

**TOWN OF BOONTON SCHOOL DISTRICT**  
**ANNUAL COMPREHENSIVE FINANCIAL REPORT**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**Town of Boonton School District**

**ANNUAL COMPREHENSIVE**

**FINANCIAL REPORT**

**of the**

**Town of Boonton School District**

**Boonton, New Jersey**

**For The Fiscal Year Ended June 30, 2022**

**Prepared by**

**Business Office**

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## INTRODUCTORY SECTION



# BOONTON PUBLIC SCHOOLS

OFFICE OF THE BUSINESS ADMINISTRATOR

434 LATHROP AVENUE · BOONTON · NEW JERSEY · 07005

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February 28, 2023

Honorable President and  
Members of the Board of Education  
Boonton Town Board of Education  
434 Lathrop Avenue  
Boonton, New Jersey 07005

Dear Board Members:

The Annual Comprehensive Financial Report of the Town of Boonton Public Schools 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 Board of Education (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 organization chart and a list of principal officials. The Financial Section includes The Independent Auditors' Report; the management's discussion and analysis; 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 the U.S. Uniform Guidance and New Jersey's OMB Circular NJOMB 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Information related to this Single Audit, including the auditor's 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 SERVICES:** The Boonton Public School District is an independent reporting entity within the criteria adopted by the GASB as established by GASB Statement No. 14. All funds of the District are included in this report. The Boonton Board of Education and all its schools constitute the District's reporting entity.





**BOONTON PUBLIC SCHOOLS**

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The District provides a full range of educational services appropriate to grade levels Pre-Kindergarten through 12 for the students residing in Boonton and to grade levels 9 through 12 for the students residing in Lincoln Park. These include regular and vocational, as well as special education for disabled youngsters. The District completed the 2021-2022 fiscal year with an average daily enrollment of 1,427 students, an increase of 8 students over the previous year's enrollment.

The following details the changes in the student average daily enrollment of the district over the last ten years:

<u>Fiscal Year</u>	<u>Avg Daily Enrollment</u>	<u>Percent Change</u>
2012-2013	1,274	0.6%
2013-2014	1,293	1.5%
2014-2015	1,308	1.2%
2015-2016	1,353	3.4%
2016-2017	1,404	3.8%
2017-2018	1,408	0.3%
2018-2019	1,410	0.1%
2019-2020	1,438	2.1%
2020-2021	1,419	-1.3%
2021-2022	1,427	0.6%

2) **ECONOMIC CONDITIONS AND OUTLOOK:** The School District continues to monitor the ratable base for the Town. Short term trends continue to indicate that rateables will remain flat. An increase in housing projects is in the preliminary stages of development. If these projects come to fruition, the burden on the District to provide services could increase. The District's budget for the 2022-2023 fiscal year includes a 2% increase in the local tax levy. At the close of the 2021-2022 fiscal year, a new Teacher's contract started, and the Administrator's contract expired.

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



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

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

4) **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 the voters of the municipality. Annual appropriated budgets are adopted for the general fund, the special revenue fund and debt service 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 canceled or are included as re-appropriations of fund balance in the subsequent year. Those amounts to be re-appropriated are reported as reservations of fund balance at June 30, 2022.

5) **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.

6) **FINANCIAL INFORMATION AT FISCAL YEAR END:** As demonstrated by the various statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management. A detailed Management Discussion and Analysis follows this section of the report that discussed the District's financial performance for the year ended June 30, 2022.

7) **DEBT ADMINISTRATION:** During the 2021-2022 fiscal year the District did not obtain additional debt through referendum. The District continues to maintain and service its bond debt from previously financed obligations.

8) **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 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



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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 secure in accordance with the Act.

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

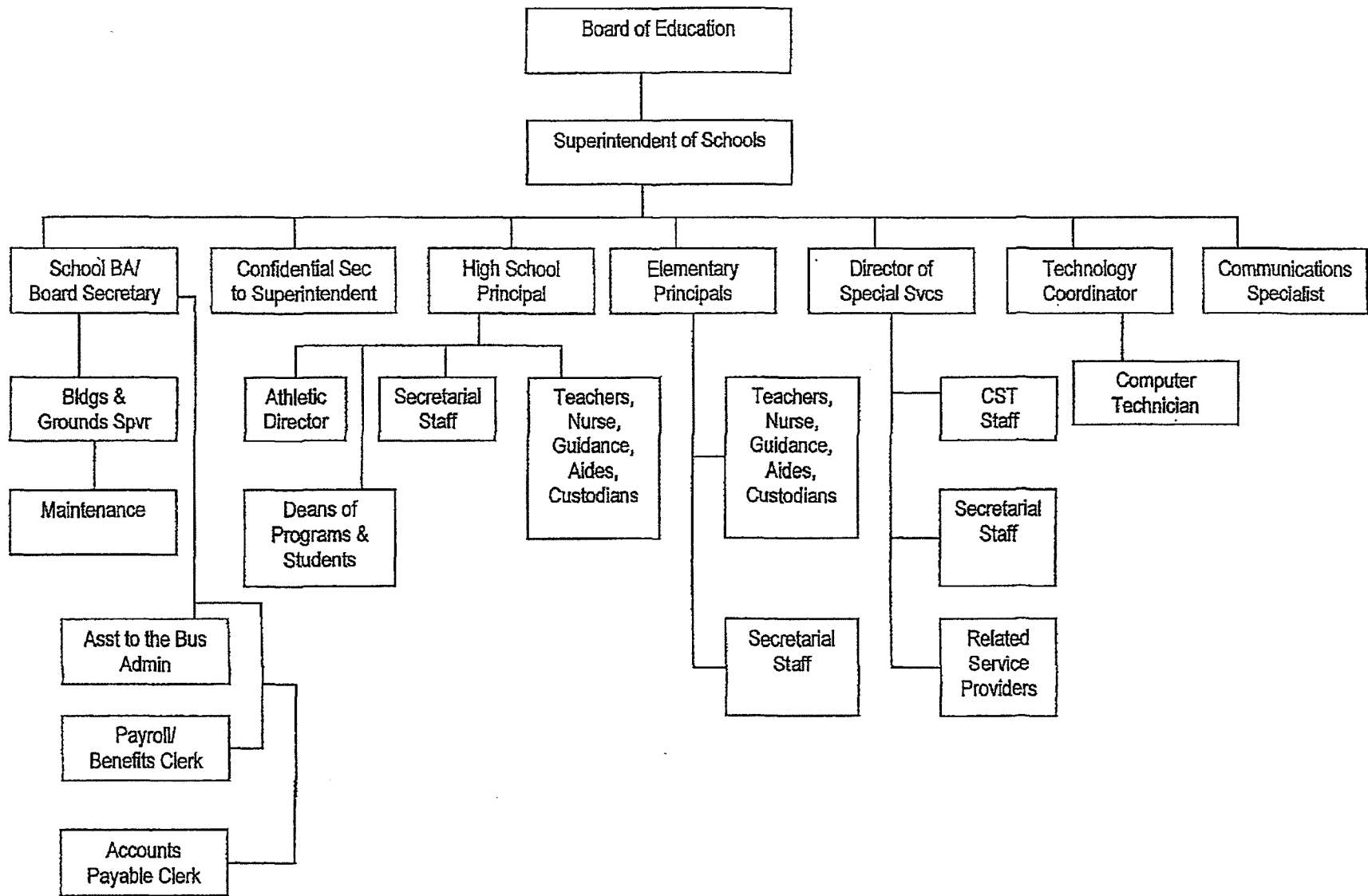
10) **OTHER INFORMATION:** Independent Audit - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Lerch, Vinci, Bliss, LLP, was appointed by the Board. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of U.S. Uniform Guidance and New Jersey's OMB Circular NJOMB 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. The auditor's report on the basic financial statements and specific required supplementary information is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section of this report.

11) **ACKNOWLEDGMENTS:** We would like to express our appreciation to the members of the Boonton Town 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,

Mr. Thomas Valle  
Acting Superintendent of Schools

Mr. Steven Gardberg,  
School Business Administrator  
Board Secretary



**TOWN OF BOONTON SCHOOL DISTRICT  
BOONTON, NEW JERSEY**

**ROSTER OF OFFICIALS**

**JUNE 30, 2022**

<b><u>Members of the Board of Education</u></b>	<b><u>Term Expires (December)</u></b>
Irene LeFebvre, President	2024
Christopher J. Cartelli, Vice President	2022
Jennifer Darling	2023
Dr. Crystal Davis	2023
Elaine Doherty	2022
Robert Ezzi	2022
Natavia Hayes	2023
Patrick Joyce	2023
Loren Katsakos	2024
Sandra Vucenovic (Lincoln Park Representative)	

**Other Officers**

Robert Presuto, Superintendent of Schools

Steven Gardberg, Board Secretary/Business Administrator

**BOONTON SCHOOL DISTRICT**

**Consultants & Advisors**

**June 30, 2022**

**District Auditor**

Lerch, Vinci & Bliss, LLP  
17-17 Route 208N  
Fair Lawn, New Jersey 07410

**Attorney**

James L. Plosia, Esq.  
Plosia Cohen Law Firm  
Chester Woods Complex  
385 Route 24, Suite 3G  
Chester, NJ 07930

**Official Depositories**

Lakeland Bank  
Boonton, NJ 07005

**FINANCIAL SECTION**



# LERCH, VINCI & BLISS, LLP

CERTIFIED PUBLIC ACCOUNTANTS  
REGISTERED MUNICIPAL ACCOUNTANTS

DIETER P. LERCH, CPA, RMA, PSA  
GARY J. VINCI, CPA, RMA, PSA  
JEFFREY C. BLISS, CPA, RMA, PSA  
PAUL J. LERCH, CPA, RMA, PSA  
JULIUS B. CONSONI, CPA, PSA  
ANDREW D. PARENTE, CPA, RMA, PSA

ELIZABETH A. SHICK, CPA, RMA, PSA  
ROBERT W. HAAG, CPA, RMA, PSA  
DEBRA GOLLE, CPA  
MARK SACO, CPA  
ROBERT LERCH, CPA  
CHRISTOPHER M. VINCI, CPA, PSA  
CHRISTINA CUIFFO, CPA

## INDEPENDENT AUDITOR'S REPORT

Honorable President and Members  
of the Board of Education  
Town of Boonton School District  
Boonton, New Jersey

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

#### *Opinions*

We have audited the accompanying financial statements of the governmental activities, the business-type activities and each major fund of the Town of Boonton School District, as of and for the fiscal year ended June 30, 2022 and the related notes to the financial statements, which collectively comprise the Board of Education's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities and each major fund of the Town of Boonton School 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 Opinions*

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

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, 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 Town of Boonton School District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.



## ***Auditor's Responsibilities for the Audit of 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 generally accepted auditing standards, Government Auditing Standards and audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey, 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 generally accepted auditing standards, Government Auditing Standards and audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey, we:

- Exercise professional judgement 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 Town of Boonton School District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town of Boonton School District's ability to continue as a going concern for a reasonable period of time.

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

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, pension information and other postemployment benefits information be presented to supplement the basic financial statements. Such information is the responsibility of management and although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Boonton School District's basic financial statements. The accompanying schedule of expenditures of federal 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 (Uniform Guidance) and schedule of expenditures of state financial assistance as required by New Jersey 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 of the Town of Boonton School District. Such information is the responsibility of management and was derived from and relate 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 schedules of expenditures of federal awards and state financial assistance are fairly stated in all material respects in relation to the basic financial statements as a whole.

### ***Other Information***


Management is responsible for the other information included in the annual report. The other information comprises the introductory section, financial schedules and statistical section 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 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 February 28, 2023 on our consideration of the Town of Boonton School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town of Boonton School District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Town of Boonton School District's internal control over financial reporting and compliance.

  
LERCH, VINCI & BLISS, LLP  
Certified Public Accountants  
Public School Accountants

  
Dieter P. Lerch  
Public School Accountant  
PSA Number CS00756

Fair Lawn, New Jersey  
February 28, 2023

**REQUIRED SUPPLEMENTARY INFORMATION – PART I**

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

**TOWN OF BOONTON SCHOOL DISTRICT  
BOONTON, NEW JERSEY**

**Management's Discussion and Analysis  
for the Fiscal Year Ended June 30, 2022**

This discussion and analysis of the Town of Boonton School District's financial performance provides an overall review of its financial activities for the fiscal year ended June 30, 2022. The intent of this analysis is to look at the District's financial performance as a whole; readers should also review the basic financial statements and notes to enhance their understanding of the District's financial performance.

Management's Discussion and Analysis (MD&A) is an element of Required Supplementary Information specified in the Governmental Accounting Standards Board's (GASB) Statement No. 34 – Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments. Certain comparative information between the current year (2021-2022) and the prior year (2020-2021) is required to be presented in the MD&A.

**Financial Highlights**

Key financial highlights for fiscal year 2022 are as follows:

- The District's total assets and deferred outflows of resources exceeded total liabilities and deferred inflows of resources at year end by \$2,544,702 (net position). The District's net position increased \$2,448,996 from the previous year.
- General revenues accounted for \$23,683,505 or 54 percent of all revenues. Program specific revenues in the form of charges for services and grants and contributions accounted for \$20,368,916 or 46 percent of total revenues of \$44,052,421.
- The School District had \$40,256,197 in expenses for governmental activities; \$18,852,193 of these expenses were offset by program specific charges for services, grants or contributions. General revenues (primarily property taxes) were adequate to provide funding for the balance of these programs.
- Among governmental funds, the General Fund had \$38,137,299 in revenues and \$38,017,787 in expenditures and other financing uses. The General Fund's fund balance increased \$119,512 from 2021.

## **Using this Annual Comprehensive Financial Report (ACFR)**

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so that the reader can understand the District as an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

The Statement of Net Position and Statement of Activities provide information about the activities of the entire District, presenting both an aggregate view of the District's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements show how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at significant funds with all other non-major funds presented in one total column. The General Fund is by far the most significant fund.

## **Reporting the School District as a Whole**

### **Statement of Net Position and the Statement of Activities**

While this document reports on all funds used by the District to provide programs and activities, the view of the District as a whole looks at all financial transactions and asks the question, "How did we do financially during fiscal year 2022?" The Statement of Net Position and the Statement of Activities answer that question. These statements include all assets, deferred inflows of resources and liabilities and deferred outflows of resources using the accrual basis of accounting similar to the accounting used by most private-sector businesses. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid, as well as the activity of capital assets and long-term liabilities.

These two statements report the School District's net position and changes in those position. This change is important because it tells the reader that, for the school district as a whole, its financial position improved or diminished. The causes of this change may be the result of many factors. Non-financial factors include the District's property tax base, current laws in New Jersey restricting revenue growth, and reserve balances, facility condition, required educational programs and other factors.

In the Statement of Net Position and the Statement of Activities, the District is divided into two distinct kinds of activities:

- Governmental Activities – All programs and services are reported here including instruction, support services, operation and maintenance of plant facilities, pupil transportation and extracurricular activities.
- Business-Type Activities – These services are provided on a charge-for- goods or services basis to recover all the expenses of the goods or services provided. The Food Service and Bridges to Learning Program Enterprise Funds are reported as major business-type activities.

## **Reporting the District's Most Significant Funds**

### **Fund Financial Statements**

Fund financial statements provide detailed information about the District's funds. The District's governmental funds include the General Fund, Special Revenue Fund, Capital Projects Fund, and Debt Service Fund.

## Reporting the District's Most Significant Funds (Continued)

### Governmental Funds

The District's activities are reported in governmental funds. These funds are reported using an accounting method known as modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the District's general government operations and the basic services it provides. Governmental fund information helps the reader determine whether there are more or fewer financial resources that can be spent in the near future to finance educational programs. The relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is reconciled in the financial statements.

### Enterprise Fund

The enterprise funds use the same basis of accounting as business-type activities; therefore, these statements are essentially the same as the District-wide statements.

### The District as a Whole

The Statement of Net Position provides one perspective of the District as a whole.

A comparative summary of the District's net position as of June 30, 2022 and 2021 is as follows:

	<u>2022</u>	<u>2021</u>
<b>Assets</b>		
Current and Other Assets	\$ 3,986,955	\$ 2,945,475
Capital Assets, net of accumulated depreciation	<u>22,990,476</u>	<u>23,639,298</u>
<b>Total Assets</b>	<u>26,977,431</u>	<u>26,584,773</u>
<b>Deferred Outflows of Resources</b>	<u>1,626,344</u>	<u>1,889,586</u>
<b>Total Assets and Deferred Outflows of Resources</b>	<u>28,603,775</u>	<u>28,474,359</u>
<b>Liabilities</b>		
Long-Term Liabilities	21,076,518	24,145,217
Other Liabilities	<u>1,610,789</u>	<u>1,274,425</u>
<b>Total Liabilities</b>	<u>22,687,307</u>	<u>25,419,642</u>
<b>Deferred Inflows of Resources</b>	<u>3,371,766</u>	<u>2,959,011</u>
<b>Total Liabilities and Deferred Inflows of Resources</b>	<u>26,059,073</u>	<u>28,378,653</u>
<b>Net Position</b>		
Net Investment in Capital Assets	8,148,418	7,273,314
Restricted	1,033,205	1,551,579
Unrestricted	<u>(6,636,921)</u>	<u>(8,729,187)</u>
<b>Total Net Position</b>	<u>\$ 2,544,702</u>	<u>\$ 95,706</u>

A comparative schedule of the changes in net position for fiscal years ended June 30, 2022 and 2021 is as follows:

	<u>2022</u>	<u>2021</u>
<b>Revenues</b>		
Program Revenues:		
Charges for Services	\$ 7,346,990	\$ 6,326,559
Grants and Contributions	13,021,926	14,969,282
General Revenues:		
Property Taxes	21,637,152	21,239,140
Grants and Entitlements	1,917,264	1,228,426
Other	<u>129,089</u>	<u>154,174</u>
<b>Total Revenues</b>	<u>44,052,421</u>	<u>43,917,581</u>
<b>Program Expenses</b>		
Instruction	24,599,401	25,650,991
Support Services:		
Pupils and Instructional Staff	8,279,488	8,651,433
General, School and Central Administration	2,757,561	3,182,330
Operations and Maintenance of Facilities	3,090,406	3,180,040
Pupil Transportation	930,130	777,435
Interest on Debt	599,211	644,197
Food Service	762,891	314,091
Bridges to Learning	<u>584,337</u>	<u>137,073</u>
<b>Total Expenses</b>	<u>41,603,425</u>	<u>42,537,590</u>
Increase in Net Position	<u>\$ 2,448,996</u>	<u>\$ 1,379,991</u>

### Governmental Activities

Property taxes made up 51 percent of revenues for governmental activities for the Town of Boonton School District in fiscal year 2022. The District's total revenues from governmental activities were \$42,535,530 for the year ended June 30, 2022. Federal, state, and local grants, contributions and entitlements accounted for 33 percent of this total revenue. The total cost of all governmental programs and services was \$40,256,197. Instruction comprises 61 percent of District governmental expenses.



**Business-Type Activities**

Revenues for the District’s business-type activities (food service and bridges to learning) were comprised of charges for services and government reimbursements.

- Enterprise Fund revenues exceeded expenses by \$169,663.
- Charges for services represent 40 percent of revenue. This represents amounts paid for food service and tuition for the bridges to learning program. State and federal subsidies account for the remaining 60 percent.
- Federal and state reimbursements amounted to \$842,003 of total Enterprise Fund revenues.

**Governmental Activities**

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services. The total cost of services and the net cost of services for the years ended June 30, 2022 and 2021 are summarized below. The net cost shows the financial burden that was placed on the District’s taxpayers by each of these functions.

	<b>Total Cost of Services</b>		<b>Net Cost of Services</b>	
	<b><u>2020</u></b>	<b><u>2021</u></b>	<b><u>2020</u></b>	<b><u>2021</u></b>
Instruction	\$ 24,599,401	\$ 25,650,991	\$ 9,330,243	\$ 9,023,213
Support Services				
Pupils and Instructional Staff	8,279,488	8,651,433	5,827,353	5,781,187
General, School and Central Admin.	2,757,561	3,182,330	2,266,689	2,490,828
Operation and Maintenance of Facilities	3,090,406	3,180,040	2,690,354	2,786,059
Pupil Transportation	930,130	777,435	839,753	662,694
Interest on Long-Term Debt	599,211	644,197	449,612	487,883
<b>Total</b>	<b><u>\$ 40,256,197</u></b>	<b><u>\$ 42,086,426</u></b>	<b><u>\$ 21,404,004</u></b>	<b><u>\$ 21,231,864</u></b>

Instruction expenses include activities directly dealing with the teaching of pupils and the interactions between teacher and student, including extracurricular activities.

Pupils and instructional staff include the activities involved with assisting staff with the content and process of teaching to students, including curriculum and staff development.

General administration, school administration, and business include expenses associated with administrative and financial supervision of the District.

Operation and maintenance of facilities involve keeping the school grounds, buildings, and equipment in an effective working condition.

### Governmental Activities (Continued)

Pupil transportation includes activities involved with the conveyance of students to and from school, as well as to and from school activities, as provided by state law.

Interest on debt involves the transactions associated with the payment of interest and other related charges to debt of the District.

### The District's Funds

All governmental funds (i.e., general fund, special revenue fund, capital projects fund and debt service fund presented in the fund-based statements) are accounted for using the modified accrual basis of accounting. Total revenues amounted to \$42,833,993 and expenditures were \$42,315,075.

As demonstrated by the various statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound fiscal management. The following schedule presents a comparative summary of the governmental fund revenues for the fiscal years ended June 30, 2022 and 2021.

<u>Revenue</u>	<u>Year Ended</u>		<u>Amount of Increase (Decrease)</u>	<u>Percent Increase (Decrease)</u>
	<u>June 30, 2022</u>	<u>June 30, 2021</u>		
Local Sources	\$ 28,519,379	\$ 27,628,127	\$ 891,252	3.2%
State Sources	12,899,674	10,892,400	2,007,274	18.4%
Federal Sources	1,414,940	757,271	657,669	86.8%
Total Revenues	<u>\$ 42,833,993</u>	<u>\$ 39,277,798</u>	<u>\$ 3,556,195</u>	9.1%

The following schedule represents a comparative summary of general fund, special revenue fund, capital projects fund and debt service fund expenditures for the fiscal years ended June 30, 2022 and 2021.

<u>Expenditures</u>	<u>Year Ended</u>		<u>Amount of Increase (Decrease)</u>	<u>Percent Increase (Decrease)</u>
	<u>June 30, 2022</u>	<u>June 30, 2021</u>		
Current				
Instruction	\$ 25,214,994	\$ 22,802,388	\$ 2,412,606	10.6%
Support Services	14,530,312	13,388,135	1,142,177	8.5%
Capital Outlay	407,731	710,016	(302,285)	-42.6%
Debt Service				
Principal	1,547,007	1,523,523	23,484	1.5%
Interest and Other	615,031	656,511	(41,480)	-6.3%
Total Expenditures	<u>\$ 42,315,075</u>	<u>\$ 39,080,573</u>	<u>\$ 3,234,502</u>	8.3%

## General Fund Budgeting Highlights

The District's budget is prepared according to New Jersey law, and is based on accounting for certain transactions on the basis of cash receipts, disbursements and encumbrances. The most significant budgetary fund is the General Fund.

Over the course of the year, the District revised the annual operating budget several times. Revisions in the budget were made to prevent over expenditures in specific line item accounts.

## Capital Assets

At the end of fiscal year 2022, the District had \$38,669,156 invested in land, construction in progress, buildings, furniture, equipment and vehicles. Accumulated depreciation on these assets at June 30, 2022 was \$15,678,680. The Table below compares the fiscal year 2022 balances to the 2021 balances.

### Capital Assets (Net of Depreciation) at June 30

	<u>2022</u>	<u>2021</u>
Land	\$ 471,800	\$ 471,800
Building and Building Improvements	21,676,228	22,283,734
Machinery and Equipment	<u>842,448</u>	<u>883,764</u>
<b>Total Capital Assets, Net</b>	<b><u>\$ 22,990,476</u></b>	<b><u>\$ 23,639,298</u></b>

## Debt Administration

At June 30, 2022, the District had \$21,076,518 of long-term liabilities. Of this amount, \$400,232 is for compensated absences, \$554,702 is for capital and other financing agreements, \$5,246,366 is for net pension liability and \$14,875,218 is for outstanding serial bonds issued to fund school construction projects (net of unamortized premium).

## For the Future

Currently, the District is in stable financial condition, given the financial limits placed on school districts by the state law. Everyone associated with the Town of Boonton School District is grateful for the community support of the schools. A major concern is continued enrollment growth. This, in an environment of flat state funding, means an ever-increasing reliance on local property taxes

In conclusion, the Town of Boonton School District has committed itself to financial excellence for many years. Its system for financial planning, budgeting, and internal financial controls is audited annually and it plans to continue to manage its finances in order to meet the many challenges ahead.

## Contacting the District's Financial Management

If you have questions about this report or need additional information, contact the School Business Administrator at the Town of Boonton School District, 434 Lathrop Avenue, Boonton, NJ.

## **BASIC FINANCIAL STATEMENTS**

**DISTRICT-WIDE FINANCIAL STATEMENTS**

**TOWN OF BOONTON SCHOOL DISTRICT  
STATEMENT OF NET POSITION  
AS OF JUNE 30, 2022**

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 2,928,311	\$ 295,984	\$ 3,224,295
Receivables, Net:			
Receivables from Other Governments	693,488	57,378	750,866
Other		7,327	7,327
Internal Balances	(15,689)	15,689	
Inventory		4,126	4,126
Restricted Assets:			
Cash with Fiscal Agents	341		341
Capital Assets:			
Not Being Depreciated	471,800		471,800
Being Depreciated, Net	22,405,016	113,660	22,518,676
 Total Assets	 <u>26,483,267</u>	 <u>494,164</u>	 <u>26,977,431</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred Amount on Refunding	587,521		587,521
Deferred Amount on Net Pension Liability	1,038,823	-	1,038,823
 Total Deferred Outflows of Resources	 <u>1,626,344</u>	 <u>-</u>	 <u>1,626,344</u>
 Total Assets and Deferred Outflows of Resources	 <u>28,109,611</u>	 <u>494,164</u>	 <u>28,603,775</u>
<b>LIABILITIES</b>			
Accounts Payable and Other Liabilities	205,600	36,516	242,116
Payable to Other Governments	111,846		111,846
Deposits Payable	750,370		750,370
Unearned Revenue	86,946	163,738	250,684
Accrued Interest	255,773		255,773
Noncurrent Liabilities			
Due Within One Year	1,303,311		1,303,311
Due Beyond One Year	19,773,207	-	19,773,207
 Total Liabilities	 <u>22,487,053</u>	 <u>200,254</u>	 <u>22,687,307</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred Amount on Net Pension Liability	3,370,866		3,370,866
Deferred Government Commodities	-	900	900
 Total Deferred Inflows of Resources	 <u>3,370,866</u>	 <u>900</u>	 <u>3,371,766</u>
 Total Liabilities and Deferred Inflows of Resources	 <u>25,857,919</u>	 <u>201,154</u>	 <u>26,059,073</u>
<b>NET POSITION</b>			
Net Investment in Capital Assets	8,034,758	113,660	8,148,418
Restricted for:			
Capital Projects	581,055		581,055
Other Purposes	452,150		452,150
Unrestricted	(6,816,271)	179,350	(6,636,921)
 Total Net Position	 <u>\$ 2,251,692</u>	 <u>\$ 293,010</u>	 <u>\$ 2,544,702</u>

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

**TOWN OF BOONTON SCHOOL DISTRICT  
STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

Functions/Programs	Expenses	Program Revenues			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
<b>Governmental Activities</b>							
Instruction:							
Regular	\$ 15,271,596	\$ 6,006,994	\$ 4,949,793	\$ 57,689	\$ (4,257,120)		\$ (4,257,120)
Special Education	6,981,646	633,121	3,093,321		(3,255,204)		(3,255,204)
Other Instruction	1,082,685		271,515		(811,170)		(811,170)
School Sponsored Activities and Athletics	1,263,474	99,155	157,570		(1,006,749)		(1,006,749)
Support Services							
Student and Instruction Related Services	8,279,488		2,452,135		(5,827,353)		(5,827,353)
General Administrative Services	712,124		52,045		(660,079)		(660,079)
School Administrative Services	1,393,436		294,253		(1,099,183)		(1,099,183)
Central and Other Support Services	652,001		144,574		(507,427)		(507,427)
Plant Operations and Maintenance	3,090,406		400,052		(2,690,354)		(2,690,354)
Pupil Transportation	930,130	-	90,377		(839,753)		(839,753)
Interest on Long-Term Debt	599,211	-	149,599	-	(449,612)	-	(449,612)
<b>Total Governmental Activities</b>	<b>40,256,197</b>	<b>6,739,270</b>	<b>12,055,234</b>	<b>57,689</b>	<b>(21,404,004)</b>	<b>-</b>	<b>(21,404,004)</b>
<b>Business-Type Activities</b>							
Food Service	762,891	95,928	842,003			\$ 175,040	175,040
Bridges to Learning	584,337	511,792	67,000	-	-	(5,545)	(5,545)
<b>Total Business-Type Activities</b>	<b>1,347,228</b>	<b>607,720</b>	<b>909,003</b>	<b>-</b>	<b>-</b>	<b>169,495</b>	<b>169,495</b>
<b>Total Primary Government</b>	<b>\$ 41,603,425</b>	<b>\$ 7,346,990</b>	<b>\$ 12,964,237</b>	<b>\$ 57,689</b>	<b>(21,404,004)</b>	<b>169,495</b>	<b>(21,234,509)</b>
<b>General Revenues:</b>							
Property Taxes:							
Levied for General Purposes					20,535,765		20,535,765
Levied for Debt Service					1,101,387		1,101,387
Federal and State Aid, Unrestricted					1,688,350		1,688,350
State Aid Restricted for Debt Service					228,914		228,914
Investment Earnings					5,446	168	5,614
Miscellaneous Income					123,475	-	123,475
<b>Total General Revenues</b>					<b>23,683,337</b>	<b>168</b>	<b>23,683,505</b>
<b>Change in Net Position</b>					<b>2,279,333</b>	<b>169,663</b>	<b>2,448,996</b>
<b>Net Position, Beginning of Year</b>					<b>(27,641)</b>	<b>123,347</b>	<b>95,706</b>
<b>Net Position, End of Year</b>					<b>\$ 2,251,692</b>	<b>\$ 293,010</b>	<b>\$ 2,544,702</b>

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

**FUND FINANCIAL STATEMENTS**



**TOWN OF BOONTON SCHOOL DISTRICT  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
AS OF JUNE 30, 2022**

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
<b>ASSETS</b>					
Cash and Cash Equivalents	\$ 2,412,248	\$ 116,388	\$ 399,675		\$ 2,928,311
Receivables, Net					
Federal Government	9,782	267,981			277,763
State Government	415,725				415,725
Due from Other Funds	9,359				9,359
Restricted Assets:					
Cash with Fiscal Agents	-	-	341	-	341
<b>Total Assets</b>	<u>\$ 2,847,114</u>	<u>\$ 384,369</u>	<u>\$ 400,016</u>	<u>\$ -</u>	<u>\$ 3,631,499</u>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>Liabilities</b>					
Accounts Payable	\$ 128,591	\$ 4,296			\$ 132,887
Due to Other Funds	15,689	9,359			25,048
Payable to State Government	101,966	9,880			111,846
Payroll Deductions and Withholdings	46,689				46,689
Accrued Salaries and Wages	26,024				26,024
Deposits Payable	750,370				750,370
Unearned Revenue	-	86,946	-	-	86,946
<b>Total Liabilities</b>	<u>1,069,329</u>	<u>110,481</u>	<u>-</u>	<u>-</u>	<u>1,179,810</u>
<b>Fund Balances (Deficits)</b>					
<b>Restricted</b>					
Capital Reserve	181,380				181,380
Tuition Adjustment, Designated for Subsequent Year's Expenditures	50,000				50,000
Capital Projects			\$ 400,016		400,016
Unemployment Compensation	26,892				26,892
Scholarships		240,977			240,977
Student Activities		134,281			134,281
<b>Committed</b>					
Year-End Encumbrances	33,230				33,230
<b>Assigned</b>					
Year-End Encumbrances	120,044				120,044
Designated for Subsequent Year's Expenditures	796,483				796,483
<b>Unassigned</b>					
General Fund	569,756				569,756
Special Revenue Fund (Deficit)	-	(101,370)	-	-	(101,370)
<b>Total Fund Balances (Deficits)</b>	<u>1,777,785</u>	<u>273,888</u>	<u>400,016</u>	<u>-</u>	<u>2,451,689</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 2,847,114</u>	<u>\$ 384,369</u>	<u>\$ 400,016</u>	<u>\$ -</u>	<u>\$ 3,631,499</u>

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

**TOWN OF BOONTON SCHOOL DISTRICT  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
AS OF JUNE 30, 2022**

**Total Fund Balances - Governmental Funds (Exhibit B-1)** \$ 2,451,689

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$38,308,508 and the accumulated depreciation is \$15,431,692. 22,876,816

Amounts resulting from the refunding of debt are reported as deferred outflows of resources on the statement of net position and amortized over the life of the debt. 587,521

Certain amounts resulting from the measurement of the net pension liability are reported as either deferred inflows of resources or deferred outflows of resources on the statement of net position and amortized over future years.

