by the recipients of goods or services offered by the programs, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenue that is not classified as program revenue, including all taxes, is presented as general revenue. The comparison of direct expenses with program revenues identifies the extent to which each government function is self-financing or draws from the general revenues of the District.

Fund Financial Statements:

During the fiscal year, the School District segregates transactions related to certain School District functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. The fund financial statements provide information about the District's funds. Separate statements for each fund category – *governmental and proprietary* - are presented. The New Jersey Department of Education (NJDOE) has elected to require New Jersey districts to treat each governmental fund as a major fund in accordance with the option noted in GASB No. 34, paragraph 76. The NJDOE believes that the presentation of all governmental funds as major is important for public interest and to promote consistency among district financial reporting models.

The District reports the following governmental funds:

General Fund: The General Fund is the general operating fund of the District and is used to account for and report all expendable financial resources not accounted for and reported in another fund. Included are certain expenditures for vehicles and movable instructional or noninstructional equipment which are classified in the capital outlay subfund.

As required by NJDOE, the District includes budgeted capital outlay in this fund. GAAP, as it pertains to governmental entities, states 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 revenue. Resources for budgeted capital outlay purposes are normally derived from State of New Jersey Aid, district taxes and appropriated fund balance. Expenditures are those that result in the acquisition of or additions to capital assets for land, existing buildings, improvements of grounds, construction of buildings, additions to or remodeling of buildings and the purchase of built-in equipment. These resources can be transferred from and to Current Expense by Board resolution.

Special Revenue Fund: The Special Revenue Fund is used to account for the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. Thus, the Special Revenue Fund is used to account for the proceeds of specific revenue from State and Federal Governments (other than major capital projects, debt service or the enterprise funds) and local appropriations that are legally restricted or committed to expenditures for specified purposes.

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022  
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

B. Basis of Presentation: (Cont'd)

Capital Projects Fund: The Capital Projects Fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets or lease assets (other than those financed by proprietary funds). The financial resources are derived from temporary notes or serial bonds that are specifically authorized by the voters as a separate question on the ballot either during the annual election or at a special election, funds appropriated from the General Fund, and from aid provided by the state to offset the cost of approved capital projects.

Debt Service Fund: The Debt Service Fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest.

The District reports the following governmental funds:

Enterprise (Food Service and Rutherford Hall) Funds: The Enterprise Funds account for all revenue and expenses pertaining to the Board's cafeteria and Rutherford Hall operations. The food service fund and Rutherford Hall funds are utilized to account for operations that are financed and operated in a manner similar to private business enterprises. The stated intent is that the cost (i.e., expenses including depreciation and indirect costs) of providing goods or services to the students or public on a continuing basis are financed or recovered primarily through user charges.

C. Measurement Focus and Basis of Accounting:

The district-wide financial statements and the proprietary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenue is recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash transaction takes place. Non-exchange transactions, in which the District gives or receives value without directly receiving or giving equal value in exchange, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenue is recognized when measurable and available. The District considers all revenue reported in the governmental funds to be available if the revenue is collected within sixty days after the end of the fiscal year. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences which are recognized as expenditures to the extent they have matured. Capital asset or lease asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under financed purchases are reported as other financing sources.

It is the District's policy, that when an expenditure is incurred for purposes for which both restricted and unrestricted (committed, assigned, or unassigned) amounts are available, to apply restricted resources first followed by unrestricted resources. Similarly, within unrestricted fund balance, it is the District's policy to apply committed resources first followed by assigned resources and then unassigned resources when an expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022  
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

C. Measurement Focus and Basis of Accounting: (Cont'd)

Under the terms of grant agreements, the District may fund certain programs by a combination of specific cost-reimbursement grants, categorical block grants and general revenue. Therefore, when program expenses are incurred, both restricted and unrestricted net position may be available to finance the program.

D. Budgets/Budgetary Control:

It is the District's policy to first apply cost-reimbursement grant resources to such programs, followed by general revenue.

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue and debt service funds. The budget for the fiscal year ended June 30, 2022 was submitted to the County office and was approved by a vote of the Board of Education. 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. 6:20-2A.2(m)1. All budget Amendments/Transfers must be made by School Board resolution. All budgeting amounts presented in the accompanying supplementary information reflect the original budget and the amended budget (which have been adjusted for legally authorized revisions of the annual budget during the year).

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 special revenue fund as noted below. Encumbrance accounting is also employed as an extension of formal budgetary integration in the governmental fund types. Unencumbered appropriations lapse at fiscal year end.

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

The General Fund budgetary revenue differs from GAAP revenue due to a difference in recognition of the last two state aid payments for the current year. Since the State is recording the last state aid payments in the subsequent fiscal year, the District cannot recognize these payments on the GAAP financial statements.

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022  
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

D. Budgets/Budgetary Control: (Cont'd)

	General Fund	Special Revenue Fund
Sources/Inflows of Resources:		
Actual Amounts (Budgetary Basis) "Revenue" from the Budgetary Comparison Schedule	\$ 12,921,224	\$ 785,961
Differences - Budget to GAAP:		
Grant Accounting Budgetary Basis Differs from GAAP in that the Budgetary Basis Recognizes Encumbrances as Expenditures and Revenue while the GAAP Basis does not.		1,217
Prior Year State Aid Payments Recognized for GAAP Statements not Recognized for Budgetary Purposes	68,379	
Current Year State Aid Payments Recognized for Budgetary Purposes, not Recognized for GAAP Statements	(79,875)	
Total Revenues as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds.	\$ 12,909,728	\$ 787,178
	General Fund	Special Revenue Fund
Uses/Outflows of Resources:		
Actual Amounts (Budgetary Basis) "Total Outflows" from the Budgetary Comparison Schedule	\$ 12,807,901	\$ 790,825
Differences - Budget to GAAP:		
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.		1,217
Total Expenditures as Reported on the Statement of Revenue, Expenditures, and Changes in Fund Balances - Governmental Funds	\$ 12,807,901	\$ 792,042

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022  
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

E. Cash and Cash Equivalents, and Investments:

Cash and cash equivalents include petty cash and cash in banks. Certificates of deposit with maturities of one year or less when purchased are stated at cost.

The District generally records investments at fair value and records the unrealized gains and losses as part of investment income. Fair value is the price that would be received to sell an investment in an orderly transaction between market participants at the measurement date. The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

New Jersey school districts are limited as to type of investments and types of financial institutions they may invest in. New Jersey Statute 18A:20-37 provides a list of permissible investments that may be purchased by New Jersey school districts. Additionally, the District has adopted a cash management plan that requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (GUDPA). GUDPA was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey.

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

F. Interfund Transactions:

Transfers between governmental activities on the District-wide statements are reported in the same manner as general revenues. 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. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

On fund financial statements, short-term interfund loans are classified as interfund receivables/payables. These amounts are eliminated in the statement of net position.

G. Allowance for Uncollectible Accounts:

No allowance for uncollectible accounts has been recorded as all amounts are considered collectible.

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022  
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

H. Encumbrances:

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

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

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

I. Short-term Interfund Receivables/Payables:

Short-term interfund receivables/payables represent amounts that are owed, other than charges for goods or services rendered to/from a particular fund in the District and that are due within one year.

J. Inventories and Prepaid Expenses:

Inventories and prepaid expenses, which benefit future periods, are recorded as an expenditure during the year of purchase.

K. Capital Assets:

During the year ended June 30, 1994, the District established a formal system of accounting for its capital assets. Capital assets acquired or constructed subsequent to June 30, 1994, are recorded at historical cost including ancillary charges necessary to place the asset into service. Capital assets acquired or constructed prior to the establishment of the formal system are valued at cost based on historical records or through estimation procedures performed by an independent appraisal company.

Land has been recorded at estimated historical cost. Donated capital assets are valued at acquisition value. The cost of normal maintenance and repairs is not capitalized. The District does not possess any infrastructure. The capitalization threshold (the dollar value above which asset acquisitions are added to the capital asset accounts) is \$2,000. The depreciation method is straight-line. The estimated useful lives of capital assets reported in the district-wide statements and proprietary funds are as follows:

	<u>Estimated Useful Life</u>
Buildings and Building Improvements	50 Years
Site Improvements	20 Years
Machinery and Equipment	10 to 15 Years
Vehicles	8 Years

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022  
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

K. Capital Assets: (Cont'd)

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures in the governmental fund upon acquisition. Capital assets are not capitalized and related depreciation is not reported in the fund financial statements.

L. Lease Assets

Intangible right-to-use lease assets are assets which the District leases for a term of more than one year. The value of leases are determined by the net present value of the leases at the District's incremental borrowing rate at the time of the lease agreement, amortized over the term of the agreement.

M. Long Term Liabilities:

In the District-wide statement of net position, long-term debt and other long-term obligations are reported as liabilities in the governmental activities. Bond premiums and discounts, are reported as deferred charges and amortized over the term of the related debt using the straight-line method of amortization. In the fund financial statements, governmental fund types recognize bond discounts, as expenditures in the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses.

N. Accrued Salaries and Wages:

The District allows certain employees who provide services over the ten-month academic year the option to have their salaries evenly distributed during the entire twelve-month year. As of June 30, 2022, the amount earned by these employees but not distributed was \$170,358.

O. Compensated Absences:

The District accounts for compensated absences (e.g., unused vacation, sick leave) as directed by GASB. A liability for compensated absences attributable to services already rendered and not contingent on a specific event that is outside the control of the employer and employee is accrued as employees earn the rights to the benefits.

District employees are granted varying amounts of vacation and sick leave in accordance with the District's personnel policy. In the event of termination, an employee is reimbursed for accumulated vacation. Sick leave benefits provide for ordinary sick pay and begin vesting with the employee after fifteen years of service.

In the district-wide Statement of Net Position, the liabilities whose average maturities are greater than one year should be reported in two components – the amount due within one year and the amount due in more than one year.

P. Lease Payable

In the district-wide financial statements, leases payable are reported as liabilities in the Statement of Net Position. In the governmental fund financial statements, the present value of lease payments is reported as other financing sources.



ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022  
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Q. Unearned Revenue:

Unearned revenue in the special revenue fund represents cash which has been received but not yet earned. See Note 1(D) regarding the special revenue fund.

R. Fund Balance Appropriated:

General Fund: Of the \$702,714 General Fund fund balance at June 30, 2022, \$203,532 is restricted in the capital reserve account; \$71,813 is restricted in the maintenance reserve account; \$11,603 is restricted for unemployment compensation; \$161,892 is assigned for year end encumbrances; and \$253,874 is unassigned which is \$79,875 less than the calculated maximum unassigned fund balance, on a GAAP basis, due to the final two state aid payments, which are not recognized until the fiscal year ended June 30, 2023.

Special Revenue Fund: The Special Revenue Fund fund balance at June 30, 2022 is \$44,019 and is restricted for student activities.

Calculation of Excess Surplus: In accordance with N.J.S.A. 18A:7F-7 as amended by P.L. 2003, c.73 (S1701), the designation for Restricted Fund Balance-Excess Surplus is a required pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). 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 year's budget. The District had excess surplus as described above.

The District's unassigned fund balance in the General Fund is less on a GAAP basis than the budgetary basis by \$79,875 as reported in the fund statements (modified accrual basis). P.L. 2003, C.97 provides that in the event state school aid payments are not made until the following school budget year, districts must record the state aid payment 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. 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 last two state aid payments in the subsequent fiscal year, the school district cannot recognize the last two state aid payments on the GAAP financial statements until the year the State records the payable. The excess surplus calculation is calculated using the fund balance reported on the Budgetary Comparison Schedule, including the final two state aid payments and not the fund balance reported on the fund statement which excludes the last state aid payments.

S. Deficit Net Position:

The District has a \$2,243,353 deficit in its governmental activities unrestricted net position as well as a \$1,612,102 total deficit net position in its governmental activities at June 30, 2022. This is primarily a result of the net pension liability and deferred inflows related to pensions. This deficit does not indicate that the District is having financial difficulties and is a permitted practice under generally accepted accounting principles.

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022  
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

S. Deficit Net Position: (Cont'd)

The District has a \$139,588 deficit in Business type Activities unrestricted net position as well as a \$123,880 total deficit net position at June 30, 2022 primarily as a result of the deficit in unrestricted net position in Rutherford Hall fund of \$240,423. The Board has a plan in place to address the Rutherford Hall fund deficit net position in the up coming years.

T. Net Position:

Net Position is the difference between (a) assets and deferred outflows of resources and (b) liabilities and deferred inflows of resources.

A deferred outflow of resources is a consumption of net position by the District that is applicable to a future reporting period. A deferred inflow of resources is an acquisition of net position by the District that is applicable to a future reporting period. The District had deferred outflows of resources and deferred inflows of resources related to pensions at June 30, 2022.

Net position is displayed in three components - net investment in capital assets; restricted and unrestricted.

The net investment in capital assets component of net position consists of capital assets, net of accumulated depreciation, lease assets, net of accumulated amortization reduced by the outstanding balances of borrowings that are attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt also would be included in this component of net position.

The restricted component of net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets.

The unrestricted component of net position is the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of net position.

U. Fund Balance Restrictions, Commitments and Assignments:

The restricted fund balance category includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation. The committed fund balance classification includes amounts that can be used only for the specific purposes determined for a formal action of the District's, highest level of decision making authority. Amounts in the assigned fund balance classification are intended to be used by the government for specific purposes, but do not meet the criteria to be classified as restricted or committed. Unassigned fund balance is the residual classification for the District's General Fund and includes all spendable amounts not contained in the other classifications. In other funds, the unassigned classifications should be used only to report a deficit balance resulting from overspending for specific purposes for which amounts has been restricted, committed or assigned.

Fund balance restrictions have been established for a capital reserve, a maintenance reserve, excess surplus, student activities and for unemployment compensation insurance.

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022  
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

U. Fund Balance Restrictions, Commitments and Assignments: (Cont'd)

The Board of Education has the responsibility to formally commit resources for specific purposes through a motion or a resolution passed by a majority of the Members of the Board of Education at a public meeting of that governing body. The Board of Education must also utilize a formal motion or a resolution passed by a majority of the Members of the Board of Education at a public meeting of that governing body in order to remove or change the commitment of resources. The District had no committed resources at June 30, 2022.

The assignment of resources is generally made by the District Board of Education through a motion or a resolution passed by a majority of the Members of the Board of Education. These resources are intended to be used for a specific purpose. The process is not as restrictive as the commitment of resources and the Board of Education may allow an official of the District to assign resources through policies adopted by the Board of Education. The District has assigned resources for encumbrances in the General Fund at June 30, 2022.

V. Revenue - Exchange and Nonexchange Transactions:

Revenue, resulting from exchange transactions in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On the modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the District, available means within sixty days of the fiscal year end.

Nonexchange transactions, in which the School District receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On the accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted; matching requirements, in which the School District must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the School District on a reimbursement basis. On the modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at fiscal year-end: property taxes, interest and tuition.

W. Management Estimates:

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of revenue and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022  
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

X. Pensions:

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

NOTE 2. EXPLANATION OF CERTAIN DIFFERENCES BETWEEN GOVERNMENTAL FUND STATEMENTS AND DISTRICT-WIDE STATEMENTS

Due to the differences in the measurement focus and basis of accounting used on the government fund statements and district-wide statements, certain financial transactions are treated differently. The basic financial statements contain a full reconciliation of these items.

NOTE 3. CASH AND CASH EQUIVALENTS AND INVESTMENTS

GASB required disclosure of the level of custodial credit risk assumed by the District in its cash, cash equivalents, and investments, if those items are uninsured or unregistered. Custodial credit risk that in the event of a bank failure, the government's deposits may not be returned.

Interest Rate Risk - In accordance with its cash management plan, the District ensures that any deposit or investment matures within the time period that approximates the prospective need for the funds, deposited or invested, so that there is not a risk to the market value of such deposits or investments.

Credit Risk - The District limits its investments to those authorized in its cash management plan which are those permitted under state statute as detailed on the following pages.

Custodial Credit Risk – The District does not have a policy with respect to custodial credit risk but ensures that funds are only deposited in financial institutions permitted by NJ statute.

Deposits:

New Jersey statutes require that school districts deposit public funds in public depositories located in New Jersey which are insured by the Federal Deposit Insurance Corporation, the Federal Savings and Loan Insurance Corporation, or by any other agency of the United States that insures deposits made in public depositories. School districts are also permitted to deposit public funds in the State of New Jersey Cash Management Fund.

New Jersey statutes require public depositories to maintain collateral for deposits of public funds that exceed depository insurance limits as follows:

The market value of the collateral must equal at least 5% of the average daily balance of collected public funds on deposit.

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022  
(Continued)

NOTE 3. CASH AND CASH EQUIVALENTS AND INVESTMENTS (Cont'd)

Deposits: (Cont'd)

In addition to the above collateral requirement, if the public funds deposited exceed 75% of the capital funds of the depository, the depository must provide collateral having a market value at least equal to 100% of the amount exceeding 75%.

All collateral must be deposited with the Federal Reserve Bank of New York, the Federal Reserve Bank of Philadelphia, the Federal Home Loan Bank of New York, or a banking institution that is a member of the Federal Reserve System and has capital funds of not less than \$25,000,000.

Investments:

New Jersey statutes permit the Board to purchase the following types of securities:

- (1) Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America;
- (2) Government money market mutual funds;
- (3) Any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligation bears a fixed rate of interest not dependent on any index or other external factor;
- (4) Bonds or other obligations of the school district or bonds or other obligations of the local unit or units within which the school district is located.
- (5) Bonds or other obligations, having a maturity date not more than 397 days from the date of purchase, issued by New Jersey school districts, municipalities, counties, and entities subject to the "Local Authorities Fiscal Control Law", P.L. 1983, c.313 (C.40A:5A-1 et seq.). Other bonds or obligations having a maturity date not more than 397 days from the date of purchase may be approved by the Division of Investment in the Department of the Treasury for investment by local units;
- (6) Local government investment pools;
- (7) Deposits with the State of New Jersey Cash Management Fund established pursuant to section 1 of P.L. 1977, c.281 (C.52:18A-90.4); or
- (8) Agreements for the repurchase of fully collateralized securities if:
  - (a) the underlying securities are permitted investments pursuant to paragraphs (1) and (3) of this subsection a. or are bonds or other obligations, having a maturity date of not more than 397 days from the date of purchase, issued by New Jersey school districts, municipalities, counties, and entities subject to the requirements of the "Local Authorities Fiscal Control Law," P.L. 1983, c. 313 (C.40A:5A-1 et seq.) ;

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022  
(Continued)

NOTE 3. CASH AND CASH EQUIVALENTS AND INVESTMENTS (Cont'd)

Investments: (Cont'd)

- (b) the custody of collateral is transferred to a third party;
  - (c) the maturity of the agreement is not more than 30 days;
  - (d) the underlying securities are purchased through a public depository as defined in section 1 of P.L. 1970, c.236 (C.17:9-41); and
  - (e) a master repurchase agreement providing for the custody and security of collateral is executed; or
- (9) Deposit of funds in accordance with the following conditions:
- (a) The funds are initially invested through a public depository as defined in section 1 of P.L. 1970, c. 236 (C.17:9-41) designated by the school district;
  - (b) The designated public depository arranges for the deposit of the funds in deposit accounts in one or more federally insured banks, savings banks or savings and loan associations or credit unions for the account of the school district;
  - (c) 100 percent of the principal and accrued interest of each deposit is insured by the Federal Deposit Insurance Corporation or the National Credit Union Share Insurance Fund;
  - (d) The designated public depository acts as custodian for the school district with respect to these deposits; and
  - (e) On the same date that the school district's funds are deposited pursuant to subparagraph (b) of this paragraph, the designated public depository receives an amount of deposits from customers of other financial institutions, wherever located, equal to the amounts of funds initially invested by the school district through the designated public depository.

As of June 30, 2022, cash and cash equivalents of the District consisted of the following:

	Cash and Cash Equivalents	Restricted Cash and Cash Equivalents	Total
Checking Accounts	<u>\$ 298,622</u>	<u>\$ 330,967</u>	<u>\$ 629,589</u>

The carrying amount of the Board's cash and cash equivalents at June 30, 2022, was \$629,589 and the bank balance was \$1,153,335. The District did not hold any investments during the fiscal year ended June 30, 2022.