	\$ 1,038,823	
Deferred Outflow of Resources		
Deferred Inflow of Resources	(3,370,866)	(2,332,043)

Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds. Long-term liabilities at year end consist of the following:

	(14,875,218)	
Serial Bonds		
Capital Leases	(554,702)	
Net Pension Liability	(5,246,366)	
Compensated Absences	(400,232)	(21,076,518)

The District has financed capital assets through the issuance of serial bonds and long-term lease obligations. The interest accrual at year end is: (255,773)

**Net Position of Governmental Activities (Exhibit A-1)** \$ 2,251,692

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

**TOWN OF BOONTON SCHOOL DISTRICT**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	<u>General</u> <u>Fund</u>	<u>Special</u> <u>Revenue</u> <u>Fund</u>	<u>Capital</u> <u>Projects</u> <u>Fund</u>	<u>Debt</u> <u>Service</u> <u>Fund</u>	<u>Total</u> <u>Governmental</u> <u>Funds</u>
<b>REVENUES</b>					
Local Sources					
Property Tax Levy	\$ 20,535,765			\$ 1,101,387	\$ 21,637,152
Tuition	6,640,115				6,640,115
Interest	5,446				5,446
Miscellaneous	123,475	\$ 113,191	-	-	236,666
Total - Local Sources	27,304,801	113,191	-	1,101,387	28,519,379
State Sources	10,770,516	1,750,645		378,513	12,899,674
Federal Sources	61,982	1,352,958	-	-	1,414,940
Total Revenues	38,137,299	3,216,794	-	1,479,900	42,833,993
<b>EXPENDITURES</b>					
Instruction					
Regular	13,352,535	2,238,018			15,590,553
Special Education	6,851,321	333,125			7,184,446
Other Instruction	1,119,380	-			1,119,380
School Sponsored Co-Curricular Activities	1,224,970	95,645			1,320,615
Support Services					
Student and Instruction Related Services	7,618,883	883,171			8,502,054
General Administrative Services	737,989				737,989
School Administrative Services	1,438,950				1,438,950
Central and Other Support Services	671,539				671,539
Plant Operations and Maintenance	2,266,889				2,266,889
Pupil Transportation	912,891				912,891
Debt Service					
Principal	652,007			895,000	1,547,007
Interest	30,131			584,900	615,031
Capital Outlay	323,122	57,689	26,920	-	407,731
Total Expenditures	37,200,607	3,607,648	26,920	1,479,900	42,315,075
Excess (Deficiency) of Revenues					
Over (Under) Expenditures	936,692	(390,854)	(26,920)	-	518,918
<b>OTHER FINANCING SOURCES (USES)</b>					
Operating Transfer In		417,180	400,000		817,180
Operating Transfer Out	(817,180)	-	-	-	(817,180)
Total Other Financing Sources (Uses)	(817,180)	417,180	400,000	-	-
Net Change in Fund Balances	119,512	26,326	373,080	-	518,918
Fund Balance Beginning of Year	1,658,273	247,562	26,936	-	1,932,771
Fund Balance End of Year	\$ 1,777,785	\$ 273,888	\$ 400,016	\$ -	\$ 2,451,689

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

**TOWN OF BOONTON SCHOOL DISTRICT  
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF  
REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
WITH THE DISTRICT-WIDE STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**Total net change in fund balances - governmental funds (Exhibit B-2)** \$ 518,918

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

Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the statement and allocated over their estimated useful lives as annual depreciation expense. This is the amount by which depreciation exceeds capital outlay in the current period.

Capital Outlay	\$ 426,207	
Depreciation Expense	<u>(1,071,629)</u>	
		(645,422)

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds:

Compensated Absences	(42,953)	
Accrued Interest	12,306	
Pension Expense	<u>885,963</u>	
		855,316

The issuance of long term debt provides current financial resources to governmental funds, while the repayment of long-term debt consumes current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Additionally, governmental funds report the effect of issuance costs, premiums, discounts and similar items when the debt is issued, whereas these amounts are deferred and amortized in the statement of activities:

Principal Repayments		
Serial Bonds	895,000	
Capital Leases	<u>652,007</u>	
		1,547,007
Amortization of Refunding Bond Items		
Original Issue Premium	122,603	
Deferred Amount on Refunding	<u>(119,089)</u>	
		<u>3,514</u>

**Change in net position of governmental activities (Exhibit A-2)** \$ 2,279,333

**TOWN OF BOONTON SCHOOL DISTRICT  
PROPRIETARY FUNDS  
STATEMENT OF NET POSITION  
AS OF JUNE 30, 2022**

	<u>Enterprise Funds</u>		<u>Total</u>
	<u>Food Service</u>	<u>Bridges to Learning Program</u>	
<b>ASSETS</b>			
Current Assets			
Cash and Cash Equivalents	\$ 125,862	\$ 170,122	\$ 295,984
Receivables			
Intergovernmental	57,378		57,378
Accounts	7,327		7,327
Due from Other Funds	15,689		15,689
Inventories	4,126	-	4,126
	<u>210,382</u>	<u>170,122</u>	<u>380,504</u>
Total Current Assets			
Capital Assets			
Furniture, Machinery and Equipment	360,648		360,648
Less Accumulated Depreciation	(246,988)	-	(246,988)
	<u>113,660</u>	<u>-</u>	<u>113,660</u>
Total Capital Assets, Net			
Total Assets	<u>324,042</u>	<u>170,122</u>	<u>494,164</u>
<b>LIABILITIES</b>			
Current Liabilities			
Accounts Payable	36,384	132	36,516
Unearned Revenue	3,738	160,000	163,738
	<u>40,122</u>	<u>160,132</u>	<u>200,254</u>
Total Current Liabilities			
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred Commodities Revenue	900	-	900
	<u>900</u>	<u>-</u>	<u>900</u>
Total Deferred Inflows of Resources			
Total Liabilities and Deferred Inflows of Resources	<u>41,022</u>	<u>160,132</u>	<u>201,154</u>
<b>NET POSITION</b>			
Investment in Capital Assets	113,660		113,660
Unrestricted	169,360	9,990	179,350
	<u>283,020</u>	<u>9,990</u>	<u>293,010</u>
Total Net Position	<u>\$ 283,020</u>	<u>\$ 9,990</u>	<u>\$ 293,010</u>

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

**TOWN OF BOONTON SCHOOL DISTRICT  
 PROPRIETARY FUNDS  
 STATEMENT OF REVENUES, EXPENSES  
 AND CHANGES IN NET POSITION  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	<u>Enterprise Funds</u>		
	<u>Food Service</u>	<u>Bridges to Learning Program</u>	<u>Total</u>
<b>OPERATING REVENUES</b>			
Local Sources			
Daily Sales			
Reimbursable Programs	\$ 292		\$ 292
Non-Reimbursable Programs	69,581		69,581
Program Fees		\$ 511,792	511,792
Miscellaneous	26,055	-	26,055
	<u>95,928</u>	<u>511,792</u>	<u>607,720</u>
Total Operating Revenues			
<b>OPERATING EXPENSES</b>			
Salaries and Wages	264,584	506,935	771,519
Employee Benefits	21,887	47,099	68,986
Other Purchased Services	6,325	23,825	30,150
Repairs and Maintenance	27,754		27,754
Management Fee	29,184		29,184
Other Expenses	31,430	575	32,005
Supplies and Materials	8,850	5,903	14,753
Insurance	30,771		30,771
Cost of Sales			
Reimbursable Programs	268,320		268,320
USDA Commodities	35,197		35,197
Non-Reimbursable Programs	23,132		23,132
Depreciation	15,457	-	15,457
	<u>762,891</u>	<u>584,337</u>	<u>1,347,228</u>
Total Operating Expenses			
Operating Income (Loss)	<u>(666,963)</u>	<u>(72,545)</u>	<u>(739,508)</u>
<b>Nonoperating Revenues</b>			
State Sources			
School Lunch Program	16,909		16,909
Federal Sources			
School Breakfast Program	39,923		39,923
U.S.D.A. Commodities	35,197		35,197
School Lunch Program	717,183		717,183
After School Snack Program	22,193		22,193
COVID Emergency Operations	9,984		9,984
P-EBT Administrative Cost Reimbursement	614		614
ARP		67,000	67,000
Interest Income	168	-	168
	<u>842,171</u>	<u>67,000</u>	<u>909,171</u>
Total Nonoperating Revenues			
Change in Net Position	175,208	(5,545)	169,663
Net Position, Beginning of Year	<u>107,812</u>	<u>15,535</u>	<u>123,347</u>
Net Position, End of Year	<u>\$ 283,020</u>	<u>\$ 9,990</u>	<u>\$ 293,010</u>

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

**TOWN OF BOONTON SCHOOL DISTRICT  
 PROPRIETARY FUNDS  
 STATEMENT OF CASH FLOWS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	<u>Enterprise Funds</u>		
	<u>Food Service</u>	<u>Bridges to Learning Program</u>	<u>Total</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash Received from Customers	\$ 91,255	\$ 511,792	\$ 603,047
Cash Payments for Employees Salaries & Benefits	(286,471)	(554,034)	(840,505)
Cash Payments to Suppliers for Goods and Services	(410,103)	(30,702)	(440,805)
Net Cash Provided by (Used for) Operating Activities	<u>(605,319)</u>	<u>(72,944)</u>	<u>(678,263)</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>			
Cash Received from (Payments to) Other Funds	(95,704)		(95,704)
Cash Received from Other Governments	828,492	227,000	1,055,492
Net Cash Provided by Noncapital Financing Activities	<u>732,788</u>	<u>227,000</u>	<u>959,788</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Acquisition of Capital Assets	(12,057)	-	(12,057)
Net Cash (Used for) Capital and Related Financing Activities	<u>(12,057)</u>	<u>-</u>	<u>(12,057)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Interest Earnings	168	-	168
Net Cash Provided by Investing Activities	<u>168</u>	<u>-</u>	<u>168</u>
Net Increase (Decrease) in Cash and Cash Equivalents	115,580	154,056	269,636
Cash and Cash Equivalents, Beginning of Year	10,282	16,066	26,348
Cash and Cash Equivalents, End of Year	<u>\$ 125,862</u>	<u>\$ 170,122</u>	<u>\$ 295,984</u>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES</b>			
Operating Income (Loss)	\$ (666,963)	\$ (72,545)	\$ (739,508)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities			
Depreciation	15,457		15,457
Non-Cash Federal Assistance - Food Distribution Program	35,197		35,197
Change in Assets, Deferred Inflows of Resources and Liabilities			
(Increase)/Decrease in Accounts Receivable	3,427	(399)	3,028
(Increase)/Decrease in Inventory	(438)		(438)
Increase/(Decrease) in Accounts Payable	15,272	-	15,272
Increase/(Decrease) in Deferred Inflows of Resources	829		829
Increase/(Decrease) in Unearned Revenue	(8,100)	-	(8,100)
Total Adjustments	<u>61,644</u>	<u>(399)</u>	<u>61,245</u>
Net Cash Provided by (Used for) Operating Activities	<u>\$ (605,319)</u>	<u>\$ (72,944)</u>	<u>\$ (678,263)</u>
Non-Cash Investing, Capital and Financing Activities:			
Value Received - Food Distribution Program	\$ 36,026		\$ 36,026

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

**NOTES TO THE FINANCIAL STATEMENTS**



**TOWN OF BOONTON SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Reporting Entity**

The Town of Boonton School District (the “Board” or the “District”) is an instrumentality of the State of New Jersey, established to function as an education institution. The Board consists of nine elected officials along with one representative from Lincoln Park and is responsible for the fiscal control of the District. A Superintendent of Schools is appointed by the Board and is responsible for the administrative control of the District. A School Business Administrator/Board Secretary is also appointed by the Board and oversees the business functions of the District. Under existing statutes, the Board's duties and powers include, but are not limited to, the development and adoption of a school program; the establishment, organization and operation of schools; and the acquisition, maintenance and disposition of school property. The Board currently operates a Pre-Kindergarten through grade twelve (12) school district.

The Board also has broad financial responsibilities, including the approval of the annual budget and the establishment of a system of accounting and budgetary controls. The Superintendent of Schools is the Chief Administrative Officer of the District and is responsible for general supervision of all schools, planning and operational functions of the District. The School Business Administrator/Board Secretary is the Chief Financial Officer and is responsible for budgeting, financial accounting and reporting and reports through the Superintendent of Schools to the Board.

The reporting entity is composed of the primary government, component units, and other organizations that are included to ensure that the financial statements of the District are not misleading. The primary government consists of all funds, departments, boards and agencies that are not legally separate from the District. For the Town of Boonton School District this includes general operations, food service, after school child care and student related activities of the District.

Component units are legally separate organizations for which the District is financially accountable. The District is financially accountable for an organization if the District appoints a voting majority of the organization's governing board and (1) the District is able to significantly influence the programs or services performed or provided by the organization; or (2) the District is legally entitled to or can otherwise access the organization's resources; the District is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the District is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the District in that the District approves the budget, the issuance of debt or the levying of taxes. Based on the foregoing criteria, the District has no component units. Furthermore, the District is not includable in any other reporting entity as a component unit.

**B. New Accounting Standards**

During fiscal year 2022, the District adopted the following GASB statements:

- GASB Statement No. 87, *Leases*. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract.
- GASB Statement No. 89, *Accounting for Interest Costs Incurred Before the End of a Construction Period*. The objectives of this Statement is to improve financial reporting by providing users of financial statements with more relevant information about capital assets and the cost of borrowing for a reporting period. The resulting information also will enhance the comparability of information about capital assets and the cost of borrowing for a reporting period for both governmental activities and business-type activities.

**TOWN OF BOONTON SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**B. New Accounting Standards (Continued)**

- GASB Statement No. 92, *Omnibus 2020*. The objective of this Statement is to enhance comparability in the application of accounting and financial reporting requirements and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics.
- GASB Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans – An Amendment of GASB Statements No. 14 and No.84, and a Supersession of GASB Statement No. 32*. The objective of this Statement is to provide more consistent financial reporting of defined contribution pension plans, defined contribution OPEB plans, and other employee benefit plans, while mitigating the costs associated with reporting those plans. The requirements also will enhance the relevance, consistency, and comparability of (1) the information related to Section 457 plans that meet the definition of a pension plan and the benefits provided through those plans and (2) investment information for all Section 457 plans.
- GASB Statement No. 98, *The Annual Comprehensive Financial Report*. This Statement establishes the term *annual comprehensive financial report* and its acronym *ACFR*. That new term and acronym replace instances of *comprehensive annual financial report* and its acronym in generally accepted accounting principles for state and local governments.

Other accounting standards that the District is currently reviewing for applicability and potential impact on the financial statements include:

- GASB Statement No. 96, *Subscription – Based Information Technology Arrangements*, will be effective beginning with the fiscal year ending June 30, 2023. The objective of this Statement will be to improve financial reporting by establishing a definition for subscription-based information technology arrangements (SBITAs) and providing uniform guidance for accounting and financial reporting for transactions that meet that definition. That definition and uniform guidance will result in greater consistency in practice. Establishing the capitalization criteria for implementation costs also will reduce diversity and improve comparability in financial reporting by governments. This Statement also will enhance the relevance and reliability of a government's financial statements by requiring a government to report a subscription asset and subscription liability for a SBITA and to disclose essential information about the arrangement. The disclosures will allow users to understand the scale and important aspects of a government's SBITA activities and evaluate a government's obligations and assets resulting from SBITAs.
- GASB Statement No. 99, *Omnibus 2022*, the section applicable to the District will be effective beginning with the fiscal year ending June 30, 2023. The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees.
- GASB Statement No. 100, *Accounting Changes and Error Corrections – an amendment of GASB Statement No. 62*, will be effective beginning with the fiscal year ending June 30, 2024. The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability.
- GASB Statement No. 101, *Compensated Absences*, will be effective beginning with the fiscal year ending June 30, 2025. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures.

**TOWN OF BOONTON SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**C. Basis of Presentation - Financial Statements**

The financial statements include both district-wide financial statements (based on the District as a whole) and fund financial statements (based on specific District activities or objectives). Both the district-wide and fund financial statements categorize activities as either governmental activities or business-type activities. While separate district-wide and fund financial statements are presented, they are interrelated. In the district-wide financial statements, the governmental activities column incorporates data from governmental funds while business-type activities incorporate data from the District's enterprise funds. Fiduciary funds are excluded from the district-wide financial statements. Currently the District has no Fiduciary Funds.

**District-Wide Financial Statements**

The district-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the Board of Education. All fiduciary activities are reported only in the fund financial statements. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by property taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. In the statement of net position, both the governmental and business-type activities columns (a) are presented on a consolidated basis by column, and (b) reflect on a full accrual economic resource basis, which incorporates long-term assets and receivables as well as long-term debt and obligations.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or other governmental entities, including other school districts, who purchase, use, or directly benefit from goods or services provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Property taxes, unrestricted state aid and other items not properly included among program revenues are reported instead as general revenues.

As a general rule the effect of interfund activity has been eliminated from the district-wide financial statements. Exceptions to this general rule are charges between the Board's proprietary funds since elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

**Fund Financial Statements**

Separate fund financial statements are provided for governmental, proprietary, and fiduciary activities, even though the latter are excluded from the district-wide financial statements. The emphasis of fund financial statements is on major individual governmental and enterprise funds, each reported as separate columns in the fund financial statements. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds. The District considers all of its governmental and enterprise funds to be major funds.

The District reports the following major governmental funds:

The *general fund* is the School District's primary operating fund. It accounts for all financial resources of the District, except those to be accounted for in another fund.

The *special revenue fund* accounts for the proceeds of specific revenue sources legally restricted to expenditures for specified purposes. This fund accounts for federal, state and local financial programs, with the exception of grants for major capital projects and the child nutrition programs, student activity funds derived from athletic events or other activities of pupil organizations and private donations for scholarship awards.

The *capital projects fund* accounts for the proceeds from the sale of bonds, financing agreements and other revenues used for the acquisition or construction of capital facilities and other capital assets, other than those financed by the proprietary funds.

The *debt service fund* accounts for the accumulation of resources that are restricted, committed or assigned for the payment of principal and interest on long-term general obligation debt of governmental funds.

**TOWN OF BOONTON SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**C. Basis of Presentation - Financial Statements (Continued)**

The District reports the following major proprietary funds which are organized to be self-supporting through user charges:

The *food service fund* accounts for the activities of the school cafeteria, which provides food service to students as well as a la carte and catering services for administrators, teachers and special events.

The *bridges to learning program fund* accounts for the activities of the District's bridges to learning program which provides after school and extended day services.

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds". Any residual balances outstanding between the governmental activities and business-type activities are reported in the district-wide financial statements as "internal balances".

**Reclassifications**

Certain amounts presented in the prior year data may have been reclassified in order to be consistent with the current year's presentation.

**D. Measurement Focus and Basis of Accounting**

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The district-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. All assets, all liabilities and all deferred outflows/inflows of resources associated with these operations are included on the Statement of Net Position. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when susceptible to accrual (i.e. when they are both measurable and available). Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Board considers revenues to be available if they are collected within 60 days after year-end. Expenditures are recorded when a liability is incurred, as under accrual basis of accounting, with the exception of debt service expenditures as well as expenditures related to compensated absences and claims and judgments which are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt, acquisitions under financing agreements and leases payable for intangible right-to-use leased assets are reported as other financing sources.

**TOWN OF BOONTON SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**D. Measurement Focus and Basis of Accounting (Continued)**

Property taxes, tuition, unrestricted state aid, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Entitlements (formula-type grants and aid) are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source. Expenditure-driven grants and similar awards (reimbursement-type grants and awards) are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements imposed by the grantor or provider have been met, and the amount is received during the period or within the availability period for this revenue source. All other revenue items are considered to be measurable and available only when cash is received by the District.

When both restricted and unrestricted resources are available for use, it is the Board's policy to use restricted resources first, then unrestricted resources as they are needed.

**E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance**

***1. Cash, Cash Equivalents and Investments***

Cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

Investments are reported at fair value and are limited by N.J.S.A. 18A:20-37.

***2. Receivables***

All receivables are reported at their gross value, and where appropriate, are reduced by the estimated portion that is expected to be uncollectible.

***3. Inventories***

The cost of inventories of the governmental fund types are recorded as expenditures at the time individual inventory items are purchased.

Food Service Fund inventories, exclusive of the federal commodities, are valued at cost, using the first-in first-out (FIFO) method and consist of food and expendable supplies. The cost of such inventories is recorded as expenses when consumed rather than when purchased. The United States Department of Agriculture (USDA) commodity portion of the Food Service Fund inventory consists of food donated by the USDA. It is valued at estimated market prices by the USDA. The amount of unused commodities inventory at year-end is reported as deferred inflows of resources.

***4. Restricted Assets***

Certain assets are classified as restricted on the balance sheet because they are maintained in separate bank accounts and their use is limited by Capital Financing Agreements for capital projects and other expenditures.

**TOWN OF BOONTON SCHOOL DISTRICT  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance (Continued)**

**5. Capital Assets**

Capital assets, which include property, plant and equipment, are reported in the applicable governmental or business-type activities columns in the district-wide financial statements. Capital assets are defined by the Board as assets with an initial, individual cost of \$2,000 and an estimated useful life in excess of two years. The District was able to estimate the historical cost for the initial reporting of these capital assets through back trending. As the District constructs or acquires additional capital assets each period, they are capitalized and reported at historical cost except for intangible right-to-use leases assets, the measurement of which is described in Note \_\_. Donated capital assets are recorded at acquisition value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend its useful life are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed.

Land and construction in progress are not depreciated. The other property, plant, and equipment of the District is depreciated using the straight line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Land Improvements	20
Buildings	40
Building Improvements	20
Machinery and Equipment	5-10

**6. Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to future periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Board has two items which arise only under the accrual basis of accounting that qualify for reporting in this category. One item is the deferred amount on refunding of debt which results from a debt refunding reported in the district-wide statement of net position. Deferred amounts on debt refunding result from the difference on the transaction when the debt’s reacquisition price is greater than the carrying value of the refunded debt. These amounts are deferred and amortized over the shorter of the life of the refunded or refunding debt. The other item that qualifies for reporting in this category is the deferred amounts on net pension liability. Deferred amounts on net pension liability are reported in the district-wide statement of net position and result from: (1) differences between expected and actual experience; (2) changes in assumptions; (3) net difference between projected and actual investment earnings on pension plan investments; (4) changes in proportion and differences between employer contributions and proportionate share of contributions; and (5) contributions made subsequent to the measurement date. These amounts are deferred and amortized over future years.

**TOWN OF BOONTON SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance (Continued)**

***6. Deferred Outflows/Inflows of Resources (Continued)***

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time. The Board has two types of items, which arise only under the accrual basis of accounting that qualify for reporting in this category. One item that qualifies for reporting in this category are the deferred amounts on net pension liability. Deferred amounts on net pension liability are reported in the district-wide statement of net position and result from: (1) differences between expected and actual experience; (2) changes in assumptions; (3) net difference between projected and actual investment earnings on pension plan investments; and (4) changes in proportion and differences between employer contributions and proportionate share of contributions. These amounts are deferred and amortized over future years. The other item that qualifies for reporting in this category is the deferred commodities revenue, reported in both the district-wide and the proprietary funds statements of net position. The deferred commodities revenue represents the estimated market value of the donated and unused Federal commodities inventory at year end. This amount is deferred and recognized as an inflow of resources in the period the commodities are consumed.

***7. Compensated Absences***

It is the District's policy to permit employees to accumulate (with certain restrictions) earned but unused sick leave benefits. A long-term liability of accumulated sick leave and salary related payments has been recorded in the governmental activities in the district-wide financial statements, representing the Board's commitment to fund such costs from future operations. A liability is reported in the governmental funds only to the amount actually due at year end as a result of employee resignations and retirements.

***8. Pensions***

In the district-wide financial statements and proprietary fund types in the fund financial statements, 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 retirement systems sponsored and administered by the State of New Jersey and additions to/deductions from these retirement systems' fiduciary net position have been determined on the same basis as they are reported by the retirement systems. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

In the governmental fund financial statements, net pension liabilities represent amounts normally expected to be liquidated with expendable available financial resources for required pension contributions that are due and payable at year end. Pension expenditures are recognized based on contractual pension contributions that are required to be made to the pension plan during the fiscal year.

***9. Financing Agreements***

Capital financing agreements and other financing agreements are financed purchase contracts that transfer ownership of the underlining assets or items (i.e. expendable supplies) to the District by the end of the agreement and do not contain termination options. Capital financing agreements and other financing agreements are recognized as long-term liabilities along with the related capital asset or expenses being financed, respectively, in the district-wide and proprietary fund type financial statements.

In the fund financial statements, capital financing agreements and other financing agreements are recognized as other financing sources at the face amount of the financed purchase contract. Assets and supplies financed under these agreements are reported as capital outlay or current expenditures, respectively.

TOWN OF BOONTON SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance (Continued)

*10. Long-Term Obligations*

In the district-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Differences resulting from debt refundings are classified as deferred inflows of resources or as deferred outflows of resources. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Differences resulting from debt refundings are also deferred and amortized over the life of the refunded bonds or new bonds whichever is less using the effective interest method. Bonds payable are reported with the unamortized bond premium or discount. Bond issuance costs (other than for prepaid insurance) are treated as an expense.

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

*11. Net Position/Fund Balance*

District-Wide Statements

In the district-wide statements, there are three classes of net position:

- **Net Investment in Capital Assets** – consists of net capital assets (cost less accumulated depreciation) reduced by outstanding balances of related debt obligations from the acquisition, construction or improvement of those assets. Deferred outflows of resources and deferred inflows of resources attributable to the acquisition, construction or improvement of those assets or related debt also should be included.
- **Restricted Net Position** – reports net position when constraints placed on the residual amount of noncapital assets are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.
- **Unrestricted Net Position** – any portion of net position not already classified as either net investment in capital assets or net position – restricted is classified as net position – unrestricted.

Governmental Fund Statements

Fund balance categories are designed to make the nature and extent of the constraints placed on the District's fund balance more transparent. These categories are comprised of a hierarchy based primarily on the extent to which the District is bound to observe constraints imposed upon the use of the resources reported in governmental funds.

**Restricted Fund Balance** – Amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation.

*Capital Reserve* – This restriction was created by the District in accordance with NJAC 6A:23A-14.1 to fund future capital expenditures (See Note 2C).

*Tuition Adjustment – Designated for Subsequent Year's Expenditures* – This restriction was created in accordance with NJAC 6A:23A-17.1(F)8 to represent foreseeable future tuition adjustments for the 2020/2021 contract year that is appropriated in the 2022/2023 original budget certified for taxes.



TOWN OF BOONTON SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance (Continued)

11. *Net Position/Fund Balance (Continued)*

Governmental Fund Statements (Continued)

Restricted Fund Balance (Continued)

Capital Projects – Represents fund balance restricted specifically for capital acquisitions and improvements in the Capital Projects Fund.

Unemployment Compensation – This restriction was created in accordance with R.S. 43:21-7.3 to reserve funds for unemployment compensation claims reimbursable to the State under the District’s election for payment in lieu of contributions (benefit reimbursement method). (See Note 4A).

Scholarships – This restriction was created to represent the accumulation of donor restricted funds specifically earmarked for student scholarship awards.

Student Activities – This restriction was created in accordance with NJAC 6A:23A-16.12 to represent the accumulation of funds derived from athletic events and other student organizations reserved for the payment of student group activities.

Committed Fund Balance – Amounts constrained to specific purposes by a government itself, using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest level action to remove or change the constraint.

Year-End Encumbrances – Represents outstanding purchase orders at year end for contracts awarded by formal action of the Board of Trustee’s for specific purposes from available resources of the current year for which the goods and materials have not yet been received or the services have not yet been rendered at June 30.

Assigned Fund Balance – Amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority.

Year-End Encumbrances – Represent outstanding purchase orders for goods or services approved by management for specific purposes from available resources of the current year for which the goods and materials have not yet been received or the services have not yet been rendered at June 30.

Designated for Subsequent Year’s Expenditures – This designation was created to dedicate the portion of fund balance appropriated in the adopted 2022/2023 District budget certified for taxes.

Unassigned Fund Balance – Represents fund balance that has not been restricted, committed or assigned to specific purposes within the governmental funds.

In the general operating fund and other governmental funds (special revenue, capital projects and debt service fund types), it is the District’s policy to consider restricted resources to have been spent first when an expenditure is incurred for purposes for which both restricted and unrestricted (i.e., committed, assigned or unassigned) fund balances are available, followed by committed and then assigned fund balances. Unassigned amounts are used only after the other resources have been used.

12. *Fund Balance Policies*

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The Board of Education itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

**TOWN OF BOONTON SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance (Continued)**

***12. Fund Balance Policies (Continued)***

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the District's highest level of decision-making authority. The Board of Trustees is the highest level of decision-making authority for the school district that can, by adoption of a resolution or formal Board action prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the resolution remains in place until a similar action is taken (the adoption of another resolution) to remove or revise the limitation.

Amounts in the assigned fund balance classification are intended to be used by the Board of Education for specific purposes but do not meet the criteria to be classified as committed. The Board has authorized the School Business Administrator/Board Secretary to assign fund balance. The Board may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

**F. Revenues and Expenditures/Expenses**

***1. Program Revenues***

Amounts reported as program revenues in the district-wide statement of activities include 1) charges to customers or applicants for goods or services, provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all property taxes, unrestricted state aid, investment earnings and miscellaneous revenues.

***2. Property Taxes***

Property taxes are levied pursuant to law and are collected by the municipality and are transferred to the District as requested. Property tax revenues are recognized in the year they are levied and become available. Property taxes collected in advance of the year-end for which they are levied and transferred to the District are reported as deferred inflows of resources. The tax bills are mailed annually in June by the municipal tax collector and are levied and due in four quarterly installments on August 1, November 1, February 1 and May 1 of the fiscal year. When unpaid, taxes or any other municipal lien, or part thereof, on real property, remains in arrears on April 1<sup>st</sup> in the year following the calendar year levy when the same became in arrears, the tax collector of the municipality shall, subject to the provisions of New Jersey Statute, enforce the lien by placing the property on a tax sale. The municipality may institute annual "in rem" tax foreclosure proceedings to enforce the tax collection or acquisition of title to the property.

***3. Tuition Revenues and Expenditures***

Tuition Revenues - Tuition charges were established by the Board of Education based on estimated costs. The charges are subject to adjustment when the final costs are determined and certified by the State Department of Education.

Tuition Expenditures - Tuition charges for the fiscal years 2020-2021 and 2021/2022 were based on rates established by the receiving district. These rates are subject to change when the actual costs have been certified by the State Department of Education.

***4. Proprietary Funds, Operating and Nonoperating Revenues and Expenses***

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the food service and bridges to learning enterprise funds, are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses. Federal and State subsidies for the food service operation are considered nonoperating revenues.

**TOWN OF BOONTON SCHOOL DISTRICT  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

**A. Budgetary Information**

In accordance with the requirements of the New Jersey Department of Education (“the Department”), the District annually prepares its operating budget for the forthcoming year. The budget, except for the general fund and special revenue fund, which is more fully explained below and in the notes to the required supplementary information, is prepared in accordance with accounting principles generally accepted in the United States of America and serves as a formal plan for expenditures and the proposed means for financing them. Lease transactions are accounted for on the GAAP basis.

The annual budget is adopted in the spring of the preceding year for the general, special revenue and debt service funds. The District is not required to adopt an annual budget for the capital projects fund. The budget is submitted to the county superintendent for review and approval prior to adoption. Districts that have their school board members elected in November no longer have to submit their budgets that meet levy cap requirements for voter approval beginning with the 2012/2013 budget year. Only a school board decision to exceed the tax levy cap would require voter approval for the additional amount on the November ballot. The Board adopted a resolution to move its annual election to the date of the general elections in accordance with the law; therefore voter approval of the annual budget is not required.

Budget adoptions and amendments are recorded in the District's board minutes. The budget is amended by the Board of Trustees as needed throughout the year. The budget for revenues, other resources, other uses, and fund balances is prepared by fund source and amount. The budget for expenditures is prepared by fund, program, function, object and amount. The legal level of budgetary control is established at the line item account 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. The Board approved several budget transfers during 2021/2022. Also, during 2021/2022 the Board increased the original budget by \$3,354,021. The increase was funded by grant awards, extraordinary aid, capital reserve and the reappropriation of prior year general fund encumbrances.

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 accounting principles generally accepted in the United States of America, with the exception of the legally mandated revenue recognition of certain state aid payments for budgetary purposes only and the treatment of encumbrances in the special revenue fund as described in the Notes to Required Supplementary Information (RSI). Encumbrance accounting is also employed as an extension of formal budgetary integration in the governmental fund types. Unencumbered appropriations lapse at fiscal year end.

Encumbrance accounting is employed in the governmental funds. 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 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 which are reappropriated and honored during the subsequent fiscal year.

**B. Excess Expenditures Over Appropriations**

The following is a summary of expenditures in excess of available appropriations. The overexpended appropriations resulted in unfavorable variances.

	<u>Budget</u>	<u>Actual</u>	<u>Unfavorable Variance</u>
General Fund			
Undistributed Expenditures			
Student Transportation Services			
Salaries for Pupil Transportation (Between Home and School) - Regular	\$ 11,070	\$ 15,134	\$ 4,064

The above variance was offset with other available resources.

**TOWN OF BOONTON SCHOOL DISTRICT  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)**

**C. Deficit Fund Equity**

The District has an unassigned fund deficit of \$101,370 in the Special Revenue Fund as of June 30, 2022 as reported in the fund financial statements (modified accrual basis). NJSA 18A:22-44.2 provides that in the event a state school aid payment is not made until the following school budget year, districts must record these delayed state aid payments as revenue, for budget purposes only, in the current school budget year. The statute provides legal authority for school districts to recognize this revenue in the current budget year. GASB Statement No. 33, "Accounting and Financial Reporting for Nonexchange Transactions", requires that intergovernmental transactions (revenue, expenditure, asset, liability) should be recognized in symmetry (i.e., if one government recognizes an asset, the other government recognizes a liability). Since the State of New Jersey is recording certain 2021/2022 budgeted state aid payments in the subsequent fiscal year, the school district cannot recognize such payments on the GAAP (fund) financial statements until the year the State records the payable. Due to the timing difference of recording these delayed state aid payments, the deficit does not alone indicate that the District is facing financial difficulties; however, unless the State of New Jersey budgets the delayed payments in future years, the District may also report fund deficits in the future.

Pursuant to NJSA 18A:22-44.2, any negative unreserved, undesignated (i.e., unassigned) fund balance that is reported as a direct result of a delay in the payment of state aid until the following fiscal year, is not considered as a violation of New Jersey Statute or regulation and is not considered an item in need of corrective action. The District deficit in the GAAP (fund) financial statements of \$101,370 in the Special Revenue Fund is less than the delayed state aid payments at June 30, 2022.

**D. Capital Reserve**

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

Funds placed in the capital reserve are restricted to capital projects in the district's approved Long Range Facilities Plan (LRFP). Upon submission of the LRFP to the Department, 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 amounts 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-14.1(g), the balance in the reserve 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 fiscal year ended June 30, 2022 is as follows:

Balance, July 1, 2021		\$ 892,380
Decreased by:		
Withdrawals Approved in District Budget	\$ (291,000)	
Withdrawals Approved by Board Resolution	<u>(420,000)</u>	
		<u>(711,000)</u>
Balance, June 30, 2022		<u>\$ 181,380</u>

**TOWN OF BOONTON SCHOOL DISTRICT  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**NOTE 3 DETAILED NOTES ON ALL FUNDS**

**A. Cash Deposits and Investments**

**Cash Deposits**

The Board's deposits are insured through either the Federal Deposit Insurance Corporation (FDIC), National Credit Union Share Insurance Fund (NCUSIF), Securities Investor Protection Corporation (SIPC) or New Jersey's Governmental Unit Deposit Protection Act (GUDPA). The Board is required to deposit their funds in a depository which is protecting such funds pursuant to GUDPA. The New Jersey Governmental Unit Deposit Protection Act requires all banks doing business in the State of New Jersey to pledge collateral equal to at least 5% of the average amount of its public deposits and 100% of the average amount of its public funds in excess of the lesser of 75% of its capital funds or \$200 million for all deposits not covered by the FDIC and NCUSIF.

Bank balances are insured up to \$250,000 in the aggregate by the FDIC for each bank. NCUSIF insures credit union accounts up to \$250,000 in the aggregate for each financial institution. SIPC replaces cash claims up to a maximum of \$250,000 for each failed brokerage firm. At June 30, 2022, the book value of the Board's deposits were \$3,224,636 and bank and brokerage firm balances of the Board's deposits amounted to \$3,833,335. The Board's deposits which are displayed on the various fund balance sheets as "cash and cash equivalents" or "cash with fiscal agents" are categorized as:

**Depository Account**

Insured	\$ 2,916,246
Uninsured and Collateralized	<u>917,089</u>
	<u>\$ 3,833,335</u>

Custodial Credit Risk – Deposits – Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The Board does not have a policy for custodial credit risk. As of June 30, 2022, the Board's bank balances of \$917,089 was exposed to custodial credit risk as follows:

**Uninsured and Collateralized:**

Collateral held by Board's Agent in the Board's name	\$ 341
Collateral held by pledging financial institutions' trust department but not in the Board's name	<u>916,748</u>
	<u>\$ 917,089</u>

**TOWN OF BOONTON SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)**

**A. Cash Deposits and Investments (Continued)**

**Investments**

The Board is permitted to invest public funds in accordance with the types of securities authorized by N.J.S.A. 18A:20-37. Examples of the allowable investments are bonds or other obligations of the United States or obligations guaranteed by the United States of America; Government Money Market Mutual Funds; 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 obligations bear a fixed rate of interest not dependent on any index or other external factor; 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; 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 “Local Authorities Fiscal Control Law,” (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 school districts; Local Government investment pools; 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); and agreements for the repurchase of fully collateralized securities, if transacted in accordance with the above statute.

As of June 30, 2022, the Board had no outstanding investments.

Interest Rate Risk – Interest rate risk is the risk that changes in the market interest rate will adversely affect the fair value of an investment. The Board does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk – Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. State law limits investments as noted above (N.J.S.A. 18A:20-37).

Concentration of Credit Risk – The concentration of credit risk is the risk of loss that may be caused by the Board’s investment in a single issuer. The Board places no limit in the amount the District may invest in any one issuer.

**B. Receivables**

Receivables as of June 30, 2022 for the district’s individual major funds including the applicable allowances for uncollectible accounts, are as follows:

	<u>General</u>	<u>Special Revenue</u>	<u>Food Service</u>	<u>Total</u>
Receivables:				
Accounts			\$ 7,327	\$ 7,327
Intergovernmental				
Federal	\$ 9,782	\$ 267,981	56,181	333,944
State	415,725	-	1,197	416,922
Gross Receivables	425,507	267,981	64,705	758,193
Less: Allowance for Uncollectibles	-	-	-	-
Net Total Receivables	<u>\$ 425,507</u>	<u>\$ 267,981</u>	<u>\$ 64,705</u>	<u>\$ 758,193</u>

**TOWN OF BOONTON SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)**

**C. Unearned Revenue**

Governmental funds report unearned revenue in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of unearned revenue reported in the governmental funds were as follows:

	<u>Total</u>
Special Revenue Fund	
Unencumbered Grant Draw Downs	\$ 30,049
Grant Draw Downs Reserved for Encumbrances	<u>56,897</u>
 Total Unearned Revenue for Governmental Funds	 <u>\$ 86,946</u>

**D. Capital Assets**

Capital asset activity for the fiscal year ended June 30, 2022 was as follows:

	Balance, <u>July 1, 2021</u>	<u>Increases</u>	<u>Decreases</u>	Balance, <u>June 30, 2022</u>
<b>Governmental Activities:</b>				
Capital Assets, Not Being Depreciated:				
Land	\$ 471,800	-	-	\$ 471,800
Total Capital Assets, Not Being Depreciated	<u>471,800</u>	<u>-</u>	<u>-</u>	<u>471,800</u>
Capital Assets, Being Depreciated:				
Buildings and Building Improvements	33,469,375	\$ 288,328		33,757,703
Machinery and Equipment	<u>3,958,576</u>	<u>137,879</u>	\$ (17,450)	<u>4,079,005</u>
Total Capital Assets Being Depreciated	<u>37,427,951</u>	<u>426,207</u>	<u>(17,450)</u>	<u>37,836,708</u>
Less Accumulated Depreciation for:				
Buildings and Building Improvements	(11,185,641)	(895,834)		(12,081,475)
Machinery and Equipment	<u>(3,191,872)</u>	<u>(175,795)</u>	17,450	<u>(3,350,217)</u>
Total Accumulated Depreciation	<u>(14,377,513)</u>	<u>(1,071,629)</u>	<u>17,450</u>	<u>(15,431,692)</u>
Total Capital Assets, Being Depreciated, Net	<u>23,050,438</u>	<u>(645,422)</u>	<u>-</u>	<u>22,405,016</u>
Governmental Activities Capital Assets, Net	<u>\$ 23,522,238</u>	<u>\$ (645,422)</u>	<u>\$ -</u>	<u>\$ 22,876,816</u>

**TOWN OF BOONTON SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)**

**D. Capital Assets (Continued)**

	Balance, <u>July 1, 2021</u>	<u>Increases</u>	<u>Decreases</u>	Balance, <u>June 30, 2022</u>
<b>Business-Type Activities:</b>				
Capital Assets, Being Depreciated:				
Machinery and Equipment	\$ 359,021	\$ 12,057	(10,430)	\$ 360,648
Total Capital Assets Being Depreciated	<u>359,021</u>	<u>12,057</u>	<u>(10,430)</u>	<u>360,648</u>
Less Accumulated Depreciation for:				
Machinery and Equipment	(241,961)	(15,457)	10,430	(246,988)
Total Accumulated Depreciation	<u>(241,961)</u>	<u>(15,457)</u>	<u>10,430</u>	<u>(246,988)</u>
Total Capital Assets, Being Depreciated, Net	<u>117,060</u>	<u>(3,400)</u>	<u>-</u>	<u>113,660</u>
Business-Type Activities Capital Assets, Net	<u>\$ 117,060</u>	<u>\$ (3,400)</u>	<u>\$ -</u>	<u>\$ 113,660</u>

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

**Governmental Activities:**

Instruction	
Regular	\$ 99,382
Total Instruction	<u>99,382</u>
Support Services	
Support Services-Students	5,880
School Administration	10,801
Operations and Maintenance	922,465
Transportation	<u>33,101</u>
Total Support Services	<u>972,247</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 1,071,629</u>

**Business-Type Activities:**

Food Service Fund	\$ 15,457
Total Depreciation Expense-Business-Type Activities	<u>\$ 15,457</u>



**TOWN OF BOONTON SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)**

**D. Capital Assets (Continued)**

**Construction and Other Significant Commitments**

The District has the following active construction projects as of June 30, 2022:

<u>Project</u>	<u>Remaining Commitment</u>
Roofing Upgrades/Replacement at Boonton High School	\$ <u>358,900</u>

**E. Interfund Receivables, Payables, and Transfers**

The composition of interfund balances as of June 30, 2022, is as follows:

**Due To/From Other Funds**

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Special Revenue Fund	\$ 9,359
Food Service Enterprise Fund	General Fund	<u>15,689</u>
		<u>\$ 25,048</u>

The above balances are the result of revenues earned or other financing sources received in one fund which are due to another fund, and expenditures paid by one fund on behalf of another fund and to cover cash balances which were in an overdraft position.

The District expects all interfund balances to be liquidated within one year.

**Interfund transfers**

	<u>Transfer In:</u>		
	<u>Special Revenue Fund</u>	<u>Capital Projects</u>	<u>Total</u>
<u>Transfer Out:</u>			
General Fund	<u>\$ 417,180</u>	<u>\$ 400,000</u>	<u>\$ 817,180</u>

The above transfers are the result of revenues earned in one fund to finance expenditures in another fund.

**TOWN OF BOONTON SCHOOL DISTRICT  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)**

**F. Financing Agreements**

**Capital Financing Agreements**

The District entered into the following agreements to finance the construction of major capital facilities and other capital assets and to finance the purchase of certain equipment that does not meet the threshold of a capital asset and therefore are classified as expendable supplies under capital and other financing agreements. The repayments of these financing agreements are subject to the annual appropriation of funds in the District’s approved budget.

Capital and other financing agreements at June 30, 2022 are comprised of the following:

<p>\$550,000 fiscal year 2018 Agreement for lighting and security equipment for a term of 5 years due in a semi-annual installment of \$57,206 on September 15, 2022, interest at 1.9955%</p>	<p>\$ 57,206</p>
<p>\$559,668 fiscal year 2019 agreement for copiers, chrome books and textbooks for a term of 5 years due in an annual installment of \$118,844 on July 15, 2022, interest at 2.00%</p>	<p>118,844</p>
<p>\$425,000 fiscal year 2019 agreement for smart boards and HVAC improvements for a term of 5 years due in an annual installment of \$88,967 on July 15, 2022, interest at 2.00%</p>	<p>88,967</p>
<p>\$200,000 fiscal year 2019 agreement for mobile devices and textbooks for a term of 5 years due in annual installments of \$40,394 to \$42,284 through July 15, 2024, interest at 2.00%</p>	<p>82,678</p>
<p>\$340,000 fiscal year 2020 agreement for buses and technology equipment for a term of 5 years due in semi-annual installments of \$33,541 to \$35,475 through February 15, 2025, interest at 2.255%</p>	<p><u>207,007</u></p>
<p>Total</p>	<p><u>\$ 554,702</u></p>

**G. Long-Term Debt**

**General Obligation Bonds**

The Board issued general obligation bonds to provide funds for the acquisition and construction of major capital facilities and other capital assets and other purposes permitted by statute. The full faith and credit of the Board are irrevocably pledged for the payment of the principal of the bonds and the interest thereon.

**TOWN OF BOONTON SCHOOL DISTRICT  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)**

**G. Long-Term Debt (Continued)**

**General Obligation Bonds (Continued)**

Bonds payable at June 30, 2022 are comprised of the following issues:

\$9,305,000, 2014 Refunding Bonds, due in annual installments of \$920,000 to \$1,080,000 through January 15, 2027, interest at 3.00% to 5.00%	\$ 4,980,000
\$9,475,000, 2015 Refunding Bonds, due in annual installments of \$1,210,000 to \$1,480,000 through January 15, 2034, interest at 3.00% to 4.00%	<u>9,330,000</u>
	<u>\$14,310,000</u>

The Board's schedule of principal and interest for long-term debt issued and outstanding is as follows:

**Governmental Activities:**

Fiscal Year Ending June 30,	Serial Bonds		Total
	Principal	Interest	
2023	920,000	558,050	1,478,050
2024	945,000	530,450	1,475,450
2025	995,000	483,200	1,478,200
2026	1,040,000	433,450	1,473,450
2027	1,080,000	391,850	1,471,850
2028-2032	6,430,000	1,331,000	7,761,000
2033-2034	<u>2,900,000</u>	<u>175,200</u>	<u>3,075,200</u>
	<u>\$ 14,310,000</u>	<u>\$ 3,903,200</u>	<u>\$ 18,213,200</u>

**Statutory Borrowing Power**

The Board's remaining borrowing power under N.J.S. 18A:24-19, as amended, at June 30, 2022 was as follows:

4% of Equalized Valuation Basis (Municipal)	\$ 49,054,211
Less: Net Debt (Including Unfunded Authorizations)	<u>(14,310,325)</u>
Remaining Borrowing Power	<u>\$ 34,743,886</u>

**TOWN OF BOONTON SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)**

**H. Other Long-Term Liabilities**

**Changes in Long-Term Liabilities**

Long-term liability activity for the fiscal year ended June 30, 2022, was as follows:

	Balance, <u>July 1, 2021</u>	<u>Additions</u>	<u>Reductions</u>	Balance, <u>June 30, 2022</u>	Due Within <u>One Year</u>
<b>Governmental Activities:</b>					
Bonds Payable	\$ 15,205,000		\$ (895,000)	\$ 14,310,000	\$ 920,000
Add: Premium	687,821	-	(122,603)	565,218	-
Total Bonds Payable	15,892,821	-	(1,017,603)	14,875,218	920,000
Capital and Other Financing Agreements	1,206,709		(652,007)	554,702	372,871
Net Pension Liability	6,688,408		(1,442,042)	5,246,366	
Compensated Absences	357,279	\$ 89,193	(46,240)	400,232	10,440
Governmental Activity Long-Term Liabilities	<u>\$ 24,145,217</u>	<u>\$ 89,193</u>	<u>\$ (3,157,892)</u>	<u>\$ 21,076,518</u>	<u>\$ 1,303,311</u>

For the governmental activities, the liabilities for compensated absences, capital and other financing agreements and net pension liability are generally liquidated by the general fund.

**NOTE 4 OTHER INFORMATION**

**A. Risk Management**

The District is exposed to various risks of loss related to property, general liability, automobile coverage, theft of, damage to and destruction of assets; errors and omissions; injuries to employees; student accident; termination of employees and natural disasters. The Board has obtained commercial insurance coverage to guard against these events to minimize the exposure to the District should they occur. A complete schedule of insurance coverage can be found in the statistical section of this Annual Comprehensive Financial Report.

The District is a member of the New Jersey School Boards Association Insurance Group (NJSBAIG or Group). The Group is a risk sharing public entity pool, established for the purpose of insuring against worker's compensation claims.

The relationship between the Board and the insurance fund is governed by a contract and by-laws that have been adopted by resolution of each unit's governing body. The Board is contractually obligated to make all annual and supplementary contributions to the fund, to report claims on a timely basis, cooperate with the management of the fund, its claims administrator and attorneys in claims investigation and settlement, and to follow risk management procedures as outlined by the fund. Members have a contractual obligation to fund any deficit of the fund attributable to a membership year during which they were a member.

NJSBAIG provides its members with risk management services, including the defense of and settlement of claims and to establish reasonable and necessary loss reduction and prevention procedures to be followed by the members. Complete financial statements of the insurance fund are on file with the School's Business Administrator.

There has been no significant reduction in insurance coverage from the previous year nor have there been any settlements in excess of insurance coverage's in any of the prior three years.

**TOWN OF BOONTON SCHOOL DISTRICT  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**NOTE 4 OTHER INFORMATION (Continued)**

**A. Risk Management (Continued)**

The District has elected to fund its New Jersey Unemployment Compensation Insurance under the “Benefit Reimbursement Method”. Under this plan the District is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The District is billed quarterly for amounts due to the State. The following is a summary of District contributions, employee contributions, interest earnings, reimbursements to the State for benefits paid and the ending balance of the District’s restricted fund balance for unemployment compensation claims in the General Fund for the current and previous two years:

Fiscal Year Ended <u>June 30,</u>	District <u>Contributions</u>	Employee <u>Contributions</u>	Interest <u>Earned</u>	Amount <u>Reimbursed</u>	Ending <u>Balance</u>
2022	None	\$ 60,703	\$ 165		\$ 26,892
2021	None	61,263	103		26,727
2020	None	34,640	115	\$ 65,475	50,868

**B. Contingent Liabilities**

The District is a party defendant in some lawsuits, none of a kind unusual for a school district of its size and scope of operation. In the opinion of the Board’s Attorney the potential claims against the District not covered by insurance policies would not materially affect the financial condition of the District.

**Federal and State Awards** – The Board participates in a number of federal and state programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the Board may be required to reimburse the grantor government. As of June 30, 2022, significant amounts of grant expenditures have not been audited by the various grantor agencies but the Board believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on any of the individual governmental funds or the overall financial position of the District.

**C. Federal Arbitrage Regulations**

The District is subject to Section 148 of the Internal Revenue Code as it pertains to the arbitrage rebate on all tax-exempt obligations, both long and short-term debt. Under the 1986 Tax Reform Act, the Internal Revenue Service (IRS) required that all excess earnings from investment proceeds be rebated to the IRS. Arbitrage, for purposes of these regulations, is defined as the difference between the yield on the investment and the yield on the obligations issued. If there are excess earnings, this amount may be required to be rebated to the IRS. At June 30, 2022, the District has not estimated its arbitrage earnings due to the IRS, if any.

**TOWN OF BOONTON SCHOOL DISTRICT  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**NOTE 4 OTHER INFORMATION (Continued)**

**D. Employee Retirement Systems and Pension Plans**

**Plan Descriptions and Benefits Provided**

The State of New Jersey sponsors and administers the following contributory defined benefit public employee retirement systems (retirement systems) covering substantially all Board employees who are eligible for pension coverage:

**Public Employees' Retirement System (PERS)** – Established in January 1955, under the provisions of N.J.S.A. 43:15A to provide coverage to substantially all full time employees of the State or any county, municipality, school district, or public agency provided the employee is not a member of another State-administered retirement system. Membership is mandatory for such employees. PERS is a cost sharing multiple employer defined benefit pension plan. For additional information about PERS, please refer to the State Division of Pension and Benefits (Division's) Annual Comprehensive Financial Report (ACFR) which can be found at [www.state.nj.us/treasury/pensions](http://www.state.nj.us/treasury/pensions).

The vesting and benefit provisions are set by N.J.S.A. 43:15A. PERS provides retirement, death, and disability benefits. All benefits vest after ten years of service, except for medical benefits, which vest after 25 years of service or under the disability provisions of PERS.

The following represents the membership tiers for PERS:

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

Service retirement benefits of 1/55<sup>th</sup> of final average salary for each year of service credit is available to tier 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 reached age 62 and tier 5 members upon reaching age 65. Early retirement benefits are available to tier 1 and 2 members before reaching age 60, tier 3 and 4 members with 25 or more years of service credit before age 62, and tier 5 members 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 ten years of service credit and have not reached the service retirement age for the respective tier.

**Teachers' Pension and Annuity Fund (TPAF)** – Established in January 1955, under the provisions of N.J.S.A. 18A:66 to provide to substantially all full time certified teachers or professional staff of the public school systems in the State. Membership is mandatory for such employees. TPAF is a cost sharing multiple employer defined benefit pension plan with a special funding situation, by which the State is responsible to fund 100% of local employer contributions, excluding any local employer early retirement incentive (ERI) contributions. For additional information about TPAF, please refer to the State Division of Pension and Benefits (Division's) Annual Comprehensive Financial Report (ACFR) which can be found at [www.state.nj.us/treasury/pensions](http://www.state.nj.us/treasury/pensions).

The vesting and benefit provisions are set by N.J.S.A. 18A:66. TPAF provides retirement, death, and disability benefits. All benefits vest after ten years of service, except for medical benefits, which vest after 25 years of service or under the disability provisions of TPAF. Members are always fully vested for their own contributions and, after three years of service credit, become vested for 2% of related interest earned on the contributions. In the case of death before retirement, members' beneficiaries are entitled to full interest credited to the members' accounts.

**TOWN OF BOONTON SCHOOL DISTRICT  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**NOTE 4 OTHER INFORMATION (Continued)**

**D. Employee Retirement Systems and Pension Plans (Continued)**

**Teachers' Pension and Annuity Fund (TPAF) (Continued)**

The following represent the membership tiers for TPAF:

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

Service retirement benefits of 1/55<sup>th</sup> of final average salary for each year of service credit is available to tier 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 reached age 62 and tier 5 members upon reaching age 65. Early retirement benefits are available to tier 1 and 2 members before reaching age 60, tier 3 and 4 members with 25 or more years of service credit before age 62, and tier 5 members 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 retirement for his/her respective tier. Deferred retirement is available to members who have at least ten years of service credit and have not reached the service retirement age for the respective tier.

The State of New Jersey sponsors and administers the following defined contribution public employee retirement program covering certain state and local government employees which include those Board employees who are eligible for pension coverage.

**Defined Contribution Retirement Program (DCRP)** – established under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2008 to provide coverage to elected and certain appointed officials, effective July 1, 2007 and employees enrolled in PERS or TPAF on or after July 1, 2007 who earn in excess of established annual maximum compensation limits (equivalent to annual maximum wage for social security deductions). This provision was extended by Chapter 1, P.L. 2010, effective May 21, 2010, to new employees (Tier 2) of the PFRS and new employees who would otherwise be eligible to participate in PERS or TPAF on or after November 2, 2008 and do not earn the minimum salary required for tier 3 enrollment or do not work the minimum required hours for tier 4 and tier 5 enrollments but earn a base salary of at least \$5,000 are eligible for participation in the DCRP. Membership is mandatory for such individuals with vesting occurring after one (1) year of membership. DCRP is a defined contribution pension plan.

**Other Pension Funds**

The State established and administers a Supplemental Annuity Collective Trust Fund (SACT) which is available to active members of the State-administered retirement systems to purchase annuities to supplement the guaranteed benefits provided by their retirement system. The state or local government employers do not appropriate funds to SACT.

The cost of living increase for PERS and TPAF, are funded directly by each of the respective systems but are currently suspended as a result of reform legislation.

According to state law, all obligations of each retirement system will be assumed by the State of New Jersey should any retirement system be terminated.

The State of New Jersey, Department of the Treasury, Division of Pensions and Benefits (“Division”), issues publicly available financial reports that include the financial statements and required supplementary information of each of the above systems. The financial reports may be accessed via the New Jersey, Division of Pensions and Benefits, website at [www.state.nj.us/treasury/pensions](http://www.state.nj.us/treasury/pensions).

**TOWN OF BOONTON SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**NOTE 4 OTHER INFORMATION (Continued)**

**D. Employee Retirement Systems and Pension Plans (Continued)**

**Plan Amendments**

The authority to amend the provisions of the above plans rests with new legislation passed by the State of New Jersey. Pension reforms enacted pursuant to Chapter 78, P.L. 2011 included provisions creating special Pension Plan Design Committees for TPAF and PERS, once a Target Funded Ratio (TFR) is met. The Pension Plan Design Committees will have the discretionary authority to modify certain plan design features, including member contribution rate; formula for calculation of final compensation of final salary; fraction used to calculate a retirement allowance; age at which a member may be eligible and the benefits for service or early retirement; and benefits provided for disability retirement. The committees will also have the authority to reactivate the cost of living adjustment (COLA) on pensions. However, modifications can only be made to the extent that the resulting impact does not cause the funded ratio to drop below the TFR in any one year of a 30-year projection period.

**Measurement Focus and Basis of Accounting**

The financial statements of the retirement systems are prepared in accordance with U.S. generally accepted accounting principles as applicable to governmental organizations. In doing so, the Division adheres to reporting requirements established by the Governmental Accounting Standards Board (GASB).

The accrual basis of accounting is used for measuring financial position and changes in net position of the pension trust funds. Under this method, contributions are recorded in the accounting period in which they are legally due from the employer or plan member, and deductions are recorded at the time the liabilities are due and payable in accordance with the terms of each plan. The accounts of the Division are organized and operated on the basis of funds. All funds are accounted for using an economic resources measurement focus.

**Investment Valuation**

The Division of Investment, Department of the Treasury, State of New Jersey (Division of Investment) manages and invests certain assets of the retirement systems. Prudential retirement is the third-party administrator for the DCRP and provides record keeping, administrative services and investment options. Investment transactions are accounted for on a trade or investment date basis. Interest and dividend income is recorded on the accrual basis, with dividends accruing on the ex-dividend date. The net increase or decrease in the fair value of investments includes the net realized and unrealized gains or losses on investments.

The State of New Jersey, Department of the Treasury, Division of Investment issues publicly available financial reports that include the financial statements of the State of New Jersey Cash Management Fund. The financial reports may be obtained in writing to the State of New Jersey, Department of the Treasury, Division of Investment, P.O. Box 290, Trenton, New Jersey 08625-0290 or at [www.state.nj.us/treasury/doinvest](http://www.state.nj.us/treasury/doinvest).



**TOWN OF BOONTON SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**NOTE 4 OTHER INFORMATION (Continued)**

**D. Employee Retirement Systems and Pension Plans (Continued)**

**Collective Net Pension Liability**

The collective net pension liability of the participating employers for local PERS at June 30, 2021 is \$12.0 billion and the plan fiduciary net position as a percentage of the total pension liability is 70.33%. The collective net pension liability of the State funded TPAF at June 30, 2021 is \$48.2 billion and the plan fiduciary net position as a percentage of total pension liability is 35.52%.

The total pension liabilities were determined based on actuarial valuations as of July 1, 2020 which were rolled forward to June 30, 2021.

**Actuarial Methods and Assumptions**

In the July 1, 2020 PERS and TPAF actuarial valuation, the actuarial assumptions and methods used in these valuations were described in the Actuarial Assumptions and Methods section of the Actuary's report and are included here in this note to the financial statements. The pension systems selected economic and demographic assumptions and prescribed them for use for purposes of compliance with GASB Statement No. 68. The Actuary provided guidance with respect to these assumptions, and it is their belief that the assumptions represent reasonable expectations of anticipated plan experience

**Employer and Employee Pension Contributions**

The contribution policy is set by laws of the State of New Jersey and contributions are required by active members and participating employers. Plan member and employer contributions may be amended by State of New Jersey legislation with the amount of contributions by the State of New Jersey contingent upon the Annual Appropriations Act. As defined, the retirement systems require employee contributions based on 7.50% for PERS, 7.50% for TPAF and 5.50% for DCRP of the employee's annual compensation for fiscal year 2022.