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022  
(Continued)

NOTE 4. CAPITAL RESERVE ACCOUNT

A capital reserve account was established for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

Funds placed in the capital reserve account are restricted to capital projects in the District’s approved Long Range Facilities Plan (LRFP). Upon submission of the LRFP to the State Department of Education, a district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes or by transfer by board resolution at year end of any unanticipated revenue or unexpended line item appropriation amount or both. A district may also appropriate additional amounts when the express approval of the voters has been obtained either by a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to N.J.S.A. 19:60-2. Pursuant to N.J.A.C. 6:23A-5.1(d)7, 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, 2021 to June 30, 2022 fiscal year is as follows:

Balance at June 30, 2021	<u>\$</u>	203,532
Balance at June 30, 2022	<u>\$</u>	<u>203,532</u>

The June 30, 2022 LRFP balance of local support costs of uncompleted capital projects exceeds the balance in the capital reserve account at June 30, 2022.

NOTE 5: TRANSFERS TO CAPITAL OUTLAY

During the year ended June 30, 2022, the District transferred a total of \$78,155 to capital outlay accounts. \$5,600 was for equipment which did not require approval from the County Superintendent. \$72,555 was for facilities acquisition and construction which was approved by county superintendent.

NOTE 6. CAPITAL ASSETS

Depreciation expense was charged to governmental functions as follows:

Regular Instruction	\$	315,229
Special Education		25,602
Other Instruction		1,149
Student and Instruction Related Services		6,827
General Administrative Services		15,656
School Administrative Services		15,656
Plant Operations and Maintenance		27,964
Pupil Transportation		<u>130,739</u>
Total Depreciation Expense	<u>\$</u>	<u>538,822</u>

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022  
(Continued)

NOTE 6. CAPITAL ASSETS (Cont'd)

Capital asset balances and activity for the year ended June 30, 2022 were as follows:

	Restated Beginning Balance	Additions	Deletions	Ending Balance
<b>Governmental Activities:</b>				
Capital Assets not being Depreciated:				
Sites (Land)	\$ 2,311,034			\$ 2,311,034
<b>Total Capital Assets not Being Depreciated</b>	<b>2,311,034</b>			<b>2,311,034</b>
Capital Assets Being Depreciated				
Site Improvements	189,700	\$ 156,891		346,591
Buildings and Building Improvements	11,204,585			11,204,585
Machinery and Equipment	1,208,127	15,400		1,223,527
<b>Total Capital Assets Being Depreciated</b>	<b>12,602,412</b>	<b>172,291</b>		<b>12,774,703</b>
<b>Governmental Activities Capital Assets</b>	<b>14,913,446</b>	<b>172,291</b>		<b>15,085,737</b>
Less Accumulated Depreciation for:				
Site Improvements	(126,989)	(8,866)		(135,855)
Buildings and Building Improvements	(5,946,758)	(237,345)		(6,184,103)
Machinery and Equipment	(773,230)	(292,611)		(1,065,841)
<b>Total Accumulated Depreciation</b>	<b>(6,846,977)</b>	<b>(538,822)</b>		<b>(7,385,799)</b>
<b>Governmental Activities Capital Assets, Net of Accumulated Depreciation</b>	<b>\$ 8,066,469</b>	<b>\$ (366,531)</b>	<b>\$ -0-</b>	<b>\$ 7,699,938</b>
<b>Business Type Activities:</b>				
Capital Assets Being Depreciated:				
Machinery and Equipment	\$ 78,086			\$ 78,086
Less Accumulated Depreciation	(57,856)	\$ (4,522)		(62,378)
<b>Business Type Activities Capital Assets, Net of Accumulated Depreciation</b>	<b>\$ 20,230</b>	<b>(4,522)</b>	<b>-0-</b>	<b>\$ 15,708</b>



ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022  
(Continued)

NOTE 7. LONG-TERM LIABILITIES

During the fiscal year ended June 30, 2022, the following changes occurred in liabilities reported in the district-wide financial statements:

	Balance 6/30/2021	Issued/ Accrued	Retired	Balance 6/30/2022
Serial Bonds Payable	\$ 7,280,000		\$ 480,000	\$ 6,800,000
Net Pension Liability	1,929,891		574,729	1,355,162
Financed Purchases Payable	715,548	\$ 47,677	163,571	599,654
Compensated Absences Payable	220,251	51,960		272,211
	\$ 10,145,690	\$ 99,637	\$ 1,218,300	\$ 9,027,027

A. Bonds Payable:

Bonds 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 Board are general obligation bonds. The Debt Service Fund will be used to liquidate the serial bonds.

Principal and interest due on serial bonds outstanding are as follows:

Year Ending June 30,	Serial Bonds		Total
	Principal	Interest	
2023	\$ 500,000	\$ 272,000	\$ 772,000
2024	515,000	252,000	767,000
2025	540,000	231,400	771,400
2026	565,000	209,800	774,800
2027	585,000	187,200	772,200
2028-2032	3,340,000	562,800	3,902,800
2033	755,000	30,200	785,200
	\$ 6,800,000	\$ 1,745,400	\$ 8,545,400

The District had serial bonds outstanding as of June 30, 2022 as follows:

Purpose	Issue Dates	Interest Rates	Final Date of Maturity	Balance June 30, 2022
2016 Refunding Bonds	2/11/2016	4.00%	3/15/2033	\$ 6,800,000

B. Bonds Authorized But Not Issued:

As of June 30, 2022, the Board has no bonds authorized but not issued.

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022  
(Continued)

NOTE 7. LONG-TERM LIABILITIES (Cont'd)

C. Financed Purchases Payable:

The District has financed purchases agreements for transportation, smartboards, and various capital equipment under financed purchases. All finance purchase agreements are for terms of four to ten years. The District has entered into the financed purchase agreements totaling \$1,089,126 of which \$489,472 has been liquidated. The following is a schedule of the future minimum financed purchases payments under these agreements, and the present value of the net minimum financed purchases payments at June 30, 2022. The general fund will be used to liquidate the financed purchases.

<u>Year</u>	<u>Amount</u>
2023	\$ 177,351
2024	177,351
2025	145,163
2026	<u>131,926</u>
Total Minimum Financed Purchases Payments	631,791
Less: Amount representing interest	<u>(32,137)</u>
Present value of net minimum financed purchases payments	<u>\$ 599,654</u>

The current portion of Financed Purchases payable at June 30, 2022 is \$163,116, the long term portion payable is \$436,538. Financed purchases will be liquidated through the General Fund.

D. Compensated Absences Payable:

The liability for compensated absences of the governmental fund types is recorded as a long-term liability. There is no current portion of the compensated absences balance of the governmental funds in the current year. The long-term liability balance of compensated absences is \$272,211. The General Fund will be used to liquidate compensated absences payable.

The liability for vested compensated absences of the proprietary fund types is recorded within those funds as the benefits accrue to employees. As of June 30, 2022, no liability existed for compensated absences in the Food Service Fund.

E. Net Pension Liability

The Public Employee's Retirement System (PERS) net pension liability of the governmental fund types is recorded in the current and long-term liabilities and will be liquidated by the General Fund. The current portion of the net pension liability at June 30, 2022 is \$-0- and the long term portion is \$1,355,162. See Note 8 for further information on the PERS.

NOTE 8. PENSION PLANS

Substantially all of the Board's employees participate in one of the two contributory, defined benefit public employee retirement systems: the Teachers' Pension and Annuity Fund (TPAF) or the Public Employee's Retirement System (PERS) of New Jersey; or the Defined Contribution Retirement Program (DCRP), a tax-qualified defined contribution money purchase pension plan under Internal Revenue Code (IRC) 401(a).

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022  
(Continued)

NOTE 8. PENSION PLANS (Cont'd)

A. Public Employees' Retirement System (PERS)

Plan Description

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

Benefits Provided

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

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

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

Contributions

The contribution policy for PERS is set by N.J.S.A. 43:15A and requires contributions by active members and contributing members. The local employers' contribution amounts are based on an actuarially determined rate which includes the normal cost and unfunded accrued liability. Chapter 19, P.L. 2009 provided an option for local employers of PERS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in State fiscal year 2009. Such employers will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded liability of those retirement systems, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual payments over a period of 15 years beginning with the payments due in the fiscal year ended June 30, 2012 and will be adjusted by the rate of return on the actuarial value of assets. District contributions to PERS amounted to \$147,294 for fiscal year 2022.

The employee contribution rate was 7.50% effective July 1, 2018.

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022  
(Continued)

NOTE 8. PENSION PLANS (Cont'd)

A. Public Employees' Retirement System (PERS) (Cont'd)

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

At June 30, 2022, the District reported a liability of \$1,355,162 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2020 which was rolled forward to June 30, 2021. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At June 30, 2021, the District's proportion was 0.0114%, which was an decrease of 0.0004% from its proportion measured as of June 30, 2020.

For the fiscal year ended June 30, 2022, the District recognized an actual pension benefit of \$175,155. At June 30, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

(Continued)

NOTE 8. PENSION PLANS (Cont'd)

A. Public Employees' Retirement System (PERS) (Cont'd)

Pension Liabilities, Pension Expense, and Deferred Outflows and Inflows of Resources Related to Pensions  
(Cont'd)

	<u>Year</u>	<u>Amortization Period in Years</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Changes in Assumptions	2017	5.48		\$ (57,270)
	2018	5.63		(107,368)
	2019	5.21		(94,717)
	2020	5.16		(223,091)
	2021	5.13	7,058	
			<u>7,058</u>	<u>(482,446)</u>
Difference between Expected and Actual Experience	2017	5.48	1,704	
	2018	5.63		(4,088)
	2019	5.21	7,240	
	2020	5.16	12,429	
	2021	5.13		(5,613)
			<u>21,373</u>	<u>(9,701)</u>
Changes in Proportion	2017	5.48	4,886	
	2018	5.63	73,635	
	2019	5.21	54,986	
	2020	5.16		(195,844)
	2021	5.13		(69,375)
			<u>133,507</u>	<u>(265,219)</u>
Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	2018	5.00		(10,586)
	2019	5.00		3,416
	2020	5.00		76,979
	2021	5.00		(426,794)
				<u>(356,985)</u>
District Contribution Subsequent to the Measurement Date	2021	1.00	148,296	
			<u>\$ 310,234</u>	<u>\$ (1,114,351)</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources (excluding employer specific amounts including changes in proportion and the District contribution subsequent to the measurement date) related to pensions will be recognized in the pension benefit as follows:

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022  
(Continued)

NOTE 8. PENSION PLANS (Cont'd)

A. Public Employees' Retirement System (PERS) (Cont'd)

Pension Liabilities, Pension Expense, and Deferred Outflows and Inflows of Resources Related to Pensions (Cont'd)

Fiscal Year Ending June 30,	Total
2022	\$ (319,758)
2023	(228,306)
2024	(155,667)
2025	(117,015)
2026	45
	\$ (820,701)

Actuarial Assumptions

The total pension liability for the June 30, 2021 measurement date was determined by an actuarial valuation as of July 1, 2020 which was rolled forward to June 30, 2021. This actuarial valuation used the following actuarial assumptions:

Inflation Rate:	
Price	2.75%
Wage	3.25%
Salary Increases:	
Through 2026	2.00 – 6.00% based on years of service
Thereafter	3.00 – 7.00% based on years of service
Investment Rate of Return	7.00%

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 a 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.

The actuarial assumptions used in the July 1, 2020 valuation were based on the results of an actuarial experience study for the period July 1, 2014 to June 30, 2018.

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

(Continued)

NOTE 8. PENSION PLANS (Cont'd)

A. Public Employees' Retirement System (PERS) (Cont'd)

Long Term Expected Rate of Return

In accordance with State statute, the long-term expected rate of return on pension plan investments (7.00% at June 30, 2021) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the Board of Trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected\_returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in PERS' target asset allocation as of June 30, 2021 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%	8.09%
Non-U.S. Developed Market Equity	13.50%	8.71%
Emerging Markets Equity	5.50%	10.96%
Private Equity	13.00%	11.30%
Real Assets	3.00%	7.40%
Real Estate	8.00%	9.15%
High Yield	2.00%	3.75%
Private Credit	8.00%	7.60%
Investment Grade Credit	8.00%	1.68%
Cash Equivalents	4.00%	0.50%
U.S. Treasuries	5.00%	0.95%
Risk Management Strategies	3.00%	3.35%

Discount Rate

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2021. 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 will be based upon 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 all 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.

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022  
(Continued)

NOTE 8. PENSION PLANS (Cont'd)

A. Public Employees' Retirement System (PERS) (Cont'd)

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

The following presents the District's proportionate share of the collective net pension liability as of June 30, 2021 calculated using the discount rate as disclosed below, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	June 30, 2021		
	At 1% Decrease (6.00%)	Current Discount Rate (7.00%)	At 1% Increase (8.00%)
District's proportionate share of the Net Pension Liability	\$ 1,846,477	\$ 1,355,162	\$ 939,598

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued PERS financial statements.

B. Teachers' Pension and Annuity Fund (TPAF)

Plan Description

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

Benefits Provided

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 table 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



ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

(Continued)

NOTE 8. PENSION PLANS (Cont'd)

B. Teachers' Pension and Annuity Fund (TPAF) (Cont'd)

Benefits Provided (Cont'd)

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

Contributions

The contribution policy for TPAF is set by N.J.S.A. 18A:66 and requires contributions by active members and contributing members. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount which included the employer portion of 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.

Special Funding Situation

The employer contributions for local participating employers are legally required to be funded by the State in accordance with N.J.S.A. 18:66-33. Therefore, these local participating employers are considered to be in a special funding situation as defined by GASB Statement No. 68 and the State is treated as a nonemployer contributing entity. Since the local participating employers do not contribute directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to report in the financial statements of the local participating employers. However, the notes to the financial statements of the local participating employers must disclose the portion of the nonemployer contributing entities' total proportionate share of the net pension liability that is associated with the local participating employer. In addition, each local participating employer must recognize pension expense associated with the employer as well as revenue in an amount equal to the nonemployer contributing entities' total proportionate share of the collective pension expense associated with the local participating employer. During the fiscal year ended 2022, the State of New Jersey contributed \$1,025,225 to the TPAF for normal pension benefits on behalf of the District, which is more than the contractually required contribution of \$276,847.

The employee contribution rate was 7.50% effective July 1, 2018.

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

At June 30, 2022, the State's proportionate share of the net pension liability associated with the District was \$11,765,479. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2020 which was rolled forward to June 30, 2021. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At June 30, 2021, the District's proportion was 0.024%, which was an increase of 0.001% from its proportion measured as of June 30, 2020.

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

(Continued)

NOTE 8. PENSION PLANS (Cont'd)

B. Teachers' Pension and Annuity Fund (TPAF) (Cont'd)

Pension Liabilities, Pension Expense, and Deferred Outflows and Inflows of Resources Related to Pensions  
(Cont'd)

District's Proportionate Share of the Net Pension Liability	\$	-0-
State's Proportionate Share of the Net Pension Liability Associated with the District		<u>11,765,479</u>
Total	\$	<u><u>11,765,479</u></u>

For the fiscal year ended June 30, 2021, the State recognized pension expense on behalf of the District in the amount of \$276,847 and the District recognized pension expense and revenue for that same amount in the fiscal year ended June 30, 2022 financial statements.

The State reported collective deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Year of Deferral</u>	<u>Amortization Period in Years</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Changes in Assumptions	2014	8.50	\$ 153,774,925	
	2015	8.30	926,219,611	
	2016	8.30	3,000,278,784	
	2017	8.30		\$ 5,282,196,290
	2018	8.29		3,527,661,165
	2019	8.04		2,510,940,613
	2020	7.99	1,209,286,241	
	2021	7.93		12,903,483,645
			<u>5,289,559,561</u>	<u>24,224,281,713</u>
Difference Between Expected and Actual Experience	2014	8.50		1,464,605.00
	2015	8.30	57,204,429	
	2016	8.30		37,311,034
	2017	8.30	93,981,436	
	2018	8.29	618,845,893	
	2019	8.04		97,553,990
	2020	7.99		6,444,940
	2021	7.93	171,234,070	
			<u>941,265,828</u>	<u>142,774,569</u>
Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	2018	5.00		96,030,373
	2019	5.00		(72,441,385)
	2020	5.00		(724,186,621)
	2021	5.00		3,554,633,811
			<u>2,854,036,178</u>	
			<u>\$ 6,230,825,389</u>	<u>\$ 27,221,092,460</u>

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022  
(Continued)

NOTE 8. PENSION PLANS (Cont'd)

B. Teachers' Pension and Annuity Fund (TPAF) (Cont'd)

Pension Liabilities, Pension Expense, and Deferred Outflows and Inflows of Resources Related to Pensions  
(Cont'd)

Amounts reported by the State as collective deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense excluding that attributable to employer-paid members contributions as follows:

Fiscal Year Ending June 30,	Total
2022	\$ (2,914,282,899)
2023	(3,500,098,875)
2024	(4,665,036,366)
2025	(4,192,375,542)
2026	(2,350,648,872)
Thereafter	(3,367,824,517)
	\$ (20,990,267,071)

Actuarial Assumptions

The total pension liability for the June 30, 2021 measurement date was determined by an actuarial valuation as of July 1, 2020 which was rolled forward to June 30, 2021. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement.

Inflation Rate	
Price	2.75%
Wage	3.25%
Salary Increases:	
Through 2026	1.55 – 4.45% based on years of service
Thereafter	2.75 – 5.65% based on years of service
Investment Rate of Return	7.00%

Pre-retirement mortality rates were based on the Pub-2010 Teachers Above-Median Income Employee mortality table with a 93.9% adjustment for males and 85.3% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 Teachers Above-Median Income Healthy Retiree mortality table with a 114.7% adjustment for males and a 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.

The actuarial assumptions used in the July 1, 2020 valuation were based on the results of an actuarial experience study for the period July 1, 2015 to June 30, 2018.

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

(Continued)

NOTE 8. PENSION PLANS (Cont'd)

B. Teachers' Pension and Annuity Fund (TPAF) (Cont'd)

Long Term Expected Rate of Return

In accordance with State statute, the long-term expected rate of return on pension plan investments (7.00% at June 30, 2021) 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 returned, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in TPAF's target asset allocation as of June 30, 2021 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%	8.09%
Non-U.S. Developed Market Equity	13.50%	8.71%
Emerging Markets Equity	5.50%	10.96%
Private Equity	13.00%	11.30%
Real Estate	8.00%	9.15%
Real Assets	3.00%	7.40%
High Yield	2.00%	3.75%
Private Credit	8.00%	7.60%
Investment Grade Credit	8.00%	1.68%
Cash Equivalents	4.00%	0.50%
U.S. Treasuries	5.00%	0.95%
Risk Management Strategies	3.00%	3.35%

Discount Rate – TPAF

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2021. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on 100% of the actuarially determined contributions for the State. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all projected benefit payments in determining the total pension liability.

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022  
(Continued)

NOTE 8. PENSION PLANS (Cont'd)

B. Teachers' Pension and Annuity Fund (TPAF) (Cont'd)

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

The following presents the net pension liability of the State as of June 30, 2021 calculated using the discount rate as disclosed above, as well as what the State's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	June 30, 2021		
	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
State's Proportionate Share of the Net Pension Liability Associated with the District	\$ 13,920,527	\$ 11,765,479	\$ 9,955,374

Pension Plan Fiduciary Net Position - TPAF

Detailed information about the TPAF's fiduciary net position is available in the separately issued TPAF financial statements.

C. Defined Contribution Retirement Program (DCRP)

Prudential Financial jointly administers the DCRP investments with the NJ Division of Pensions and Benefits. If an employee is ineligible to enroll in the PERS or TPAF, the employee may be eligible to enroll in the DCRP. DCRP provides eligible members with a tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage. Vesting is immediate upon enrollment for members of the DCRP.

The State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, issues publicly available financial reports that include the financial statements and required supplementary information of the DCRP. The financial reports may be obtained by writing to the State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, PO Box 295, Trenton, New Jersey, 08625-0295.

Employers are required to contribute at an actuarially determined rate. Employee contributions are based on percentages of 5.50% for DCRP of employees' annual compensation, as defined. The DCRP was established July 1, 2007, under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007 and expanded under the provisions of Chapter 89, P.L. 2008. Employee contributions for DCRP are matched by a 3% employer contribution.

For DCRP, the District recognized pension expense of \$3,738 for the fiscal year ended June 30, 2022. Employee contributions to DCRP amounted to \$5,925 for the fiscal year ended June 30, 2022.

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022  
(Continued)

NOTE 9. DEFERRED COMPENSATION

The Board offers its employees a choice of the following deferred compensation plans created in accordance with Internal Revenue Code Section 403(b). The plans, which are administered by the entities listed below, 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 plans offered by the District are as follows:

AXA Equitable

VALIC

NOTE 10. RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets, errors and omissions; injuries to employees; and natural disasters. Health Benefits are provided to the employees through the State of New Jersey Health Benefits Plan.

Property and Liability

The Allamuchy Township School District is currently a member of the School Alliance Insurance Fund (“SAIF”). The SAIF provides its members with Workers' Compensation, Property Building and Contents, General Liability, Automotive Liability, and Employer Liability Insurance. A complete schedule of insurance coverage can be found in the Statistical Section of this Comprehensive Annual Financial Report. The SAIF is a risk-sharing public entity risk pool that is both an insured and self-administered group of school districts established for the purpose of providing low-cost insurance coverage for its members in order to keep local property taxes at a minimum. Each member appoints an official to represent their respective district for the purpose of creating a governing body from which officers for the SAIF is elected. As a member of the SAIF, the Board of Education could be subject to supplemental assessments in the event of deficiencies. If the assets of the SAIF were to be exhausted, members would become responsible for their respective shares of the SAIF's liabilities.

The SAIF can declare and distribute dividends to members upon approval of the State of New Jersey Department of Banking and Insurance. These distributions are divided amongst the members in the same ratio as their individual assessment relates to the total assessment of the membership body. In accordance with the Governmental Accounting Standards Board, these distributions are used to reduce the amount recorded for membership expense in the year in which the distribution was declared.

Below is selected financial information for the SAIF as of June 30, 2022 is as follows:

Total Assets	\$ 52,198,217
Net Position	\$ 20,990,635
Total Revenue	\$ 48,115,160
Total Expenses	\$ 48,116,040
Change in Net Position	\$ (880)
Members Dividends	\$ -0-

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022  
(Continued)

NOTE 10. RISK MANAGEMENT (Cont'd)

Property and Liability (Cont'd)

Financial statements for the SAIF are available at the respective SAIF's Executive Director's Office:

Risk and Loss Managers Inc.  
51 Everett Drive, Suite B-40  
West Windsor, NJ 08550  
(609) 275-1155

New Jersey Unemployment Compensation Insurance

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

The following is a summary of the District's contributions, employee contributions, interest earnings, reimbursements to the State for benefits paid and the ending balance of the District's Unemployment Compensation Restricted Fund Balance in the General Fund for the current and previous two years:

<u>Fiscal Year</u>	<u>District Contributions</u>	<u>Employee Contributions</u>	<u>Interest Earned</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2019-2020	\$ -0-	\$ 12,739		\$ 13,225	\$ 10,806
2020-2021	-0-	2,708	\$ 2	6,770	6,746
2021-2022	-0-	4,856	1		11,603

NOTE 11. ECONOMIC DEPENDENCY

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

NOTE 12. TAX CALENDAR

Property taxes are levied as of January 1 on property values assessed as of the previous calendar year. The tax levy is divided into two billings. The first billing is an estimate of the current year's levy based on the prior year's taxes. The second billing reflects adjustments to the current year's actual levy. The final tax bill is usually mailed on or before June 14th, along with the first half estimated tax bills for the subsequent year. The first half estimated taxes are divided into two due dates, February 1 and May 1. The final tax bills are also divided into two due dates, August 1 and November 1. A ten-day grace period is usually granted before the taxes are considered delinquent and there is an imposition of interest charges. A penalty may be assessed for any unpaid taxes in excess of \$10,000 at December 31 of the current year. Unpaid taxes of the current and prior year may be placed in lien at a tax sale held after December 10.

Taxes are collected by the municipality and are remitted to the local school district on predetermined, agreed-upon schedules.

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022  
(Continued)

NOTE 13. INTERFUND RECEIVABLES, PAYABLES

The District had the following interfund payables or receivables on their various balance sheets as of June 30, 2022:

Fund	Interfund Receivable	Interfund Payable
General Fund	\$ 361,853	
Special Revenue Fund		\$ 361,114
Food Service Fund		739
	\$ 361,853	\$ 361,853

The general fund receivable is to the cover cash deficit for grants receivable in the special revenue fund. Additionally, the receivable in general fund is for a prior year interfund offset by current year subsidy reimbursements received in the general fund not turned over to the food service fund.

NOTE 14. ACCOUNTS PAYABLE

At year end June 30, 2022, the Board has the following accounts payable:

	Governmental Funds		Governmental Funds	Contribution Subsequent to Measurement Date	Total Governmental Activities	Business-Type Activities
	General Fund	Special Revenue Fund				Proprietary Funds
	\$	\$				\$
Vendors	\$ 341,680	\$ 87,013	\$ 428,693		\$ 428,693	\$ 213,802
Payroll Deductions and Withholdings	8,252		8,252		8,252	
Accrued Salaries and Wages	170,358		170,358		170,358	
Due to:						
State of New Jersey				\$ 148,296	148,296	
	\$ 520,290	\$ 87,013	\$ 607,303	\$ 148,296	\$ 755,599	\$ 213,802

NOTE 15. COMMITMENTS AND CONTINGENCIES

Grant Programs

The School District participates in state and federally assisted grant programs. The programs are subject to program compliance audits by grantors or their representatives. The school district is potentially liable for expenditures which may be disallowed pursuant to terms of these grant programs. Management is not aware of any material items of noncompliance which would result in the disallowance of program expenditures.

Encumbrances

On the District's Governmental Fund Balance Sheet as of June 30, 2022, \$161,892 is assigned for year-end encumbrances in the General Fund.

General Fund	Total Governmental Funds
\$ 161,892	\$ 161,892



ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022  
(Continued)

NOTE 15. COMMITMENTS AND CONTINGENCIES (Cont'd)

Litigation

The Board is periodically involved in pending lawsuits. The Board estimates that the potential claims against it resulting from such litigation and not covered by insurance would not materially affect the financial position of the Board.

NOTE 16. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

State Health Benefit Program Fund – Local Education Retired (including Prescription Drug Program Fund)

General Information about the OPEB Plan

Plan Description and Benefits Provided

The District is in a “special funding situation”, as described in GASB Codification Section P50, in that OPEB contributions and expenses are legally required to be made by and are the sole responsibility of the State of New Jersey, not the District.

The State of New Jersey reports a liability as a result of its statutory requirements to pay other post-employment (health) benefits for the State Health Benefit Local Education Retired Education Plan. The State Health Benefit Local Education Retired Employees Plan is a multiple-employer defined benefit OPEB plan that is administered on a pay-as-you-go basis. Accordingly, no assets are accumulated in a qualifying trust that meets the criteria in GASB Codification Section P50. The State Health Benefits Local Education Retired Employees Plan provides medical, prescription drug, and Medicare Part B reimbursement to retirees and their covered dependents of local education employers.

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

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

For additional information about the State Health Benefit Local Education Retired Education Plan, please refer to the Division’s Annual Comprehensive Financial Report (ACFR) which can be found at <https://www.state.nj.us/treasury/pensions/gasb-notices-opeb.shtml>.

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022  
(Continued)

NOTE 16. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Cont'd)

State Health Benefit Program Fund – Local Education Retired (including Prescription Drug Program Fund)  
(Cont'd)

Employees Covered by Benefit Terms

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

Inactive Plan Members or Beneficiaries Currently Receiving Benefit Payments	149,304
Active Plan Members	216,804
Total	366,108

Total Nonemployer OPEB Liability

The total nonemployer OPEB liability as of June 30, 2020 was determined by an actuarial valuation as of June 30, 2019, which was rolled forward to June 30, 2020.

Actuarial Assumptions and Other Inputs

The actuarial assumptions vary for each plan member depending on the pension plan the member is enrolled in. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement.

Inflation Rate	2.50%	
	TPAF/ABP	PERS
Salary Increases:		
Through 2026	1.55 - 4.45%	2.00 - 6.00%
	based on service years	based on service years
Thereafter	1.55 - 4.45%	3.00 - 7.00%
	based on service years	based on service years

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

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022  
(Continued)

NOTE 16. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Cont'd)

Mortality Rates

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

Health Care Trend Assumptions

For pre-Medicare medical benefits, the trend rate is initially 5.7% and decreases to a 4.5% long term trend rate after seven years. For post-65 medical benefits, the actual fully-insured Medicare Advantage trend rate for fiscal year 2021 through 2022 are reflected. The assumed post-65 medical trend rate is 4.5% for all future years. For prescription drug benefits, the initial trend rate is 7.0% and decreases to a 4.5% long term rate after seven years. For the Medicare Part B reimbursement, the trend rate is 5.0%.

Discount Rate

The discount rates for June 30, 2020 was 2.21%. This represents the municipal bond rate as chosen by the State of New Jersey Division of Pensions and Benefits. 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 State’s Proportionate Share of the Total OPEB Liability Attributable to the District

	Total OPEB Liability
Balance at June 30, 2019	\$ 11,332,184
Changes for Year:	
Service Cost	577,488
Interest Cost	411,215
Changes in Assumptions	3,696,317
Differences between Expected and Actual Experience	3,507,237
Member Contributions	10,131
Gross Benefit Payments	(334,262)
Net Changes	7,868,126
Balance at June 30, 2020	\$ 19,200,310

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022  
(Continued)

NOTE 16. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Cont'd)

Sensitivity of the Total Nonemployer OPEB Liability Attributable to the District to Changes in the Discount Rate

The following presents the total nonemployer OPEB Liability attributable to the District as of June 30, 2019, calculated using the discount rate as disclosed in this note, as well as what the total nonemployer OPEB liability attributable to the District would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	June 30, 2020		
	At 1% Decrease (1.21%)	At Discount Rate (2.21%)	At 1% Increase (3.21%)
Total OPEB Liability Attributable to the District	\$ 23,146,965	\$ 19,200,310	\$ 16,114,406

Sensitivity of the Total Nonemployer OPEB Liability Attributable to the District to Changes in the Healthcare Trend Rate

The following presents the total nonemployer OPEB Liability attributable to the District as of June 30, 2019, calculated using the healthcare trend rate as disclosed in this note, as well as what the total nonemployer OPEB liability attributable to the District would be if it were calculated using a healthcare trend rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	June 30, 2020		
	1% Decrease	Healthcare Cost Trend Rate	1% Increase
Total OPEB Liability Attributable to the District	\$ 15,499,138	\$ 19,200,310	\$ 23,607,584

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

For the fiscal year ended June 30, 2022 the District recognized OPEB expense of \$408,482 as determined by the State of New Jersey Division of Pensions and Benefits. This expense and the related offsetting revenue are for benefits provided by the State through a defined benefit OPEB plan that meets the criteria in GASB Codification Section P50, in which there is a special funding situation.

In accordance with GASB Codification Section P50, as the District's proportionate share of the OPEB liability is \$-0-, there is no recognition of the allocation of the proportionate share of the deferred inflows and outflows of resources. At June 30, 2020 the State had deferred outflows of resources and deferred inflows of resources related to OPEB associated with the District from the following sources:

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022  
(Continued)

NOTE 16. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Cont'd)

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Cont'd)

	Deferral Year	Period in Years	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in Assumptions	2017	9.54		\$ 1,165,236
	2018	9.51		1,025,628
	2019	9.29	\$ 138,244	
	2020	9.24	3,127,666	
			<u>3,265,910</u>	<u>2,190,864</u>
Differences between Expected and Actual Experience	2018	9.51		969,537
	2019	9.29		1,627,136
	2020	9.24	2,915,107	
			<u>2,915,107</u>	<u>2,596,673</u>
Changes in Proportion	N/A	N/A	842,931	
			<u>\$ 7,023,948</u>	<u>\$ 4,787,537</u>

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

Fiscal Year Ending June 30,	Total
2021	\$ (12,301)
2022	(12,300)
2023	(12,300)
2024	(12,300)
2025	(12,300)
Thereafter	<u>(1,331,979)</u>
	<u>\$ (1,393,480)</u>

NOTE 17. MAINTENANCE RESERVE ACCOUNT

A maintenance reserve account was established by the Allamuchy Township School District by board resolution. The funds for the establishment of this reserve were withdrawn from unassigned general fund balance. These funds are restricted to be used for specific activities necessary for the purpose of keeping a school facility open and safe for use or in its original condition, and for keeping its constituent buildings systems fully and efficiently functional and for keeping their warranties valid but cannot be used for routine or capital maintenance. The purpose of the reserve is to provide funds for anticipated expenditures required to maintain a building.

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022  
(Continued)

NOTE 17. MAINTENANCE RESERVE ACCOUNT (Cont'd)

Pursuant to N.J.A.C. 6A:26A-4.2 funds may be deposited into the maintenance reserve account at any time by board resolution to meet the required maintenance of the district by transferring unassigned general fund balance or by transferring excess, unassigned general fund balance that is anticipated to be deposited during the current year in the advertised recapitulation of balances of the subsequent year's budget that is certified for taxes. Funds may be withdrawn from the maintenance reserve account and appropriated into the required maintenance account lines at budget time or any time during the year by board resolution for use on required maintenance activities by school facility as reported in the comprehensive maintenance plan.

Funds withdrawn from the maintenance reserve account are restricted to required maintenance appropriations and may not be transferred to any other line-item account. In any year that maintenance reserve account funds are withdrawn, unexpended required maintenance appropriations, up to the amount of maintenance reserve account funds withdrawn, shall be restored to the maintenance reserve account at year-end. At no time, shall the maintenance reserve account have a balance that exceeds four percent of the replacement cost of the current year of the district's school facilities. If the account exceeds this maximum amount at June 30, the excess shall be restricted and designated in the subsequent year's budget. The maintenance reserve account is maintained in the general fund and its activity is included in the general fund annual budget. The activity of the maintenance reserve for the July 1, 2021 to June 30, 2022 fiscal year is as follows:

Balance at June 30, 2021	\$ 71,813
Balance at June 30, 2022	<u>\$ 71,813</u>

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022  
(Continued)

NOTE 18. PRIOR PERIOD ADJUSTMENT

Capital assets in the governmental activities, business-type activities and Food Service Enterprise Fund as of June 30, 2021 were restated due to an updated capital assets appraisal completed by the District.

The District also made a prior year adjustment in the district-wide financial statements to record financed purchases payable not previously recorded.

	<u>Balance</u> <u>June 30, 2021</u> <u>as Previously</u> <u>Reported</u>	<u>Retroactive</u> <u>Adjustments</u>	<u>Balance</u> <u>June 30, 2021</u> <u>as</u> <u>Restated</u>
<u>Statement of Net Position:</u>			
<u>Governmental Activities:</u>			
Assets:			
Capital Assets, Net:			
Depreciable Buildings and Building Improvements, Site Improvements and Machinery & Equipment	\$ 10,940,857	\$ (2,874,388)	\$ 8,066,469
Non Current Liabilities:			
Financed Purchases Payable	\$ 683,945	\$ 31,603	\$ 715,548
Net Position - Ending			
Net Investment in Capital Assets	\$ 2,976,912	\$ (2,905,991)	\$ 70,921
Total Net Position	\$ 848,759	\$ (2,905,991)	\$ (2,057,232)
<u>Business-Type Activities/Proprietary Fund:</u>			
Assets:			
Capital Assets, Net:			
Depreciable Buildings and Building Improvements, Site Improvements and Machinery & Equipment	\$ 56,508	\$ (36,278)	\$ 20,230
Net Position - Ending			
Net Position	\$ 149,304	\$ (36,278)	\$ 113,026
Total Net Position	\$ 149,304	\$ (36,278)	\$ 113,026

SCHEDULES OF REQUIRED  
SUPPLEMENTARY INFORMATION



ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES  
SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
PUBLIC EMPLOYEES RETIREMENT SYSTEM  
LAST EIGHT FISCAL YEARS

	Fiscal Year Ending June 30,							
	2015	2016	2017	2018	2019	2020	2021	2022
District's proportion of the net pension liability	0.0123819468%	0.0108838593%	0.0112990335%	0.0115549207%	0.0126826105%	0.0132548630%	0.0118344579%	0.0114393428%
District's proportionate share of the net pension liability	\$ 2,318,239	\$ 2,443,208	\$ 3,346,450	\$ 2,689,801	\$ 2,497,143	\$ 2,388,329	\$ 1,929,891	\$ 1,355,162
District's covered employee payroll	\$ 860,363	\$ 763,085	\$ 725,896	\$ 844,343	\$ 918,588	\$ 892,734	\$ 916,398	\$ 842,113
District's proportionate share of the net pension liability as a percentage of its covered employee payroll	269.45%	320.18%	461.01%	318.57%	271.85%	267.53%	210.60%	160.92%
Plan fiduciary net position as a percentage of the total pension liability	52.08%	47.92%	40.14%	48.10%	53.60%	56.27%	58.32%	70.33%

Note: This schedule does not contain ten years of information as GASB No. 68 was implemented during the fiscal year ended June 30, 2015.

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES  
SCHEDULE OF DISTRICT CONTRIBUTIONS  
PUBLIC EMPLOYEES RETIREMENT SYSTEM  
LAST EIGHT FISCAL YEARS

	Fiscal Year Ending June 30,							
	2015	2016	2017	2018	2019	2020	2021	2022
Contractually required contribution	\$ 105,282	\$ 96,798	\$ 114,798	\$ 112,949,01	\$ 130,461	\$ 133,160	\$ 132,822	\$ 147,294
Contributions in relation to the contractually required contribution	(105,282)	(96,798)	(114,798)	(112,949)	(130,461)	(133,160)	(132,822)	(147,294)
Contribution deficiency/(excess)	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-
District's covered employee payroll	\$ 763,085	\$ 725,896	\$ 844,343	\$ 918,588	\$ 892,734	\$ 916,398	\$ 842,113	\$ 969,277
Contributions as a percentage of covered employee payroll	13.80%	13.33%	13.60%	12.30%	14.61%	14.53%	15.77%	15.20%

Note: This schedule does not contain ten years of information as GASB No. 68 was implemented during the fiscal year ended June 30, 2015.

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES  
SCHEDULE OF STATES PROPORTIONATE SHARE OF THE NET PENSION LIABILITY ATTRIBUTABLE TO THE DISTRICT  
TEACHERS' PENSION AND ANNUITY FUND  
LAST EIGHT FISCAL YEARS

	Fiscal Year Ending June 30,							
	2015	2016	2017	2018	2019	2020	2021	2022
State's proportion of the net pension liability attributable to the District	0.02337727%	0.0221522183%	0.0235400819%	0.0229126128%	0.0217996390%	0.0210587927%	0.0234119774%	0.0244730793%
State's proportionate share of the net pension liability attributable to the District	\$ 12,494,391	\$ 14,001,148	\$ 18,516,127	\$ 15,448,510	\$ 13,868,462	\$ 12,923,980	\$ 15,416,502	\$ 11,765,479
District's covered employee payroll	\$ 2,290,291	\$ 2,343,733	\$ 2,022,353	\$ 2,209,360	\$ 2,439,181	\$ 2,602,542	\$ 2,805,161	\$ 2,973,390
District's proportionate share of the net pension liability attributable to the district as a percentage of its covered employee payroll	545.54%	597.39%	915.57%	699.23%	568.57%	496.59%	549.58%	395.69%
Plan fiduciary net position as a percentage of the total pension liability	33.64%	28.71%	22.33%	25.41%	26.49%	26.95%	24.60%	35.52%

Note: This schedule does not contain ten years of information as GASB No. 68 was implemented during the fiscal year ended June 30, 2015.

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
 REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES  
 SCHEDULE OF STATE CONTRIBUTIONS  
 TEACHERS' PENSION AND ANNUITY FUND  
 LAST EIGHT FISCAL YEARS

	Fiscal Year Ending June 30,							
	2015	2016	2017	2018	2019	2020	2021	2022
Contractually required contribution	\$ 672,316	\$ 854,896	\$ 1,391,380	\$ 1,070,195	\$ 808,483	\$ 762,290	\$ 958,664	\$ 276,847
Contributions in relation to the contractually required contribution	-0-	-0-	-0-	328,822	422,845	522,718	711,403	1,025,225
Contribution deficiency/(excess)	\$ 672,316	\$ 854,896	\$ 1,391,380	\$ 1,399,017	\$ 1,231,328	\$ 1,285,008	\$ 1,670,067	\$ 1,302,072
District's covered employee payroll	\$ 2,343,733	\$ 2,022,353	\$ 2,209,360	\$ 2,439,181	\$ 2,602,542	\$ 2,805,161	\$ 2,973,390	\$ 3,111,521
Contributions as a percentage of covered employee payroll	28.69%	42.27%	62.98%	43.88%	31.07%	27.17%	32.24%	8.90%

Note: This schedule does not contain ten years of information as GASB No. 68 was implemented during the fiscal year ended June 30, 2015.