PERS employers' and TPAF State's nonemployer contributions are based on actuarially determined amounts, which include the normal cost and unfunded accrued liability. For the fiscal year ended June 30, 2022 for TPAF, which is a cost sharing multiple employer defined benefit pension plan with a special funding situation, the State's annual pension contribution was less than the actuarial determined amount. For local PERS, which is a cost sharing multiple employer defined benefit pension plan, contributions were equal to the actuarial determined amounts. TPAF nonemployer contributions are made annually by the State of New Jersey to the pension system on behalf of the Board. PERS employer contributions are made annually by the Board to the pension system in accordance with Chapter 114, P.L. 1997. In the DCRP, which is a defined contribution plan, member contributions are matched by a 3% employer contribution. All PERS and DCRP contributions made by the Board for fiscal years 2022, 2021 and 2020 were equal to the required contributions.

**TOWN OF BOONTON SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**NOTE 4 OTHER INFORMATION (Continued)**

**D. Employee Retirement Systems and Pension Plans (Continued)**

During the fiscal years ended June 30, 2022, 2021 and 2020 the Board was required to contribute for PERS and DCRP and the State of New Jersey, as a nonemployer contributing entity, contributed for TPAF, respectively for normal cost pension and accrued liability contributions (including non-contributory group life insurance (NCGI)) the following amounts:

Fiscal Year Ended <u>June 30,</u>	<u>PERS</u>	On-behalf <u>TPAF</u>	<u>DCRP</u>
2022	\$ 518,643	\$ 4,951,646	\$ 9,801
2021	448,680	3,464,204	8,883
2020	384,427	2,547,767	6,953

In addition for fiscal years 2021, 2020 and 2019 the District contributed \$0, \$-0- and \$2,681, respectively for PERS and the State contributed \$1,857, \$2,143 and \$2,187, respectively for TPAF for Long Term Disability Insurance Premium (LTDI).

The PERS contributions are recognized in the governmental fund financial statements (modified accrual basis) as an expenditure. The on-behalf TPAF contributions are recognized in the governmental fund financial statements (modified accrual basis) as both a revenue and expenditure in accordance with GASB Statement No. 85, *Omnibus 2017* (GASB No. 85). The DCRP contributions are recognized in the governmental fund financial statements (modified accrual basis) as an expenditure, as well as, the district-wide financial statements (accrual basis) as an expense.

Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the Board \$1,063,178 during the fiscal year ended June 30, 2022 for the employer’s share of social security contributions for TPAF members as calculated on their base salaries. This amount has been recognized in the district-wide financial statements (accrual basis) and the governmental fund financial statements (modified accrual basis) as both a revenue and expense/expenditure in accordance with GASB No. 85.

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

**Public Employees Retirement System (PERS)**

GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, (GASB No. 68) requires participating employers in PERS to recognize their proportionate share of the collective net pension liability, collective deferred outflows of resources, collective deferred inflows of resources and collective pension expense. The employer allocation percentages presented are based on the ratio of the contributions as an individual employer to total contributions to the PERS during the measurement period July 1, 2020 through June 30, 2021. Employer allocation percentages have been rounded for presentation purposes.

Although the NJ Division of Pensions and Benefits (“Division”) administers one cost-sharing multiple employer defined benefit pension plan, separate (sub) actuarial valuations are prepared to determine the actuarial determined contribution rate by group. Following this method, the measurement of the collective net pension liability, deferred outflows of resources, deferred inflows of resources and pension expense are determined separately for each individual employer of the State and local groups of the plan.

**TOWN OF BOONTON SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**NOTE 4 OTHER INFORMATION (Continued)**

**D. Employee Retirement Systems and Pension Plans (Continued)**

To facilitate the separate (sub) actuarial valuations, the Division maintains separate accounts to identify additions, deductions, and fiduciary net position applicable to each group. The allocation percentages are presented for each group. The allocation percentages for each group as of June 30, 2021 are based on the ratio of each employer's contribution to total employer contributions of the group for the fiscal year ended June 30, 2021.

At June 30, 2022, the District reported in the statement of net position (accrual basis) a liability of \$5,246,366 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2021 and was determined by an actuarial valuation as of July 1, 2020. The District's proportionate share of the net pension liability was based on the ratio of the District's share of contributions to the pension plan relative to the total contributions of all participating governmental entities, for the year ended June 30, 2021. At June 30, 2021, the District's proportionate share was .04428 percent, which was an increase of .00327 percent from its proportionate share measured as of June 30, 2020 of .04101 percent.

For the fiscal year ended June 30, 2022, the District recognized in the district-wide statement of activities (accrual basis) pension benefit of \$367,320 for PERS. The pension contribution made by the District during the current 2021/2022 fiscal year is the contribution that is applied to the net pension liability reported at the end of the current fiscal year of June 30, 2021 with a measurement date of the prior fiscal year end of June 30, 2021. Since the State of New Jersey applies the current year pension contribution towards the calculation of the net pension liability reported at the end of the current fiscal year, which has a measurement date of the preceding fiscal year end, there is no deferred outflows of resources reported as of June 30, 2022 for contributions made subsequent to the measurement date. At June 30, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to PERS pension from the following sources:

	<b><u>Deferred Outflows of Resources</u></b>	<b><u>Deferred Inflows of Resources</u></b>
Difference Between Expected and Actual Experience	\$ 82,742	\$ 37,558
Changes of Assumptions	27,323	1,867,740
Net Difference Between Projected and Actual Earnings on Pension Plan Investments		1,382,031
Changes in Proportion and Differences Between District Contributions and Proportionate Share of Contributions	<u>928,758</u>	<u>83,537</u>
Total	<u>\$ 1,038,823</u>	<u>\$ 3,370,866</u>

**TOWN OF BOONTON SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**NOTE 4 OTHER INFORMATION (Continued)**

**D. Employee Retirement Systems and Pension Plans (Continued)**

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

**Public Employees Retirement System (PERS) (Continued)**

At June 30, 2022, the amounts reported as deferred outflows of resources and deferred inflows of resources related to PERS pension will be recognized in pension expense (benefit) as follows:

Year Ending <u>June 30,</u>	<u>Total</u>
2023	\$ (941,196)
2024	(670,765)
2025	(412,779)
2026	(322,093)
2027	14,790
Thereafter	<u>-</u>
	<u>\$ (2,332,043)</u>

***Actuarial Assumptions***

The District’s 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.

	<b><u>PERS</u></b>
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%

**TOWN OF BOONTON SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**NOTE 4 OTHER INFORMATION (Continued)**

**D. Employee Retirement Systems and Pension Plans (Continued)**

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

**Public Employees Retirement System (PERS) (Continued)**

***Mortality Rates***

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

***Long-Term Expected Rate of Return***

In accordance with State statute, the long-term expected rate of return on plan investments (7% at June 30, 2021) is determined by the State Treasurer, after consultation with the Directors of the Division of Investment and Division of Pensions and Benefits, the board of trustees and actuaries. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plans 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 the PERS'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>
Risk Mitigation Strategies	3.00%	3.35%
Cash Equivalents	4.00%	0.50%
U.S. Treasuries	5.00%	0.95%
Investment Grade Credit	8.00%	1.68%
US Equity	27.00%	8.09%
Non-US Developed Markets Equity	13.50%	8.71%
Emerging Markets Equity	5.50%	10.96%
High Yield	2.00%	3.75%
Real Assets	3.00%	7.40%
Private Credit	8.00%	7.60%
Real Estate	8.00%	9.15%
Private Equity	13.00%	11.30%

**TOWN OF BOONTON SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**NOTE 4 OTHER INFORMATION (Continued)**

**D. Employee Retirement Systems and Pension Plans (Continued)**

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

**Public Employees Retirement System (PERS) (Continued)**

***Discount Rate***

The discount rate used to measure the total pension liability for PERS 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 on 100% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make 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.

***Sensitivity of Net Pension Liability***

The following presents the District's proportionate share of the PERS net pension liability calculated using the discount rate of 7.00, as well as what the District's proportionate share of the PERS net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00 percent) or 1-percentage-point higher (8.00 percent) than the current rate:

	<b>1% Decrease (6.00%)</b>	<b>Current Discount Rate (7.00%)</b>	<b>1% Increase (8.00%)</b>
District's Proportionate Share of the PERS Net Pension Liability	<u>\$ 7,144,487</u>	<u>\$ 5,246,366</u>	<u>\$ 3,635,542</u>

The sensitivity analysis was based on the proportionate share of the District's net pension liability as of the measurement date of June 30, 2021. A sensitivity analysis specific to the District's net pension liability at June 30, 2021 was not provided by the pension system.

***Pension Plan Fiduciary Net Position***

Detailed information about the PERS pension plan's fiduciary net position is available in the separately issued financial report from the State of New Jersey, Department of the Treasury, Division of Pension and Benefits. The financial report may be accessed via the New Jersey, Division of Pensions and Benefits, website at [www.state.nj.us/treasury/pensions](http://www.state.nj.us/treasury/pensions).

**TOWN OF BOONTON SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
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**NOTE 4 OTHER INFORMATION (Continued)**

**D. Employee Retirement Systems and Pension Plans (Continued)**

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

**Teachers Pension and Annuity Fund (TPAF)**

GASB No. 68, requires participating employers in TPAF to recognize their proportionate share of the collective net pension liability, collective deferred outflows of resources, collective deferred inflows of resources and collective pension expense. The non-employer allocation percentages presented are based on the ratio of the State's contributions made as an employer and non-employer adjusted for unpaid early retirement incentives to total contributions to TPAF during the measurement period July 1, 2020 through June 30, 2021. Non-employer allocation percentages have been rounded for presentation purposes.

The contribution policy for TPAF is set by N.J.S.A. 18A:66 and requires contributions by active members and non-employer contributions by the State. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. For the fiscal year ended June 30, 2021, the State's pension contribution was less than the actuarial determined amount.

In accordance with GASB No. 68, the District is not required to recognize a net pension liability for TPAF. The State of New Jersey, as a nonemployer contributing entity, is the only entity that has a legal obligation to make employer contributions to TPAF on behalf of the District. Accordingly, the District's proportionate share percentage determined under Statement No. 68 is zero percent and the State's proportionate share is 100% of the net pension liability attributable to the District for TPAF. Therefore, in addition, the District does not recognize any portion of the TPAF collective deferred outflows of resources and deferred inflows of resources.

For the fiscal year ended June 30, 2022, the District recognized in the district-wide statement of activities (accrual basis) pension expense of \$1,322,946 for TPAF. This amount has been included in the district-wide statement of activities (accrual basis) as both a revenue and expense in accordance with GASB No. 85.

At June 30, 2022 the State's proportionate share of the net pension liability attributable to the District is \$56,222,755. The net pension liability was measured as of June 30, 2021 and was determined by an actuarial valuation as of July 1, 2020. The nonemployer allocation percentages are based on the ratio of the State's contributions made as a nonemployer attributable to the District adjusted for unpaid early retirement incentives relative to total contributions to TPAF during the year ended June 30, 2021. At June 30, 2021, the state's share of the net pension liability attributable to the District was .11694 percent, which was an increase of .00283 percent from its proportionate share measured as of June 30, 2020 of .11411 percent.

**TOWN OF BOONTON SCHOOL DISTRICT  
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**NOTE 4 OTHER INFORMATION (Continued)**

**D. Employee Retirement Systems and Pension Plans (Continued)**

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

**Teachers Pension and Annuity Fund (TPAF) (Continued)**

**Actuarial Assumptions**

The total pension liability for the June 30, 2021 measurement date was determined by an actuarial valuation as of July 1, 2019, which was rolled forward to June 30, 2020. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement.

	<u>TPAF</u>
Inflation Rate:	
Price	2.75%
Wage	3.25%
Salary Increases:	
Through 2026	1.55-4.55% Based on Years of Service
Thereafter	2.75%-5.65% Based on Years of Service
Investment Rate of Return	7.00%

***Mortality Rates***

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

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.



**TOWN OF BOONTON SCHOOL DISTRICT  
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**NOTE 4 OTHER INFORMATION (Continued)**

**D. Employee Retirement Systems and Pension Plans (Continued)**

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

**Teachers Pension and Annuity Fund (TPAF) (Continued)**

**Long-Term Expected Rate of Return**

In accordance with State statute, the long-term expected rate of return on plan investments (7% at June 30, 2021) is determined by the State Treasurer, after consultation with the Directors of the Division of Investment and Division of Pensions and Benefits, the board of trustees and actuaries. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rate of return (expected returns, net of pension plans 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 the 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>
Risk Mitigation Strategies	3.00%	3.35%
Cash Equivalents	4.00%	0.50%
U.S. Treasuries	5.00%	0.95%
Investment Grade Credit	8.00%	1.68%
US Equity	27.00%	8.09%
Non-US Developed Markets Equity	13.50%	8.71%
Emerging Markets Equity	5.50%	10.96%
High Yield	2.00%	3.75%
Real Assets	3.00%	7.40%
Private Credit	8.00%	7.60%
Real Estate	8.00%	9.15%
Private Equity	13.00%	11.30%

**TOWN OF BOONTON SCHOOL DISTRICT  
 NOTES TO THE FINANCIAL STATEMENTS  
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**NOTE 4 OTHER INFORMATION (Continued)**

**D. Employee Retirement Systems and Pension Plans (Continued)**

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

**Teachers Pension and Annuity Fund (TPAF) (Continued)**

*Discount Rate*

The discount rate used to measure the total pension liability for TPAF 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 based on 100% of the actuarially determined contributions for the State. Based on those assumptions, the plan’s fiduciary net position was projected to be available to make 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.

*Sensitivity of Net Pension Liability*

The following presents the State’s proportionate share of the TPAF net pension liability attributable to the District calculated using the discount rate of 7.00%, as well as what the State’s proportionate share of the TPAF net pension liability attributable to the District that would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00% percent) or 1-percentage-point higher (8.00% percent) than the current rate:

	<b>1% Decrease (6.00%)</b>	<b>Current Discount Rate (7.00%)</b>	<b>1% Increase (8.00%)</b>
State's Proportionate Share of the TPAF Net Pension Liability Attributable to the District	<u>\$ 66,520,910</u>	<u>\$ 56,222,755</u>	<u>\$ 47,572,952</u>

The sensitivity analysis was based on the State’s proportionate share of the net pension liability attributable to the District as of the measurement date of June 30, 2021. A sensitivity analysis specific to the State’s proportionate share of the net pension liability attributable to the District at June 30, 2021 was not provided by the pension system.

**TOWN OF BOONTON SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
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**NOTE 4 OTHER INFORMATION (Continued)**

**D. Employee Retirement Systems and Pension Plans (Continued)**

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

**Teachers Pension and Annuity Fund (TPAF) (Continued)**

***Pension Plan Fiduciary Net Position***

Detailed information about the TPAF pension plan's fiduciary net position is available in the separately issued financial report from the State of New Jersey, Department of the Treasury, Division of Pension and Benefits. The financial report may be accessed via the New Jersey, Division of Pensions and Benefits, website at [www.state.nj.us/treasury/pensions](http://www.state.nj.us/treasury/pensions).

**E. Post-Retirement Medical Benefits**

The State of New Jersey sponsors and administers the post-retirement health benefit program plan for school districts.

As a result of implementing GASB Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other than Pension Plans*, the post-retirement health benefit program plan is reported in a Custodial Fund in the New Jersey Annual Comprehensive Financial Report for the fiscal year ended June 30, 2021. In addition, the plan is administered on a pay-as-you-go basis. Therefore, the plan has no assets accumulated in a qualified trust. In accordance with GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pension* (GASB No. 75), the plan is classified as a multiple-employer defined benefit OPEB plan with a special funding situation that is not administered through a trust that meets the criteria in paragraph 4 of GASB No. 75.

**Plan Description and Benefits Provided**

The State of New Jersey sponsors and administers the following post-retirement health benefit program plan covering certain local school district employees, including those Board employees and retirees eligible for coverage.

**State Health Benefit Program Fund – Local Education Retired Employees Plan** (including Prescription Drug Program Fund) – N.J.S.A. 52:14-17.32f provides medical coverage, prescription drug benefits and Medicare Part B reimbursement to qualified retired education employees and their covered dependents. The State of New Jersey provides employer-paid coverage to members of the TPAF who retire from a board of education or county college with 25 years of service or on a disability retirement. Under the provisions of Chapter 126, P.L. 1992, the State also provides employer-paid coverage to members of the PERS and Alternate Benefits Program (ABP) who retire from a board of education or county college with 25 years of service or on a disability retirement if the member's employer does not provide this coverage. Retirees who are not eligible for employer paid health coverage at retirement can continue in the program if their employer participates in this program or if they are participating in the health benefits plan of their former employer and are enrolled in Medicare Parts A and B by paying the cost of the insurance for themselves and their covered dependents.

Pursuant to Chapter 78, P.L. 2011, future retirees eligible for postretirement medical coverage who have less than 20 years of creditable service on June 28, 2011 will be required to pay a percentage of the cost of their health care coverage in retirement provided they retire with 25 or more years of pension service credit. The percentage of the premium for which the retiree will be responsible will be determined based on the retiree's annual retirement benefit and level of coverage.

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 above Fund. The financial reports may be accessed via the State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, website at [www.state.nj.us/treasury/pensions](http://www.state.nj.us/treasury/pensions).

**TOWN OF BOONTON SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**NOTE 4 OTHER INFORMATION (Continued)**

**E. Post-Retirement Medical Benefits (Continued)**

**Plan Membership**

Membership of the defined benefit OPEB plan consisted of the following at June 30, 2020:

Active Plan Members	216,804
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	<u>149,304</u>
Total	<u>366,108</u>

**Measurement Focus and Basis of Accounting**

The financial statements of the post-employment health benefit plan are prepared in accordance with U.S. generally accepted accounting principles as applicable to governmental organizations. In doing so, the Division adheres to reporting requirements established by the Governmental Accounting Standards Board (GASB).

The accrual basis of accounting is used for measuring financial position and changes in net position of the post-employment health benefit plan. Under this method, contributions are recorded in the accounting period in which they are legally due from the employer or plan member, and deductions are recorded at the time the liabilities are due and payable in accordance with the terms of each plan. The accounts of the Division are organized and operated on the basis of funds. All funds are accounted for using an economic resources measurement focus.

**Investment Valuation**

Investments are reported at fair value. Investments that do not have an established market are reported at estimated fair value. Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

**Collective Net OPEB Liability**

The collective net OPEB liability of the State, as the non-employer contributing entity, of the plan at June 30, 2021 is \$60.0 billion, and the plan fiduciary net position as a percentage of the total OPEB liability is zero percent.

The total OPEB liabilities were determined based on actuarial valuations as of June 30, 2020 which were rolled forward to June 30, 2021.

**Actuarial Methods and Assumptions**

In the June 30, 2020 OPEB actuarial valuation, the actuarial assumptions and methods used in these valuations were described in the Actuarial Assumptions and Methods section of the Actuary's report and are included here in this note to the financial statements. The Plan selected economic and demographic assumptions and prescribed them for use for purposes of compliance with GASB Statement No. 75. The Actuary provided guidance with respect to these assumptions, and it is their belief that the assumptions represent reasonable expectations of anticipated plan experience.

**TOWN OF BOONTON SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
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**NOTE 4 OTHER INFORMATION (Continued)**

**E. Post-Retirement Medical Benefits (Continued)**

**Post-Retirement Medical Benefits Contributions**

The funding policy of the OPEB plan is pay as you go basis; therefore, there is no prefunding of the liability. Contributions to pay for the health benefit premiums of participating employees in the OPEB plan are made by the State, as a non-employer contributing entity, under a special funding situation in accordance with State statutes as previously disclosed. The State as a non-employer contributing entity made contributions of \$1.23 billion to the OPEB plan in fiscal year 2021.

The State sets the contribution rate based on a pay as you go basis rather than the actuarial determined contribution, an amount actuarially determined in accordance with the parameters of GASB Statement 75. The actuarial determined contribution represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and any unfunded actuarial liabilities (or funding excess) of the plan using a systematic and rational method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with OPEB through the Plan. The State's contributions, as a nonemployer contributing entity, to the State Health Benefits Program Fund – Local Education Retired Employees Plan for retirees' post-retirement benefits on behalf of the School District for the fiscal years ended June 30, 2022, 2021 and 2020 were \$1,156,905, \$1,085,628 and \$945,175, respectively, which equaled the required contributions for each year. The State's contributions to the State Health Benefits Program Fund – Local Education Retired Employees Plan for PERS retirees' post-retirement benefits on behalf of the School District was not determined or made available by the State of New Jersey. The on-behalf OPEB contributions are recognized in the governmental fund financial statements (modified accrual basis) as both a revenue and expenditure in accordance with GASB No. 85.

**OPEB Liabilities, OPEB Expenses and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

GASB Statement No. 75 requires participating employers in the State Health Benefit Program Fund – Local Education Retired Employees Plan to recognize their proportionate share of the collective OPEB liability, collective deferred outflows of resources, collective deferred inflows of resources and collective OPEB expense. The nonemployer allocation percentages presented are based on the ratio of the State's contributions made as a nonemployer toward the actuarially determined contribution amount to total contributions to the plan during the measurement period July 1, 2020 through June 30, 2021. Nonemployer allocation percentages have been rounded for presentation purposes.

In accordance with GASB No. 75, the District is not required to recognize an OPEB liability for the post-employment health benefit plan. The State of New Jersey, as a nonemployer contributing entity, is the only entity that has a legal obligation to make employer contributions to the plan on behalf of the District. Accordingly, the District's proportionate share percentage determined under Statement No. 75 is zero percent and the State's proportionate share is 100% of the OPEB liability attributable to the District. Therefore, in addition, the District does not recognize any portion of the collective deferred outflows of resources and deferred inflows of resources related to the plan.

For the fiscal year ended June 30, 2022, the District recognized in the district-wide statement of activities (accrual basis) OPEB expense of \$4,487,142. This amount has been included in the district-wide statement of activities (accrual basis) as both a revenue and expense in accordance with GASB No. 85.

At June 30, 2022, the State's proportionate share of the OPEB liability attributable to the District is \$62,892,992. The nonemployer allocation percentages are based on the ratio of the State's proportionate share of the OPEB liability attributable to the District at June 30, 2021 to the total OPEB liability of the State Health Benefit Program Fund – Local Education Retired Employees Plan at June 30, 2021. At June 30, 2021, the state's share of the OPEB liability attributable to the District was 0.10480 percent, which was an increase of 0.00258 percent from its proportionate share measured as of June 30, 2020 of 0.10222 percent.

**TOWN OF BOONTON SCHOOL DISTRICT  
 NOTES TO THE FINANCIAL STATEMENTS  
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**NOTE 4 OTHER INFORMATION (Continued)**

**E. Post-Retirement Medical Benefits (Continued)**

**OPEB Liabilities, OPEB Expenses and Deferred Outflows of Resources and Deferred Inflows of Resources  
 Related to OPEB (Continued)**

**Actuarial Assumptions**

The OPEB liability for the June 30, 2021 measurement date was determined by an actuarial valuation as of June 30, 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	2.50%	
Salary Increases*	<u>PERS</u>	<u>TPAF</u>
Initial Fiscal Year Applied Through	2026	2026
Rate	2.00% to 6.00%	1.55% to 4.45%
Rate Thereafter	3.00% to 7.00%	2.75% to 5.65%

\*Salary increases are based on the defined benefit pension plan that the member is enrolled in and the members years of service.

Preretirement mortality rates were based on the Pub-2010 Health “Teachers” (TPAF) and “General” (PERS) classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021. Postretirement mortality rates were based on the Pub-2010 “General” classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021. 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-2021 for current disabled retirees. Future disabled retirees was based on the Pub-2010 “General” (PERS) and “Teachers” (TPAF) classification headcount-weighted disabled mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021.

The actuarial assumptions used in the June 30, 2020 valuation were based on the results of the TPAF and PERS actuarial experience studies for the period July 1, 2015 to June 30, 2018 and July 1, 2014 to June 30, 2018, respectively.

100% of active members are considered to participate in the plan upon retirement.

**Health Care Trend Assumptions**

For pre-Medicare medical benefits, the trend rate is initially 5.65% and decreases to a 4.50% long-term trend rate after seven years. For post-65 medical benefits, the actual fully-insured Medicare Advantage trend rates for fiscal year 2022 through 2023 are reflected. For PPO the trend is initially 5.74% in fiscal year 2024, increasing to 12.93% in fiscal year 2025 and decreases to 4.50% after 11 years. For HMO the trend is initially 6.01% in fiscal year 2024, increasing to 15.23% in fiscal year 2025 and decreases to 4.5% after 11 years. For prescription drug benefits, the initial trend rate is 6.75% and decreases to a 4.50% long-term trend rate after seven years. For the Medicare Part B reimbursement, the trend rate is 5.00%

**TOWN OF BOONTON SCHOOL DISTRICT  
 NOTES TO THE FINANCIAL STATEMENTS  
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**NOTE 4 OTHER INFORMATION (Continued)**

**E. Post-Retirement Medical Benefits (Continued)**

**OPEB Liabilities, OPEB Expenses and Deferred Outflows of Resources and Deferred Inflows of Resources  
 Related to OPEB (Continued)**

**Discount Rate**

The discount rate for June 30, 2021 was 2.16%. This represents the municipal bond return rate as chosen by the Division. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. As the long-term rate of return is less than the municipal bond rate, it is not considered in the calculation of the discount rate, rather the discount rate is set at the municipal bond rate.

**Changes in the Total OPEB Liability**

The change in the State’s proportionate share of the OPEB liability attributable to the District for the fiscal year ended June 30, 2022 (measurement date June 30, 2021) is as follows:

	Total OPEB Liability (State Share 100%)
Balance, June 30, 2020 Measurement Date	\$ <u>69,317,167</u>
Changes Recognized for the Fiscal Year:	
Service Cost	3,615,305
Interest on the Total OPEB Liability	1,631,510
Changes in Benefit Terms	(66,942)
Differences Between Expected and Actual Experience	(10,422,634)
Changes of Assumptions	62,049
Gross Benefit Payments	(1,285,173)
Contributions from the Member	41,710
<b>Net Changes</b>	<u>\$ (6,424,175)</u>
Balance, June 30, 2021 Measurement Date	\$ <u><u>62,892,992</u></u>

Changes of assumptions and other inputs reflect a change in the discount rate from 2.21% in 2020 to 2.16% in 2021.

The change in the total OPEB liability was based on the State’s proportionate share of the OPEB liability attributable to the District at June 30, 2021.

**TOWN OF BOONTON SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
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**NOTE 4 OTHER INFORMATION (Continued)**

**E. Post-Retirement Medical Benefits (Continued)**

**OPEB Liabilities, OPEB Expenses and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)**

**Sensitivity of OPEB Liability**

*Sensitivity of the total OPEB liability to changes in the discount rate.* The following presents the State's proportionate share of the OPEB liability attributable to the District calculated using the discount rate of 2.16%; as well as what the State's proportionate share of the OPEB liability attributable to the District that would be if it were calculated using a discount rate that is 1-percentage-point lower (1.16 percent) or 1-percentage-point higher (3.16 percent) than the current rate:

	<b>1% Decrease <u>(1.16%)</u></b>	<b>Current Discount Rate <u>(2.16%)</u></b>	<b>1% Increase <u>(3.16%)</u></b>
State's Proportionate Share of the OPEB Liability Attributable to the District	\$ 75,335,931	\$ 62,892,992	\$ 53,094,924

*Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates.* The following presents the State's proportionate share of the OPEB liability attributable to the District calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	<b>1% Decrease</b>	<b>Healthcare Cost Trend Rates</b>	<b>1% Increase</b>
State's Proportionate Share of the OPEB Liability Attributable to the District	\$ 50,912,081	\$ 62,892,992	\$ 78,982,470

The sensitivity analyses were based on the State's proportionate share of the OPEB liability attributable to the District at June 30, 2021. Sensitivity analyses specific to the State's proportionate share of the OPEB liability attributable to the District at June 30, 2021 were not provided by the pension system.

**F. Tax Abatements**

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

For Town of Boonton School District, the District's share of abated taxes resulting from the municipality/county having entered into a tax abatement agreement, if any, has not been determined.



**TOWN OF BOONTON SCHOOL DISTRICT  
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**NOTE 5 INFECTIOUS DISEASE OUTBREAK – COVID-19 RECENT DEVELOPMENTS**

The outbreak of COVID-19, a respiratory disease caused by a new strain of coronavirus, has been characterized as a pandemic (the “Pandemic”) by the World Health Organization and has been affecting many parts of the world, including the United States and the State of New Jersey. On January 31, 2020, the Secretary of the United States Health and Human Services Department declared a public health emergency for the United States and on March 13, 2020, the President of the United States declared the outbreak of COVID-19 in the United States a national emergency. Subsequently, the President’s Coronavirus Guidelines for America and the United States Centers for Disease Control and Prevention called upon Americans to take actions to slow the spread of COVID-19 in the United States. As governments monitor the outbreaks, they have taken various steps to control them through requiring social distancing, masks and business closures and limited openings. As the virus appears to be under control in many areas, many of these restrictions have been lifted although the situation is monitored, sometimes restrictions are reinstated. Several vaccines have been developed and have been administered. Mutant variants have emerged in various places around the world and now are prevalent in the United States. Certain workers are being required to be vaccinated. Companies have developed booster shots, and current vaccines have proven substantially effective against all currently know variants. New treatments are also being developed to avert the worst outcomes. The assessment of the impact of the virus and the ability to control it and its mutant strains is ongoing.

In the State, Governor Phil Murphy has issued multiple Executive Orders since March 16, 2020 including but not limited to aggressive social distancing measures, restrictions on local elections, restrictions on foreclosure and evictions, suspension of all elective surgeries, closing of schools and child care centers, the commandeering of property such as medical supplies, the cessation of all non-essential construction projects, extending insurance premium grace periods, the temporary reprieve to certain at-risk inmates and the extension of the permitted statutory grace period from May 11, 2020 to June 1, 2020 for quarterly property taxes due May 1, 2020. On June 4, 2021, the Governor signed legislation enabling the end of the public health emergency and keeping certain executive orders in place until January 1, 2022, though such executive orders may be modified or rescinded prior to that day by the Governor. The Board expects ongoing actions be taken by State, federal and local governments and private entities to mitigate the spread and impacts of COVID-19. The Pandemic has negatively affected travel, commerce, and financial markets globally, and may continue to negatively affect economic growth and financial markets worldwide. These negative impacts could reduce or negatively affect property values within the School District.

Since the pandemic began, the federal government had enacted rescue legislation to address the pandemic and alleviate its economic and health effects, including significant support for education. The legislation includes various forms of financial relief including direct stimulus payments and various other forms of economic relief, including extended unemployment benefits, continued eviction and foreclosure moratoriums, an increase in the child tax credit, an increase in food and housing aid, assistance grants to restaurants and bars, and other small business grants and loans. The Plan provides funding for state and local governments to offset costs to safely reopen schools during the COVID-19 pandemic and to subsidize COVID-19 testing and vaccination programs. Federal aid for public education has been provided under three 5 separate laws: The Coronavirus Aid, Relief, and Economic Security Act in March 2020 (CARES Act), and the Coronavirus Response and Relief Supplemental Appropriations Act in December 2020 (CRRSA) and the American Rescue Plan Act in March 2021 (ARP). The Elementary and Secondary School Emergency Relief (ESSER) Fund is the main source of funding for public elementary and secondary education under each law. The School District has been awarded up to \$2,676,736 to address certain expenses incurred as a result of the pandemic. Because of the evolving nature of the outbreak and federal, state and local responses, the Board cannot predict how the outbreak will impact the financial condition or operations of the Board, or if there will be any impact on the assessed values of property within the School District or deferral of tax payments to municipalities. The School District cannot predict costs associated with this or any other potential infectious disease outbreak including whether there will be any reduction in State funding or an increase in operational costs incurred to clean, sanitize and maintain its facilities either before or after an outbreak of an infectious disease. To date the School District has not been materially and adversely affected financially due to the virus.

**REQUIRED SUPPLEMENTARY INFORMATION - PART II**

**BUDGETARY COMPARISON SCHEDULES**

**TOWN OF BOONTON SCHOOL DISTRICT  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

EXHIBIT C-1

	Original Budget	Adjustments	Final Budget	Actual	Variance Final To Actual
<b>REVENUES</b>					
Local Sources					
Local Tax Levy	\$ 20,535,764		\$ 20,535,764	\$ 20,535,765	\$ 1
Tuition from Other LEA's within the State	6,706,083		6,706,083	6,640,115	(65,968)
Transportation Fees from Other LEA's within the State	40,000		40,000		(40,000)
Interest Earned on Capital Reserve	1		1		(1)
Interest Earned on Unemployment				165	165
Rents and Royalties				4,328	4,328
Unrestricted Miscellaneous Revenues	15,000	-	15,000	124,428	109,428
<b>Total Local Sources</b>	<b>27,296,848</b>	<b>-</b>	<b>27,296,848</b>	<b>27,304,801</b>	<b>7,953</b>
State Sources					
Transportation Aid	58,651		58,651	58,651	
Extraordinary Aid	547,328		547,328	678,634	131,306
Special Education Aid	959,170		959,170	959,170	
Equalization Aid	1,362,841		1,362,841	1,362,841	
Security Aid	238,909		238,909	238,909	
Maintenance of Equity Aid				363,309	363,309
TPAF Pension System Contribution (On-Behalf - Non-Budgeted)				4,882,757	4,882,757
TPAF Non-Contributory Insurance (On-Behalf - Non-Budgeted)				68,889	68,889
TPAF Post Retirement Contributions (On-Behalf - Non-Budgeted)				1,156,905	1,156,905
TPAF Long-Term Disability Contributions ( Non-Budgeted)				1,857	1,857
Reimbursed TPAF Social Security Contributions (Non-Budgeted)	-	-	-	1,063,178	1,063,178
<b>Total State Sources</b>	<b>3,166,899</b>	<b>-</b>	<b>3,166,899</b>	<b>10,835,100</b>	<b>7,668,201</b>
Federal Sources					
Special Education Medicaid Initiative	55,248	-	55,248	61,982	6,734
<b>Total Federal Sources</b>	<b>55,248</b>	<b>-</b>	<b>55,248</b>	<b>61,982</b>	<b>6,734</b>
<b>Total Revenues</b>	<b>30,518,995</b>	<b>-</b>	<b>30,518,995</b>	<b>38,201,883</b>	<b>7,682,888</b>
<b>EXPENDITURES</b>					
CURRENT					
Instruction - Regular Programs					
Salaries of Teachers					
Kindergarten	371,575	\$ (31,891)	339,684	339,684	
Grades 1-5	2,043,964	25,694	2,069,658	2,069,171	487
Grades 6-8	1,268,920	44,699	1,313,619	1,313,619	
Grades 9-12	3,707,465	(18,312)	3,689,153	3,682,476	6,677
Regular Programs - Home Instruction					
Salaries of Teachers	7,500	2,819	10,319	7,030	3,289
Purchased Professional-Educational Services	11,000	1,993	12,993	8,607	4,386
Regular Programs - Undistributed Instruction					
Purchased Technical Services	11,181	(2,000)	9,181	7,420	1,761
Other Purchased Services	38,105	299,301	337,406	326,056	11,350
General Supplies	219,993	(2,217)	217,776	202,101	15,675
Textbooks	4,650	15,650	20,300	20,300	
Other Objects	23,190	(7,000)	16,190	3,148	13,042
<b>Total Regular Programs</b>	<b>7,707,543</b>	<b>328,736</b>	<b>8,036,279</b>	<b>7,979,612</b>	<b>56,667</b>
Special Education					
Learning and/or Language Disabilities					
Salaries of Teachers	314,487	(76,013)	238,474	238,474	
Other Salaries for Instruction	67,270	(20,116)	47,154	46,341	813
General Supplies	3,100	200	3,300	2,133	1,167
<b>Total Learning and/or Language Disabilities</b>	<b>384,857</b>	<b>(95,929)</b>	<b>288,928</b>	<b>286,948</b>	<b>1,980</b>

**TOWN OF BOONTON SCHOOL DISTRICT  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

EXHIBIT C-1

	Original Budget	Adjustments	Final Budget	Actual	Variance Final To Actual
<b>EXPENDITURES</b>					
<b>CURRENT (Continued)</b>					
<b>Multiple Disabilities</b>					
Salaries of Teachers	\$ 185,645	\$ 25,526	\$ 211,171	\$ 211,002	\$ 169
Other Salaries for Instruction	148,580	2,318	150,898	149,284	1,614
Other Purchased Services (400-500 series)	300		300		300
General Supplies	3,000	(952)	2,048	556	1,492
<b>Total Multiple Disabilities</b>	<u>337,525</u>	<u>26,892</u>	<u>364,417</u>	<u>360,842</u>	<u>3,575</u>
<b>Resource Room/Resource Center</b>					
Salaries of Teachers	1,593,698	93,707	1,687,405	1,680,347	7,058
Other Salaries for Instruction	580,528	(12,222)	568,306	567,708	598
Other Purchased Services	1,750	(1,434)	316		316
General Supplies	3,890	(1,441)	2,449	2,449	-
<b>Total Resource Room/Resource Center</b>	<u>2,179,866</u>	<u>78,610</u>	<u>2,258,476</u>	<u>2,250,504</u>	<u>7,972</u>
<b>Preschool Disabilities - Full Time</b>					
Salaries of Teachers	104,871	(4,078)	100,793	100,543	250
Other Salaries for Instruction	121,142	(34,344)	86,798	86,120	678
General Supplies	250	(250)	-	-	-
<b>Total Preschool Disabilities - Full-Time</b>	<u>226,263</u>	<u>(38,672)</u>	<u>187,591</u>	<u>186,663</u>	<u>928</u>
<b>Home Instruction</b>					
Salaries of Teachers	5,500	(2,750)	2,750		2,750
Purchased Professional Educational Services	26,500	(5,977)	20,523	14,156	6,367
<b>Total Home Instruction</b>	<u>32,000</u>	<u>(8,727)</u>	<u>23,273</u>	<u>14,156</u>	<u>9,117</u>
<b>Total Special Education</b>					
	<u>3,160,511</u>	<u>(37,826)</u>	<u>3,122,685</u>	<u>3,099,113</u>	<u>23,572</u>
<b>Basic Skills/Remedial</b>					
Salaries of Teachers	234,123	4,777	238,900	238,900	
Other Purchased Services	250		250	150	100
General Supplies	2,650	-	2,650	1,788	862
<b>Total Basic Skills/Remedial</b>	<u>237,023</u>	<u>4,777</u>	<u>241,800</u>	<u>240,838</u>	<u>962</u>
<b>Bilingual Education</b>					
Salaries of Teachers	394,862	17,668	412,530	411,245	1,285
Other Purchased Services	400	540	940	916	24
General Supplies	6,300	(1,461)	4,839	3,747	1,092
<b>Total Bilingual Education</b>	<u>401,562</u>	<u>16,747</u>	<u>418,309</u>	<u>415,908</u>	<u>2,401</u>
<b>School Sponsored Co-Curricular Activities</b>					
Salaries	137,000	3,079	140,079	140,079	
Purchased Services	1,700		1,700	890	810
Supplies and Materials	4,000	-	4,000	1,448	2,552
<b>Total School Sponsored Co-Curricular Activities</b>	<u>142,700</u>	<u>3,079</u>	<u>145,779</u>	<u>142,417</u>	<u>3,362</u>
<b>School Sponsored Athletics</b>					
Salaries	565,024	2,032	567,056	543,742	23,314
Purchased Services	133,500		133,500	92,124	41,376
Supplies and Materials	78,500		78,500	54,745	23,755
Other Objects	10,620	-	10,620	9,453	1,167
<b>Total School Sponsored Athletics</b>	<u>787,644</u>	<u>2,032</u>	<u>789,676</u>	<u>700,064</u>	<u>89,612</u>
<b>Other Instructional Programs</b>					
Supplies and Materials	1,000	-	1,000	-	1,000
<b>Total Other Instructional Programs</b>	<u>1,000</u>	<u>-</u>	<u>1,000</u>	<u>-</u>	<u>1,000</u>
<b>Total Instruction</b>	<u>12,437,983</u>	<u>317,545</u>	<u>12,755,528</u>	<u>12,577,952</u>	<u>177,576</u>

**TOWN OF BOONTON SCHOOL DISTRICT  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

EXHIBIT C-1

	Original Budget	Adjustments	Final Budget	Actual	Variance Final To Actual
<b>EXPENDITURES</b>					
CURRENT (Continued)					
Undistributed Expenditures					
Instruction					
Tuition to Other LEAs w/i State -Regular	\$ 33,832	\$ (18,713)	\$ 15,119	\$ 15,119	
Tuition to Other LEAs w/i State - Special	261,023	28,070	289,093	286,695	\$ 2,398
Tuition to County Voc. School Dist.-Regular	308,271	(37,235)	271,036	257,070	13,966
Tuition to County Voc. School Dist.- Special	30,142	(10,638)	19,504	14,628	4,876
Tuition to CSSD and Regional Day Schools	-	68,492	68,492	67,140	1,352
Tuition to Priv. Sch. Disabled Within State	1,244,143	203,567	1,447,710	1,354,830	92,880
<b>Total Undistributed Expenditures - Instruction</b>	<b>1,877,411</b>	<b>233,543</b>	<b>2,110,954</b>	<b>1,995,482</b>	<b>115,472</b>
Attendance and Social Work					
Salaries	15,000	11,026	26,026	18,995	7,031
Purchased Professional and Technical Services	8,135	40	8,175	8,175	
Supplies and Materials	500	(40)	460	-	460
<b>Total Attendance and Social Work</b>	<b>23,635</b>	<b>11,026</b>	<b>34,661</b>	<b>27,170</b>	<b>7,491</b>
Health Services					
Salaries	263,968	7,876	271,844	271,708	136
Purchased Professional and Technical Services	22,999	1,360	24,359	22,213	2,146
Other Purchased Services	1,400	(1)	1,399	-	1,399
Supplies and Materials	10,500	(1,508)	8,992	4,227	4,765
<b>Total Health Services</b>	<b>298,867</b>	<b>7,727</b>	<b>306,594</b>	<b>298,148</b>	<b>8,446</b>
Other Support Serv. Students - Speech, OT, PT & Related Serv.					
Salaries	457,154	40,041	497,195	496,754	441
Purchased Professional/Educational Services	498,314	(45,049)	453,265	443,926	9,339
Supplies and Materials	4,000	(1,786)	2,214	2,098	116
<b>Total Other Supp.Serv. Student- Speech, OT, PT, &amp; Related Serv.</b>	<b>959,468</b>	<b>(6,794)</b>	<b>952,674</b>	<b>942,778</b>	<b>9,896</b>
Other Support Services - Students - Extra Serv.					
Salaries	447,574	23,700	471,274	464,711	6,563
Purchased Professional/Educational Services	349,364	74,046	423,410	352,657	70,753
<b>Total Other Supp.Serv. Student - Extra Serv.</b>	<b>796,938</b>	<b>97,746</b>	<b>894,684</b>	<b>817,368</b>	<b>77,316</b>
Guidance					
Salaries of Other Professional Staff	680,848	8,460	689,308	680,049	9,259
Salaries of Secretarial & Clerical Assistants	58,891	129	59,020	59,015	5
Other Salaries	-	4,801	4,801	-	4,801
Purchased Professional/Educational Services	8,335	(160)	8,175	8,175	
Other Purchased Professional and Technical Svcs.	8,500	(2,260)	6,240	1,442	4,798
Other Purchased Services	4,250	3,259	7,509	5,565	1,944
Supplies and Materials	17,700	-	17,700	3,262	14,438
Other Objects	837	-	837	637	200
<b>Total Guidance</b>	<b>779,361</b>	<b>14,229</b>	<b>793,590</b>	<b>762,946</b>	<b>30,644</b>
Child Study Team					
Salaries of Other Professional Staff	869,770	(40,587)	829,183	809,045	20,138
Salaries of Secretarial & Clerical Assistants	61,189	(4,172)	57,017	57,017	
Other Salaries	4,700	22,936	27,636	23,827	3,809
Purchased Professional-Educational Services	22,400	(8,607)	13,793	11,577	2,216
Other Purchased Professional and Technical Services	15,667	973	16,640	16,640	
Other Purchased Services	9,679	3,609	13,288	13,271	17
Supplies and Materials	28,000	(10,860)	17,140	16,367	773
Other Objects	1,220	(50)	1,170	1,170	-
<b>Total Child Study Teams</b>	<b>1,012,625</b>	<b>(36,758)</b>	<b>975,867</b>	<b>948,914</b>	<b>26,953</b>
Improvement of Instruction Services					
Salaries of Supervisors of Instruction	617,745	2,554	620,299	620,298	1
Salaries Other Prof Staff	10,021	(6,286)	3,735	-	3,735
Salaries of Secretarial & Clerical Assistants	67,256	(7,256)	60,000	60,000	
Other Salaries	-	3,221	3,221	3,150	71
Unused Vac Payment to Term / Ret Staff	-	2,245	2,245	2,245	
Salaries of Facilitators, Math and Literacy Coaches	5,000	-	5,000	3,762	1,238
Purchased Professional/Educational Services	6,099	-	6,099	4,099	2,000
Other Purchased Professional and Technical Services	12,087	-	12,087	11,970	117
Supplies and Materials	2,580	847	3,427	1,312	2,115
Other Objects	-	750	750	750	-
<b>Total Improvement of Instruction Services</b>	<b>720,788</b>	<b>(3,925)</b>	<b>716,863</b>	<b>707,586</b>	<b>9,277</b>

**TOWN OF BOONTON SCHOOL DISTRICT  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

EXHIBIT C-1

	Original Budget	Adjustments	Final Budget	Actual	Variance Final To Actual
<b>EXPENDITURES</b>					
CURRENT (Continued)					
Undistributed Expenditures (Continued)					
Educational Media/School Library					
Salaries - Regular	\$ 228,874	\$ (9,487)	\$ 219,387	\$ 219,386	\$ 1
Salaries of Technology Coordinators	119,281	583	119,864	119,864	
Purchased Professional and Technical Services	4,036	(315)	3,721	3,721	
Supplies and Materials	12,750	1,328	14,078	11,114	2,964
Other Objects	80	-	80	65	15
<b>Total Educational Media/School Library</b>	<b>365,021</b>	<b>(7,891)</b>	<b>357,130</b>	<b>354,150</b>	<b>2,980</b>
Instructional Staff Training Services					
Other Salaries		1,172	1,172	1,172	
Purchased Professional Educational Services	34,140	(660)	33,480	26,400	7,080
Other Purchased Services	10,950	225	11,175	2,920	8,255
Other Objects	2,750	(750)	2,000	1,384	616
<b>Total Instructional Staff Training Services</b>	<b>47,840</b>	<b>(13)</b>	<b>47,827</b>	<b>31,876</b>	<b>15,951</b>
Support Services General Administration					
Salaries	299,651	7,796	307,447	285,649	21,798
Legal Services	120,000	4,724	124,724	122,770	1,954
Audit Fees	35,620		35,620	32,263	3,357
Architectural/Engineering Services	10,000	1,662	11,662	2,616	9,046
Other Purchased Professional Services	3,009	(1,024)	1,985	1,985	
Purchased Technical Services	16,879		16,879	16,720	159
Communications/Telephone	114,584	(100)	114,484	72,652	41,832
BOE Other Purchased Services	3,700	(2,000)	1,700	1,299	401
Miscellaneous Purchased Services	19,317	8,590	27,907	26,543	1,364
General Supplies	7,225	1,464	8,689	7,842	847
Judgements Against the School District	5,000	(200)	4,800		4,800
Miscellaneous Expenditures	2,500	330	2,830	2,830	
BOE Membership Dues and Fees	10,400	(8)	10,392	10,392	-
<b>Total Support Services General Administration</b>	<b>647,885</b>	<b>21,234</b>	<b>669,119</b>	<b>583,561</b>	<b>85,558</b>
Support Services School Administration					
Salaries of Principals/Asst. Principals/Program Directors	480,532		480,532	480,532	
Salaries of Other Professional Staff	114,557		114,557	114,557	
Salaries of Secretarial and Clerical Assistants	251,777	2,796	254,573	250,993	3,580
Unused Vac Payment to Term / Ret Staff		4,501	4,501	4,501	
Other Purchased Services	19,500	14,753	34,253	18,727	15,526
Supplies and Materials	32,735	(689)	32,046	19,337	12,709
Other Objects	9,014	(106)	8,908	8,892	16
<b>Total Support Services School Administration</b>	<b>908,115</b>	<b>21,255</b>	<b>929,370</b>	<b>897,539</b>	<b>31,831</b>
Undistributed Expenditures - Central Services					
Salaries	345,453	1,123	346,576	346,184	392
Purchased Professional Services	15,781	4,430	20,211	18,211	2,000
Purchased Professional Services - Public Relation Costs	15,000	(5,275)	9,725		9,725
Purchased Technical Services	12,781	152	12,933	12,933	
Misc. Purchased Services	3,300		3,300	2,337	963
Supplies and Materials	5,000	(430)	4,570	4,490	80
Interest on Lease Purchase Agreements	28,969	(28,933)	36	-	36
Miscellaneous Expenditures	1,763	1	1,764	1,710	54
<b>Total Undistributed Expenditures - Central Services</b>	<b>428,047</b>	<b>(28,932)</b>	<b>399,115</b>	<b>385,865</b>	<b>13,250</b>
Undistributed Expenditures - Admin. Info. Tech.					
Purchased Technical Services	42,043	1,556	43,599	36,378	7,221
Other Purchased Services		7,033	7,033	7,033	
Supplies and Materials	35,025	(12,556)	22,469	1,996	20,473
Other Objects	125	-	125	-	125
<b>Total Undistributed Expenditures - Admin. Info. Tech.</b>	<b>77,193</b>	<b>(3,967)</b>	<b>73,226</b>	<b>45,407</b>	<b>27,819</b>
Required Maintenance for School Facilities					
Salaries	246,368	218	246,586	246,586	
Unused Vac Payment to Term / Ret Staff		2,751	2,751	2,751	
Cleaning, Repair and Maintenance Services	114,800	(34,038)	80,762	71,492	9,270
Lead Testing of Drinking Water	-	1,050	1,050	1,050	
General Supplies	15,000	3,767	18,767	18,589	178
Other Objects	500	(500)	-	-	-
<b>Total Required Maintenance for School Facilities</b>	<b>376,668</b>	<b>(26,752)</b>	<b>349,916</b>	<b>340,468</b>	<b>9,448</b>

**TOWN OF BOONTON SCHOOL DISTRICT  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

EXHIBIT C-1

	Original Budget	Adjustments	Final Budget	Actual	Variance Final To Actual
<b>EXPENDITURES (Continued)</b>					
<b>Custodial Services</b>					
Salaries	\$ 576,100	\$ (37,428)	\$ 538,672	\$ 530,966	\$ 7,706
Salaries of Non-Instructional Aides	124,285	(12,890)	111,395	111,164	231
Unused Vac Payment to Term / Ret Staff		3,062	3,062	3,062	
Purchased Professional and Technical Services	1,311	102	1,413	1,413	
Cleaning, Repair and Maintenance Services	52,000	(9,313)	42,687	37,766	4,921
Other Purchased Property Services	23,000	14,739	37,739	37,316	423
Insurance	261,562	(9,516)	252,046	252,046	
General Supplies	61,000	1,232	62,232	59,138	3,094
Energy (Natural Gas)	130,700	74,541	205,241	203,733	1,508
Energy (Electricity)	182,725	35,478	218,203	217,326	877
Energy (Oil)	2,000	49	2,049	2,049	
<b>Total Custodial Services</b>	<b>1,414,683</b>	<b>60,056</b>	<b>1,474,739</b>	<b>1,455,979</b>	<b>18,760</b>
<b>Care and Upkeep of Grounds</b>					
Purchased Professional and Technical Services	1,500	13,436	14,936	14,936	
Cleaning, Repair and Maintenance Services	5,000	256	5,256	4,906	350
General Supplies	7,900	(4,869)	3,031	2,977	54
<b>Total Care and Upkeep of Grounds</b>	<b>14,400</b>	<b>8,823</b>	<b>23,223</b>	<b>22,819</b>	<b>404</b>
<b>Security</b>					
Purchased Professional and Technical Services	1,650		1,650	1,500	150
Cleaning, Repair and Maintenance Services	2,000	(2,000)			
General Supplies	2,000	(2,000)			
<b>Total Security</b>	<b>5,650</b>	<b>(4,000)</b>	<b>1,650</b>	<b>1,500</b>	<b>150</b>
<b>Student Transportation Services</b>					
Salaries of Non- Instructional Aides	29,989	16,413	46,402	40,129	6,273
Salaries for Pupil Transportation (Between Home and School) - Regular Ed.		11,070	11,070	15,134	(4,064)
Salaries for Pupil Transportation (Between Home and School) - Special Ed.	48,831	20,064	68,895	68,386	509
Salaries for Pupil Transportation (Other Than Between Home and School)	33,060	47,768	80,828	51,528	29,300
Cleaning, Repair and Maintenance Services	7,000	8,570	15,570	15,570	
Rental Payments - School Buses		1,500	1,500	1,495	5
Lease Purchase Payments - School Buses		47,260	47,260	47,260	
Contracted Services - Aid in Lieu Payments - Choice School	1,000		1,000	1,000	
Contracted Services (Between Home and School) - Vendors	130,000	38,766	168,766	157,853	10,913
Contracted Services (Other Than Between Home and School ) - Vendors	62,950	22,925	85,875	36,632	49,243
Contracted Services (Special Ed Students) - Vendors	377,411	62,698	440,109	408,777	31,332
Transportation Supplies	20,000	4,855	24,855	24,855	
Other Objects	1,200	(652)	548	419	129
<b>Total Student Transportation Services</b>	<b>711,441</b>	<b>281,237</b>	<b>992,678</b>	<b>869,038</b>	<b>123,640</b>
<b>Allocated Benefits</b>					
<b>Support Services - General Administration</b>					
Tuition Reimbursement	5,500	(2,465)	3,035	483	2,552
<b>Total Allocated Benefits - Support Services - General Administration</b>	<b>5,500</b>	<b>(2,465)</b>	<b>3,035</b>	<b>483</b>	<b>2,552</b>
<b>Support Services - School Administration</b>					
Tuition Reimbursement	9,000	-	9,000	2,360	6,640
<b>Total Allocated Benefits - Support Services - School Administration</b>	<b>9,000</b>	<b>-</b>	<b>9,000</b>	<b>2,360</b>	<b>6,640</b>
<b>Support Services - Administration Information Technology</b>					
Tuition Reimbursement	-	1,000	1,000	960	40
<b>Total Allocated Benefits - Support Services - Administration Information Technology</b>	<b>-</b>	<b>1,000</b>	<b>1,000</b>	<b>960</b>	<b>40</b>
<b>Total Allocated Benefits</b>	<b>14,500</b>	<b>(1,465)</b>	<b>13,035</b>	<b>3,803</b>	<b>9,232</b>
<b>Unallocated Benefits</b>					
Group Insurance	6,000		6,000	5,336	664
Social Security Contributions	376,000	23,045	399,045	399,045	
Other Retirement Contributions - PERS	396,000	122,643	518,643	518,643	
Other Retirement Contributions - Regular	9,000	801	9,801	9,801	
Workmen's Compensation	104,827	4,047	108,874	108,874	
Health Benefits	4,322,853	(451,840)	3,871,013	3,835,365	35,648
Tuition Reimbursement	55,000		55,000	45,674	9,326
Other Employee Benefits	251,850	(3,954)	247,896	247,183	713
Unused Sick Payment to Terminated/Retired Staff	40,295	5,945	46,240	46,240	
<b>Total Unallocated Benefits</b>	<b>5,561,825</b>	<b>(299,313)</b>	<b>5,262,512</b>	<b>5,216,161</b>	<b>46,351</b>



**TOWN OF BOONTON SCHOOL DISTRICT  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

EXHIBIT C-1

	Original Budget	Adjustments	Final Budget	Actual	Variance Final To Actual
On-Behalf (Non-Budget)					
TPAF Pension System Contribution (On-Behalf - Non-Budgeted)				\$ 4,882,757	\$ (4,882,757)
TPAF Non-Contributory Insurance (On-Behalf - Non-Budgeted)				68,889	(68,889)
TPAF Post Retirement Contributions (On-Behalf - Non-Budgeted)				1,156,905	(1,156,905)
TPAF Long-Term Disability Contributions ( Non-Budgeted)				1,857	(1,857)
Reimbursed TPAF Social Security Contributions (Non-Budgeted)	-	-	-	1,063,178	(1,063,178)
Total On-Behalf	-	-	-	7,173,586	(7,173,586)
Total Undistributed Expenditures	\$ 17,042,361	\$ 337,066	\$ 17,379,427	23,882,144	(6,502,717)
Total Current Expenditures	29,480,344	654,611	30,134,955	36,460,096	(6,325,141)
<b>EXPENDITURES</b>					
<b>CAPITAL OUTLAY</b>					
Equipment					
Grades 1-5	5,000	6,818	11,818	11,818	
Grades 9-12	24,000	(2,993)	21,007	21,007	
Undistributed Expenditures - School Administration	3,000	(3,000)			
Undistributed Expenditures - Admin Info		5,462	5,462	5,462	
Undistributed Expenditures - Care and Upkeep of Grounds	8,000	(106)	7,894	7,894	-
Total Equipment	40,000	6,181	46,181	46,181	-
Facilities Acquisition and Construction Services					
Construction Services	291,000	15,000	306,000	276,941	29,059
Lease Purchase Agreements- Principal	644,692	(364,081)	280,611	280,611	
Assessment for Debt Service on SDA Funding	5,733	-	5,733	5,733	-
Total Facilities Acquisition and Construction Services	941,425	(349,081)	592,344	563,285	29,059
Interest Deposit to Capital Reserve	1	-	1	-	1
Total Capital Outlay	981,426	(342,900)	638,526	609,466	29,060
Transfer of Funds to Charter School	131,045	-	131,045	131,045	-
Total General Fund	30,592,815	311,711	30,904,526	37,200,607	(6,296,081)
Excess (Deficiency) of Revenues Over/(Under) Expenditures	(73,820)	(311,711)	(385,531)	1,001,276	1,386,807
Other Financing Sources (Uses)					
Capital Lease Proceeds (non-budget)					
Local Contribution - Preschool - Transfer to Special Revenue Fund	(417,180)		(417,180)	(417,180)	
Transfer from Capital Reserve to Capital Projects	-	(400,000)	(400,000)	(400,000)	-
Total Other Financing Sources	(417,180)	(400,000)	(817,180)	(817,180)	-
Excess (Deficiency) of Revenues and Other Financing Sources Over/(Under) Expenditures and Other Financing Sources (Uses)	(491,000)	(711,711)	(1,202,711)	184,096	1,386,807
Fund Balance, Beginning of Year	2,527,208	-	2,527,208	2,527,208	-
Fund Balance, End of Year	\$ 2,036,208	\$ (711,711)	1,324,497	2,711,304	\$ 1,386,807
<b>Reconciliation of Governmental Funds Statements (GAAP)</b>					
Restricted					
Capital Reserve				\$ 181,380	
Tuition Adjustment, Designated for Subsequent Year's Expenditures				50,000	
Unemployment Compensation				26,892	
Committed					
Year End Encumbrances				33,230	
Assigned					
Designated for Subsequent Year's Expenditures				796,483	
Year End Encumbrances				120,044	
Unassigned				1,503,275	
Fund Balance- Budgetary Basis				2,711,304	
Less: State Aid Revenue not recognized on GAAP basis				(933,519)	
Fund Balance per Governmental Funds Statements (GAAP)				\$ 1,777,785	

**TOWN OF BOONTON SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Original Budget	Adjustments	Final Budget	Actual	Variance Final to Actual
<b>REVENUES</b>					
Intergovernmental					
Local	20,400	\$ 104,400	\$ 124,800	\$ 113,191	\$ (11,609)
State	\$ 1,799,216	12,279	1,811,495	1,771,770	(39,725)
Federal	622,986	2,525,631	3,148,617	1,310,460	(1,838,157)
	<u>2,442,602</u>	<u>2,642,310</u>	<u>5,084,912</u>	<u>3,195,421</u>	<u>(1,889,491)</u>
Total Revenues					
<b>EXPENDITURES</b>					
Instruction					
Salaries of Teachers	901,964	678,741	1,580,705	1,064,053	516,652
Other Salaries for Instruction	403,769	40,042	443,811	416,088	27,723
Purchased Professional/Technical Services	100,555	248,410	348,965	87,792	261,173
Tuition	358,190	(31,436)	326,754	326,728	26
General Supplies	20,000	167,030	187,030	85,128	101,902
Textbooks	8,003	1,240	9,243	9,243	
Student Activities (Non-budget)	11,400	84,245	95,645	95,645	-
	<u>1,803,881</u>	<u>1,188,272</u>	<u>2,992,153</u>	<u>2,084,677</u>	<u>907,476</u>
Total Instruction					
Support Services					
Salaries of Supervisors of Instruction	23,037	675	23,712	23,620	92
Salaries of Program Directors	66,418	14,445	80,863	80,863	
Salary of Other Professional Staff	89,139	251,235	340,374	131,838	208,536
Salaries of Secretarial and Clerical Assistants	31,370	5,493	36,863	36,861	2
Other Salaries	45,478	(6,760)	38,718	38,718	
Salaries of Family Liaison	4,000	800	4,800	4,800	
Salaries of Master Teachers	96,121	(1,348)	94,773	94,773	
Personal Services - Employee Benefits	528,147	416,071	944,218	582,325	361,893
Purchased Professional and Technical Services	-	115,635	115,635	40,812	74,823
Cleaning, Repair and Maintenance Services	33,378	111,085	144,463	71,737	72,726
Other Purchased Services	-	279,702	279,702	260,058	19,644
Contract Services-Transportation (Field Trips)	4,500	(3,281)	1,219	110	1,109
Travel	20,250	20,920	41,170	26,175	14,995
Supplies and Materials	-	291,345	291,345	70,513	220,832
Other Objects	-	1,586	1,586	1,586	
Scholarship Awards (Non-budget)	9,000	3,660	12,660	12,660	-
	<u>950,838</u>	<u>1,501,263</u>	<u>2,452,101</u>	<u>1,477,449</u>	<u>974,652</u>
Total Support Services					
Facilities Acquisition and Construction Services					
Instructional Equipment	105,063	(47,225)	57,838	57,689	149
	<u>105,063</u>	<u>(47,225)</u>	<u>57,838</u>	<u>57,689</u>	<u>149</u>
Total Facilities Acquisition and Construction Services					
	<u>2,859,782</u>	<u>2,642,310</u>	<u>5,502,092</u>	<u>3,619,815</u>	<u>1,882,277</u>
Total Expenditures					
Excess (Deficiency) of Revenues					
Over/(Under) Expenditures	(417,180)	-	(417,180)	(424,394)	(7,214)
Other Financing Sources					
Operating Transfers In	417,180	-	417,180	417,180	-
	<u>417,180</u>	<u>-</u>	<u>417,180</u>	<u>417,180</u>	<u>-</u>
Total Other Financing Sources					
Excess (Deficiency) of Revenues and Other Financing Sources Over/(Under) Expenditures	-	-	-	(7,214)	(7,214)
Fund Balances, Beginning of Year (Restated)	382,472	-	382,472	382,472	-
Fund Balances, End of Year	\$ 382,472	\$ -	\$ 382,472	\$ 375,258	\$ (7,214)
<b>Reconciliation of Governmental Funds Statements (GAAP)</b>					
Restricted					
Student Activities				\$ 134,281	
Scholarships				240,977	
Fund Balance- Budgetary Basis				375,258	
Less: State Aid Revenue not recognized on GAAP basis				(101,370)	
Fund Balance per Governmental Funds Statements (GAAP)				\$ 273,888	

**NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION - PART II**

**TOWN OF BOONTON SCHOOL DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION  
BUDGETARY COMPARISON SCHEDULES  
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

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 accounting principles generally accepted in the United States of America, with the exception of the legally mandated revenue recognition of certain state aid payments for budgetary purposes only and the treatment of encumbrances in the special revenue fund as described below. Encumbrance accounting is also employed as an extension of formal budgetary integration of the governmental fund types. Unencumbered appropriations lapse at fiscal year end.