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES  
SCHEDULE OF CHANGES IN THE STATE'S PROPORTIONATE SHARE OF THE TOTAL OPEB  
LIABILITY ATTRIBUTABLE TO THE DISTRICT AND RELATED RATIOS  
LAST FOUR FISCAL YEARS  
UNAUDITED

	Fiscal Years Ending June 30,			
	2017	2018	2019	2020
Total OPEB Liability				
Service Cost	\$ 793,005	\$ 660,555	\$ 571,489	\$ 577,488
Interest Cost	456,982	532,946	494,751	411,215
Differences between Expected and Actual Experiences		(1,457,901)	(1,945,421)	3,696,317
Changes in Assumptions	(1,945,262)	(1,420,662)	168,964	3,507,237
Member Contributions	12,268	11,441	10,312	10,131
Gross Benefit Payments	(333,178)	(331,036)	(347,864)	(334,262)
Net Change in Total OPEB Liability	(1,016,185)	(2,004,657)	(1,047,769)	7,868,126
Total OPEB Liability - Beginning	15,400,795	14,384,610	12,379,953	11,332,184
Total OPEB Liability - Ending	<u>\$ 14,384,610</u>	<u>\$ 12,379,953</u>	<u>\$ 11,332,184</u>	<u>\$ 19,200,310</u>
District's Covered Employee Payroll *	\$ 2,748,249	\$ 3,053,703	\$ 3,357,769	\$ 3,357,769
Total OPEB Liability as a Percentage of Covered Employee Payroll	19%	25%	30%	17%

\* - Covered payroll for the fiscal years ending June 30, 2017, June 30, 2018 and June 30, 2019 are based on the payroll on the payroll on the June 30, 2016, June 30, 2018 census data.

Note: This schedule does not contain ten years of information as GASB No. 75 was implemented during the fiscal year ended June 30, 2018.

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

A. PUBLIC EMPLOYEES' RETIREMENT SYSTEM

Benefit Changes

There were none.

Changes of Actuarial Assumptions

In the July 1, 2019 actuarial valuation the mortality improvement was based on Scale MP-2020 while in the July 1, 2020 actuarial valuation the mortality improvement was based on Scale MP-2021.

B. TEACHERS' PENSION AND ANNUITY FUND

Benefit Changes

There were none.

Changes of Actuarial Assumptions

The discount rate changed from 5.40% as of June 30, 2020 to 7.00% as of June 30, 2021.

In the July 1, 2019 actuarial valuation the mortality improvement was based on Scale MP-2020 while in the July 1, 2020 actuarial valuation the mortality improvement was based on Scale MP-2021.

C. STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES OPEB PLAN

Benefit Changes

There were none.

Changes of Actuarial Assumptions

The discount rate for June 30, 2020 was 2.21%. The discount rate for June 30, 2019 to 7.00% was 3.50%, a change of -1.29%.

The mortality rates in the valuation as of June 30, 2020 were based on the following:

Pre-retirement mortality rates were based on the Pub-2010 Healthy "Teachers" (TPAF/ABP) and "General" (PERS) classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2020. Post-retirement mortality rates were based on the Pub-2010 "General" classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2020. Disability mortality was based on the Pub-2010 "General" classification headcount-weighted disabled mortality table with fully generational mortality improvement projections from the central year using Scale MP-2020.

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022  
(Continued)

C. STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES OPEB PLAN (Cont'd)

Changes of Actuarial Assumptions (Cont'd)

The mortality rates in the valuation as of June 30, 2019 were based on the following:

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

The health care trend rates in the valuation as of June 30, 2020 were based on the following:

For pre-Medicare medical benefits, the trend rate is initially 5.6% and decreases to a 4.5% long term trend rate after seven years. For post-65 medical benefits, the actual fully-insured Medicare Advantage trend rate for fiscal year 2021 through 2022 are reflected. The assumed post-65 medical trend rate is 4.5% for all future years. For prescription drug benefits, the initial trend rate is 7.0% and decreases to a 4.5% long term rate after eight years. For the Medicare Part B reimbursement, the trend rate is 5.0%.

The health care trend rates in the valuation as of June 30, 2019 were based on the following:

For pre-Medicare medical benefits, the trend rate is initially 5.7% and decreases to a 4.5% long term trend rate after eight years. For post-65 medical benefits, the actual fully-insured Medicare Advantage trend rate for fiscal year 2020 is reflected. The assumed post-65 medical trend rate is 4.5% for all future years. For prescription drug benefits, the initial trend rate is 7.5% and decreases to a 4.5% long term rate after eight years. For the Medicare Part B reimbursement, the trend rate is 5.0%.

BUDGETARY COMPARISON SCHEDULES



ALLAMUCHY SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Revenues from Local Sources:					
Local Tax Levy	\$ 9,523,405		\$ 9,523,405	9,523,405	
Tuition From Individuals	124,000		124,000	185,563	\$ 61,563
Transportation Fees From Other LEAs	226,709		226,709	384,788	158,079
Rents and Royalties	25,000		25,000	1,325	(23,675)
Unrestricted Miscellaneous Revenues	57,400		57,400	217,538	160,138
Other Restricted Miscellaneous Revenues				4,857	4,857
<b>Total Revenues from Local Sources</b>	<b>9,956,514</b>		<b>9,956,514</b>	<b>10,317,476</b>	<b>360,962</b>
Revenues from State Sources:					
Categorical Transportation Aid	277,862		277,862	277,862	
Extraordinary Aid	40,000		40,000	78,624	38,624
Categorical Special Education Aid	484,811		484,811	484,811	
Categorical Security Aid	37,450		37,450	37,450	
Nonpublic Transportation Aid				11,890	11,890
TPAF Post Retirement Contributions (Non-Budgeted)				242,913	242,913
TPAF Pension Contributions (Non-Budgeted)				1,025,225	1,025,225
TPAF Non-Contributory Insurance (Non-Budgeted)				14,464	14,464
TPAF Long-Term Disability Insurance (Non-Budgeted)				443	443
Reimbursed TPAF Social Security Contributions				238,432	238,432
<b>Total Revenues from State Sources</b>	<b>840,123</b>		<b>840,123</b>	<b>2,412,114</b>	<b>1,571,991</b>
<b>TOTAL REVENUE</b>	<b>10,796,637</b>		<b>10,796,637</b>	<b>12,729,590</b>	<b>1,932,953</b>

ALLAMUCHY SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>GENERAL CURRENT EXPENSE</b>					
Regular Programs - Instruction:					
Kindergarten - Salaries of Teachers	\$ 329,451	\$ (98,140)	\$ 231,311	\$ 231,311	
Grades 1-5 - Salaries of Teachers	1,210,176	61,792	1,271,968	1,271,968	
Grades 6-8 - Salaries of Teachers	598,389	(34,105)	564,284	564,284	
Regular Programs - Home Instruction:					
Salaries of Teachers	2,000	(1,400)	600	600	
Purchased Professional-Educational Services	3,000	(2,523)	477	477	
Regular Programs - Undistributed Instruction:					
Other Salaries for Instruction	36,000	24,840	60,840	60,840	
Purchased Professional-Educational Services	42,000	(21,000)	21,000	21,000	
Purchased Technical Services	85,250	17,227	102,477	102,477	
Other Purchased Services (400-500 series)	43,996	(30,110)	13,886	13,886	
General Supplies	70,741	(15,943)	54,798	54,798	
Textbooks	73,000	31,282	104,282	104,282	
Other Objects	3,100	3,237	6,337	6,337	
<b>Total Regular Programs - Instruction</b>	<b>2,497,103</b>	<b>(64,843)</b>	<b>2,432,260</b>	<b>2,432,260</b>	
Special Education - Instruction:					
Multiple Disabilities:					
Salaries of Teachers	52,219	138,915	191,134	191,134	
Other Salaries for Instruction	19,282	(19,282)			
Purchased Technical Services	4,400	(4,400)			
General Supplies	1,000	2,163	3,163	3,163	
<b>Total Multiple Disabilities</b>	<b>76,901</b>	<b>117,396</b>	<b>194,297</b>	<b>194,297</b>	

ALLAMUCHY SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Resource Room/Resource Center:					
Salaries of Teachers	\$ 179,770	\$ (19,496)	\$ 160,274	\$ 160,274	
Other Salaries for Instruction	223,835	(8,365)	215,470	215,470	
General Supplies	2,000	2,671	4,671	4,671	
Total Resource Room/Resource Center	405,605	(25,190)	380,415	380,415	
Preschool Disabilities - Part-Time:					
Salaries of Teachers	27,414	3,107	30,521	30,521	
Other Salaries for Instruction	23,647	(23,647)			
General Supplies	250	151	401	401	
Total Preschool Disabilities - Part-Time	51,311	(20,389)	30,922	30,922	
TOTAL SPECIAL EDUCATION - INSTRUCTION	533,817	71,817	605,634	605,634	
School-Spon. Cocurricular & Extracurricular Actvts. - Inst.:					
Salaries	99,980	12,355	112,335	112,335	
Supplies and Materials	2,000	1,840	3,840		\$ 3,840
Other Objects	100	(100)			
Total School-Spon. Cocurricular & Extracurricular Actvts. - Inst.	102,080	14,095	116,175	112,335	3,840
School-Sponsored Athletics - Instruction:					
Salaries	10,030	(10,030)			
Purchased Services (300-500 series)	1,000	(1,000)			
Supplies and Materials	500	(500)			
Total School-Sponsored Athletics - Instruction	11,530	(11,530)			

ALLAMUCHY SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Summer School - Instruction:					
Salaries of Teachers	\$ 33,000	\$ 25,045	\$ 58,045	\$ 58,045	
Other Salaries of Instruction	7,000	(4,393)	2,607	2,607	
Total Summer School - Instruction	40,000	20,652	60,652	60,652	
TOTAL INSTRUCTION	<u>3,184,530</u>	<u>30,191</u>	<u>3,214,721</u>	<u>3,210,881</u>	<u>\$ 3,840</u>
Undistributed Expenditures - Instruction:					
Tuition to Other LEAs Within the State-Regular	2,222,326	814	2,223,140	2,223,140	
Tuition to Other LEAs Within the State-Special	117,760	107,641	225,401	225,401	
Tuition to County Voc. School Dist.-Regular	51,186	(352)	50,834	50,834	
Tuition to Priv. Sch. for the Handicap. W/I State	304,503	(287,990)	16,513	16,513	
Tuition - Other	116,112	36,506	152,618	63,518	89,100
Total Undistributed Expenditures - Instruction	<u>2,811,887</u>	<u>(143,381)</u>	<u>2,668,506</u>	<u>2,579,406</u>	<u>89,100</u>
Undistributed Expenditures - Health Services:					
Salaries	129,278	5,968	135,246	135,246	
Supplies and Materials	2,000	(1,051)	949	943	6
Other Objects	190	20	210	210	
Total Undist. Expenditures - Health Services	<u>135,468</u>	<u>937</u>	<u>136,405</u>	<u>136,399</u>	<u>6</u>

ALLAMUCHY SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist. Expend. - Speech, OT, PT, Related Svcs:					
Salaries	\$ 96,014	\$ (14,351)	\$ 81,663	\$ 81,663	
Purchased Professional - Educational Services	12,810	11,380	24,190	23,010	\$ 1,180
Supplies and Materials	500	312	812	812	
Total Undist. Expend. - Speech, OT, PT, Related Svcs	<u>109,324</u>	<u>(2,659)</u>	<u>106,665</u>	<u>105,485</u>	<u>1,180</u>
Undist. Expend.-Other Supp.Serv.Students-Extra.Serv.:					
Salaries	45,789	52,622	98,411	98,411	
Purchased Professional - Educational Services	38,580	16,264	54,844	54,844	
Total Undist. Expend. - Other Supp. Svcs. Students - Extra. Serv.	<u>84,369</u>	<u>68,886</u>	<u>153,255</u>	<u>153,255</u>	
Undist. Expend.-Guidance:					
Salaries of Other Professional Staff	101,532	42,086	143,618	143,618	
Supplies and Materials	1,000	(271)	729	729	
Total Undist Expend. - Guidance	<u>102,532</u>	<u>41,815</u>	<u>144,347</u>	<u>144,347</u>	
Undist. Expend.-Child Study Team:					
Salaries of Other Professional Staff	77,266	12,864	90,130	90,130	
Salaries of Secretarial and Clerical Assistants	41,200	(14,971)	26,229	26,229	
Purchased Professional - Educational Services	90,330	(44,193)	46,137	46,137	
Supplies and Materials	2,000	1,108	3,108	3,095	13
Other Objects	200	(50)	150	150	
Total Undist Expend. - Child Study Team	<u>210,996</u>	<u>(45,242)</u>	<u>165,754</u>	<u>165,741</u>	<u>13</u>

ALLAMUCHY SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist. Expend.-Improv. of Inst. Serv.:					
Salaries of Other Professional Staff	\$ 8,500	\$ (8,500)			
Purchased Professional - Educational Services	1,300		\$ 1,300	\$ 1,300	
Total Undist. Expend.-Improv. of Inst. Serv.	9,800	(8,500)	1,300	1,300	
Undist. Expend.-Edu. Media Serv./Sch. Library:					
Salaries	72,821	1,852	74,673	74,673	
Purchased Professional and Technical Services	9,500	(29,045)	(19,545)	4,351	\$ (23,896)
Supplies and Materials	300	(758)	(458)	1,897	(2,355)
Total Undist Expend-Edu. Media Serv./Sch. Library	82,621	(27,951)	54,670	80,921	(26,251)
Undist.Expend.-Instructional Staff Training Services:					
Other Purchased Services (400-500 series)	7,500	3,654	11,154	9,329	1,825
Total Undist.Expend.-Instructional Staff Training Services	7,500	3,654	11,154	9,329	1,825
Undist. Expend.-Support Serv.-Gen. Admin.:					
Salaries	138,000	(21,285)	116,715	99,223	17,492
Legal Services	57,227	1,174	58,401	58,401	
Audit Fees	18,500	6,500	25,000	25,000	
Other Purchased Professional Services	17,371	64,298	81,669	52,702	28,967
Communications / Telephone	57,500	(50,604)	6,896	5,187	1,709
Other Purch. Serv. (400-500 series other than 530 & 585)	26,800	(6,343)	20,457	20,457	
General Supplies	5,000	(188)	4,812	4,805	7
Miscellaneous Expenditures	41,774	(26,459)	15,315	11,652	3,663
Total Undist. Expend.-Support Serv.-Gen. Admin.	362,172	(32,907)	329,265	277,427	51,838

ALLAMUCHY SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist. Expend.-Support Serv.-School Admin.:					
Salaries of Principals/Assistant Principals/Prog Director	\$ 164,428	\$ 23,580	\$ 188,008	\$ 186,298	\$ 1,710
Salaries of Secretarial and Clerical Assistants	88,546	(7,155)	81,391	69,581	11,810
Purchased Professional and Technical Services	15,000		15,000	14,321	679
Supplies and Materials	1,000		1,000	504	496
Other Objects	100		100	90	10
Total Undist. Expend.-Support Serv.-School Admin.	<u>269,074</u>	<u>16,425</u>	<u>285,499</u>	<u>270,794</u>	<u>14,705</u>
Undist. Expend. - Central Services:					
Salaries	147,486	21,708	169,194	169,194	
Purchased Technical Services	18,455	5,645	24,100	24,099	1
Miscellaneous Purchased Services (400-500 series other than 594)	500		500	134	366
Supplies and Materials	200		200	200	0
Total Undist. Expend. - Central Services	<u>166,641</u>	<u>27,353</u>	<u>193,994</u>	<u>193,427</u>	<u>567</u>
Undist. Expend.-Required Maintenance for School Facilities:					
Salaries	43,619	69,692	113,311	113,311	
Cleaning, Repair, and Maintenance Services	70,515	85,993	156,508	150,935	5,573
General Supplies	14,855	15,154	30,009	29,713	296
Other Objects	1,000	1,891	2,891	2,602	289
Total Undist. Expend.- Required Maintenance for School Facilities	<u>129,989</u>	<u>172,730</u>	<u>302,719</u>	<u>296,561</u>	<u>6,158</u>

ALLAMUCHY SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist. Expend.-Custodial Services:					
Salaries	\$ 239,862	\$ (45,429)	\$ 194,433	\$ 194,433	
Purchased Professional and Technical Services	20,000	(5,000)	15,000	14,322	\$ 678
Cleaning, Repair, and Maintenance Services	42,873	50,364	93,237	58,057	35,180
Other Purchased Property Services	15,000	(828)	14,172	14,172	
Insurance	40,000	(5,287)	34,713	34,712	1
General Supplies	60,000	(10,004)	49,996	48,635	1,361
Energy (Natural Gas)	5,000	109	5,109	5,055	54
Energy (Electricity)	98,000	3,744	101,744	100,806	938
Energy (Oil)	91,200	27,034	118,234	118,233	1
Other Objects	1,000		1,000	437	563
Total Undist. Expend.-Custodial Services	<u>612,935</u>	<u>14,703</u>	<u>627,638</u>	<u>588,862</u>	<u>38,776</u>
Care and Upkeep of Grounds:					
Salaries	58,020	3,313	61,333	61,226	107
Purchased Professional and Technical Services	13,333	20,245	33,578	32,179	1,399
General Supplies	2,000	1,331	3,331	3,331	
Total Care And Upkeep Of Grounds	<u>73,353</u>	<u>24,889</u>	<u>98,242</u>	<u>96,736</u>	<u>1,506</u>



ALLAMUCHY SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist. Expend.-Student Transportation Serv.:					
Salaries of Non-Instructional Aides	\$ 52,825	\$ (57,843)	\$ (5,018)	\$ 100	\$ (5,118)
Sal. for Pupil Trans. (Bet. Home and Sch)-Reg.	251,840	(7,403)	244,437	244,437	
Sal. for Pupil Trans. (Bet. Home and Sch)-Spl. Ed.	75,000	(11,139)	63,861	63,861	
Sal. for Pupil Trans. (Oth. than Bet. Home & Sch)	16,000	1,082	17,082	17,082	
Other Purchased Professional and Technical Services	10,000	1,856	11,856	11,856	
Cleaning, Repair, and Maint. Services	100,000	88,081	188,081	188,081	
Lease Purchase Payments - School Buses	85,744	64,776	150,520	150,520	
Contract. Serv. - Aid in Lieu of Payments-Nonpublic Studts	50,000	5,434	55,434	55,434	
Contract. Serv.(Bet. Home & Sch.)-Vendors	9,000	(9,000)			
Contract. Serv.(Spl. Ed. Students)-Vendors	15,000	(15,000)			
Contract. Serv.(Spl. Ed. Students)-Joint Agrmnts	1,000	(1,000)			
Contract. Serv.(Spl. Ed. Students)-ESCs & CTSAAs	140,525	33,991	174,516	174,516	
Misc. Purchased Serv. - Transportation	25,000	(1,018)	23,982	23,982	
Transportation Supplies	56,500	(163,208)	(106,708)	104,864	(211,572)
Other Objects	3,200	2,588	5,788	5,788	
Total Undist. Expend.-Student Trans. Serv.	<u>891,634</u>	<u>(67,803)</u>	<u>823,831</u>	<u>1,040,521</u>	<u>(216,690)</u>
ALLOCATED BENEFITS					
Support Services - General Administration:					
Health Benefits	5,314	(5,314)			
Total Support Services - General Administration	<u>5,314</u>	<u>(5,314)</u>			
Support Services - School Administration:					
Health Benefits	19,201	(19,201)			
Total Support Services - School Administration	<u>19,201</u>	<u>(19,201)</u>			

ALLAMUCHY SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Support Services - Central Services:					
Health Benefits	\$ 21,033	\$ (21,033)			
Total Support Services - Central Services	<u>21,033</u>	<u>(21,033)</u>			
TOTAL ALLOCATED BENEFITS	<u>45,548</u>	<u>(45,548)</u>			
UNALLOCATED BENEFITS					
Social Security Contributions	130,000	56,103	\$ 186,103	\$ 186,103	
T.P.A.F. Contributions - ERIP	10,000	(10,000)			
Other Retirement Contributions - PERS	135,000	12,294	147,294	147,294	
Other Retirement Contributions - Regular	5,000	(910)	4,090	3,738	\$ 352
Unemployment Compensation		416	416		416
Workers Compensation	65,000	(12,652)	52,348	52,348	
Health Benefits	1,284,883	(19,445)	1,265,438	1,265,438	
Tuition Reimbursement	22,000	3,728	25,728	25,728	
Other Employee Benefits	1,000	(112,818)	(111,818)	7,396	(119,214)
Unused Sick Payment to Terminated/Retired Staff	10,000	15,653	25,653	25,653	
TOTAL UNALLOCATED BENEFITS	<u>1,662,883</u>	<u>(67,631)</u>	<u>1,595,252</u>	<u>1,713,698</u>	<u>(118,446)</u>