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

The following presents a reconciliation of the General and Special Revenue Funds from the budgetary basis of accounting as presented in the Budgetary Comparison Schedule - General Fund and Special Revenue Fund to the GAAP basis of accounting as presented in the Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Funds.

	<u>General Fund</u>	<u>Special Revenue Fund</u>
<b>Sources/inflows of resources</b>		
Actual amounts (budgetary basis) "revenues" from the budgetary comparison schedule	\$ 38,201,883	\$ 3,195,421
Difference - Budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that the Budgetary Basis Recognizes Encumbrances as Expenditures and Revenue, whereas the GAAP Basis does not.		
Encumbrances, June 30, 2022		(56,897)
Encumbrances, June 30, 2021		44,730
Prior Year State Aid Payments Recognized for GAAP Statements, not Recognized for Budgetary Purposes	868,935	134,910
Current Year State Aid Payments Recognized for Budgetary Purposes, not Recognized for GAAP Statements	<u>(933,519)</u>	<u>(101,370)</u>
Total Revenues as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	<u>\$ 38,137,299</u>	<u>\$ 3,216,794</u>
<b>Uses/outflows of resources</b>		
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	\$ 37,200,607	\$ 3,619,815
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.		
Encumbrances, June 30, 2022		(56,897)
Encumbrances, June 30, 2021	<u>-</u>	<u>44,730</u>
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	<u>\$ 37,200,607</u>	<u>\$ 3,607,648</u>

**REQUIRED SUPPLEMENTARY INFORMATION - PART III**

**PENSION INFORMATION**

**AND**

**OTHER POST-EMPLOYMENT BENEFITS INFORMATION**

**TOWN OF BOONTON SCHOOL DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**

**Public Employees Retirement System**

Last Nine Fiscal Years\*

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
District's Proportion of the Net Position Liability (Asset)	4.42800%	0.04101%	0.03952%	0.03841%	0.03969%	0.03748%	0.03452%	0.03209%	0.03605%
District's Proportionate Share of the Net Pension Liability (Asset)	\$ 5,246,366	\$ 6,688,408	\$ 7,121,123	\$ 7,564,016	\$ 9,240,543	\$ 11,101,169	\$ 7,751,074	\$ 6,008,550	\$ 6,890,699
District's Covered Payroll	\$ 3,336,193	\$ 3,142,626	\$ 2,841,045	\$ 2,667,647	\$ 2,692,375	\$ 2,635,509	\$ 2,413,304	\$ 2,272,309	\$ 2,093,434
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	157%	213%	251%	284%	343%	421%	321%	264%	329%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	70.33%	58.32%	56.27%	53.59%	48.10%	40.14%	47.92%	52.08%	48.72%

- The amounts presented for each fiscal year were determined as of the previous fiscal year-end.

This schedule is presented to illustrate the requirement to show information for 10 years in accordance with GASB Statement No. 68. However, until a full 10-year trend is compiled, the District will only present information for those years for which information is available.

**TOWN OF BOONTON SCHOOL DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF DISTRICT CONTRIBUTIONS**

**Public Employees Retirement System**

Last Nine Fiscal Years  
(Dollar amounts in thousands)

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually Required Contribution	\$ 518,643	\$ 448,680	\$ 384,425	\$ 382,120	\$ 367,739	\$ 332,987	\$ 296,857	\$ 271,476	\$ 234,285
Contributions in Relation to the Contractually Required Contribution	<u>518,643</u>	<u>448,680</u>	<u>384,425</u>	<u>382,120</u>	<u>367,739</u>	<u>332,987</u>	<u>296,857</u>	<u>271,476</u>	<u>234,285</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's Covered Payroll	\$ 3,415,782	\$ 3,336,193	\$ 3,142,626	\$ 2,841,045	\$ 2,667,647	\$ 2,692,375	\$ 2,635,509	\$ 2,413,304	\$ 2,272,309
Contributions as a Percentage of Covered Payroll	15.18%	13.45%	12.23%	13.45%	13.79%	12.63%	9.04%	11.95%	11.1%

This schedule is presented to illustrate the requirement to show information for 10 years in accordance with GASB Statement No. 68. However, until a full 10-year trend is compiled, the District will only present information for those years for which information is available.

**TOWN OF BOONTON SCHOOL DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**

**Teachers Pension and Annuity Fund**

Last Nine Fiscal Years\*

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
District's Proportion of the Net Position Liability (Asset)	0%	0%	0%	0%	0%	0%	0%	0%	0%
District's Proportionate Share of the Net Pension Liability (Asset)	\$-0-	\$-0-	\$-0-	\$-0-	\$-0-	\$-0-	\$-0-	\$-0-	\$-0-
State's Proportionate Share of the Net Pension Liability (Asset) Associated with the District	<u>56,222,755</u>	<u>75,141,142</u>	<u>69,813,017</u>	<u>71,224,092</u>	<u>73,100,319</u>	<u>82,265,151</u>	<u>63,946,677</u>	<u>57,675,711</u>	<u>55,602,809</u>
<b>Total</b>	<b><u>\$ 56,222,755</u></b>	<b><u>\$ 75,141,142</u></b>	<b><u>\$ 69,813,017</u></b>	<b><u>\$ 71,224,092</u></b>	<b><u>\$ 73,100,319</u></b>	<b><u>\$ 82,265,151</u></b>	<b><u>\$ 63,946,677</u></b>	<b><u>\$ 57,675,711</u></b>	<b><u>\$ 55,602,809</u></b>
District's Covered Payroll	\$ 13,919,341	\$ 13,192,027	\$ 12,456,853	\$ 11,937,455	\$ 11,714,471	\$ 11,137,027	\$ 10,483,171	\$ 10,382,424	\$ 10,159,432
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	0%	0%	0%	0%	0%	0%	0%	0%	0%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	35.52%	24.60%	26.95%	26.48%	25.41%	22.33%	28.74%	33.64%	33.76%

\* The amounts presented for each fiscal year were determined as of the previous fiscal year-end.

This schedule is presented to illustrate the requirement to show information for 10 years in accordance with GASB Statement No. 68. However, until a full 10-year trend is compiled, the District will only present information for those years for which information is available.



**TOWN OF BOONTON SCHOOL DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF NET PENSION LIABILITY  
AND SCHEDULE OF DISTRICT CONTRIBUTIONS  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**Change of Benefit Terms:** None.

**Change of Assumptions:** Assumptions used in calculating the net pension liability and statutorily required employer contribution are presented in Note 4D.

**TOWN OF BOONTON SCHOOL DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF CHANGES IN THE DISTRICT'S PROPORTIONATE SHARE OF  
TOTAL OPEB LIABILITY**

**Postemployment Health Benefit Plan**

**Last Five Fiscal Years\***

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
<b>Total OPEB Liability</b>					
Service Cost	\$ 3,615,305	\$ 1,981,020	\$ 1,823,408	\$ 2,003,820	\$ 2,433,262
Interest on Total OPEB Liability	1,631,510	1,542,820	1,818,605	1,865,216	1,599,938
Changes of Benefit Terms	(66,942)				
Differences Between Expected and Actual Experience	(10,422,634)	11,622,031	(6,126,055)	(2,315,657)	
Changes of Assumptions	62,049	12,661,864	636,356	(5,255,618)	(6,695,977)
Gross Benefit Payments	(1,285,173)	(1,206,755)	(1,310,137)	(1,224,638)	(1,141,786)
Contribution from the Member	<u>41,710</u>	<u>36,577</u>	<u>38,836</u>	<u>42,325</u>	<u>42,043</u>
<b>Net Change in Total OPEB Liability</b>	(6,424,175)	26,637,557	(3,118,987)	(4,884,552)	(3,762,520)
<b>Total OPEB Liability - Beginning</b>	<u>69,317,167</u>	<u>42,679,610</u>	<u>45,798,597</u>	<u>50,683,149</u>	<u>54,445,669</u>
<b>Total OPEB Liability - Ending</b>	<u>\$ 62,892,992</u>	<u>\$ 69,317,167</u>	<u>\$ 42,679,610</u>	<u>\$ 45,798,597</u>	<u>\$ 50,683,149</u>
District's Proportionate Share of OPEB Liability	\$0	\$0	\$0	\$0	\$0
State's Proportionate Share of OPEB Liability	<u>62,892,992</u>	<u>69,317,167</u>	<u>42,679,610</u>	<u>45,798,597</u>	<u>50,683,149</u>
<b>Total OPEB Liability - Ending</b>	<u>\$ 62,892,992</u>	<u>\$ 69,317,167</u>	<u>\$ 42,679,610</u>	<u>\$ 45,798,597</u>	<u>\$ 50,683,149</u>
District's Covered Payroll	<u>\$ 17,255,534</u>	<u>\$ 16,334,653</u>	<u>\$ 15,297,898</u>	<u>\$ 14,605,102</u>	<u>\$ 14,406,846</u>
District's Proportionate Share of the Total OPEB Liability as a Percentage of its Covered Payroll	0%	0%	0%	0%	0%

Note: No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB 75.

\*The amounts presented for each fiscal year were determined as of the previous fiscal year end.

This schedule is presented to illustrate the requirement to show information for 10 years in accordance with GASB Statement No. 75. However, until a full 10-year trend is compiled, the District will only present information for those years for which information is available.

**TOWN OF BOONTON SCHOOL DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF CHANGES IN THE DISTRICT'S PROPORTIONATE SHARE OF THE OPEB LIABILITY  
AND SCHEDULE OF DISTRICT PROPORTIONATE SHARE OF THE OPEB LIABILITY  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**Changes in Benefit Terms:**

None.

**Changes of Assumptions**

Assumptions used in calculating the OPEB liability are presented in Note 4E.

**SCHOOL LEVEL SCHEDULES**

**NOT APPLICABLE**

**SPECIAL REVENUE FUND**

TOWN OF BOONTON SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

REVENUES	Every Student Succeeds Act (ESSA)					IDEA		Local Grant	Sub-Total Page 2	Sub-Total Page 3	Total
	Title I	Title II-A	Title III	Title III Immigrant	Title IV	Part B, Basic	Preschool				
Intergovernmental									\$ 1,737,727	\$ 34,043	\$ 1,771,770
State									-	762,732	1,310,460
Federal	\$ 146,882	\$ 7,203	\$ 10,651	\$ 4,742	\$ 13,183	\$ 347,455	\$ 17,612		-	101,091	113,191
Local Sources	-	-	-	-	-	-	-	\$ 12,100	-	-	-
<b>Total Revenues</b>	<b>146,882</b>	<b>7,203</b>	<b>10,651</b>	<b>4,742</b>	<b>13,183</b>	<b>347,455</b>	<b>17,612</b>	<b>12,100</b>	<b>1,737,727</b>	<b>897,866</b>	<b>3,195,421</b>
<b>EXPENDITURES</b>											
Instruction											
Salaries of Teachers	103,931								643,959	316,163	1,064,053
Other Salaries for Instruction	3,740		7,430						404,918		416,088
Purchased Professional & Technical Services	17,000								70,792		87,792
Tuition	750					325,978					326,728
General Supplies	2,095		2,653	4,595		3,907	4,300		47,724	19,854	85,128
Textbooks									9,243		9,243
Student Activities	-	-	-	-	-	-	-	-	-	95,645	95,645
<b>Total Instruction</b>	<b>127,516</b>	<b>-</b>	<b>10,083</b>	<b>4,595</b>	<b>-</b>	<b>329,885</b>	<b>4,300</b>	<b>-</b>	<b>1,176,636</b>	<b>431,662</b>	<b>2,084,677</b>
Support Services											
Salaries of Supervisors of Instruction									23,620		23,620
Salaries of Program Directors									80,863		80,863
Salary of Other Professional Staff									90,136	40,830	131,838
Salaries of Secretarial and Clerical Assistants		735			137				36,861		36,861
Other Salaries									38,718		38,718
Salaries of Family Liaison									4,800		4,800
Salaries of Master Teachers									94,773		94,773
Personal Services Employee-Benefits	19,366	56	568	10					477,195	85,130	582,325
Purchased Professional and Technical Services		1,649			13,183	13,797	12,000		183		40,812
Cleaning, Repair and Maintenance Services									71,737		71,737
Other Purchased Services		2,090								257,968	260,058
Contract Services-Transportation (Field Trips)									110		110
Travel		700				2,550	1,312			21,613	26,175
Supplies and Materials	-	1,973				1,223		12,100		55,217	70,513
Other Object									1,586		1,586
Scholarship Awards									-	12,660	12,660
<b>Total Support Services</b>	<b>19,366</b>	<b>7,203</b>	<b>568</b>	<b>147</b>	<b>13,183</b>	<b>17,570</b>	<b>13,312</b>	<b>12,100</b>	<b>920,582</b>	<b>473,418</b>	<b>1,477,449</b>
Facilities Acquisition and Construction Services											
Instructional Equipment	-	-	-	-	-	-	-	-	57,689	-	57,689
<b>Total Facilities Acquisition and Construction Services</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>57,689</b>	<b>-</b>	<b>57,689</b>
<b>Total Expenditures</b>	<b>146,882</b>	<b>7,203</b>	<b>10,651</b>	<b>4,742</b>	<b>13,183</b>	<b>347,455</b>	<b>17,612</b>	<b>12,100</b>	<b>2,154,907</b>	<b>905,080</b>	<b>3,619,815</b>
Other Financing Sources											
Transfer from General Fund - Preschool	-	-	-	-	-	-	-	-	417,180	-	417,180
<b>Total Other Financing Sources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>417,180</b>	<b>-</b>	<b>417,180</b>
Excess (Deficiency) of Revenue and Other Financing Sources Over (Under) Expenditures	-	-	-	-	-	-	-	-	-	(7,214)	(7,214)
Fund Balances, Beginning of Year (Restated)	-	-	-	-	-	-	-	-	-	382,472	382,472
<b>Fund Balances, End of Year</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 375,258</b>	<b>\$ 375,258</b>

TOWN OF BOONTON SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

REVENUES	Nonpublic Auxiliary Services		Nonpublic Handicapped Services				New Jersey Nonpublic Aid				Preschool Education Aid	Total Page 2
	Compensatory Education	Examination & Classification	Corrective Speech	Supplemental Instruction	Nursing	Technology	Security	Textbooks				
Intergovernmental State	\$ 14,333	\$ 19,714	\$ 4,464	\$ 15,033	\$ 17,248	\$ 6,468	\$ 21,563	\$ 9,243	\$ 1,629,661	\$ 1,737,727		
Total Revenues	\$ 14,333	19,714	4,464	15,033	17,248	6,468	21,563	9,243	1,629,661	1,737,727		
<b>EXPENDITURES</b>												
Instruction												
Salaries of Teachers									643,959	643,959		
Other Salaries for Instruction									404,918	404,918		
Purchased Professional/Educational Services	\$ 14,333	19,714	4,464	15,033	17,248					70,792		
General Supplies						6,468	21,563		19,693	47,724		
Textbooks	-	-	-	-	-	-	-	9,243	-	9,243		
Total Instruction	14,333	19,714	4,464	15,033	17,248	6,468	21,563	9,243	1,068,570	1,176,636		
Support Services												
Salaries of Supervisors of Instruction									23,620	23,620		
Salaries of Program Directors									80,863	80,863		
Salary of Other Professional Staff									90,136	90,136		
Salaries of Secretarial and Clerical Assistants									36,861	36,861		
Other Salaries									38,718	38,718		
Salaries of Community Parent Involvement Spec.									4,800	4,800		
Salaries of Master Teachers									94,773	94,773		
Personal Services Employee-Benefits									477,195	477,195		
Other Purchased Professional Services									183	183		
Cleaning, Repair and Maintenance Services									71,737	71,737		
Contract Services-Transportation (Field Trips)									110	110		
Other Objects									1,586	1,586		
Total Support Services	-	-	-	-	-	-	-	-	920,582	920,582		
Facilities Acquisition and Construction Services												
Instructional Equipment	-	-	-	-	-	-	-	-	57,689	57,689		
Total Facilities Acquisition and Construction Services	-	-	-	-	-	-	-	-	57,689	57,689		
Total Expenditures	\$ 14,333	19,714	4,464	15,033	17,248	6,468	21,563	9,243	2,046,841	2,154,907		
Other Financing Sources												
Transfer from General Fund - Preschool	-	-	-	-	-	-	-	-	417,180	417,180		
Total Other Financing Sources	-	-	-	-	-	-	-	-	417,180	417,180		
Excess (Deficiency) of Revenue and Other Financing Sources Over (Under) Expenditures	-	-	-	-	-	-	-	-	-	-		
Fund Balances, Beginning of Year	-	-	-	-	-	-	-	-	-	-		
Fund Balances, End of Year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		

TOWN OF BOONTON SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

REVENUES	ARP	ESSER I	SDA	ESSER III	CRRSA - ESSER II			Student Activities	Scholarship	Total Page 3
	IDEA Basic	CARES Emergency Relief	Capital and Emergent Needs	ARP	ESSER II	Learning Acceleration	Mental Health			
Intergovernmental			\$ 34,043							\$ 34,043
State				\$ 254,852	\$ 454,031	\$ 24,513	\$ 23,798			762,732
Federal	\$ 4,744	\$ 794						\$ 99,155	\$ 1,936	101,091
Local Sources	-	-	-	-	-	-	-	-	-	-
<b>Total Revenues</b>	<b>\$ 4,744</b>	<b>794</b>	<b>34,043</b>	<b>254,852</b>	<b>454,031</b>	<b>24,513</b>	<b>23,798</b>	<b>99,155</b>	<b>1,936</b>	<b>897,866</b>
<b>EXPENDITURES</b>										
Instruction										
Salaries of Teachers	\$ -				\$ 316,163					\$ 316,163
General Supplies	163	794			17,997	900				19,854
Student Activities	-	-	-	-	-	-	-	95,645	-	95,645
<b>Total Instruction</b>	<b>163</b>	<b>794</b>	<b>-</b>	<b>-</b>	<b>334,160</b>	<b>900</b>	<b>-</b>	<b>95,645</b>	<b>-</b>	<b>431,662</b>
Support Services										
Salary of Other Professional Staff				26,941	3,828		10,061			40,830
Personal Services Employee-Benefits				2,061	82,299		770			85,130
Other Purchased Services			25,068	225,850	7,050					257,968
Travel						21,613				21,613
Supplies and Materials	4,581		8,975		26,694	2,000	12,967			55,217
Scholarship Awards	-	-	-	-	-	-	-		12,660	12,660
<b>Total Support Services</b>	<b>4,581</b>	<b>-</b>	<b>34,043</b>	<b>254,852</b>	<b>119,871</b>	<b>23,613</b>	<b>23,798</b>	<b>-</b>	<b>12,660</b>	<b>473,418</b>
<b>Total Expenditures</b>	<b>\$ 4,744</b>	<b>794</b>	<b>34,043</b>	<b>254,852</b>	<b>454,031</b>	<b>24,513</b>	<b>23,798</b>	<b>95,645</b>	<b>12,660</b>	<b>905,080</b>
Other Financing Sources										
Transfer from General Fund - Preschool	-	-	-	-	-	-	-	-	-	-
<b>Total Other Financing Sources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Excess (Deficiency) of Revenue and Other Financing Sources Over (Under) Expenditures	-	-	-	-	-	-	-	3,510	(10,724)	(7,214)
Fund Balances, Beginning of Year	-	-	-	-	-	-	-	130,771	251,701	382,472
<b>Fund Balances, End of Year</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 134,281</b>	<b>\$ 240,977</b>	<b>\$ 375,258</b>



**TOWN OF BOONTON SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
PRESCHOOL EDUCATION AID SCHEDULE OF EXPENDITURES  
BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
<b>EXPENDITURES</b>					
Instruction					
Salaries of Teachers	\$ 637,168	\$ 6,792	\$ 643,960	\$ 643,959	\$ 1
Other Salaries for Instruction	403,769	1,149	404,918	404,918	
Purchased Professional-Educational Services	1,440	(1,440)			
General Supplies	20,000	2,477	22,477	19,693	2,784
Total Instruction	<u>1,062,377</u>	<u>8,978</u>	<u>1,071,355</u>	<u>1,068,570</u>	<u>2,785</u>
Support Services					
Salaries of Supervisors of Instruction	23,037	675	23,712	23,620	92
Salaries of Program Directors	66,418	14,445	80,863	80,863	
Salaries of Other Professional Staff	89,139	1,089	90,228	90,136	92
Salaries of Secretarial and Clerical Assistants	31,370	5,493	36,863	36,861	2
Other Salaries	45,478	(6,760)	38,718	38,718	
Salaries of Community Parent Involvement Spec.	4,000	800	4,800	4,800	
Salaries of Master Teachers	96,121	(1,348)	94,773	94,773	
Personal Services - Employee Benefits	528,147	5,949	534,096	477,195	56,901
Other Purchased Professional Services		183	183	183	
Cleaning, Repair and Maintenance Services	33,378	39,168	72,546	71,737	809
Contract Services-Transportation (Field Trips)	4,500	(3,281)	1,219	110	1,109
Travel	20,250	(19,750)	500		500
Other Objects	-	1,586	1,586	1,586	-
Total Support Services	<u>941,838</u>	<u>38,249</u>	<u>980,087</u>	<u>920,582</u>	<u>59,505</u>
Facilities Acquisition and Construction Services					
Instructional Equipment	105,063	(47,225)	57,838	57,689	149
Total Facilities Acquisition and Construction Service	<u>105,063</u>	<u>(47,225)</u>	<u>57,838</u>	<u>57,689</u>	<u>149</u>
Total Expenditures	<u>\$ 2,109,278</u>	<u>\$ 2</u>	<u>\$ 2,109,280</u>	<u>\$ 2,046,841</u>	<u>\$ 62,439</u>

**Calculation of Budget Carryover**

Total 2021-2022 Preschool Education Aid Allocation	\$ 1,668,720
Add:	
Actual PEA Carryover (June 30, 2021)	26,443
Budgeted Transfer from the General Fund 2021-2022	417,180
Total Preschool Education Aid Funds Available for 2021-2022 Budget	2,112,343
Less: 2021-2022 Budgeted Preschool Education Aid (Including	
Prior Year Budgeted Carryover)	2,109,280
Available and Unbudgeted Preschool Education Aid Funds as of June 30, 2022	3,063
Add: June 30, 2022 Unexpended Preschool Education Aid	62,439
2021-2022 Carryover - Preschool Education Aid Programs	<u>\$ 65,502</u>
2021-2022 Preschool Education Aid Carryover Budgeted in 2022-2023	<u>\$ 3,065</u>

**CAPITAL PROJECTS FUND**

**TOWN OF BOONTON SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SUMMARY SCHEDULE OF PROJECT EXPENDITURES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

<u>Issue/Project Title</u>	<u>Appropriation</u>	<u>Interest on Lease</u>	<u>Expenditures to Date</u>		<u>Cancelled</u>	<u>Unexpended Balance, June 30, 2022</u>
			<u>Prior Years</u>	<u>Current Year</u>		
Various Improvements	\$ 23,581,325		\$ 23,554,405	\$ 26,920		
Lease - Buses and Technology Equipment	340,000	210	339,869			\$ 341
BHS Roof	<u>400,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>400,000</u>
	<u>\$ 24,321,325</u>	<u>\$ 210</u>	<u>\$ 23,894,274</u>	<u>\$ 26,920</u>	<u>\$ -</u>	<u>\$ 400,341</u>
Recapitulation:						
Unexpended Balance, June 30, 2022						\$ 400,341
Less:						
Debt Authorized but not Issued						<u>(325)</u>
Fund Balance, June 30, 2022 (GAAP Basis)						<u>\$ 400,016</u>

**TOWN OF BOONTON SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

<b>Revenues and Other Financing Sources</b>	
Transfer from Capital Reserve	\$ <u>400,000</u>
Total Revenues and Other Financing Sources	<u>400,000</u>
<b>Expenditures and Other Financing Uses</b>	
<b>Expenditures</b>	
Capital Outlay	<u>26,920</u>
Total Expenditures and Other Financing Uses	<u>26,920</u>
Excess of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	373,080
Fund Balance - Beginning of Year	<u>26,936</u>
Fund Balance - End of Year	<u><u>\$ 400,016</u></u>
<b><u>Recapitulation of Fund Balance</u></b>	
Year End Encumbrances	\$ 358,900
Restricted for Capital Projects	<u>41,116</u>
	<u><u>\$ 400,016</u></u>

**TOWN OF BOONTON SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS  
VARIOUS IMPROVEMENTS  
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources</b>				
Bond Proceeds	\$ 23,581,000	-	\$ 23,581,000	\$ 23,581,325
Total Revenues and Other Financing Sources	<u>23,581,000</u>	<u>-</u>	<u>23,581,000</u>	<u>23,581,325</u>
<b>Expenditures and Other Financing Uses</b>				
Legal Services	28,206		28,206	28,206
Purchased Professional and Technical Services	3,171,969		3,171,969	3,171,969
Other Purchased Services	1,294,768		1,294,768	1,294,768
Operation and Maintenance of Plant Services	5,760		5,760	5,740
Construction Services	<u>19,053,702</u>	<u>26,920</u>	<u>19,080,622</u>	<u>19,080,642</u>
Total Expenditures and Other Financing Uses	<u>23,554,405</u>	<u>26,920</u>	<u>23,581,325</u>	<u>23,581,325</u>
Excess (Deficiency) of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	<u>\$ 26,595</u>	<u>\$ (26,920)</u>	<u>\$ (325)</u>	<u>\$ -</u>
Additional Project Information:				
Project Numbers:				
High School			#0450-020-07-1000	
John Hill Elementary			#0450-030-07-1000	
Grant Date			3/29/2007	
Bond Authorization Date			2007	
Bonds Authorized	\$ 23,581,000			
Bonds Issued	23,581,000			
Original Authorization Cost	23,581,325			
Additional Authorization Cost	<u>-</u>			
Revised Authorized Cost	<u>23,581,325</u>			
Percentage Increase Over Original				
Authorized Cost			0.00%	
Percentage Completion			100%	
Original Target Completion Date			9/1/2009	
Revised Target Completion Date			9/1/2013	

**TOWN OF BOONTON SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS  
BUSES AND TECHNOLOGY  
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources</b>				
Lease Purchase Proceeds	\$ 340,000		\$ 340,000	\$ 340,000
Interest on Lease Purchase	<u>210</u>	<u>-</u>	<u>210</u>	<u>210</u>
Total Revenues and Other Financing Sources	<u>340,210</u>	<u>-</u>	<u>340,210</u>	<u>340,210</u>
<b>Expenditures and Other Financing Uses</b>				
Regular Instruction	96,385		96,385	96,385
General Administration	4,250		4,250	4,250
Operations and Maintenance of Plant Services	7,426		7,426	7,446
Capital Outlay	<u>231,808</u>	<u>-</u>	<u>231,808</u>	<u>232,129</u>
Total Expenditures and Other Financing Uses	<u>339,869</u>	<u>-</u>	<u>339,869</u>	<u>340,210</u>
Excess (Deficiency) of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	<u>\$ 341</u>	<u>\$ -</u>	<u>\$ 341</u>	<u>\$ -</u>
Additional Project Information:				
Project Numbers:	N/A			
Grant Date	N/A			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorization Cost	200,000			
Additional Authorization Cost	<u>-</u>			
Revised Authorized Cost	<u>200,000</u>			
Percentage Increase Over Original Authorized Cost	0.00%			
Percentage Completion	100%			
Original Target Completion Date	12/2020			
Revised Target Completion Date	12/2020			

**TOWN OF BOONTON SCHOOL DISTRICT  
 CAPITAL PROJECTS FUND  
 SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS  
 BHS ROOF  
 FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources</b>				
Transfer from Capital Reserve	-	\$ 400,000	\$ 400,000	\$ 400,000
Total Revenues and Other Financing Sources	-	400,000	400,000	400,000
<b>Expenditures and Other Financing Uses</b>				
Capital Outlay	-	-	-	400,000
Total Expenditures and Other Financing Uses	-	-	-	400,000
Excess (Deficiency) of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	\$ -	\$ 400,000	\$ 400,000	\$ -
 Additional Project Information:				
Project Numbers:	N/A			
Grant Date	N/A			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorization Cost	400,000			
Additional Authorization Cost	-			
Revised Authorized Cost	400,000			
Percentage Increase Over Original Authorized Cost	0.00%			
Percentage Completion	0%			
Original Target Completion Date	2022/23			
Revised Target Completion Date	2022/23			

**PROPRIETARY FUNDS**



**EXHIBIT G-1**

**TOWN OF BOONTON SCHOOL DISTRICT  
ENTERPRISE FUNDS - NONMAJOR  
COMBINING STATEMENT OF NET POSITION  
AS OF JUNE 30, 2022**

THIS STATEMENT IS NOT APPLICABLE  
INFORMATION IS PRESENTED ON EXHIBIT B-4

**EXHIBIT G-2**

**COMBINING STATEMENT OF REVENUES, EXPENSES  
AND CHANGES IN NET POSITION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

THIS STATEMENT IS NOT APPLICABLE  
INFORMATION IS PRESENTED ON EXHIBIT B-5

**EXHIBIT G-3**

**COMBINING STATEMENT OF CASH FLOWS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

THIS STATEMENT IS NOT APPLICABLE  
INFORMATION IS PRESENTED ON EXHIBIT B-6

**FIDUCIARY FUNDS**  
**(Not Applicable)**

**LONG-TERM DEBT**

**TOWN OF BOONTON SCHOOL DISTRICT  
LONG-TERM DEBT  
SCHEDULE OF BONDS PAYABLE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

<u>Issue</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Annual Maturities</u>		<u>Interest Rate</u>	<u>Balance, July 1, 2021</u>	<u>Redeemed</u>	<u>Balance, June 30, 2022</u>
			<u>Date</u>	<u>Amount</u>				
2014 Refunding Bonds	9/25/14	\$ 9,305,000	1/15/2023	\$ 920,000	3.00%			
			1/15/2024	945,000	5.00%			
			1/15/2025	995,000	5.00%			
			1/15/2026	1,040,000	4.00%			
			1/15/2027	1,080,000	4.00%	\$ 5,875,000	\$ 895,000	\$ 4,980,000
2015 Refunding Bonds	4/14/15	9,475,000	1/15/2028	1,210,000	3.00%			
			1/15/2029	1,245,000	3.00%			
			1/15/2030	1,275,000	4.00%			
			1/15/2031	1,325,000	4.00%			
			1/15/2032	1,375,000	4.00%			
			1/15/2033	1,420,000	4.00%			
			1/15/2034	1,480,000	4.00%	9,330,000	-	9,330,000
					\$ 15,205,000	\$ 895,000	\$ 14,310,000	

**TOWN OF BOONTON SCHOOL DISTRICT  
LONG-TERM DEBT  
SCHEDULE OF OBLIGATIONS UNDER CAPITAL AND OTHER FINANCING AGREEMENTS**

	<b>Original Amount Issued</b>	<b>Date</b>	<b>Balance, July 1, 2021</b>	<b>Issued</b>	<b>Paid</b>	<b>Balance, June 30, 2022</b>
Bus	\$ 95,482	11/2016	\$ 8,345		\$ 8,345	
Textbooks, Computers and Technology Equipment	555,000	9/2017	114,833		114,833	
Various Acquisitions and Improvements	525,000	11/2017	110,166		110,166	
Lighting and Security Equipment	550,000	12/2017	169,927		112,721	\$ 57,206
Copiers, Chromebooks and Textbooks	559,668	7/2018	233,987		115,143	118,844
Aquos Boards and HVAC Improvements	425,000	11/2018	175,214		86,247	88,967
Mobile Devices and Textbooks	200,000	6/2019	121,266		38,588	82,678
Buses and Technology	340,000	6/2020	272,971	-	65,964	207,007
			<u>\$ 1,206,709</u>	<u>\$ -</u>	<u>\$ 652,007</u>	<u>\$ 554,702</u>

**TOWN OF BOONTON SCHOOL DISTRICT  
DEBT SERVICE FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	<u>Original Budget</u>	<u>Budget Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
<b>REVENUES</b>					
Local Sources					
Property Tax Levy	\$ 1,101,387		\$ 1,101,387	\$ 1,101,387	
State Sources					
Debt Service State Aid	<u>378,513</u>	<u>-</u>	<u>378,513</u>	<u>378,513</u>	<u>-</u>
Total Revenues	<u>1,479,900</u>	<u>-</u>	<u>1,479,900</u>	<u>1,479,900</u>	<u>-</u>
<b>EXPENDITURES</b>					
Regular Debt Service					
Redemption of Principal	895,000		895,000	895,000	
Interest and Other Charges	<u>584,900</u>	<u>-</u>	<u>584,900</u>	<u>584,900</u>	<u>-</u>
Total Expenditures	<u>1,479,900</u>	<u>-</u>	<u>1,479,900</u>	<u>1,479,900</u>	<u>-</u>
Excess of Revenues Over Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

## STATISTICAL SECTION

This part of the Town of Boonton School 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

### Exhibits

#### **Financial Trends**

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 to J-5

#### **Revenue Capacity**

These schedules contain information to help the reader assess the district's most significant local revenue source, the property tax.