ALLAMUCHY SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
ON-BEHALF CONTRIBUTIONS (NON-BUDGETED)					
TPAF Post Retirement Contributions (Non-Budgeted)				\$ 242,913	\$ (242,913)
TPAF Pension Contributions (Non-Budgeted)				1,025,225	(1,025,225)
TPAF Non-Contributory Insurance (Non-Budgeted)				14,464	(14,464)
TPAF Long-Term Disability Insurance (Non-Budgeted)				443	(443)
Reimbursed TPAF Social Security Contributions				238,432	(238,432)
TOTAL ON-BEHALF CONTRIBUTIONS (NON-BUDGETED)				<u>1,521,477</u>	<u>(1,521,477)</u>
TOTAL PERSONAL SERVICES - EMPLOYEE BENEFITS	\$ 1,708,431	\$ (113,179)	\$ 1,595,252	3,235,175	(1,639,923)
TOTAL UNDISTRIBUTED EXPENDITURES	<u>7,768,726</u>	<u>(70,230)</u>	<u>7,698,496</u>	<u>9,375,686</u>	<u>(1,677,190)</u>
TOTAL GENERAL CURRENT EXPENSE	<u>10,953,256</u>	<u>(40,039)</u>	<u>10,913,217</u>	<u>12,586,567</u>	<u>(1,673,350)</u>
CAPITAL OUTLAY					
Undistributed:					
School Buses - Regular		5,600	5,600	5,600	
Total Equipment		<u>5,600</u>	<u>5,600</u>	<u>5,600</u>	
Facilities Acquisition and Construction Serv.:					
Supplies and Materials		9,800	9,800	9,800	
Land and Improvements	161,286	62,755	224,041	156,891	67,150
Assessment for Debt Service on SDA Funding	1,366		1,366	1,366	
Total Facilities Acquisition and Construction Serv.	<u>162,652</u>	<u>72,555</u>	<u>235,207</u>	<u>168,057</u>	<u>67,150</u>

ALLAMUCHY SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Assets Acquired Under Financed Purchases (Non-Budgeted):					
Regular Programs - Equipment				\$ 47,677	\$ (47,677)
Total Assets Acquired Under Financed Purchases (Non-Budgeted)				47,677	(47,677)
TOTAL CAPITAL OUTLAY	\$ 162,652	\$ 78,155	\$ 240,807	221,334	19,473
Transfer of Funds to Charter Schools	38,116	(38,116)			
	38,116	(38,116)			
TOTAL EXPENDITURES	11,154,024		11,154,024	12,807,901	(1,653,877)
Excess/(Deficit) of Revenues Over/(Under) Expenditures	(357,387)		(357,387)	(78,311)	279,076
Other Financing Sources/(Uses):					
Financed Purchases Payable (Non-budgeted)				47,677	47,677
Total Other Financing Purchases Payable				47,677	47,677
Excess/(Deficit) of Revenues and Other Financing Sources Over/(Under) Expenditures and Other Financing Uses	(357,387)		(357,387)	(30,634)	326,753
Fund Balance, July 1	813,223		813,223	813,223	
Fund Balance, June 30	\$ 455,836	\$ -0-	\$ 455,836	\$ 782,589	\$ 326,753

ALLAMUCHY SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
<u>Recapitulation:</u>					
Restricted Fund Balance:					
Capital Reserve				\$ 203,532	
Maintenance Reserve				71,813	
Unemployment Compensation				11,603	
Assigned Fund Balance:					
Year End Encumbrances				161,892	
Unassigned Fund Balance				333,749	
				<u>782,589</u>	
Reconciliation to Governmental Funds Statement (GAAP):					
Last State Aid Payments not Recognized on GAAP basis				<u>(79,875)</u>	
Fund Balance per Governmental Funds (GAAP)				<u>\$ 702,714</u>	

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
SPECIAL REVENUE FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>REVENUES:</b>					
Federal Sources	\$ 188,500	\$ 597,866	\$ 786,366	\$ 745,289	\$ (41,077)
Local Sources	4,000	41,580	45,580	40,672	(4,908)
<b>Total Revenues</b>	<b>192,500</b>	<b>639,446</b>	<b>831,946</b>	<b>785,961</b>	<b>(45,985)</b>
<b>EXPENDITURES:</b>					
Instruction					
Salaries of Teachers	30,000	(4,210)	25,790	25,790	
Purchased Professional - Technical Services		47,492	47,492	47,492	
Other Purchased Services		18,489	18,489	18,489	
General Supplies	55,000	(9,586)	45,414	45,198	216
<b>Total Instruction</b>	<b>85,000</b>	<b>52,185</b>	<b>137,185</b>	<b>136,969</b>	<b>216</b>
Support Services					
Purchased Professional/Technical Services	107,500	21,360	128,860	128,148	712
Other Purchased Services		512,931	512,931	467,874	45,057
Supplies and Materials		22,390	22,390	22,390	
Student Activities		35,444	35,444	35,444	
<b>Total Support Services</b>	<b>107,500</b>	<b>592,125</b>	<b>699,625</b>	<b>653,856</b>	<b>45,769</b>
<b>Total Expenditures</b>	<b>192,500</b>	<b>644,310</b>	<b>836,810</b>	<b>790,825</b>	<b>45,985</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ - 0 -	\$ (4,864)	\$ (4,864)	\$ (4,864)	\$ - 0 -

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION  
BUDGETARY COMPARISON SCHEDULE  
NOTE TO RSI  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

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

	<u>General Fund</u>	<u>Special Revenue Fund</u>
Sources/Inflows of Resources:		
Actual Amounts (Budgetary Basis) "Revenue" from the Budgetary Comparison Schedule	\$ 12,921,224	\$ 785,961
Difference - Budget to GAAP:		
Grant Accounting Budgetary Basis Differs from GAAP in that the Budgetary Basis Recognizes Encumbrances as Expenditures and Revenue while the GAAP Basis does not.		1,217
Prior year State Aid Payments Recognized for GAAP Statements, not Recognized for Budgetary Purposes	68,379	
Current Year State Aid Payments Recognized for Budgetary Purposes, not Recognized for GAAP Statements	<u>(79,875)</u>	
Total Revenues as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	<u>\$ 12,909,728</u>	<u>\$ 787,178</u>
Uses/Outflows of Resources:		
Actual Amounts (Budgetary Basis) "Total Outflows" from the Budgetary Comparison Schedule	\$ 12,807,901	\$ 790,825
Differences - Budget to GAAP		
Encumbrances for Supplies and Equipment Ordered but Not Received are Reported in the Year the Order is Placed for Budgetary Purposes, but in the Year the Supplies are Received for Financial Reporting Purposes.		<u>1,217</u>
Total Expenditures as Reported on the Statement of Revenue, Expenditures, and Changes in Fund Balances - Governmental Funds	<u>\$ 12,807,901</u>	<u>\$ 792,042</u>

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue and debt service funds. The budget for the fiscal year ended June 30, 2022 was submitted to the County office and was approved by a vote of the Board of Education. 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. 6:20-2A.2(m)1. Transfers of appropriations may be made by School Board resolution at any time during the fiscal year. All budgetary amounts presented in the accompanying supplementary information reflect the original budget and the amended budget (which have been adjusted for legally authorized revisions of the annual budgets during the year).

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION  
BUDGETARY COMPARISON SCHEDULE

NOTE TO RSI

FOR THE FISCAL YEAR ENDED JUNE 30, 2022

(Continued)

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

Formal budgetary integration into the accounting system is employed as a management control device during the year. For governmental funds, there are not substantial differences between the budgetary basis of accounting and generally accepted accounting principles, with the exception of the special revenue fund as noted in the above paragraph. 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 General Fund budgetary revenue differs from GAAP revenue due to a difference in recognition of the last two state aid payments for the current year. Since the State is recording the last state aid payments in the subsequent fiscal year, the District cannot recognize these payments on the GAAP financial statements.



SCHOOL LEVEL SCHEDULES  
(NOT APPLICABLE)

SPECIAL REVENUE FUND

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF REVENUE AND EXPENDITURES - BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Local Grants	REAP	Elementary and Secondary Education Act				I.D.E.A.	
			Title I	Title IIA	Title IV	Preschool	Basic	
REVENUE:								
Local Sources	\$ 10,092							
Federal Sources		\$ 44,472	\$ 26,029	\$ 6,997	\$ 10,000	\$ 5,566	\$ 94,984	
Total Revenue	10,092	44,472	26,029	6,997	10,000	5,566	94,984	
EXPENDITURES:								
Instruction:								
Salaries of Teachers			25,790					47,492
Purchased Professional/Technical Services								
Other Purchased Services	10,092	22,082	239		10,000			2,785
General Supplies								
Total Instruction	10,092	22,082	26,029		10,000			50,277
Support Services:								
Purchased Professional/Technical Services				6,997		5,566		44,707
Other Purchased Services								
Supplies and Materials		22,390						
Student Activities								
Total Support Services		22,390		6,997		5,566		44,707
Total Expenditures	\$ 10,092	\$ 44,472	\$ 26,029	\$ 6,997	\$ 10,000	\$ 5,566	\$ 94,984	

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF REVENUE AND EXPENDITURES - BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	I.D.E.A.		CRRSA		ARP		
	ARP Preschool	ARP Basic	ESSER II	Learning Acceleration	Mental Health	ESSER III	Accelerated Learning Coach and Educator Support
REVENUE:							
Local Sources							
Federal Sources	\$ 1,578	\$ 18,489	\$ 98,056	\$ 25,000	\$ 45,000	\$ 192,541	\$ 50,000
Total Revenue	1,578	18,489	98,056	25,000	45,000	192,541	50,000
EXPENDITURES:							
Instruction:							
Salaries of Teachers							
Purchased Professional/Technical Services		18,489					
Other Purchased Services							
General Supplies							
Total Instruction		18,489					
Support Services:							
Purchased Professional/Technical Services	1,578						
Other Purchased Services			98,056	25,000	45,000	192,541	50,000
Supplies and Materials							
Student Activities							
Total Support Services	1,578		98,056	25,000	45,000	192,541	50,000
Total Expenditures	\$ 1,578	\$ 18,489	\$ 98,056	\$ 25,000	\$ 45,000	\$ 192,541	\$ 50,000

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF REVENUE AND EXPENDITURES - BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	ARP					Totals
	Evidence Based Summer Learning and Enrichment	Evidence Based Comprehensive Beyond the School Day	Mental Health Support Staffing	ASCERS	Student Activities	
REVENUE:						
Local Sources						
Federal Sources	\$ 1,785	\$ 10,492	\$ 45,000	\$ 69,300	\$ 30,580	\$ 40,672
						\$ 745,289
Total Revenue	1,785	10,492	45,000	69,300	30,580	785,961
EXPENDITURES:						
Instruction:						
Salaries of Teachers						25,790
Purchased Professional/Technical Services						47,492
Other Purchased Services						18,489
General Supplies						45,198
Total Instruction						136,969
Support Services:						
Purchased Professional/Technical Services				69,300		128,148
Other Purchased Services	1,785	10,492	45,000			467,874
Supplies and Materials						22,390
Student Activities					35,444	35,444
Total Support Services	1,785	10,492	45,000	69,300	35,444	653,856
Total Expenditures	\$ 1,785	\$ 10,492	\$ 45,000	\$ 69,300	\$ 35,444	\$ 790,825

CAPITAL PROJECTS FUND  
(NOT APPLICABLE)

PROPRIETARY FUNDS

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
ENTERPRISE FUNDS  
COMBINING STATEMENT OF NET POSITION  
JUNE 30, 2022

	<u>Major Fund</u>	<u>Non-Major Fund</u>	
	<u>Food</u>	<u>Rutherford</u>	
	<u>Service</u>	<u>Hall</u>	<u>Totals</u>
<b>ASSETS:</b>			
Current Assets:			
Cash and Cash Equivalents	\$ 90,442		\$ 90,442
Intergovernmental Accounts Receivable:			
State	292		292
Federal	12,670		12,670
Other Accounts Receivable		\$ 31,918	31,918
Inventories	5,169		5,169
Total Current Assets	<u>108,573</u>	<u>31,918</u>	<u>140,491</u>
Non-Current Assets:			
Capital Assets	78,086		78,086
Less: Accumulated Depreciation	<u>(62,378)</u>		<u>(62,378)</u>
Total Non-Current Assets	<u>15,708</u>		<u>15,708</u>
Total Assets	<u>124,281</u>	<u>31,918</u>	<u>156,199</u>
<b>LIABILITIES:</b>			
Current Liabilities:			
Accounts Payable	6,227	207,575	213,802
Interfund Payable	739		739
Unearned Revenue - Summer Events		61,041	61,041
Unearned Revenue - Donations		3,725	3,725
Unearned Revenue - Donated Commodities	<u>772</u>		<u>772</u>
Total Current Liabilities:	<u>7,738</u>	<u>272,341</u>	<u>280,079</u>
Total Liabilities	<u>7,738</u>	<u>272,341</u>	<u>280,079</u>
<b>NET POSITION:</b>			
Investment in Capital Assets	15,708		15,708
Unrestricted/(Deficit)	<u>100,835</u>	<u>(240,423)</u>	<u>(139,588)</u>
Total Net Position/(Deficit)	<u>\$ 116,543</u>	<u>\$ (240,423)</u>	<u>\$ (123,880)</u>



ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
ENTERPRISE FUNDS  
COMBINING STATEMENT OF REVENUE, EXPENSES AND CHANGES IN NET POSITION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	<u>Major Fund</u>	<u>Non-Major Fund</u>	<u>Totals</u>
	<u>Food Service</u>	<u>Rutherford Hall</u>	
Operating Revenue:			
Daily Sales:			
Non-Reimbursable Programs	\$ 8,456		\$ 8,456
Program Fees		\$ 147,062	147,062
Total Operating Revenue	<u>8,456</u>	<u>147,062</u>	<u>155,518</u>
Operating Expenses:			
Cost of Sales:			
Reimbursable Programs	100,407		100,407
Non-Reimbursable Programs	4,184		4,184
Salaries	60,902	80,748	141,650
Purchased Professional Technical Services		7,868	7,868
Other Purchased Services		2,217	2,217
Supplies and Materials	43,447	48,221	91,668
Miscellaneous Expenditures		13,109	13,109
Management Fee	7,836		7,836
Depreciation Expense	4,522		4,522
Total Operating Expenses	<u>221,298</u>	<u>152,163</u>	<u>373,461</u>
Operating (Loss)	<u>(212,842)</u>	<u>(5,101)</u>	<u>(217,943)</u>
Non-Operating Revenue:			
Interest Income	3		3
State Sources:			
COVID-19 - Seamless Summer Option	4,606		4,606
Federal Sources:			
COVID-19 - Seamless Summer Option	195,938		195,938
COVID-19 P-EBT Administrative Cost Reimbursement	1,242		1,242
COVID-19 Emergency Operational Cost Reimbursement	838		838
Food Distribution Program	13,732		13,732
Total Non-Operating Revenue	<u>216,359</u>		<u>216,359</u>
Change in Net Position	3,517	(5,101)	(1,584)
Net Position / (Deficit) - Beginning of Year (Restated)	<u>113,026</u>	<u>(235,322)</u>	<u>(122,296)</u>
Net Position / (Deficit) - End of Year	<u>\$ 116,543</u>	<u>\$ (240,423)</u>	<u>\$ (123,880)</u>

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
ENTERPRISE FUNDS  
COMBINING STATEMENT OF CASH FLOWS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	<u>Major Fund</u>	<u>Non-Major Fund</u>	
	Food	Rutherford	
	Service	Hall	Totals
Cash Flows from Operating Activities:			
Receipts from Customers	\$ 8,456	\$ 147,062	\$ 155,518
Payments to Food Service Company	(60,902)		(60,902)
Payments to/for Employees	(119,482)	(80,748)	(200,230)
Payments to Suppliers	(43,447)	(66,314)	(109,761)
Net Cash (Used for) Operating Activities	<u>(215,375)</u>		<u>(215,375)</u>
Cash Flows from Financing Activities:			
Interest Income	3		3
Net Cash Provided by Financing Activities	<u>3</u>		<u>3</u>
Cash Flows by Noncapital Financing Activities:			
State Sources	5,185		5,185
Federal Sources	197,577		197,577
Net Cash Provided by Noncapital Financing Activities	<u>202,762</u>		<u>202,762</u>
Net Decrease in Cash and Cash Equivalents	(12,610)	-0-	(12,610)
Cash and Cash Equivalents, July 1	<u>103,052</u>		<u>103,052</u>
Cash and Cash Equivalents, June 30	<u>\$ 90,442</u>	<u>\$ -0-</u>	<u>\$ 90,442</u>

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
ENTERPRISE FUNDS  
COMBINING STATEMENT OF CASH FLOWS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	<u>Major Fund</u>	<u>Non-Major Fund</u>	
	Food	Rutherford	
	Service	Hall	Totals
Adjustment to Reconcile Operating (Loss)			
Net Cash (Used for) Operating Activities:			
Operating (Loss)	\$ (212,842)	\$ (5,101)	\$ (217,943)
Depreciation	4,522		4,522
Food Distribution Program	13,732		13,732
Changes in Assets and Liabilities:			
(Increase)/Decrease in Other Accounts Receivable		(3,920)	(3,920)
(Increase)/Decrease in Interfund Receivable	(20,749)		(20,749)
Increase/(Decrease) in Accounts Payable	3,249	(34,255)	(31,006)
Increase/(Decrease) in Unearned Revenue - Summer Events		43,276	43,276
Increase/(Decrease) in Unearned Revenue - Donated Commodities	355		355
(Increase)/Decrease in Inventory	(3,642)		(3,642)
Net Cash (Used for) Operating Activities	<u>\$ (215,375)</u>	<u>\$ -0-</u>	<u>\$ (215,375)</u>

Noncash Investing, Capital and Financing Activities:

The Food Service Enterprise Fund received U.S.D.A. Commodities through the Food Distribution Program valued at \$14,087 and utilized U.S.D.A. Commodities valued at \$13,732.

FIDUCIARY ACTIVITIES  
(NOT APPLICABLE)

LONG-TERM DEBT

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
LONG-TERM DEBT  
SCHEDULE OF SERIAL BONDS

Purpose	Date of Issue	Original Issue	Maturities of Bonds				Balance June 30, 2022
			Date	Amount	Interest Rate	Matured	
2016 Refunding Bonds	2/11/2016	\$ 8,740,000	3/15/2023	\$ 500,000	4.00%		
			3/15/2024	515,000	4.00%		
			3/15/2025	540,000	4.00%		
			3/15/2026	565,000	4.00%		
			3/15/2027	585,000	4.00%		
			3/15/2028	615,000	4.00%		
			3/15/2029	640,000	4.00%		
			3/15/2030	665,000	4.00%		
			3/15/2031	695,000	4.00%		
			3/15/2032	725,000	4.00%		
			3/15/2033	755,000	4.00%		
						\$ 7,280,000	\$ 6,800,000
						\$ 7,280,000	\$ 6,800,000

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
LONG-TERM DEBT  
SCHEDULE OF OBLIGATIONS UNDER FINANCED PURCHASES PAYABLE

Item	Interest Rate	Original Issue	Restated Balance June 30, 2021	Issued	Matured	Balance June 30, 2022
Buses (5)	2.444%	\$ 569,850	\$ 301,423		\$ 57,409	\$ 244,014
Bus (1)	2.125%	96,000	57,522		18,317	39,205
Various Capital Equipment	1.280%	325,000	325,000		64,780	260,220
Smartboards	4.135%	50,599	31,603		10,103	21,500
Smartboards	3.380%	47,677	<u>                    </u>	\$ 47,677	<u>12,962</u>	<u>34,715</u>
			<u>\$ 715,548</u>	<u>\$ 47,677</u>	<u>\$ 163,571</u>	<u>\$ 599,654</u>

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
DEBT SERVICE FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Original Budget	Final Budget	Actual	Variance Final to Actual
REVENUE:				
Local Sources:				
Local Tax Levy	\$ 708,106	\$ 708,106	\$ 708,106	
State Sources:				
Debt Service State Aid Support	63,094	63,094	63,094	
Total Revenue	771,200	771,200	771,200	
EXPENDITURES:				
Regular Debt Service:				
Interest	291,200	291,200	291,200	
Redemption of Principal	480,000	480,000	480,000	
Total Regular Debt Service	771,200	771,200	771,200	
Total Expenditures	771,200	771,200	771,200	
Fund Balance, July 1				
Fund Balance, June 30	\$ -0-	\$ -0-	\$ -0-	\$ -0-



**STATISTICAL SECTION**  
**(UNAUDITED)**

This part of the District’s annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures and required supplementary information says about the District’s overall financial health.