J-6 to J-9

#### **Debt Capacity**

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 to J-13

#### **Demographic and Economic Information**

These schedules offer demographic and economic indicators to help the reader understand the environment within which the district's financial activities take place.

J-14 and J-15

#### **Operating Information**

These schedules contain service and infrastructure data to help the reader understand how the information in the district's financial report relates to the services the district provides and the activities it performs.

J-16 to J-20

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

**TOWN OF BOONTON SCHOOL DISTRICT**  
**NET POSITION BY COMPONENT**  
**LAST TEN FISCAL YEARS**  
**(Unaudited)**  
*(accrual basis of accounting)*

	2013	2014	2015 (Restated)	2016	2017	2018	2019	2020	2021	2022
<b>Governmental Activities</b>										
Net Investment in Capital Assets	\$ 4,712,737	\$ 4,821,733	\$ 3,251,092	\$ 4,280,074	\$ 4,885,119	\$ 5,148,477	\$ 4,995,033	\$ 6,340,229	\$ 7,156,254	\$ 8,034,758
Restricted	89,834	195,425	195,572	729	27,946	79,175	246,203	1,092,000	1,551,579	1,033,205
Unrestricted	(534,686)	(88,341)	(5,354,528)	(5,796,140)	(7,812,844)	(8,291,092)	(8,047,390)	(9,289,283)	(8,735,474)	(6,816,271)
<b>Total Governmental Activities Net Position</b>	<u>\$ 4,267,885</u>	<u>\$ 4,928,817</u>	<u>\$ (1,907,864)</u>	<u>\$ (1,515,337)</u>	<u>\$ (2,899,779)</u>	<u>\$ (3,063,440)</u>	<u>\$ (2,806,154)</u>	<u>\$ (1,857,054)</u>	<u>\$ (27,641)</u>	<u>\$ 2,251,692</u>
<b>Business-Type Activities</b>										
Net Investment in Capital Assets	\$ 59,258	\$ 50,931	\$ 42,604	\$ 34,277	\$ 21,873	\$ 111,266	\$ 109,814	\$ 97,164	\$ 117,060	\$ 113,660
Unrestricted	77,693	114,360	254,853	39,890	(1,742)	24,488	(21,234)	20,952	6,287	179,350
<b>Total Business-Type Activities Net Position</b>	<u>\$ 136,951</u>	<u>\$ 165,291</u>	<u>\$ 297,457</u>	<u>\$ 74,167</u>	<u>\$ 20,131</u>	<u>\$ 135,754</u>	<u>\$ 88,580</u>	<u>\$ 118,116</u>	<u>\$ 123,347</u>	<u>\$ 293,010</u>
<b>District-Wide</b>										
Net Investment in Capital Assets	\$ 4,771,995	\$ 4,872,664	\$ 3,293,696	\$ 4,314,351	\$ 4,906,992	\$ 5,259,743	\$ 5,104,847	\$ 6,437,393	\$ 7,273,314	\$ 8,148,418
Restricted	89,834	195,425	195,572	729	27,946	79,175	246,203	1,092,000	1,551,579	1,033,205
Unrestricted	(456,993)	26,019	(5,099,675)	(5,756,250)	(7,814,586)	(8,266,604)	(8,068,624)	(9,268,331)	(8,729,187)	(6,636,921)
<b>Total District Net Position</b>	<u>\$ 4,404,836</u>	<u>\$ 5,094,108</u>	<u>\$ (1,610,407)</u>	<u>\$ (1,441,170)</u>	<u>\$ (2,879,648)</u>	<u>\$ (2,927,686)</u>	<u>\$ (2,717,574)</u>	<u>\$ (1,738,938)</u>	<u>\$ 95,706</u>	<u>\$ 2,544,702</u>

Source: District Financial Statements



**TOWN OF BOONTON SCHOOL DISTRICT  
CHANGES IN NET POSITION  
LAST TEN FISCAL YEARS  
(Unaudited)  
(accrual basis of accounting)**

	Fiscal Year Ended June 30,									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2021
<b>Expenses</b>										
<b>Governmental Activities</b>										
<b>Instruction</b>										
Regular	\$ 10,990,800	\$ 10,443,026	\$ 12,932,692	\$ 13,919,626	\$ 15,323,333	\$ 15,328,351	\$ 14,140,403	\$ 14,666,546	\$ 16,632,391	\$ 15,271,596
Special Education	5,723,331	5,719,166	6,387,540	6,022,009	6,620,997	6,513,612	5,476,555	5,997,015	6,652,235	6,981,646
Other Instruction	505,841	415,714	198,476	251,937	512,679	928,254	902,477	946,862	1,089,880	1,082,685
School Sponsored Co-Curricular Activities	866,832	932,877	1,260,484	1,138,102	1,161,382	1,488,731	1,318,873	1,177,195	1,276,485	1,263,474
<b>Support Services:</b>										
Student & Instruction Related Services	4,544,871	4,549,375	4,854,977	5,091,560	5,836,059	6,840,779	7,294,308	7,472,422	8,651,433	8,279,488
General Administration Services	649,618	670,071	719,094	778,712	677,356	721,474	760,984	760,984	833,099	712,124
School Administrative Services	1,131,944	996,230	1,139,252	1,273,827	1,639,793	1,620,581	1,582,687	1,577,390	1,632,105	1,393,436
Central Services	503,342	503,207	565,098	733,676	788,336	977,181	992,346	708,064	717,126	652,001
Plant Operations and Maintenance	2,230,095	2,608,116	2,478,944	2,608,249	3,189,183	3,204,216	3,181,743	2,976,314	3,180,040	3,090,406
Pupil Transportation	437,726	459,694	636,330	480,238	563,831	500,522	576,919	751,504	777,435	930,130
Unallocated Benefits										
Interest On Long-Term Debt	984,866	974,470	992,232	756,194	722,693	704,792	708,046	667,645	644,197	599,211
<b>Total Governmental Activities Expenses</b>	<b>28,569,266</b>	<b>28,271,946</b>	<b>32,165,119</b>	<b>33,054,130</b>	<b>37,079,760</b>	<b>38,784,375</b>	<b>37,004,530</b>	<b>37,701,941</b>	<b>42,086,426</b>	<b>40,256,197</b>
<b>Business-Type Activities:</b>										
Food Service	488,813	534,170	516,997	565,946	604,478	602,316	596,008	508,531	314,091	762,891
Bridges to Learning	216,314	289,659	188,429	608,396	492,315	212,316	471,066	388,071	137,073	584,337
Academy School										
<b>Total Business-Type Activities Expense</b>	<b>705,127</b>	<b>823,829</b>	<b>705,426</b>	<b>1,174,342</b>	<b>1,096,793</b>	<b>814,632</b>	<b>1,067,074</b>	<b>896,602</b>	<b>451,164</b>	<b>1,347,228</b>
<b>Total District Expenses</b>	<b>\$ 29,274,393</b>	<b>\$ 29,095,775</b>	<b>\$ 32,870,545</b>	<b>\$ 34,228,472</b>	<b>\$ 38,176,553</b>	<b>\$ 39,599,007</b>	<b>\$ 38,071,604</b>	<b>\$ 38,598,543</b>	<b>\$ 42,537,590</b>	<b>\$ 41,603,425</b>
<b>Program Revenues</b>										
<b>Governmental Activities:</b>										
<b>Charges For Services:</b>										
Tuition	\$ 6,544,697	\$ 6,686,058	\$ 6,454,946	\$ 6,136,381	\$ 6,118,081	\$ 6,933,030	\$ 5,145,557	\$ 5,720,412	\$ 6,181,636	\$ 6,640,115
School Sponsored Activities										99,155
Transportation										40,832
Operating Grants And Contributions	3,868,854	3,411,555	6,418,449	7,531,561	9,774,107	11,022,395	10,351,842	10,543,567	14,617,038	12,055,234
Capital Grants and Contributions				25,644	14,572	61,750	197,685	36,508	15,056	57,689
<b>Total Governmental Activities Program Revenues</b>	<b>10,413,551</b>	<b>10,097,613</b>	<b>12,873,395</b>	<b>13,693,586</b>	<b>15,906,760</b>	<b>18,017,175</b>	<b>15,695,084</b>	<b>16,300,487</b>	<b>20,854,562</b>	<b>18,852,193</b>
<b>Business-Type Activities:</b>										
<b>Charges For Services</b>										
Food Service	\$ 263,130	\$ 271,287	\$ 275,111	\$ 295,172	\$ 328,939	\$ 337,605	\$ 318,589	\$ 242,576	\$ 9,327	\$ 95,928
Bridges to Learning	246,100	300,170	321,343	392,877	434,997	316,576	445,392	437,020	94,764	511,792
Operating Grants And Contributions	244,455	280,500	240,813	262,526	278,597	275,829	255,855	246,480	352,244	909,003
<b>Total Business-Type Activities Program Revenues</b>	<b>753,685</b>	<b>851,957</b>	<b>837,267</b>	<b>950,575</b>	<b>1,042,533</b>	<b>930,010</b>	<b>1,019,836</b>	<b>926,076</b>	<b>456,335</b>	<b>1,516,723</b>
<b>Total District Program Revenues</b>	<b>\$ 11,167,236</b>	<b>\$ 10,949,570</b>	<b>\$ 13,710,662</b>	<b>\$ 14,644,161</b>	<b>\$ 16,949,293</b>	<b>\$ 18,947,185</b>	<b>\$ 16,714,920</b>	<b>\$ 17,226,563</b>	<b>\$ 21,310,897</b>	<b>\$ 20,368,916</b>
<b>Net (Expense)/Revenue</b>										
Governmental Activities	\$ (18,155,715)	\$ (18,174,333)	\$ (19,291,724)	\$ (19,360,544)	\$ (21,173,000)	\$ (20,767,200)	\$ (21,309,446)	\$ (21,401,454)	\$ (21,231,864)	\$ (21,404,004)
Business-Type Activities	48,558	28,128	131,841	(223,767)	(54,260)	115,378	(47,238)	29,474	5,171	169,495
<b>Total District-Wide Net Expense</b>	<b>\$ (18,107,157)</b>	<b>\$ (18,146,205)</b>	<b>\$ (19,159,883)</b>	<b>\$ (19,584,311)</b>	<b>\$ (21,227,260)</b>	<b>\$ (20,651,822)</b>	<b>\$ (21,356,684)</b>	<b>\$ (21,371,980)</b>	<b>\$ (21,226,693)</b>	<b>\$ (21,234,509)</b>
<b>General Revenues And Other Changes In Net Assets</b>										
<b>Governmental Activities:</b>										
Property Taxes Levied For General Purposes	\$ 15,977,947	\$ 16,705,430	\$ 16,999,501	\$ 17,288,395	\$ 17,807,046	\$ 18,428,513	\$ 19,164,365	\$ 19,738,335	\$ 20,133,102	\$ 20,535,765
Taxes Levied For Debt Service	1,194,540	1,201,840	1,198,844	1,176,377	1,081,846	1,087,216	1,106,783	1,104,997	1,106,038	1,101,387
Federal and State Aid - Unrestricted	417,889	513,548	504,439	522,765	514,522	649,103	727,498	1,027,831	1,004,628	1,688,350
State Aid - Restricted for Debt Service Principal	157,298	164,971	192,993	220,714	190,708	200,779	207,173	214,846	223,798	228,914
Investment Earnings	251	3,191	63	3,168	2,201	3,910	5,610	7,209	7,543	5,446
Miscellaneous Income	145,442	246,285	343,322	541,652	192,235	234,018	355,303	257,336	146,571	123,475
<b>Total Governmental Activities</b>	<b>17,893,367</b>	<b>18,835,265</b>	<b>19,239,162</b>	<b>19,753,071</b>	<b>19,788,558</b>	<b>20,603,539</b>	<b>21,566,732</b>	<b>22,350,554</b>	<b>22,621,680</b>	<b>23,683,337</b>
<b>Business-Type Activities:</b>										
Investment Earnings	247	212	325	477	224	245	64	62	60	168
Transfers	-	-	-	-	-	-	-	-	-	-
<b>Total Business-Type Activities</b>	<b>247</b>	<b>212</b>	<b>325</b>	<b>477</b>	<b>224</b>	<b>245</b>	<b>64</b>	<b>62</b>	<b>60</b>	<b>168</b>
<b>Total District-Wide</b>	<b>\$ 17,893,614</b>	<b>\$ 18,835,477</b>	<b>\$ 19,239,487</b>	<b>\$ 19,753,548</b>	<b>\$ 19,788,782</b>	<b>\$ 20,603,784</b>	<b>\$ 21,566,796</b>	<b>\$ 22,350,616</b>	<b>\$ 22,621,740</b>	<b>\$ 23,683,505</b>
<b>Change In Net Position</b>										
Governmental Activities	\$ (262,348)	\$ 660,932	\$ (52,562)	\$ 392,527	\$ (1,384,442)	\$ (163,661)	\$ 257,286	\$ 949,100	\$ 1,389,816	\$ 2,279,333
Business-Type Activities	48,805	28,340	132,166	(223,290)	(54,036)	115,623	(47,174)	29,536	5,231	169,663
<b>Total District</b>	<b>\$ (213,543)</b>	<b>\$ 689,272</b>	<b>\$ 79,604</b>	<b>\$ 169,237</b>	<b>\$ (1,438,478)</b>	<b>\$ (48,038)</b>	<b>\$ 210,112</b>	<b>\$ 978,636</b>	<b>\$ 1,395,047</b>	<b>\$ 2,448,996</b>

Source: District Financial Statements

**TOWN OF BOONTON SCHOOL DISTRICT**  
**FUND BALANCES - GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
**(Unaudited)**  
*(modified accrual basis of accounting)*

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>General Fund</b>										
Nonspendable										
Restricted	\$ 89,834	\$ 373,124	\$ 373,271	\$ 729	\$ 730	\$ 732	\$ 9,462	\$ 1,092,000	\$ 1,169,107	\$ 258,272
Committed							23,599		-	33,230
Assigned	184,989	109,559	157,260	238,887	116,911	418,662	612,914	247,410	39,538	916,527
Unassigned	(57,574)	314,144	238,161	276,503	(197,946)	(292,149)	(635,878)	(315,503)	449,628	569,756
<b>Total General Fund</b>	<b>\$ 217,249</b>	<b>\$ 796,827</b>	<b>\$ 768,692</b>	<b>\$ 516,119</b>	<b>\$ (80,305)</b>	<b>\$ 127,245</b>	<b>\$ 10,097</b>	<b>\$ 1,023,907</b>	<b>\$ 1,658,273</b>	<b>\$ 1,777,785</b>
<b>All Other Governmental Funds</b>										
Unreserved										
Restricted	\$ 125,389	\$ 125,389	\$ 96,295	\$ 123,511	\$ (427,785)	\$ 143,658	\$ 284,436	\$ 379,081	\$ 409,408	\$ 775,274
Unassigned	-	-	-	-	-	-	(47,567)	(107,039)	(134,910)	(101,370)
<b>Total All Other Governmental Funds</b>	<b>\$ 125,389</b>	<b>\$ 125,389</b>	<b>\$ 96,295</b>	<b>\$ 123,511</b>	<b>\$ (427,785)</b>	<b>\$ 143,658</b>	<b>\$ 236,869</b>	<b>\$ 272,042</b>	<b>\$ 274,498</b>	<b>\$ 673,904</b>
<b>Total Governmental Funds</b>										
Nonspendable										
Restricted	\$ 215,223	\$ 498,513	\$ 469,566	\$ 124,240	\$ (427,055)	\$ 144,390	\$ 293,898	\$ 1,471,081	\$ 1,578,515	\$ 1,033,546
Assigned	184,989	109,559	157,260	238,887	116,911	418,662	612,914	247,410	39,538	916,527
Committed							23,599		-	33,230
Unassigned	(57,574)	314,144	238,161	276,503	(197,946)	(292,149)	(683,445)	(422,542)	314,718	468,386
<b>Total Governmental Funds</b>	<b>\$ 342,638</b>	<b>\$ 922,216</b>	<b>\$ 864,987</b>	<b>\$ 639,630</b>	<b>\$ (508,090)</b>	<b>\$ 270,903</b>	<b>\$ 246,966</b>	<b>\$ 1,295,949</b>	<b>\$ 1,932,771</b>	<b>\$ 2,451,689</b>

Source: District Financial Statements

**TOWN OF BOONTON SCHOOL DISTRICT**  
**CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
(Unaudited)  
(modified accrual basis of accounting)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>Revenues</b>										
Property Tax Levy	\$ 17,172,487	\$ 17,907,270	\$ 18,198,345	\$ 18,464,772	\$ 18,888,892	\$ 19,515,729	\$ 20,271,148	\$ 20,843,332	\$ 21,239,140	\$ 21,637,152
Tuition Charges	6,544,697	6,686,058	6,454,946	6,136,381	6,118,081	6,933,030	5,145,557	5,720,412	6,181,636	6,640,115
Transportation									40,832	-
Interest Earnings	251	3,191	63	3,168	2,201	3,910	5,610	7,209	7,543	5,446
Miscellaneous	147,442	250,579	343,322	541,652	193,593	243,313	388,461	270,266	158,976	236,666
State Sources	3,875,697	3,614,930	3,896,230	4,502,206	4,855,080	5,590,402	7,315,763	8,796,427	10,892,400	12,899,674
Federal Sources	566,344	470,850	636,143	731,224	675,896	718,437	832,203	783,181	757,271	1,414,940
<b>Total Revenue</b>	<b>28,306,918</b>	<b>28,932,878</b>	<b>29,529,049</b>	<b>30,379,403</b>	<b>30,733,743</b>	<b>33,004,821</b>	<b>33,958,742</b>	<b>36,420,827</b>	<b>39,277,798</b>	<b>42,833,993</b>
<b>Expenditures</b>										
<b>Instruction</b>										
Regular Instruction	10,769,675	10,217,283	11,055,583	11,726,395	11,945,778	12,372,690	12,494,192	13,323,269	14,692,995	15,590,553
Special Education Instruction	5,723,331	5,719,166	5,890,594	5,481,312	5,811,445	5,562,691	5,017,365	5,638,048	6,008,640	7,184,446
Other Instruction	505,841	415,714	175,010	212,762	396,983	732,982	799,720	861,592	943,342	1,119,380
School Sponsored Co-Curricular Activ.	866,832	932,877	1,214,747	1,091,241	1,033,061	1,252,174	1,220,522	1,119,413	1,157,411	1,320,615
<b>Support Services</b>										
Student & Instruction Related Services	4,513,515	4,518,019	4,522,916	4,673,111	4,960,014	5,519,763	6,575,960	6,974,770	7,688,353	8,502,054
General Administration Services	636,429	656,882	647,455	690,160	614,649	601,318	792,834	742,052	783,623	737,989
School Administrative Services	1,077,998	942,284	969,786	1,070,429	1,194,220	1,188,012	1,281,096	1,333,725	1,425,056	1,438,950
Central Services	503,342	503,207	560,947	722,784	729,019	841,794	917,184	655,318	630,103	671,539
Plant Operations And Maintenance	1,836,200	2,214,221	2,074,370	2,180,225	2,303,878	2,127,589	2,201,836	2,046,585	2,131,744	2,266,889
Pupil Transportation	387,590	409,558	585,328	427,348	537,720	464,085	552,374	712,506	729,256	912,891
<b>Unallocated Expenditures</b>										
Capital Outlay	3,801,685	1,053,408	254,048	546,254	639,079	1,084,769	1,240,208	197,684	710,016	407,731
<b>Debt Service:</b>										
Principal	615,000	839,278	949,132	1,176,289	1,065,929	1,383,040	1,343,434	1,412,273	1,523,523	1,547,007
Interest And Other Charges	997,550	987,773	1,155,340	702,940	747,379	724,921	730,622	694,609	656,511	615,031
<b>Total Expenditures</b>	<b>32,234,988</b>	<b>29,409,670</b>	<b>30,055,256</b>	<b>30,701,250</b>	<b>31,979,154</b>	<b>33,855,828</b>	<b>35,167,347</b>	<b>35,711,844</b>	<b>39,080,573</b>	<b>42,315,075</b>
<b>Excess (Deficiency) Of Revenues</b>										
Over (Under) Expenditures	(3,928,070)	(476,792)	(526,207)	(321,847)	(1,245,411)	(851,007)	(1,208,605)	708,983	197,225	518,918
<b>Other Financing Sources (Uses)</b>										
<b>Bond Proceeds</b>										
Refunding Bond Proceeds			18,780,000							
Premium on Refunding Bonds Issued			1,696,069							
Payment to Refunded Bond Escrow Agent			(20,181,479)							
Capital Lease Proceeds		1,056,370	174,388	96,490	97,691	1,630,000	1,184,668	340,000	-	-
Transfers In	160	2	-	245,002	5	177	254,302	198,971	90,442	817,180
Transfers Out	(160)	(2)	-	(245,002)	(5)	(177)	(254,302)	(198,971)	(90,442)	(817,180)
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>1,056,370</b>	<b>468,978</b>	<b>96,490</b>	<b>97,691</b>	<b>1,630,000</b>	<b>1,184,668</b>	<b>340,000</b>	<b>-</b>	<b>-</b>
<b>Net Change In Fund Balances</b>	<b>\$ (3,928,070)</b>	<b>\$ 579,578</b>	<b>\$ (57,229)</b>	<b>\$ (225,357)</b>	<b>\$ (1,147,720)</b>	<b>\$ 778,993</b>	<b>\$ (23,937)</b>	<b>\$ 1,048,983</b>	<b>\$ 197,225</b>	<b>\$ 518,918</b>
<b>Debt Service As A Percentage Of</b>										
Noncapital Expenditures	5.67%	6.44%	7.06%	6.23%	5.79%	6.43%	6.11%	5.93%	5.68%	5.16%

\* Noncapital expenditures are total expenditures less capital outlay.

Source: District Financial Statements

TOWN OF BOONTON SCHOOL DISTRICT  
 GENERAL FUND OTHER LOCAL REVENUE BY SOURCE  
 LAST TEN YEARS  
 (Unaudited)

<u>Fiscal Year Ended June 30,</u>	<u>Interest on Investments</u>	<u>Tuition</u>	<u>Rentals</u>	<u>Prior Year Refunds</u>	<u>Cancelled Prior Year Accounts Payable</u>	<u>E-Rate</u>	<u>Private Contribution</u>	<u>Transportation</u>	<u>Other</u>	<u>Total</u>
2013	\$ 91	\$ 6,544,697	\$ 44,829						\$ 100,613	\$ 6,690,230
2014	3,189	6,686,058	141,724	\$ 64,113					40,448	6,935,532
2015	63	6,454,946	175,837	45,685					121,800	6,798,331
2016	3,166	6,136,381	225,382	24,259	\$ 142,648				149,363	6,681,199
2017	2,196	6,118,081	182,456						9,779	6,312,512
2018	3,733	6,933,030	155,468				\$ 54,827		23,723	7,170,781
2019	4,469	5,145,557	230,000			\$ 94,179			31,124	5,505,329
2020	6,753	5,720,412	160,000	74,065					23,271	5,984,501
2021	7,355	6,181,636		58,480				\$ 40,832	88,091	6,376,394
2022	5,446	6,640,115	4,328	84,028					35,119	6,769,036

Source: District Financial Records

**TOWN OF BOONTON SCHOOL DISTRICT  
 ASSESSED VALUE AND ACTUAL VALUE TAX PROPERTY  
 LAST TEN YEARS  
 (Unaudited)**

Year Ended December 31,	Vacant Land	Residential	Farm Reg.	Qfarm	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities	Net Valuation Taxable	Estimated Actual (County Equalized Value)	Total Direct School Tax Rate <sup>a</sup>
2013	\$ 7,620,000	\$ 853,368,400	\$ 365,900	\$ 2,200	\$ 159,612,300	\$ 63,558,500	\$ 19,213,200	\$ 1,103,740,500	\$ 100	\$ 1,103,740,600	\$ 1,110,673,783	\$ 1.585
2014	7,185,500	852,895,600	252,500	2,200	160,407,600	63,558,500	19,213,200	1,103,515,100	100	1,103,515,200	1,097,543,322	1.625
2015	6,448,600	855,815,600	252,500	2,200	159,387,000	63,665,300	19,213,200	1,104,784,400	100	1,104,784,500	1,152,309,286	1.652
2016	6,347,700	856,010,200	252,500	2,200	159,532,600	63,665,300	20,512,200	1,106,322,700	100	1,106,322,800	1,129,427,791	1.685
2017	6,535,800	856,830,700	252,500	2,200	150,673,900	63,665,300	28,032,200	1,105,992,600	100	1,105,992,700	1,156,775,024	1.730
2018	6,535,800	857,360,700	252,500	2,000	151,249,100	63,594,600	19,532,200	1,098,526,900		1,098,526,900	1,160,624,884	1.840
2019	6,897,500	858,197,500	252,500	2,000	151,126,100	62,710,100	19,532,200	1,098,717,900		1,098,717,900	1,158,862,884	1.877
2020	6,920,800	859,969,900	252,500	2,000	151,491,100	61,593,200	22,112,200	1,102,341,700		1,102,341,700	1,210,417,758	1.832
2021	7,515,500	859,890,500	252,500	1,900	147,128,400	62,166,100	22,112,200	1,099,067,100		1,099,067,100	1,203,085,777	1.946
2022	7,138,900	861,394,300	252,500	1,900	146,192,500	62,166,100	24,105,900	1,101,252,100		1,101,252,100	1,302,924,929	1.978

Source: County Abstract of Ratables

<sup>a</sup> Tax rates are per \$100

**TOWN OF BOONTON SCHOOL DISTRICT  
 DIRECT AND OVERLAPPING PROPERTY TAX RATES  
 LAST TEN FISCAL YEARS  
 (Unaudited)  
 (rate per \$100 of assessed value)**

Year Ended <u>December 31,</u>	Total Direct School Rate	<u>Overlapping Rates</u>		Total Direct and Overlapping Tax Rate
		<u>Town of Boonton</u>	<u>Morris County</u>	
2013	\$ 1.580	\$ 0.720	\$ 0.240	\$ 2.540
2014	1.625	0.766	0.256	2.647
2015	1.652	0.792	0.262	2.706
2016	1.685	0.807	0.260	2.752
2017	1.730	0.830	0.266	2.826
2018	1.840	0.833	0.276	2.949
2019	1.877	0.846	0.280	3.003
2020	1.832	0.871	0.287	2.990
2021	1.946	0.888	0.285	3.119
2022	1.978	0.902	0.304	3.184

Source: Municipal Tax Assessor

**TOWN OF BOONTON SCHOOL DISTRICT  
PRINCIPAL PROPERTY TAXPAYERS  
CURRENT YEAR AND NINE YEARS AGO  
(Unaudited)**

2022			2013		
Taxpayer	Taxable Assessed Value	% of Total District Net Assessed Value	Taxpayer	Taxable Assessed Value	% of Total District Net Assessed Value
Boonton Investors, LLC	\$ 21,955,300	1.99%	Boonton Investors, Inc.	\$ 25,091,800	2.27%
UB Boonton I, LLC	13,795,600	1.25%	BTS Boonton, LLC	12,426,600	1.13%
Deer Hill Villiage, Inc.	10,093,300	0.92%	Deer Hill Village, Inc.	10,371,900	0.94%
JB DELS 19, LLC	8,367,200	0.76%	JCT Associates Et Al	9,994,000	0.91%
Apartments at Cherry Hill Assoc.	5,400,000	0.49%	Princeton Meadows Holdings, LLC	7,742,200	0.70%
DACO	5,013,200	0.46%	Daco	5,013,200	0.45%
Monroe Street Holdings, LLC	4,789,300	0.43%	Apts. At Cherry Hill	4,781,000	0.43%
91 Fulton, LLC	4,747,400	0.43%	Kapalua, Inc.	4,747,400	0.43%
Fulton Street Associates	4,613,300	0.42%	Erasteel, Inc.	4,481,600	0.41%
Supor Properties Boonton LLC	<u>4,481,600</u>	<u>0.41%</u>	Sabro Ralty, LLC	<u>3,500,000</u>	<u>0.32%</u>
	<u>\$ 83,256,200</u>	<u>7.56%</u>		<u>\$ 88,149,700</u>	<u>7.99%</u>

Source: Municipal Tax Assessor

**TOWN OF BOONTON SCHOOL DISTRICT  
PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN FISCAL YEARS  
(Unaudited)**

Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years
		Amount	Percentage of Levy	
2013	\$ 17,172,487	\$ 17,172,487	100.00%	N/A
2014	17,907,270	17,907,270	100.00%	N/A
2015	18,198,345	18,198,345	100.00%	N/A
2016	18,464,772	18,464,772	100.00%	N/A
2017	18,888,892	18,888,892	100.00%	N/A
2018	19,515,729	19,515,729	100.00%	N/A
2019	20,271,148	20,271,148	100.00%	N/A
2020	20,843,332	21,239,140	101.90%	N/A
2021	21,239,140	21,239,140	100.00%	N/A
2022	21,637,152	21,637,152	100.00%	N/A

Source: School District's Financial Statements



**TOWN OF BOONTON SCHOOL DISTRICT  
RATIOS OF OUTSTANDING DEBT BY TYPE  
LAST TEN FISCAL YEARS  
(UNAUDITED)**

Fiscal Year Ended June 30,	Governmental Activities		Total District	Population	Per Capita
	General Obligation Bonds	Capital Leases			
2013	\$ 21,265,000		\$ 21,265,000	8,377	\$ 2,538
2014	20,620,000	\$ 862,092	21,482,092	8,350	2,573
2015	20,140,000	827,348	20,967,348	8,341	2,514
2016	19,270,000	617,549	19,887,549	8,303	2,395
2017	18,515,000	404,311	18,919,311	8,255	2,292
2018	17,730,000	1,436,271	19,166,271	8,191	2,340
2019	16,920,000	2,087,505	19,007,505	8,911	2,133
2020	16,080,000	1,855,232	17,935,232	8,878	2,020
2021	15,205,000	1,206,709	16,411,709	8,802	1,865
2022	14,310,000	554,702	14,864,702	8,802 *	1,689

Source: District Records

\* - Estimate

**TOWN OF BOONTON SCHOOL DISTRICT  
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING  
LAST TEN FISCAL YEARS  
(UNAUDITED)**

General Bonded Debt Outstanding

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Fiscal Year Ended June 30,	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding	Percentage of Actual Taxable Value <sup>a</sup> of Property	Per Capita <sup>b</sup>
2014	\$ 20,620,000		\$ 20,620,000	1.87%	\$ 2,469
2015	20,140,000		20,140,000	1.82%	2,415
2016	19,270,000		19,270,000	1.74%	2,321
2017	18,515,000		18,515,000	1.67%	2,243
2018	17,730,000		17,730,000	1.61%	2,165
2019	16,920,000		16,920,000	1.54%	1,899
2020	16,080,000		16,080,000	1.46%	1,811
2021	15,205,000		15,205,000	1.38%	1,727
2022	14,310,000		14,310,000	1.30%	1,626

Source: District Records

**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.

**b** See Exhibit J-14 for population data

**TOWN OF BOONTON SCHOOL DISTRICT  
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT  
AS OF DECEMBER 31, 2021  
(UNAUDITED)**

	<u>Gross Debt</u>
Municipal Debt (1)	
Town of Boonton	\$ 11,457,472
Town of Boonton School District	<u>15,205,000</u>
	26,662,472
Overlapping Debt Apportioned to the Municipality	
County of Morris (2)	<u>4,774,185</u>
Total Direct and Overlapping Debt	<u>\$ 31,436,657</u>

Source:

- (1) Town of Boonton's 2021 Annual Debt Statement
  
- (2) The debt for this entity was apportioned to the Town of Boonton School District by dividing the municipality's 2021 equalized value by the total 2021 equalized value for Morris County.