**Contents**

	<b><u>Exhibit</u></b>
<b>Financial Trends</b>	
These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.	J-1 thru J-5
<b>Revenue Capacity</b>	
These schedules contain information to help the reader assess the factors affecting the District's ability to generate its property taxes.	J-6 thru J-9
<b>Debt Capacity</b>	
These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.	J-10 thru J-13
<b>Demographic and Economic Information</b>	
These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place and to help make comparisons over time and with other governments.	J-14 thru J-15
<b>Operating Information</b>	
These schedules contain information about the District's operations and resources to help the reader understand how the District's financial information relates to the services the District provides and the activities it performs.	J-16 thru J-20

**Sources:** Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial report for the relevant year.

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
NET POSITION BY COMPONENT  
LAST TEN FISCAL YEARS  
UNAUDITED  
*(accrual basis of accounting)*

June 30,

	2013	2014	2015	2016	2017	2018	2019	2020	Restated 2021	2022
<b>Governmental Activities</b>										
Net Investment in Capital Assets	\$ 1,021,587	\$ 1,202,205	\$ 1,092,433	\$ 1,455,944	\$ 1,768,330	\$ 2,039,067	\$ 2,438,843	\$ 2,743,305	\$ 70,921	\$ 300,284
Restricted	62,704	278,298	185,236	632,514	658,727	575,340	397,812	561,315	431,880	330,967
Unrestricted/(Deficit)	28,792	(84,743)	(2,232,235)	(2,140,552)	(2,426,355)	(2,509,767)	(2,619,617)	(2,610,450)	(2,560,033)	(2,243,353)
<b>Total Governmental Activities Net Position</b>	<b>\$ 1,113,083</b>	<b>\$ 1,395,760</b>	<b>\$ (954,566)</b>	<b>\$ (52,094)</b>	<b>\$ 702</b>	<b>\$ 104,640</b>	<b>\$ 217,038</b>	<b>\$ 694,170</b>	<b>\$ (2,057,232)</b>	<b>\$ (1,612,102)</b>
<b>Business-Type Activities</b>										
Investment in Capital Assets	\$ 48,546	\$ 43,610	\$ 38,674	\$ 37,648	\$ 82,270	\$ 78,293	\$ 70,587	\$ 63,547	\$ 20,230	\$ 15,708
Unrestricted	(89,292)	(113,853)	(192,891)	(200,312)	(208,173)	(207,366)	(141,750)	(195,797)	(142,526)	(139,588)
<b>Total Business-Type Activities Net Position</b>	<b>\$ (40,746)</b>	<b>\$ (70,243)</b>	<b>\$ (154,217)</b>	<b>\$ (162,664)</b>	<b>\$ (125,903)</b>	<b>\$ (129,073)</b>	<b>\$ (71,163)</b>	<b>\$ (132,250)</b>	<b>\$ (122,296)</b>	<b>\$ (123,880)</b>
<b>District-Wide</b>										
Net Investment in Capital Assets	\$ 1,070,133	\$ 1,245,815	\$ 1,131,107	\$ 1,493,592	\$ 1,850,600	\$ 2,117,360	\$ 2,509,430	\$ 2,806,852	\$ 91,151	\$ 315,992
Restricted	62,704	278,298	185,236	632,514	658,727	575,340	397,812	561,315	431,880	330,967
Unrestricted/(Deficit)	(60,500)	(198,596)	(2,425,126)	(2,340,864)	(2,634,528)	(2,717,133)	(2,761,367)	(2,806,247)	(2,702,559)	(2,382,941)
<b>Total District Net Position</b>	<b>\$ 1,072,337</b>	<b>\$ 1,325,517</b>	<b>\$ (1,108,783)</b>	<b>\$ (214,758)</b>	<b>\$ (125,201)</b>	<b>\$ (24,433)</b>	<b>\$ 145,875</b>	<b>\$ 561,920</b>	<b>\$ (2,179,528)</b>	<b>\$ (1,735,982)</b>

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
CHANGES IN NET POSITION  
LAST TEN FISCAL YEARS  
UNAUDITED  
(accrual basis of accounting)

	Fiscal Year Ending June 30,									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Expenses:										
Governmental Activities:										
Instruction:										
Regular	\$ 2,580,192	\$ 2,777,284	\$ 2,619,331	\$ 2,516,299	\$ 2,924,138	\$ 4,074,799	\$ 4,112,068	\$ 3,992,227	\$ 4,628,872	\$ 4,632,400
Special Education	879,240	764,929	908,399	833,425	675,940	1,068,179	802,038	925,123	1,022,845	1,055,898
Other Special Education									63,445	97,678
Other Instruction	167,575	157,353	91,943	102,342	92,967	129,017	168,952	153,456	135,516	188,951
Support Services:										
Tuition	1,827,662	1,966,282	2,838,921	2,881,678	2,852,171	2,614,756	2,596,940	2,668,966	2,769,239	2,579,406
Student & Instruction Related Services	1,283,518	1,174,738	976,799	931,559	1,018,138	1,279,539	1,318,807	1,268,744	1,054,840	1,051,905
General and Business Administrative Services	451,384	390,896	470,840	393,524	457,865	508,343	560,621	546,884	276,997	330,569
School Administrative Services	368,064	297,084	303,508	334,263	366,243	492,093	592,203	456,226	544,713	427,699
Central Services									244,079	249,523
Plant Operations And Maintenance	893,657	926,860	779,532	783,662	936,449	1,017,558	1,016,189	979,494	967,329	1,136,425
Pupil Transportation	743,371	769,233	842,102	861,670	963,716	1,019,483	1,059,522	1,103,246	978,568	1,211,113
Business and Support Services									35,624	
Charter Schools						20,230	39,986			
Interest On Long-Term Debt	472,470	458,332	451,622	259,588	366,004	348,442	331,831	318,950	304,233	285,600
Capital Outlay	886	1,366	1,366	1,366	1,366	1,366	1,366	1,366	1,366	1,366
Total Governmental Activities Expenses	9,668,018	9,684,359	10,284,364	9,899,376	10,654,997	12,573,804	12,600,524	12,414,682	13,027,666	13,248,533
Business-Type Activities:										
Food Service	142,411	153,884	141,945	132,806	143,446	145,487	136,680	105,674	149,269	221,298
Rutherford Hall	132,024	206,216	215,580	201,541	214,470	215,375	219,399	193,199	63,246	152,163
Total Business-Type Activities Expense	274,435	360,101	357,525	334,346	357,916	360,862	356,079	298,873	212,515	373,461
Total District Expenses	\$ 9,942,453	\$ 10,044,460	\$ 10,641,889	\$ 10,233,722	\$ 11,012,913	\$ 12,934,666	\$ 12,956,603	\$ 12,713,555	\$ 13,240,181	\$ 13,621,994

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT

CHANGES IN NET POSITION  
LAST TEN FISCAL YEARS

UNAUDITED

(Continued)

(accrual basis of accounting)

	Fiscal Year Ending June 30,									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>Program Revenues:</b>										
<b>Governmental Activities:</b>										
Charges For Services:										
Instruction (Tuition)	\$ 355,256	\$ 247,395	\$ 165,894	\$ 215,540	\$ 84,948	\$ 65,612	\$ 14,760	\$ 62,974	\$ 78,723	\$ 185,563
Student & Instruction Related Services	538,245	511,475	510,824	280,516	365,741	370,245	326,693	474,368	57,708	30,581
Operating Grants and Contributions	1,576,559	1,297,257	1,127,676	1,140,865	1,193,308	3,148,235	2,931,301	2,622,902	2,658,880	2,574,406
<b>Total Governmental Activities Program Revenues</b>	<b>2,470,060</b>	<b>2,056,127</b>	<b>1,804,394</b>	<b>1,636,921</b>	<b>1,643,996</b>	<b>3,584,092</b>	<b>3,272,754</b>	<b>3,160,244</b>	<b>2,795,311</b>	<b>2,790,550</b>
<b>Business-Type Activities:</b>										
Charges For Services:										
Food Service	108,944	117,368	114,777	114,531	120,104	118,562	101,055	70,699	2,280	8,456
Rutherford Hall	120,921	179,284	127,600	179,129	196,028	158,723	233,903	138,736	44,279	147,062
Operating Grants and Contributions	30,793	33,813	30,976	32,141	28,288	29,972	28,575	28,252	198,014	216,356
<b>Total Business Type Activities Program Revenues</b>	<b>260,658</b>	<b>330,465</b>	<b>273,353</b>	<b>325,801</b>	<b>344,420</b>	<b>307,257</b>	<b>363,533</b>	<b>237,687</b>	<b>244,573</b>	<b>371,874</b>
<b>Total District Program Revenues</b>	<b>\$ 2,730,718</b>	<b>\$ 2,386,592</b>	<b>\$ 2,077,747</b>	<b>\$ 1,962,722</b>	<b>\$ 1,988,416</b>	<b>\$ 3,891,349</b>	<b>\$ 3,636,287</b>	<b>\$ 3,397,931</b>	<b>\$ 3,039,884</b>	<b>\$ 3,162,424</b>
<b>Net (Expense)/Revenue</b>										
Governmental Activities	\$ (7,197,958)	\$ (7,628,232)	\$ (8,479,970)	\$ (8,262,455)	\$ (9,011,001)	\$ (8,989,712)	\$ (9,327,770)	\$ (9,254,438)	\$ (10,232,355)	\$ (10,457,983)
Business-Type Activities	(13,777)	(29,636)	(84,172)	(8,545)	(13,496)	(53,605)	7,454	(61,186)	32,058	(1,587)
<b>Total District-Wide Net Expense</b>	<b>\$ (7,211,735)</b>	<b>\$ (7,657,869)</b>	<b>\$ (8,564,142)</b>	<b>\$ (8,271,000)</b>	<b>\$ (9,024,497)</b>	<b>\$ (9,043,317)</b>	<b>\$ (9,320,316)</b>	<b>\$ (9,315,624)</b>	<b>\$ (10,200,297)</b>	<b>\$ (10,459,570)</b>
<b>General Revenues and Other Changes in Net Position</b>										
<b>Governmental Activities:</b>										
Property Taxes Levied for General Purposes, Net	\$ 7,023,122	\$ 7,340,882	\$ 8,089,997	\$ 8,345,824	\$ 8,512,609	\$ 8,666,893	\$ 8,811,890	\$ 9,075,073	\$ 9,336,672	\$ 9,523,405
Taxes Levied for Debt Service	311,022	327,760	65,853	554,962	395,046	363,241	428,719	443,850	706,637	708,106
Unrestricted Grants and Contributions	36,756	42,718	48,012	53,559	72,466	54,705	53,120	37,412	62,963	63,094
Investment Earnings	2,736	3,010	3,408	3,127	4,724	7,927	10,352	6,285	2	116
Miscellaneous Income	144,445	196,540	58,484	102,455	128,953	50,883	186,087	91,515	280,672	608,392
Adjustments to Capital Assets										
Proceeds of Long-Term Debt				105,000						
Transfers					(50,000)	(50,000)	(50,000)			
<b>Total Governmental Activities</b>	<b>7,518,081</b>	<b>7,910,910</b>	<b>8,265,754</b>	<b>9,164,927</b>	<b>9,063,797</b>	<b>9,093,649</b>	<b>9,440,168</b>	<b>9,654,136</b>	<b>10,386,946</b>	<b>10,903,113</b>
<b>Business-Type Activities:</b>										
Investment Earnings	88	139	198	98	257	435	456	99	4	3
Miscellaneous Income					50,000	50,000	50,000		14,170	
Transfers					50,257	50,435	50,456	99	14,174	3
<b>Total Business-Type Activities</b>	<b>\$ 7,518,169</b>	<b>\$ 7,911,049</b>	<b>\$ 8,265,952</b>	<b>\$ 9,165,025</b>	<b>\$ 9,114,054</b>	<b>\$ 9,144,084</b>	<b>\$ 9,490,624</b>	<b>\$ 9,654,235</b>	<b>\$ 10,401,120</b>	<b>\$ 10,903,116</b>
<b>Total District-Wide</b>										
Change in Net Position	320,123	282,677	(214,216)	902,472	52,796	103,937	112,399	399,698	154,591	445,130
Governmental Activities	(13,689)	(29,497)	(83,974)	(8,447)	36,761	(3,170)	57,910	(61,087)	46,232	(1,584)
Business-Type Activities	\$ 306,434	\$ 253,180	\$ (298,190)	\$ 894,025	\$ 89,557	\$ 100,767	\$ 170,309	\$ 338,611	\$ 200,823	\$ 443,546

Source: School District Financial Reports

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
FUND BALANCES - GOVERNMENTAL FUNDS  
LAST TEN FISCAL YEARS  
UNAUDITED  
*(modified accrual basis of accounting)*

	June 30,									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>General Fund</b>										
Restricted	\$ 74,051	\$ 237,224	\$ 163,175	\$ 497,893	\$ 549,775	\$ 564,484	\$ 423,504	\$ 531,988	\$ 382,997	\$ 286,948
Assigned	216,028	203,352	266,071	290,777	173,221	118,295	68,458	53,000	181,481	161,892
Unassigned	217,809	215,170	189,111	218,650	211,064	235,785	215,885	217,264	180,366	253,874
<b>Total General Fund</b>	<b>\$ 507,888</b>	<b>\$ 655,746</b>	<b>\$ 618,357</b>	<b>\$ 1,007,320</b>	<b>\$ 934,060</b>	<b>\$ 918,564</b>	<b>\$ 707,847</b>	<b>\$ 802,252</b>	<b>\$ 744,844</b>	<b>\$ 702,714</b>
<b>All Other Governmental Funds</b>										
Restricted	\$ 7,353	\$ 7,353		\$ 52,067	\$ 52,067			\$ 66,627	\$ 48,883	\$ 44,019
Assigned										
<b>Total All Other Governmental Funds</b>	<b>\$ 7,353</b>	<b>\$ 7,353</b>	<b>\$ -0-</b>	<b>\$ 52,067</b>	<b>\$ 52,067</b>	<b>\$ -0-</b>	<b>\$ -0-</b>	<b>\$ 66,627</b>	<b>\$ 48,883</b>	<b>\$ 44,019</b>
<b>Total Governmental Funds:</b>										
Restricted	\$ 74,051	\$ 237,224	\$ 163,175	\$ 549,960	\$ 601,842	\$ 564,484	\$ 423,504	\$ 598,615	\$ 431,880	\$ 330,967
Assigned	223,381	210,705	266,071	290,777	173,221	118,295	68,458	53,000	181,481	161,892
Unassigned	217,809	215,170	189,111	218,650	211,064	235,785	215,885	217,264	180,366	253,874
<b>Total Governmental Funds</b>	<b>\$ 515,241</b>	<b>\$ 663,099</b>	<b>\$ 618,357</b>	<b>\$ 1,059,387</b>	<b>\$ 986,127</b>	<b>\$ 918,564</b>	<b>\$ 707,847</b>	<b>\$ 868,879</b>	<b>\$ 793,727</b>	<b>\$ 746,733</b>

Source: School District Financial Reports

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS  
LAST TEN FISCAL YEARS  
UNAUDITED  
(modified accrual basis of accounting)

	Fiscal Year Ending June 30,									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>Revenues</b>										
Tax Levy	\$ 7,764,253	\$ 8,084,412	\$ 8,565,136	\$ 9,093,734	\$ 9,207,135	\$ 9,324,611	\$ 9,510,217	\$ 9,775,467	\$ 10,043,309	\$ 10,231,511
Tuition Charges	355,256	247,395	165,894	215,540	84,948	65,612	14,760	62,974	78,723	185,563
Transportation Fees	108,136	95,705	101,538	87,568	66,261	75,768	57,085	217,824	384,788	384,788
Rents and Royalties									9,349	1,325
Restricted Miscellaneous Revenues	147,183	199,550	61,892	105,582	152,713	59,305	196,603	97,800	271,321	45,530
Unrestricted Miscellaneous Revenues	1,148,401	1,066,476	1,021,244	1,058,077	1,077,370	1,448,322	1,547,626	1,703,835	1,994,676	2,463,712
State Sources	464,914	273,499	154,444	136,348	169,368	165,599	183,266	199,377	276,199	746,505
Federal Sources	9,988,142	9,967,037	10,070,148	10,696,849	10,757,794	11,139,217	11,509,557	12,057,277	12,753,696	14,276,472
<b>Total Revenue</b>										
Expenditures:										
Instruction:										
Regular Instruction	1,730,386	1,895,567	1,742,486	1,778,728	1,944,333	2,172,355	2,210,020	2,294,592	2,597,989	3,068,240
Special Education Instruction	626,646	549,663	678,835	616,800	489,385	602,118	445,373	545,283	693,358	726,251
Other Special Instruction									34,037	60,652
Other Instruction	116,679	110,009	66,137	73,653	63,558	68,203	90,320	87,306	70,754	112,335
Support Services:										
Tuition	1,827,662	1,966,282	2,838,921	2,881,678	2,852,171	2,614,756	2,596,940	2,668,966	2,769,239	2,579,406
Student & Instruction Related Services	1,005,348	912,470	724,673	683,149	736,365	781,018	808,071	802,732	769,998	832,222
General And Business Administrative Services	304,868	307,398	350,194	370,722	367,961	351,879	394,441	430,328	277,427	277,427
School Administrative Services	247,697	206,796	220,446	230,125	249,145	260,423	331,238	264,292	311,954	270,794
Central Services									165,850	193,427
Plant Operations And Maintenance	720,260	795,786	729,007	651,735	792,099	758,766	740,218	739,693	800,612	982,159
Pupil Transportation	692,251	725,342	795,870	745,652	835,149	759,838	806,013	861,338	792,050	1,040,521
Allocated and Unallocated Benefits	1,631,167	1,538,957	1,442,129	1,447,358	1,521,103	1,895,726	2,196,917	2,392,281	2,722,793	3,235,175
Debt Service:										
Principal	308,415	325,004	65,000	480,000	390,000	410,000	425,000	440,000	460,000	480,000
Interest And Other Charges	475,077	461,088	452,475	282,483	371,050	353,750	335,550	322,800	309,600	291,200
Capital Outlay	255,666	24,816	8,717	609,036	168,735	107,720	250,185	220,067	378,251	221,334
Charter Schools						20,230	39,988			
<b>Total Expenditures</b>	9,942,121	9,819,178	10,114,890	10,851,119	10,781,054	11,156,781	11,670,273	12,069,678	13,153,848	14,371,143
Excess/(Deficiency) Of Revenues Over/(Under) Expenditures	46,021	147,858	(44,742)	(154,271)	(23,260)	(17,563)	(160,716)	(12,401)	(400,152)	(94,671)
Other Financing Sources (Uses)				595,301	(50,000)	(50,000)	(50,000)	96,000	325,000	47,677
Financed Purchases (Non-Budgeted) Transfers Out				595,301	(50,000)	(50,000)	(50,000)	96,000	325,000	47,677
<b>Total Other Financing Sources (Uses)</b>				595,301	(50,000)	(50,000)	(50,000)	96,000	325,000	47,677
<b>Net Change In Fund Balances</b>	\$ 46,021	\$ 147,858	\$ (44,742)	\$ 441,030	\$ (73,260)	\$ (67,563)	\$ (210,716)	\$ 83,599	\$ (75,152)	\$ (46,994)
Debt Service As A Percentage Of Noncapital Expenditures	8.09%	8.03%	5.12%	7.44%	7.17%	6.91%	6.66%	6.44%	6.00%	5.43%

Source: School District Financial Reports

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
GENERAL FUND - OTHER LOCAL REVENUE BY SOURCE  
LAST TEN FISCAL YEARS  
UNAUDITED  
*(modified accrual basis of accounting)*

Fiscal Year Ending June 30,	Interest on Investments	Tuition	Prior Year Refunds	Other	Total
2013	\$ 2,736	\$ 355,256		\$ 252,582	\$ 610,574
2014	3,010	247,395		292,245	542,650
2015	3,408	165,894		160,022	329,324
2016	3,127	215,540	\$ 43,335	148,122	410,124
2017	4,724	87,448	29,485	165,898	287,555
2018	7,927	65,612	14,810	112,866	201,215
2019	10,352	14,760	33,274	209,898	268,284
2020	6,285	62,974	8,649	300,690	378,598
2021	231	78,723	1,032	279,409	359,395
2022	116	185,563	3,594	604,798	794,071

Source: Allamuchy Township School District records

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY,  
LAST TEN YEARS  
UNAUDITED

Year Ended Dec. 31,	Vacant Land		Residential		Farm		Commercial		Apartment		Total Assessed Value		Public Utilities <sup>a</sup>		Net Valuation Taxable		Total Direct School Tax Rate <sup>b</sup>		Estimated Actual (County Equalized Value)	
2012	\$ 10,071,600	\$ 521,530,400	\$ 22,779,635	\$ 15,892,800							\$ 570,274,435	\$ 1,254,168	\$ 571,528,603	\$ 1.339	\$ 619,696,239					
2013	11,114,700	476,465,300	21,945,700	24,309,500							533,835,200	1,276,451	535,111,651	1.485	562,515,326					
2014	10,325,300	479,465,200	22,054,500	19,604,700							531,449,700	906,575	532,356,275	1.526	575,790,232					
2015	6,991,900	492,125,700	22,373,000	18,971,700							540,462,300		540,462,300	1.609	584,260,244					
2016	7,160,000	501,673,600	22,372,200	18,041,700							549,247,500		549,247,500	1.664	602,220,217					
2017	5,230,900	511,499,900	22,310,700	18,225,700							557,267,200		557,267,200	1.664	614,775,390					
2018	5,359,200	521,386,900	22,511,400	13,722,900	\$ 4,337,800						567,318,200		567,318,200	1.676	628,189,791					
2019	7,407,400	527,255,300	22,551,500	13,887,900	4,337,800						575,439,900		575,439,900	1.699	654,727,387					
2020	5,216,600	540,280,500	22,564,700	13,802,600	4,337,800						586,202,200		586,202,200	1.689	694,305,579					
2021	2,598,000	553,041,700	22,117,300	13,802,600	4,337,800						595,897,400		595,897,400	1.696	763,011,808					

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

- a Taxable Value of Machinery, Implements and Equipment of Telephone, Telegraph and Messenger System Companies.
- b Tax rates are per \$100 of assessed valuation.

Source: Municipal Tax Assessor



ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
DIRECT AND OVERLAPPING PROPERTY TAX RATES  
LAST TEN YEARS  
UNAUDITED  
*(rate per \$100 of assessed value)*

Year Ended December 31,	Allamuchy Township School District			Overlapping Rates		Total Direct and Overlapping Tax Rate
	Direct Rate					
	Basic Rate <sup>a</sup>	Debt Service <sup>b</sup>	Total Direct	Allamuchy Township	Warren County	
2012	\$ 1.20	\$ 0.14	\$ 1.34	\$ 0.34	\$ 0.72	\$ 2.40
2013	1.34	0.15	1.49	0.48	0.65	2.62
2014	1.38	0.15	1.53	0.45	0.77	2.75
2015	1.51	0.10	1.61	0.43	0.84	2.87
2016	1.53	0.14	1.66	0.43	0.83	2.91
2017	1.53	0.14	1.66	0.43	0.84	2.94
2018	1.54	0.14	1.68	0.43	0.85	2.96
2019	1.57	0.13	1.70	0.45	0.82	2.96
2020	1.57	0.12	1.69	0.45	0.82	2.95
2021	1.58	0.12	1.70	0.45	0.83	2.97

Note: NJSA 18A:7F-5d limits the amount that the district can submit for a general fund tax levy. The levy when added to other components of the district's net budget may not exceed the prebudget year net budget by more than the spending growth limitation calculation.

- a The District's basic tax rate is calculated from the A4F form which is submitted with the budget and the Net Valuation Taxable.
- b Rates for debt service are based on each year's requirements.

Source: Municipal Tax Collector and School Business Administrator

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
PRINCIPAL PROPERTY TAXPAYERS  
CURRENT YEAR AND NINE YEARS AGO  
UNAUDITED

	2021			2012		
Taxpayer	Taxable Assessed Value	% of Total District Net Assessed Value	Taxpayer	Taxable Assessed Value	% of Total District Net Assessed Value	
Baker Residential Ltd. Partnership	\$ 6,647,800	1.12%	EMS Partnership LLC	\$ 7,185,300	1.26%	
Colonial Manor at Panther Valley LLC	4,337,800	0.73%	Baker Residential	6,903,600	1.21%	
Allamuchy Mall Partners LLC	4,049,000	0.68%	Allamuchy Mall Partners LLC	4,500,000	0.79%	
EMS Partnership LLC	2,700,000	0.45%	Colonial Manor at Partners LLC	4,337,800	0.76%	
Van Vugt	2,140,200	0.36%	Bowers Glen, Inc.	2,013,400	0.35%	
13 Old Farm LLC	1,817,500	0.31%	Individual Taxpayer 1	1,253,170	0.22%	
Allamuchy Corp Center	1,420,000	0.24%	Individual Taxpayer 2	1,214,000	0.21%	
Individual Taxpayer 1	1,311,100	0.22%	Allamuchy Land Development	1,186,800	0.21%	
Allamuchy Land Development	1,189,500	0.20%	Individual Taxpayer 3	1,146,600	0.20%	
Individual Taxpayer 2	1,146,600	0.19%	Verizon	906,575	0.16%	
<b>Total</b>	<b>\$ 26,759,500</b>	<b>4.49%</b>		<b>\$ 30,647,245</b>	<b>5.36%</b>	

Source: Allamuchy Municipal Tax Assessor

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN FISCAL YEARS  
UNAUDITED

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy <sup>a</sup>		Collections in Subsequent Years
		Amount	Percentage of Levy	
2013	\$ 7,764,253	\$ 7,764,253	100.00%	\$ -0-
2014	8,084,412	8,084,412	100.00%	-0-
2015	8,565,136	8,565,136	100.00%	-0-
2016	9,093,734	9,093,734	100.00%	-0-
2017	9,207,135	9,207,135	100.00%	-0-
2018	9,324,611	9,324,611	100.00%	-0-
2019	9,510,217	9,510,217	100.00%	-0-
2020	9,775,467	9,775,467	100.00%	-0-
2021	10,043,309	10,043,309	100.00%	-0-
2022	10,231,511	10,231,511	100.00%	-0-

<sup>a</sup> 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: Allmuchy Township School District records, including the Certificate and Report of Report of School Taxes (A4F form).

ALLAMUCHY TOWNSHIP 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 <sup>a</sup>	Per Capita <sup>a</sup>
	General Obligation Bonds	Certificates of		Financed Purchases	Bond Anticipation Notes (BANs)				
		Participation	Participation		Anticipation	Notes (BANs)			
2013	\$ 10,120,000	\$ 260,004	\$ 406,127	\$ -0-	\$ 10,786,131	\$ 2,394.26	5.07%	\$ 2,394.26	
2014	10,055,000	-0-	299,410	-0-	10,354,410	2,296.39	4.87%	2,296.39	
2015	9,990,000	-0-	206,834	-0-	10,196,834	2,243.03	4.66%	2,243.03	
2016	9,405,000	-0-	700,942	-0-	10,105,942	2,209.43	4.42%	2,209.43	
2017	9,015,000	-0-	604,191	-0-	9,619,191	2,089.31	4.03%	2,089.31	
2018	8,605,000	-0-	505,411	-0-	9,110,411	1,965.99	3.65%	1,965.99	
2019	8,180,000	-0-	430,081	-0-	8,610,081	1,841.73	3.33%	1,841.73	
2020	7,740,000	-0-	432,494	-0-	8,172,494	1,720.16	3.07%	1,720.16	
2021	7,280,000	-0-	715,548	-0-	7,995,548	1,474.38	2.44%	1,474.38	
2022	6,800,000	-0-	543,439	-0-	7,343,439	1,354.13	2.24%	1,354.13	

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

a See Exhibit J-14 for personal income and population data.  
 These ratios are calculated using personal income and population for the prior calendar year.

ALLAMUCHY TOWNSHIP 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 Actual Taxable Net Valuation <sup>a</sup>  Taxable	Per Capita <sup>b</sup>
	General Obligation	Deductions	Net General Bonded Debt Outstanding		
	Bonds				
2013	\$ 10,120,000	\$ -0-	\$ 10,120,000	1.77%	\$ 2,246.39
2014	10,055,000	-0-	10,055,000	1.88%	2,229.98
2015	9,990,000	-0-	9,990,000	1.88%	2,197.54
2016	9,405,000	-0-	9,405,000	1.74%	2,056.19
2017	9,015,000	-0-	9,015,000	1.64%	1,958.08
2018	8,605,000	-0-	8,605,000	1.54%	1,856.93
2019	8,180,000	-0-	8,180,000	1.44%	1,749.73
2020	7,740,000	-0-	7,740,000	1.35%	1,629.13
2021	7,280,000	-0-	7,280,000	1.24%	1,342.43
2022	6,800,000	-0-	6,800,000	1.14%	1,253.92

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

- a See Exhibit J-6 for property tax data. This ratio is calculated using valuation data for the prior calendar year.
- b See Exhibit J-14 for population data. This ratio is calculated using population for the prior calendar year.

Source: School District Financial Reports.

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
RATIOS OF OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT  
UNAUDITED  
AS OF DECEMBER 31, 2021

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable <sup>a</sup></u>	<u>Estimated Share of Overlapping Debt</u>
Debt Repaid With Property Taxes:			
Allamuchy Township	\$ 8,227,792	100.00%	\$ 8,227,792
Warren County General Obligation Debt	13,271,614	6.719%	<u>891,778</u>
Subtotal, Overlapping Debt			9,119,571
Township of Allamuchy School District			<u>7,280,000</u>
Total Direct And Overlapping Debt			<u><u>\$ 16,399,571</u></u>

Sources: Assessed value data used to estimate applicable percentages provided by the Township of Allamuchy Chief Financial Officer and Warren County Treasurer's Office; debt outstanding data provided by each governmental unit.

Note:

Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the District. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of Allamuchy. This process recognizes that, when considering the District's ability to issue and repay long-term, the entire debt burden borne by the residents and businesses should be taken into account. However this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping unit.

<sup>a</sup> For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using taxable equalized property values. Applicable percentages were estimated by determining the portion of another governmental unit's equalized property value that is within the District's boundaries and dividing it by each unit's total equalized property value.

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
LEGAL DEBT MARGIN INFORMATION  
LAST TEN FISCAL YEARS  
UNAUDITED

Legal Debt Margin Calculation for Fiscal Year 2022

Year Ended December 31,	Equalized Valuation Basis
2019	\$ 668,339,024
2020	694,305,579
2021	754,369,425
	<u>\$ 2,117,014,028</u>
Average Equalized Valuation of Taxable Property	<u>\$ 705,671,343</u>
Debt Limit (3% of Average Equalization Value) <sup>a</sup>	\$ 21,170,140
Net Bonded School Debt	<u>6,800,000</u>
Legal Debt Margin	<u>\$ 14,370,140</u>

	Fiscal Year				
	2013	2014	2015	2016	2017
Debt Limit	\$ 18,443,697	\$ 17,813,349	\$ 17,338,688	\$ 17,430,494	\$ 17,746,919
Total Net Debt Applicable to Limit	<u>10,120,000</u>	<u>10,055,000</u>	<u>10,085,000</u>	<u>9,990,000</u>	<u>9,015,000</u>
Legal Debt Margin	<u>\$ 8,323,697</u>	<u>\$ 7,758,349</u>	<u>\$ 7,253,688</u>	<u>\$ 7,440,494</u>	<u>\$ 8,731,919</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	54.87%	56.45%	58.16%	57.31%	50.80%

	Fiscal Year				
	2018	2019	2020	2021	2022
Debt Limit	\$ 18,125,596	\$ 18,670,123	\$ 19,309,857	\$ 19,832,027	\$ 21,170,140
Total Net Debt Applicable to Limit	<u>8,605,000</u>	<u>8,180,000</u>	<u>7,740,000</u>	<u>7,280,000</u>	<u>6,800,000</u>
Legal Debt Margin	<u>\$ 9,520,596</u>	<u>\$ 10,490,123</u>	<u>\$ 11,569,857</u>	<u>\$ 12,552,027</u>	<u>\$ 14,370,140</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	47.47%	43.81%	40.08%	36.71%	32.12%

a - Limit set by NJSA 18A:24-19 for a K through 12 district; other % limits would be applicable for other districts.

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

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
DEMOGRAPHIC AND ECONOMIC STATISTICS  
LAST TEN FISCAL YEARS  
UNAUDITED

<u>Year</u>	<u>Population<sup>a</sup></u>	<u>Warren County Per Capita Personal Income<sup>c</sup></u>	<u>Personal Income (thousands of dollars)<sup>b</sup></u>	<u>Unemployment Rate<sup>d</sup></u>
2013	4,505	\$ 47,233	\$ 212,784,665	8.70%
2014	4,509	48,887	220,431,483	5.20%
2015	4,546	50,704	230,500,384	5.20%
2016	4,574	51,503	235,574,722	4.00%
2017	4,604	53,149	244,697,996	3.80%
2018	4,634	54,973	254,744,882	3.40%
2019	4,675	56,956	266,269,300	3.00%
2020	4,751	60,525	287,554,275	8.30%
2021	5,423	60,525 *	328,227,075 ***	4.70%
2022	5,423 **	60,525 *	328,227,075 ***	N/A

\* - Latest Warren County per capita personal income available (2020) was used for calculation purposes.

\*\* - Latest population data available (2021) was used for calculation purposes.

\*\*\* - Latest per capita personal income available (2020) and latest population data available (2021) was used for calculation purposes.

N/A - Information Not Available for this year

Sources:

- a Population information provided by the NJ Dept of Labor and Workforce Development
- b Personal income has been estimated based upon the municipal population and per capita personal income presented.
- c Per capita personal income by municipality estimated based upon the 2000 Census published by the US Bureau of Economic Analysis.
- d Unemployment data provided by the NJ Dept of Labor and Workforce Development.



ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
PRINCIPAL EMPLOYERS, COUNTY OF WARREN  
CURRENT YEAR AND NINE YEARS AGO  
UNAUDITED

	2021		
Employer	Employees	Rank	Percentage of Total Employment

INFORMATION IS NOT AVAILABLE

	2012		
Employer	Employees	Rank (Optional)	Percentage of Total Employment
Mars Snack Foods	1,000	1	1.84%
Warren Hospital	1,000	2	1.84%
Hackettstown Regional Medical Center	900	3	1.65%
Warren County	766	4	1.41%
Phillipsburg Board of Education	630	5	1.16%
Mallinckrodt/Baker, Inc.	483	6	0.89%
Genesis Health Center	425	7	0.78%
ShopRite of Greenwich	407	8	0.75%
Wal-Mart Stores, Inc.	363	9	0.67%
Centenary University	350	10	0.64%
	6,324		11.62%
Total Employment	54,424		

Source: New Jersey Department of Labor

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM,  
LAST TEN FISCAL YEARS  
UNAUDITED

<u>Function/Program</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
<b>Instruction:</b>										
Regular	27.0	26.5	29.2	26.5	27.9	38.5	30.5	31.5	32.0	29.0
Special Education	9.0	8.1	8.9	8.1	6.9	3.5	3.5	3.8	4.0	6.0
Other Special Education	6.0	6.4	6.0	6.4	5.0	10.5	7.5	9.5	12.0	13.0
<b>Support Services:</b>										
Student & Instruction Related Services	7.8	9.0	11.0	9.0	20.3	15.3	13.5	13.8	9.5	7.0
School Administrative Services	2.5	5.6	4.5	5.6	5.0	4.5	4.5	4.0	4.5	6.0
General Administrative Services	3.3	2.6	1.6	2.6	1.6	1.4	1.4	1.4	1.4	2.0
Plant Operations and Maintenance	7.5	5.7	5.7	5.7	5.4	4.0	4.0	5.0	6.0	7.5
Pupil Transportation	10.6	11.5	11.0	11.5	11.0	10.6	10.6	10.6	12.6	13.0
<b>Total</b>	<b>73.7</b>	<b>75.4</b>	<b>77.9</b>	<b>75.4</b>	<b>83.1</b>	<b>88.3</b>	<b>75.5</b>	<b>79.6</b>	<b>82.0</b>	<b>83.5</b>

Source: Allamuchy Township School District personnel records.

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
OPERATING STATISTICS,  
LAST TEN FISCAL YEARS  
UNAUDITED

Fiscal Year	Enrollment	Operating Expenditures <sup>a</sup>	Cost Per Pupil <sup>d</sup>	Percentage Change	Teaching Staff <sup>b</sup>	Pupil/Teacher Ratio Elementary	Average Daily		% Change in Average Daily Enrollment	Student Attendance Percentage
							Enrollment (ADE) <sup>c</sup>	Attendance (ADA) <sup>c</sup>		
2013	439	\$ 8,902,963	\$ 20,280	4.90%	42	10.1	426.0	444.7	0.47%	104.39%
2014	444	9,008,270	20,289	0.04%	42	10.7	447.3	427.9	5.00%	95.66%
2015	433	9,588,697	22,145	9.15%	43	10.1	433.7	410.8	-3.04%	94.72%
2016	423	9,479,600	22,410	1.20%	44	9.6	423.8	409.8	-2.28%	96.70%
2017	412	9,851,269	23,911	6.70%	40	10.3	413.9	394.9	-2.34%	95.41%
2018	425	10,285,311	24,201	1.21%	38	11.0	418.4	401.4	1.09%	95.94%
2019	431	10,659,539	24,732	2.20%	42	10.3	434.3	416.1	3.80%	95.81%
2020	431	11,086,811	25,723	4.01%	45	9.5	428.2	415.6	-1.40%	97.06%
2021	423	12,005,997	28,383	10.34%	48	8.7	418.9	404.7	-2.17%	96.61%
2022	424	13,378,609	31,553	11.17%	48	8.8	421.6	397.9	0.64%	94.38%

Note: Enrollment based on annual October district count.

- a Operating expenditures equal total expenditures less debt service and capital outlay.
- b Teaching staff includes only full-time equivalents of certificated staff.
- c Average daily enrollment and average daily attendance are obtained from the School Register Summary (SRS).
- d The Cost Per Pupil calculated above is the sum of the operating expenditures divided by enrollment.  
This Cost Per Pupil may be different from other Cost Per Pupil Calculations.

Source: Allamuchy Township School District records.

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
SCHOOL BUILDING INFORMATION  
LAST TEN FISCAL YEARS  
UNAUDITED

<u>District Building</u>	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Allamuchy Elementary School										
Square Feet	56,879	56,879	56,879	56,879	56,879	56,879	56,879	56,879	56,879	56,879
Capacity (Students)	398	398	398	398	398	398	398	398	398	398
Enrollment	330	340	350	272	276	275	276	282	287	288
Mountain Villa School										
Square Feet	27,260	27,260	27,260	27,260	27,260	27,260	27,260	27,260	27,260	27,260
Capacity (Students)	180	180	180	180	180	180	180	180	180	180
Enrollment	94	107	99	150	136	151	155	149	136	136

Number of Schools at June 30, 2022:

Elementary = 2

Note: Enrollment is based on the annual October District count.

Source: Allamuchy Township School District Facilities Office.

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
 SCHEDULE OF REQUIRED MAINTENANCE FOR SCHOOL FACILITIES  
 LAST TEN FISCAL YEARS  
UNAUDITED

Undistributed Expenditures:  
 Required Maintenance for School Facilities  
 11-000-261-XXXX

School Facilities *	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Allamuchy Elementary School	\$ 113,923	\$ 127,983	\$ 116,773	\$ 125,406	\$ 209,679	\$ 173,086	\$ 137,400	\$ 103,468	\$ 82,013	\$ 200,479
Mountain Villa School	26,904	60,999	50,748	35,110	71,448	56,536	46,819	35,257	27,225	96,082
	<u>\$ 140,827</u>	<u>\$ 188,982</u>	<u>\$ 167,521</u>	<u>\$ 160,516</u>	<u>\$ 281,127</u>	<u>\$ 229,622</u>	<u>\$ 184,219</u>	<u>\$ 138,725</u>	<u>\$ 109,238</u>	<u>\$ 296,561</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: Allamuchy Township School District records.

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
INSURANCE SCHEDULE  
JUNE 30, 2022  
UNAUDITED

	<u>Coverage</u>	<u>Deductible</u>
School Alliance Insurance Fund (SAIF):		
School Package Policy:		
Building & Personal Property	\$ 29,909,900 Per Occurrence	\$ 5,000
General Liability including Auto, Employee Benefits:	11,000,000 Per Occurrence	1,000
Workers Compensation	3,600,293 Per Occurrence	N/A
Equipment Breakdown	100,000,000	5,000
Valuable Papers	10,000,000	5,000
Extra Expense	50,000,000 Per Occurrence	5,000
Underground Storage Tanks	1,000,000 Per Occurrence	10,000
Crime & Bonds		
Faithful Performance	1,000,000	1,000
Forgery & Alteration	100,000	1,000
Money & Securities	100,000	500
Money Orders/Counterfit	100,000	500
Computer Fraud	250,000	1,000
Crime- Blanket Employee Dishonesty	1,000,000	1,000
Per Loss member aggregate limit	400,000	N/A
Environmental Impairment Liability	1,000,000 Various	N/A
Non-SAIF Coverages:		
Employee Dishonesty	305,000	N/A
Student Accident Insurance	1,000,000	N/A
Bond for Board Secretary/School Business Administrator	180,000	N/A

Source: Allamuchy Township School District records.

SINGLE AUDIT SECTION

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 Auditors' Report

The Honorable President and Members of  
the Board of Education  
Allamuchy Township School District  
County of Warren, New Jersey

We have audited, in accordance with the 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 the audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey (the "Department"), the financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the Board of Education of the Allamuchy Township School District, in the County of Warren (the "District") as of and for the fiscal year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated January 5, 2023. That report included a qualified opinion on the financial statements as the District's note disclosure on postemployment benefits other than pensions (OPEB) contains the June 30, 2020 information and not the June 30, 2021 information as the report for Governmental Accounting Standards Board ("GASB") Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, for the State of New Jersey State Health Benefits Local Education Retired Employees Plan ("SHBP") has not been released by the Division of Pensions and Benefits, Department of the Treasury, State of New Jersey, as of the date of this report. In our opinion, disclosure of this information is required by accounting principles generally accepted in the United States of America.

**Report on Internal Control Over Financial Reporting**

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

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the District'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.



The Honorable President and Members of  
the Board of Education  
Allamuchy Township School District  
Page 2

Our consideration of the 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 District’s financial statements are free of 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*.

**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 result of that testing, and not to provide an opinion on the effectiveness of the District’s internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District’s internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

January 5, 2023  
Mount Arlington, New Jersey

*Nisiroccia LLP*  
NISIVOCCIA LLP

*John J. Mooney*  
\_\_\_\_\_  
John J. Mooney  
Licensed Public School Accountant #2602  
Certified Public Accountant

Report on Compliance for Each Major Federal and State Program;  
Report on Internal Control Over Compliance

Independent Auditors' Report

The Honorable President and Members of  
the Board of Education  
Allamuchy Township School District  
County of Warren, New Jersey

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

We have audited the Board of Education of the Allamuchy Township School District's (the "District's") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and the *New Jersey State Aid/ Grant Compliance Supplement* that could have a direct and material effect on each of the District's major federal and state programs for the fiscal year ended June 30, 2022. The District's major federal and state programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the District 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, 2022.

***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 (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); 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 New Jersey's OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid*. Our responsibilities under those standards, the Uniform Guidance and New Jersey's OMB Circular 15-08 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 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 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 District's federal and state programs.

### ***Auditors' 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 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 GAAS, *Government Auditing Standards*, the Uniform Guidance and New Jersey's OMB Circular 15-08 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 judgment made by a reasonable user of the report on compliance about the District's compliance with the requirements of each major federal and state program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, the Uniform Guidance and New Jersey's OMB Circular 15-08, 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 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 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 New Jersey's OMB Circular 15-08, but not for the purpose of expressing an opinion on the effectiveness of the 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.

### **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 or state program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal or state program will not be prevented, or detected and corrected, on a timely basis.

The Honorable President and Members of  
the Board of Education  
Allamuchy Township School District  
Page 3

*A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal or state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the 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 or New Jersey's OMB Circular 15-08. Accordingly, this report is not suitable for any other purpose.

January 5, 2023  
Mount Arlington, New Jersey

*Nisivoccia LLP*  
NISIVOCCIA LLP

*John J. Mooney*  
\_\_\_\_\_  
John J. Mooney  
Licensed Public School Accountant #2602  
Certified Public Accountant

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Federal Grantor/Pass Through Grantor/Program Title/Cluster Title	Assistance Listing Number	Grant or State Project Number	Grant Period	Award Amount	Balance Unearned Revenue/ (Accounts Receivable) 6/30/2021	Cash Received	Budgetary Expenditures	Adjustments	Balance 6/30/2022 Accounts Receivable	Unearned Revenue	Due to Grantor 6/30/2022	Amount Paid to Subrecipients
<b>Enterprise Fund</b>												
U.S. Department of Agriculture												
Passed-through State Department of Agriculture												
Child Nutrition Cluster:												
Federal Food Distribution Program:												
Federal Food Distribution Program:	10.555	N/A	7/1/21-6/30/22	\$ 14,087	\$ 14,087	\$ (13,315)			\$ 772			
COVID 19 - Seamless Summer Option - Lunch	10.555	N/A	7/1/20-6/30/21	11,039	417	(417)						
COVID 19 - Seamless Summer Option - Lunch	10.555	N/A	7/1/21-6/30/22	195,938		(195,938)						
COVID 19 - Emergency Operational Reimbursement Program	10.555	N/A	7/1/20-6/30/21	176,630	(12,229)	12,229	(838)					
Total Child Nutrition Cluster	10.555	N/A	7/1/21-6/30/22	838	(11,812)	210,422	(210,508)		(12,670)	772		
COVID 19 - Pandemic EBT Food Benefits	10.649	N/A	7/1/21-6/30/22	1,242		1,242	(1,242)					
Total Enterprise Fund					(11,812)	211,664	(211,750)		(12,670)	772		
<b>Passed-through State Department of Education</b>												
Special Revenue Fund												
U.S. Department of Education												
Passed-through State Department of Education												
Elementary and Secondary Education Act Consolidated Grant												
Title I	84.010	ESEA003022	7/1/21-9/30/22	26,089		26,089	(26,029)		(719)	60		
Title I	84.010	ESEA003021	7/1/20-9/30/21	29,914	(8,228)	7,509			(595)			
Title I	84.010	ESEA003020	7/1/19-9/30/20	37,200	(595)	37,200					\$ 39	
Title I	84.010	ESEA003016	7/1/15-6/30/16	16,156	39						39	
Total Title I					(8,784)	33,598	(26,029)		(1,314)	60		
Title IIA	84.367	ESEA003022	7/1/21-9/30/22	6,997		6,997	(6,997)					
Title IIA	84.367	ESEA003021	7/1/20-9/30/21	7,287	40	6,997	(6,997)				40	
Total Title IIA					40	6,997	(6,997)				40	
Title IV	84.424	ESEA003022	7/1/21-9/30/22	10,000		10,000	(10,000)					
Title IV	84.424	ESEA003021	7/1/20-9/30/21	10,000	(3,026)	3,026						
Title IV	84.424	ESEA003020	7/1/19-9/30/20	14,659	5,731						5,731	
Total Title IV					2,705	13,026	(10,000)				5,731	
Rural School Achievement Program	84.358A	ESEA003021	7/1/21-9/30/22	41,755	(38,721)	41,438	(41,755)		(41,755)			
Rural School Achievement Program	84.358A	ESEA003021	7/1/20-9/30/21	41,438	(38,721)	41,438	(44,472)		(41,755)			
Total Rural School Achievement Program												
<b>Special Education Cluster</b>												
I.D.E.A. Part B, Basic												
I.D.E.A. Part B, Basic	84.027	IDEA-2030-22	7/1/21-9/30/22	94,984		94,984	(94,984)					
I.D.E.A. Part B, Basic	84.027	IDEA-2030-21	7/1/20-9/30/21	94,762	(14,271)	14,271		\$ 933			933	
COVID-19 - ARP - IDEA Basic	84.173X	IDEA-2030-22	7/1/21-9/30/22	18,489		18,489	(18,489)					
I.D.E.A. Part B, Preschool	84.173	IDEA-2030-22	7/1/21-9/30/22	5,566		5,566	(5,566)					
COVID-19 - ARP - IDEA Preschool	84.173X	IDEA-2030-22	7/1/21-9/30/22	1,578		1,578	(1,578)					
Total Special Education Cluster					(14,271)	134,888	(120,617)	933			933	
<b>Education Stabilization Fund</b>												
COVID-19 CARES - Emergency Relief Fund												
COVID-19 CARES - ESSER II	84.425D	N/A	3/13/20-9/30/22	25,229	859	83,057	(98,056)		(62,662)	859		
COVID-19 CARES - ESSER II	84.425D	N/A	3/13/20-9/30/23	98,056	(47,663)	12,250	(25,000)		(12,750)			
COVID-19 CARES - ESSER II	84.425D	N/A	3/13/20-9/30/23	25,000		45,000	(45,000)					
COVID-19 CARES - ESSER II	84.425D	N/A	3/13/20-9/30/23	45,000								

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Federal Grantor/Pass Through Grantor/Program Title/Cluster Title	Assistance Listing Number	Grant or State Project Number	Grant Period	Award Amount	Balance Unearned Revenue/(Accounts Receivable) 6/30/2021	Cash Received	Budgetary Expenditures	Adjustments	Accounts Receivable	Unearned Revenue	Due to Grantor 6/30/2022	Amount Paid to Subrecipients
ARP												
ESSER III	84.425U	N/A	3/13/20-9/30/24	\$ 220,375			\$ (192,541)		\$ (192,541)			
Accelerated Learning Coach and Educator Support	84.425U	N/A	3/13/20-9/30/24	50,000			(50,000)		(50,000)			
Evidence Based Summer Learning and Enrichment	84.425U	N/A	3/13/20-9/30/24	40,000			(1,785)		(1,785)			
Evidence Based Comprehensive Beyond the School Day	84.425U	N/A	3/13/20-9/30/24	40,000			(10,492)		(10,492)			
NJTSS Mental Health Support Staffing	84.425U	N/A	3/13/20-9/30/24	45,000			(45,000)		(45,000)			
Total Education Stabilization Fund					\$ (46,804)	\$ 140,307	(467,874)		(375,230)	\$ 859		
U.S. Department of Treasury Passed-through State Department of Education Covid-19 Additional or Compensatory Special Education and Related Service	21.027	N/A	7/1/21-6/30/22	69,300		34,650	(69,300)		(34,650)			
Total Special Revenue Fund/U.S. Department of Treasury					(105,835)	404,904	(745,289)	\$ 933	(452,949)	919	\$ 6,743	
Total Federal Awards					\$ (117,647)	\$ 616,568	\$ (957,039)	\$ 933	\$ (465,619)	\$ 1,691	\$ 6,743	\$ -0-

N/A: Not Available/Applicable

SEE ACCOMPANYING NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARD

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
SCHEDULE OF EXPENDITURES OF STATE AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Budgetary Balance Unearned Revenue/ (Accounts Receivable) 6/30/2021	Carryover/ (Walkover) Amount	Cash Received	Budgetary Expenditures	Balance 6/30/2022		Memo	
								GAAP (Accounts Receivable)	Budgetary Unearned Revenue	Budgetary Receivable	Cumulative Total Expenditures
<b>General Fund</b>											
NJ Department of Education:											
Transportation Aid	22-495-034-5120-014	7/1/21-6/30/22	\$ 277,862	\$ (277,862)	\$ 250,123	\$ (277,862)			\$ (27,739)	\$ 277,862	
Special Education Aid	22-495-034-5120-089	7/1/21-6/30/22	484,811	(484,811)	436,414	(484,811)			(48,397)	484,811	
Security Aid	22-495-034-5120-084	7/1/21-6/30/22	37,450	(37,450)	33,711	(37,450)			(3,739)	37,450	
Non-Public Transportation Aid	22-495-034-5120-014	7/1/21-6/30/22	11,890	(11,890)		(11,890)			(11,890)	11,890	
Extraordinary Aid	22-495-034-5120-044	7/1/21-6/30/22	78,624	(78,624)		(78,624)			(78,624)	78,624	
Securing Our Children's Future Bond Act	N/A	7/1/20-6/30/21	23,012	(23,012)		(23,012)			(23,012)		
Reimbursed TPAF Social Security Contributions	21-495-034-5095-003	7/1/20-6/30/21	238,432	(238,432)	227,564	(238,432)			(10,868)	238,432	
Transportation Aid	21-495-034-5120-014	7/1/20-6/30/21	277,862	(27,730)	27,730					277,862	
Special Education Aid	21-495-034-5120-089	7/1/20-6/30/21	369,852	(36,912)	36,912					369,852	
Security Aid	21-495-034-5120-084	7/1/20-6/30/21	37,450	(3,737)	3,737					37,450	
Non-Public Transportation Aid	21-495-034-5120-014	7/1/20-6/30/21	11,310	(11,310)		(11,310)				11,310	
Extraordinary Aid	21-495-034-5120-044	7/1/20-6/30/21	40,717	(40,717)	40,717					40,717	
On-Behalf TPAF Post Retirement Contribution	22-495-034-5094-001	7/1/21-6/30/22	242,913		242,913	(242,913)				242,913	
On-Behalf TPAF Pension Contribution	22-495-034-5094-002	7/1/21-6/30/22	1,025,225		1,025,225	(1,025,225)				1,025,225	
On-Behalf TPAF Non-Contributory Insurance	22-495-034-5094-004	7/1/21-6/30/22	14,464		14,464	(14,464)				14,464	
On-Behalf TPAF Long-Term Disability Insurance	22-495-034-5094-004	7/1/21-6/30/22	443		443	(443)				443	
<b>Total General Fund State Aid</b>				(143,418)	2,351,263	(2,412,114)		(124,394)	(204,269)	3,149,305	
<b>Debt Service Fund:</b>											
Debt Service Aid Type II	22-100-034-5120-124	7/1/21-6/30/22	63,094		63,094	(63,094)				63,094	
<b>Total Debt Service Aid</b>											
<b>Total NJ Department of Education</b>				(143,418)	2,414,357	(2,475,208)		(124,394)	(204,269)	3,212,399	
<b>Food Service Fund:</b>											
COVID 19 - Seamless Summer Option	22-100-010-3350-023	7/1/21-6/30/22	4,606		4,314	(4,606)			(292)	4,606	
COVID 19 - Seamless Summer Option	21-100-010-3350-023	7/1/20-6/30/21	8,792	(871)	871					8,792	
<b>Total NJ Department of Agriculture</b>				(871)	5,185	(4,606)		(292)	(292)	13,398	
<b>Total State Awards Subject to Single Audit Determination</b>				\$ (144,289)	\$ 2,419,542	\$ (2,479,814)		\$ (124,686)	\$ -0-	\$ 3,225,797	
<b>Less: State Awards Not Subject to Single Audit Major Program Determination</b>											
On-Behalf TPAF Pension System Contributions:											
On-Behalf TPAF Post Retirement Contributions	22-495-034-5094-001	7/1/21-6/30/22	(242,913)							\$ 242,913	
On-Behalf TPAF Pension Contributions	22-495-034-5094-002	7/1/21-6/30/22	(1,025,225)							1,025,225	
On-Behalf TPAF Non-Contributory Insurance	22-495-034-5094-004	7/1/21-6/30/22	(14,464)							14,464	
On-Behalf TPAF Long-Term Disability Insurance	22-495-034-5094-004	7/1/21-6/30/22	(443)							443	
<b>Subtotal - On-Behalf TPAF Pension System Contributions</b>										1,283,045	
<b>Total State Awards Subject to Single Audit Major Program Determination</b>										\$ (1,196,769)	
N/A - Not Available											

SEE ACCOMPANYING NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Note 1: Basis of Presentation

The accompanying schedules of expenditures of federal and state awards (the “Schedules”) include the federal and state grant activity of the Allamuchy Board of Education under programs of the federal and state governments for the fiscal year ended June 30, 2022. The information in these schedules is presented in accordance with the requirements of the Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (“Uniform Guidance”) and New Jersey's OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Because the schedules present only a selected portion of the operations of the District, they are not intended to and do not present the financial position, changes in net position or cash flows of the District.

Note 2: Summary of Significant Accounting Policies

Expenditures reported on the accompanying schedules of expenditures of federal and state awards are reported on the budgetary basis of accounting. This basis of accounting is described in Note 1 to the District’s basic financial statements. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts, if any, shown on the Schedules represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

Note 3: Indirect Cost Rate

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

Note 4: Relationship to Basic Financial Statements

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

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is (\$11,496) for the General Fund and \$1,216 for the Special Revenue Fund. See exhibit C-3 for a reconciliation of the Budgetary Basis to the modified accrual basis of accounting for the general and special revenue funds.



ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

(Continued)

Note 4: Relationship to Basic Financial Statements (Cont'd)

Revenue from federal and state awards are reported in the Board's basic financial statements on a GAAP basis as presented below:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund		\$ 2,400,618	\$ 2,400,618
Special Revenue Fund	\$ 746,505		746,505
Debt Service Fund		63,094	63,094
Food Service Fund	<u>211,750</u>	<u>4,606</u>	<u>216,356</u>
Total Financial Awards	<u>\$ 958,255</u>	<u>\$ 2,468,318</u>	<u>\$ 3,426,573</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: Federal and State Loans Outstanding

The Allamuchy Township School District had no loan balances outstanding at June 30, 2022.

Note 7: Other

T.P.A.F. Social Security Contributions represent the amount reimbursed by the State for the employer's share of social security contributions for T.P.A.F. members for the fiscal year ended June 30, 2022. Revenue and expenditures reported under the Federal Food Distribution Program represents current year value received and current year distributions, respectively.

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Summary of Auditors' Results:

- The Independent Auditors' Report expresses a qualified opinion on the financial statements as the District's note disclosure on postemployment benefits other than pensions (OPEB) contains the June 30, 2020 information and not the June 30, 2021 information as the report for Governmental Accounting Standards Board ("GASB") Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, for the State of New Jersey State Health Benefits Local Education Retired Employees Plan ("SHBP") has not been released by the Division of Pensions and Benefits, Department of the Treasury, State of New Jersey, as of the date of this report. In our opinion, disclosure of this information is required by accounting principles generally accepted in the United States of America.
- There were no material weaknesses or significant deficiencies disclosed during the audit of the financial statements as reported in the *Independent Auditors' 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*.
- No instances of noncompliance material to the financial statements of the District which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.
- There were no material weaknesses or significant deficiencies in internal control over major federal and state programs disclosed during the audit as reported in the *Independent Auditors' Report on Compliance For Each Major Federal and State Program; Report on Internal Control Over Compliance Required by the Uniform Guidance and NJ OMB 15-08*.
- The auditor's report on compliance for the major federal and state programs for the District expresses an unmodified opinion on the major federal and state programs.
- The audit did not disclose any audit findings which are required to be reported in accordance with New Jersey's OMB Circular 05-18 or 2 CFR 200.516(a) of the Uniform Guidance.

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

(Continued)

- The District's programs tested as major federal and state programs for the current fiscal year consisted of the following awards:

<u>State Program:</u>	<u>Assistance Listing/ State Grant Number</u>	<u>Grant Period</u>	<u>Award Amount</u>	<u>Budgetary Expenditures</u>
<b>Federal Awards:</b>				
<b>Educational Stabilization Fund:</b>				
COVID 19 - CRRSA - ESSER II	84.425D	3/13/20-9/30/23	\$ 98,056	\$ 98,056
COVID 19 - CRRSA - Learning Acceleration	84.425D	3/13/20-9/30/23	25,000	25,000
COVID 19 - CRRSA - Mental Health	84.425D	3/13/20-9/30/23	45,000	45,000
COVID 19 - ARP - ESSER III	84.425U	7/1/21-9/30/24	220,375	192,541
COVID 19 - ARP - Accelerated Learning Coach and Educator Support	84.425U	7/1/21-9/30/24	50,000	50,000
COVID 19 - ARP - Evidence Based Summer Learning and Enrichment Comprehensive	84.425U	7/1/21-9/30/24	40,000	1,785
Beyond the School Day	84.425U	7/1/21-9/30/24	40,000	10,492
COVID 19 - ARP - NJTSS Mental Health Support Staffing	84.425U	7/1/21-9/30/24	45,000	45,000
<b>State Awards:</b>				
Special Education Categorical Aid	22-495-034-5120-089	7/1/21-6/30/22	484,811	484,811
Security Aid	22-495-034-5120-084	7/1/21-6/30/22	37,450	37,450

- The threshold used for distinguishing between Type A and Type B federal and state programs was \$750,000.
- The District was determined to be a "low-risk" auditee for state programs. The District was not determined to be a "low-risk" auditee for federal programs.

Findings Relating to the Financial Statements which are required to be Reported in Accordance with Generally Accepted Government Auditing Standards:

- The audit did not disclose any findings required to be reported under Generally Accepted Government Auditing Standards.

Findings and Questioned Costs for Federal Awards:

- The audit did not disclose any findings or questioned costs for federal awards as defined in 2 CFR 200.516(a) of the Uniform Guidance.

Findings and Questioned Costs for State Awards:

- The audit did not disclose any audit findings which are required to be reported in accordance with New Jersey's OMB Circular 15-08 or 2 CFR 200.516(a) of the Uniform Guidance.

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
FOR THE YEAR ENDED JUNE 30, 2022

Status of Prior Year Findings/Recommendations:

The District had no prior year audit findings.