TOWN OF BOONTON SCHOOL DISTRICT  
 LEGAL DEBT MARGIN INFORMATION  
 LAST TEN FISCAL YEARS

Legal Debt Margin Calculation for Fiscal Year 2021

Equalized valuation basis

2021	\$ 1,289,077,058
2020	1,194,820,832
2019	1,195,167,954
	<u>\$ 3,679,065,844</u>

Average equalized valuation of taxable property

\$ 1,226,355,281

Debt limit (4 % of average equalization value)

\$ 49,054,211

Total Net Debt Applicable to Limit

(14,310,325)

Legal debt margin

\$ 63,364,536

	<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>
Debt limit	\$46,313,265	\$44,529,846	\$44,345,193	\$ 44,529,596	\$ 45,487,326	\$ 45,720,341	\$ 46,295,918	\$ 46,803,221	\$ 47,315,336	\$ 49,054,211
Total net debt applicable to limit	<u>21,265,325</u>	<u>20,620,325</u>	<u>20,140,325</u>	<u>19,270,325</u>	<u>18,515,325</u>	<u>17,730,325</u>	<u>16,920,325</u>	<u>16,080,325</u>	<u>15,205,325</u>	<u>(14,310,325)</u>
Legal debt margin	<u>\$25,047,940</u>	<u>\$23,909,521</u>	<u>\$24,204,868</u>	<u>\$ 25,259,271</u>	<u>\$ 26,972,001</u>	<u>\$ 27,990,016</u>	<u>\$ 29,375,593</u>	<u>\$ 30,722,896</u>	<u>\$ 32,110,011</u>	<u>\$ 63,364,536</u>
Total net debt applicable to the limit as a percentage of debt limit	45.92%	46.31%	45.42%	43.28%	40.70%	38.78%	36.55%	34.36%	32.14%	-29.17%

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

**TOWN OF BOONTON SCHOOL DISTRICT  
DEMOGRAPHIC AND ECONOMIC STATISTICS  
LAST TEN FISCAL YEARS  
(UNAUDITED)**

Year Ended December 31,	Population	County Per Capita Personal Income	Unemployment Rate
2013	8,377	\$ 81,026	8.4%
2014	8,350	84,287	5.2%
2015	8,341	88,298	4.9%
2016	8,303	91,252	4.2%
2017	8,255	93,544	4.1%
2018	8,191	97,244	3.6%
2019	8,911	99,140	3.1%
2020	8,878	102,227	8.3%
2021	8,802 (E)	N/A	5.3%
2022	8,802 (E)	N/A	N/A

**Source:**

United States Bureau of Census, Population Division estimates  
Revisions to historical data, per capita income: US Bureau of Economic Analysis

E - Estimate

N/A - Not Available

**TOWN OF BOONTON SCHOOL DISTRICT  
PRINCIPAL EMPLOYERS  
CURRENT YEAR AND NINE YEARS AGO  
(UNAUDITED)**

Employer	2022		2013	
	Employees	% of Total Municipal Employment	Employees	% of Total Municipal Employment
<hr/>				

INFORMATION NOT AVAILABLE

**TOWN OF BOONTON SCHOOL DISTRICT  
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM  
LAST TEN FISCAL YEARS**

<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>
Instruction										
Regular	94.00	92.00	92.30	91.00	94.00	111.00	108.00	116.30	117.70	116.00
Special education	45.00	43.00	45.00	55.00	58.00	58.00	75.00	60.80	57.20	66.60
Support Services:										
Student & instruction related service:	38.20	33.00	38.75	44.60	41.00	36.00	47.00	53.90	56.90	34.50
General administrative services	1.80	3.00	3.00	3.00	3.00	3.00	2.00	2.00	2.00	6.00
School administrative services	8.00	7.00	8.15	8.00	8.00	8.00	9.00	9.80	10.30	13.00
Business administrative services	4.00	6.20	4.50	4.10	4.00	4.00	4.00	4.00	4.00	5.00
Plant operations and maintenance	16.00	16.00	16.00	18.00	16.00	18.00	21.00	19.00	19.00	18.00
Lunchroom/Playground Aides	4.00	3.00	1.20	4.00	4.00	6.00	2.00	5.70	7.00	6.00
Pupil Transportation	1.00	1.00	1.00	1.00	1.00	2.00	1.00	1.00	3.00	4.00
Total	<u>212.00</u>	<u>204.20</u>	<u>209.90</u>	<u>228.70</u>	<u>229.00</u>	<u>246.00</u>	<u>269.00</u>	<u>272.50</u>	<u>277.10</u>	<u>269.10</u>

N/A - Not Available

Source: District Records

**TOWN OF BOONTON SCHOOL DISTRICT  
OPERATING STATISTICS  
LAST TEN FISCAL YEARS  
(UNAUDITED)**

Pupil/Teacher Ratio

Fiscal Year	Enrollment a	Operating Expenditures b	Cost Per Pupil c	Percentage Change	Teaching Staff	Pupil/Teacher Ratio			Average Daily Enrollment (ADE)	Average Daily Attendance (ADA)	Percentage Change in Average Daily Enrollment	Student Attendance Percentage
						Elementary	Middle School	Senior High School				
2013	1,289	\$ 26,820,753	\$ 20,807	8.15%	153	1:11	1:19	1:11	1,274	1,215	0.63%	95.37%
2014	1,293	26,529,211	20,518	-1.39%	153	1:12	1:09	1:12	1,293	1,236	1.49%	95.59%
2015	1,303	27,696,736	21,256	3.60%	133	1:12	1:09	1:10	1,308	1,251	1.16%	95.64%
2016	1,303	28,275,767	21,701	2.09%	116	1:12	1:09	1:10	1,353	1,251	3.44%	92.46%
2017	1,405	29,526,767	21,015	-3.16%	116	1:12	1:09	1:10	1,404	1,251	3.77%	89.10%
2018	1,443	30,663,098	21,250	1.11%	169	1:12	1:09	1:10	1,408	1,346	0.28%	95.60%
2019	1,373	31,853,083	20,263	-4.64%	183	1:10	1:08	1:09	1,410	1,344	0.14%	95.32%
2020	1,430	33,407,278	23,362	15.29%	177	1:08	1:08	1:09	1,438	1,389	1.99%	96.59%
2021	1,461	36,190,523	24,771	6.03%	175	1:08	1:09	1:09	1,419	1,375	-1.32%	96.90%
2022	1,477	39,745,306	26,909	8.63%	183	1:07	1:07	1:10	1,446	1,342	1.90%	92.81%

Source: District records

Note: a Enrollment based on annual October district count  
b Operating expenditures equal total expenditures less debt service and capital outlay  
c Cost per pupil represents operating expenditures divided by enrollment



**TOWN OF BOONTON SCHOOL DISTRICT  
SCHOOL BUILDING INFORMATION  
LAST TEN FISCAL YEARS**

<u>District Building</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>
School Street School (Grades K-3)										
Square Feet	42,000	42,000	42,000	42,000	42,000	42,000	42,000	42,000	42,000	42,000
Capacity (Students)	299	299	299	299	299	299	299	299	262	262
Enrollment	342	122	122	122	141	141	273	277	277	274
John Hill School, Including Annex Building (Grades 4-8)										
Square Feet	90,076	90,076	90,076	90,076	90,076	90,076	90,076	90,076	90,076	90,076
Capacity (Students)	800	800	800	800	800	800	800	800	800	800
Enrollment	410	595	595	595	645	645	476	538	537	510
Boonton High School (Grades 9-12)										
Square Feet	111,741	111,741	111,741	111,741	111,741	111,741	111,741	111,741	111,741	111,741
Capacity (Students)	501	501	501	501	501	501	501	501	501	501
Enrollment	537	607	607	607	618	618	624	631	620	661
Administration Building										
Square Feet	2,120	2,120	2,120	2,120	2,120	2,120	2,120	2,120	2,120	2,120
Administration Annex Building										
Square Feet	1,222	1,222	1,222	1,222	1,222	1,222	1,222	1,222	1,222	1,222
Child Study Team										
Square Feet	1,299	1,299	1,299	1,299	1,299	1,299	1,299	1,299	1,299	1,299
Maintenance/Transportation Building										
Square Feet	11,995	11,995	11,995	11,995	11,995	11,995	11,995	11,995	11,995	11,995
Number of Schools at June 30, 2021										
Elementary = 1										
Middle School = 1										
High School = 1										

Source: District records

TOWN OF BOONTON SCHOOL DISTRICT  
 GENERAL FUND  
 SCHEDULE OF REQUIRED MAINTENANCE FOR SCHOOL FACILITIES  
 LAST TEN FISCAL YEARS  
 (UNAUDITED)

<u>School Facilities</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>
Boonton High School	\$ 196,753	\$ 203,735	\$ 101,934	\$ 74,464	\$ 192,268	\$ 191,662	\$ 31,753	\$ 20,069	\$ 62,946	\$ 30,645
John Hill School	40,593	228,957	119,956	91,256	94,976	95,164	37,916	21,523	21,903	21,586
School Street School	16,771	29,706	94,946	13,867	52,281	65,455	53,901	6,421	16,323	24,335
Other Facilities	<u>25,684</u>	<u>179,640</u>	<u>48,299</u>	<u>263,638</u>	<u>-</u>	<u>-</u>	<u>261,758</u>	<u>249,574</u>	<u>245,108</u>	<u>263,902</u>
Total School Facilities	<u>\$ 279,801</u>	<u>\$ 642,038</u>	<u>\$ 365,135</u>	<u>\$ 443,225</u>	<u>\$ 339,525</u>	<u>\$ 352,281</u>	<u>\$ 385,328</u>	<u>\$ 297,587</u>	<u>\$ 346,280</u>	<u>\$ 340,468</u>

**TOWN OF BOONTON SCHOOL DISTRICT  
INSURANCE SCHEDULE  
AS OF JUNE 30, 2022  
(Unaudited)**

Company	Type of Coverage	Coverage	Deductible
New Jersey School Boards Insurance Group	Property Blanket Building & Contents- Replacement Cost Blanket Limit	\$500,000	\$5,000
	Earthquake	50,000,000	
	Electronic Data Processing Coverage	1,000,000	1,000
	Equipment Breakdown	100,000,000	25,000
	Loss of Business Income/Tuition	100,000	5,000
	Crime-Employee Dishonesty	250,000	1,000
	Money & Securities - In/Out (crime)	25,000	500
	Fogery or Alteration	250,000	1,000
	General Liability	31,000,000	
	Commercial Automobile	31,000,000	
Zurich	Environmental Impairment - Aggregate	11,000,000	
	Environmental Impairment - Event	1,000,000	50,000
US Fire Insurance	Student Accident with Full Excess	5,000,000	25,000
	Catastrophic	1,000,000	
New Jersey School Boards Insurance Group	Public Employees' Faithful Performance Blanket: Board Secretary/Business Administrator	250,000	1,000
	Treasurer	250,000	1,000
New Jersey School Boards Insurance Group	School Board Legal Liability - Directors and Officers Policy	31,000,000	5,000
New Jersey School Boards Insurance Group	Workers Compensation Statutory Limits	Statutory Limits	
	Employers Liability	3,000,000/3,000,000/3,000,000	

**SINGLE AUDIT SECTION**



# LERCH, VINCI & BLISS, LLP

CERTIFIED PUBLIC ACCOUNTANTS  
REGISTERED MUNICIPAL ACCOUNTANTS

EXHIBIT K-1

DIETER P. LERCH, CPA, RMA, PSA  
GARY J. VINCI, CPA, RMA, PSA  
JEFFREY C. BLISS, CPA, RMA, PSA  
PAUL J. LERCH, CPA, RMA, PSA  
JULIUS B. CONSONI, CPA, PSA  
ANDREW D. PARENTE, CPA, RMA, PSA

ELIZABETH A. SHICK, CPA, RMA, PSA  
ROBERT W. HAAG, CPA, RMA, PSA  
DEBRA GOLLE, CPA  
MARK SACO, CPA  
ROBERT LERCH, CPA  
CHRISTOPHER M. VINCI, CPA, PSA  
CHRISTINA CUIFFO, CPA

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

**INDEPENDENT AUDITOR'S REPORT**

Honorable President and Members  
of the Board of Education  
Town of Boonton School District  
Boonton, 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 audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities and each major fund of the Town of Boonton School District as of and for the fiscal year ended June 30, 2022 and the related notes to the financial statements, which collectively comprise the Town of Boonton School District's basic financial statements and have issued our report thereon dated February 28, 2023.

**Report on Internal Control Over Financial Reporting**

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. 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 may exist that were not identified.

### **Report on Compliance and Other Matters**

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

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town of Boonton School 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 Town of Boonton School District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



LERCH, VINCI & BLISS, LLP  
Certified Public Accountants  
Public School Accountants



Dieter P. Lerch  
Public School Accountant  
PSA Number CS00756

Fair Lawn, New Jersey  
February 28, 2023



LERCH, VINCI & BLISS, LLP

EXHIBIT K-2

CERTIFIED PUBLIC ACCOUNTANTS  
REGISTERED MUNICIPAL ACCOUNTANTS

DIETER P. LERCH, CPA, RMA, PSA  
GARY J. VINCI, CPA, RMA, PSA  
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CHRISTINA CUIFFO, CPA

**REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL AND STATE PROGRAM;  
REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT  
ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE  
U.S. UNIFORM GUIDANCE AND SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE AS  
REQUIRED BY NEW JERSEY OMB CIRCULAR 15-08**

**INDEPENDENT AUDITOR'S REPORT**

Honorable President and Members  
of the Board of Education  
Town of Boonton School District  
Boonton, New Jersey

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

***Opinion on Each Major Federal and State Program***

We have audited the Town of Boonton School District's compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (OMB) Compliance Supplement and the New Jersey OMB Circular 15-08 State Aid/Grant Compliance Supplement that could have a direct and material effect on each of the Town of Boonton School District's major federal and state programs for the fiscal year ended June 30, 2022. The Town of Boonton School District's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Town of Boonton School 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; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey; 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 audit requirements of New Jersey OMB Circular 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid. Our responsibilities under those standards, U.S. Uniform Guidance and New Jersey OMB Circular 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 Town of Boonton School District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal and state program. Our audit does not provide a legal determination of the Town of Boonton School District's compliance with the compliance requirements referred to above.

### ***Responsibilities of Management for Compliance***

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

### ***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Town of Boonton School District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, Government Auditing Standards, audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey, U.S. Uniform Guidance and New Jersey 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 omission, misrepresentation, 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 Town of Boonton School District's compliance with the requirements of each major federal and state program as a whole.

In performing an audit in accordance with generally accepted auditing standards, Government Auditing Standards, audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey, U.S. Uniform Guidance, and New Jersey OMB Circular 15-08, we:

- Exercise professional judgement 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 Town of Boonton School District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Town of Boonton School District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the U.S. Uniform Guidance and New Jersey OMB Circular 15-08, but not for the purpose of expressing an opinion on the effectiveness of the Town of Boonton School District's internal control over compliance. Accordingly, no such opinion is expressed.

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

### **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 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. 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 U.S. Uniform Guidance and New Jersey OMB Circular 15-08. Accordingly, this report is not suitable for any other purpose.

**Report on Schedule of Expenditures of Federal Awards Required by U.S. Uniform Guidance and Schedule of Expenditures of State Financial Assistance Required by New Jersey OMB Circular 15-08**

We have audited the financial statements of the governmental activities, the business-type activities and each major fund of the Town of Boonton School District as of and for the fiscal year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Board of Education's basic financial statements. We have issued our report thereon dated February 28, 2023, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards as required by the U.S. Uniform Guidance and schedule of expenditures of state financial assistance as required by New Jersey OMB Circular 15-08 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 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 schedule of expenditures of federal awards and schedule of expenditures of state financial assistance are fairly stated in all material respects in relation to the basic financial statements as a whole.



LERCH, VINCI & BLISS, LLP  
Certified Public Accountants  
Public School Accountants



Dieter P. Lerch  
Public School Accountant  
PSA Number CS00756

Fair Lawn, New Jersey  
February 28, 2023

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

Federal Grantor/Pass-Through Grantor Program Title	Federal AL Number	FAIN Number	Grant Period	Award Amount	Carryover Amount			Cash Received	Budgetary Expenditures	Adjustment	Repayment of Prior Years' Balances	Balance, June 30, 2022		Due to Grantor	Memo GAAP Receivable
					Balance July 1, 2021	Unearned Revenue	Accounts Receivable					Unearned Revenue	Due to Grantor		
U.S. Department of Agriculture															
Passed-Through State Department of Education:															
Enterprise Fund:															
National School Breakfast Program	10.553	221NJ304N1099	7/1/21-6/30/22	\$ 39,923			\$ 37,800	\$ 39,923				\$ (2,123)		\$ 2,123	
National School Breakfast Program	10.553	211NJ304N1099	7/1/20-6/30/21	116,403	(15,940)		15,940								
After School Snack Program	10.555			22,193			20,161	22,193				(2,032)			
National School Lunch Program	10.555														
COVID - Emergency Operations		221NJ304N1099	7/1/21-6/30/22	9984				9,984	9,984						
Cash Assistance		221NJ304N1099	7/1/21-6/30/22	717,183			665,157	717,183				(52,026)		52,026	
Cash Assistance		211NJ304N1099	7/1/20-6/30/21	206,058	(61,213)		61,213								
Non-Cash Assistance		221NJ304N1099	7/1/21-6/30/22	36,026			36,026	35,126					\$ 900		
Non-Cash Assistance		211NJ304N1099	7/1/20-6/30/21	18,320	71		-	71							
Child Nutrition Cluster Total					(77,082)			846,281	824,480			(56,181)	900	54,149	
P-EBT Administrative Cost Reimbursement	10.649	2022225900941	7/1/21-6/30/22	614			614	614							
U.S. Department of Health and Human Services															
American Rescue Plan															
Child Care Stabilization	93.575	2101NJCSC6	9/1/21-9/30/23	227,000			227,000	67,000					160,000		
Total Enterprise Funds					(77,082)		1,073,895	892,094				(56,181)	160,900	54,149	
U.S. Department of Health and Human Services															
General Fund															
Medical Assistance Program	93.778	2005NJSMAP	7/1/21-6/30/22	61,982			52,200	61,982				(9,782)		9,782	
Total General Fund							52,200	61,982				(9,782)		9,782	
U.S. Department of Education															
Passed Through State Department of Education															
Special Revenue Fund															
IDEA															
ARP - IDEA Basic	84.027X	H027X210100	7/1/21-9/30/22	77,673				4,744				(77,673)	72,929	4,744	
Part B, Basic	84.027A	H027A210100	7/1/21-9/30/22	373,261		\$ 13,236	\$ (13,236)	358,642	347,455			(27,855)	39,042		
Part B, Basic	84.027A	H027A200100	7/1/20-9/30/21	386,958	(51,104)	(13,236)	13,236	51,104							
ARP - IDEA Preschool	84.173X	H1175X210114	7/1/21-9/30/22	6,610								(6,610)	6,610		
Preschool	84.173A	H1175A210114	7/1/21-9/30/22	12,382		12,249	(12,249)	4,389	17,612			(20,242)	7,019	13,223	
Preschool	84.173A	H1175A200114	7/1/20-9/30/21	12,249	4	(12,249)	12,249	-	-	\$ (4)					
Special Education Cluster Total					(51,100)		414,135	769,811	(4)			(132,380)	125,600	17,967	
ESEA/NCLB															
Title I	84.010	S010A210030	7/1/21-9/30/22	185,539		22,334	(22,334)	114,659	146,882			(93,214)	60,991	32,223	
Title I	84.010	S010A200030	7/1/20-9/30/21	199,309	(57,024)	(22,334)	22,334	39,420		(2,396)					
Title I Reallocated	84.010	S010A200030	7/1/20-9/30/21	13,022	(10)					10					
Title I SIA	84.010	S010A210030	7/1/21-9/30/22	12,400								(12,400)	12,400		
Title I SIA	84.010	S010A200030	7/1/20-9/30/21	18,800											
Title I SIA	84.010	S010A190030	7/1/19-9/30/20	19,800											
Title II-A	84.367A	S367A210029	7/1/21-9/30/22	32,873		11,459	(11,459)	1,950	7,203			(42,382)	32,873	9,509	
Title II-A	84.367A	S367A200029	7/1/20-9/30/21	27,636	(4,918)	(11,459)	11,459	4,918							
Title III	84.365A	S365A210030	7/1/21-9/30/22	16,385		3,542	(3,542)	4,812	10,651			(15,115)	9,276	5,839	
Title III	84.365A	S365A200030	7/1/20-9/30/21	14,610	(1,681)	(3,542)	3,542	1,843		(162)					
Title III - Immigrant	84.365A	S365A210030	7/1/21-9/30/22	6,159		1,001	(1,001)	4,596	4,742			(2,564)	2,418	146	
Title III - Immigrant	84.365A	S365A200030	7/1/20-9/30/21	5,319	1,142	(1,001)	1,001			(1,142)					
Title IV	84.424A	S424A210031	7/1/21-9/30/22	1,459		15,022	(15,022)		13,183			(16,481)	3,298	13,183	
Title IV	84.424A	S424A200031	7/1/20-9/30/21	14,639	(14,214)	(15,022)	15,022								
Coronavirus Relief Fund (CRF)															
Coronavirus Relief Fund	21.019		7/16/20-10/31/20	79,238	1,965					\$ 1,965					
Digital Divide - Nonpublic Technology	21.019		7/16/20-10/31/20	5,699	(75)					75					
Coronavirus Relief Fund Cluster Total					1,890					75	1,965				
Elementary and Secondary School Emergency Relief (ESSER)															
Coronavirus Aid, Relief, and Economic Security (CARES) Act															
CARES Emergency Relief Act	84.425D	S425D200027	3/13/20-9/30/22	187,143	(26,957)			14,870	794			(19,477)	6,596	12,881	
Digital Divide	84.425D	S425D200027	7/16/20-10/31/20	54,976											

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

Federal Grantor/Pass-Through Grantor Program Title	Federal AL Number	FAIN Number	Grant Period	Award Amount	Balance July 1, 2021	Carryover Amount		Cash Received	Budgetary Expenditures	Adjustment	Repayment of Prior Years' Balances	Balance, June 30, 2022		Due to Grantor	Memo GAAP Receivable
						Unearned Revenue	Accounts Receivable					(Accounts Receivable)	Unearned Revenue		
Elementary and Secondary School Emergency Relief (ESSER II)															
Coronavirus Response and Relief Supplemental Appropriations (CRRSA) Act															
ESSER II	84.425D	S425D200027	3/13/20-9/30/23	653,306	\$ (135,390)			\$ 446,195	\$ 454,031			\$ (207,111)	\$ 63,885		\$ 143,226
Learning Acceleration	84.425D	S425D200027	3/13/20-9/30/23	41,926	(3,680)			22,789	24,513			(19,137)	13,733		5,404
Mental Health	84.425D	S425D200027	3/13/20-9/30/23	45,000	-			20,761	23,798			(24,239)	21,202		3,037
American Rescue Plan (ESSER III)															
ESSER III	84.425U	S425U210027	3/13/20-9/30/24	1,468,264				230,286	254,852			(1,237,978)	1,213,412		24,566
Accelerated Learning Coach and Educator Support	84.425U	S425U210027	3/13/20-9/30/24	101,121								(101,121)	101,121		
Summer Learning and Enrichment	84.425U	S425U210027	3/13/20-9/30/24	40,000								(40,000)	40,000		
Beyond the School Day	84.425U	S425U210027	3/13/20-9/30/24	40,000								(40,000)	40,000		
Mental Health Support Staffing	84.425U	S425U210027	3/13/20-9/30/24	45,000								(45,000)	45,000		
ESSER Cluster Total					(166,027)	-	-	734,901	757,988			(1,734,063)	1,544,949		189,114
Total Special Revenue Fund					(271,942)	-	-	1,335,448	1,310,460	(7,875)	1,965	(2,048,599)	1,791,805		267,981
Total Federal Awards					\$ (349,024)	\$ -	\$ -	\$ 2,461,543	\$ 2,264,536	\$ (7,875)	\$ 1,965	\$ (2,114,562)	\$ 1,952,705	\$ -	\$ 331,912

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

TOWN OF BOONTON SCHOOL DISTRICT  
 SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022

State/Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance, July 1, 2021		Carryover Amount	Cash Received	Budgetary Expenditures	General Fund Contribution	Repayment of Prior Years' Balances	June 30, 2022		MEMO		
				Unearned Revenue/ (Accts. Rec.)	Due to Grantor						(Accounts Receivable)	Unearned Revenue	GAAP Receivable	Cumulative Total Expenditures	
<b>State Department of Education</b>															
<b>General Fund</b>															
Special Education Aid	22-495-034-5120-089	7/1/21-6/30/22	\$ 959,170				\$ 865,842	\$ 959,170			\$ (93,328)			\$ 959,170	
Special Education Aid	21-495-034-5120-089	7/1/20-6/30/21	959,170	(90,195)			90,195								
Equalization Aid	22-495-034-5120-078	7/1/21-6/30/22	1,362,841				1,230,237	1,362,841			(132,604)			1,362,841	
Equalization Aid	21-495-034-5120-078	7/1/20-6/30/21	962,940	(90,551)			90,551								
Security Aid	22-495-034-5120-084	7/1/21-6/30/22	238,909				215,663	238,909			(23,246)			238,909	
Security Aid	21-495-034-5120-084	7/1/20-6/30/21	238,909	(22,466)			22,466								
School Choice Aid	21-495-034-5120-068	7/1/20-6/30/21	45,231	(4,253)			4,253								
<b>State Aid - Public Cluster Total</b>				<b>(207,465)</b>			<b>2,519,207</b>	<b>2,560,920</b>			<b>(249,178)</b>			<b>2,560,920</b>	
Transportation Aid	22-495-034-5120-014	7/1/21-6/30/22	58,651				52,944	58,651			(5,707)			58,651	
Transportation Aid	21-495-034-5120-014	7/1/20-6/30/21	58,651	(5,515)			5,515								
Extraordinary Aid	22-100-034-5120-473	7/1/21-6/30/22	678,634				678,634	678,634			(678,634)			678,634	
Extraordinary Aid	21-100-034-5120-473	7/1/20-6/30/21	655,955	(655,955)			655,955								
Maintenance of Equity Aid	22-495-035-5120-128	7/1/21-6/30/22	363,309				363,309	363,309			(363,309)			363,309	
On-Behalf TPAF Pension Contributions	22-495-034-5094-002	7/1/21-6/30/22	4,882,757				4,882,757	4,882,757						4,882,757	
On Behalf TPAF Non Contributory Insurance Contributions	22-495-034-5094-004	7/1/21-6/30/22	68,889				68,889	68,889						68,889	
On Behalf TPAF Post Retirement Contributions	22-495-034-5094-001	7/1/21-6/30/22	1,156,905				1,156,905	1,156,905						1,156,905	
On Behalf TPAF Long Term Disability Insurance Contributions	22-495-034-5094-004	7/1/21-6/30/22	1,857				1,857	1,857						1,857	
Reimbursed TPAF Social Security Contributions	22-495-034-5094-003	7/1/21-6/30/22	1,063,178				1,010,762	1,063,178			(52,416)		52,416	1,063,178	
Reimbursed TPAF Social Security Contributions	21-495-034-5094-003	7/1/20-6/30/21	994,052	(48,823)			48,823								
<b>Total General Fund</b>				<b>(917,258)</b>			<b>10,403,614</b>	<b>10,835,100</b>			<b>(1,349,244)</b>			<b>415,725</b>	<b>10,471,791</b>
<b>Special Revenue Fund</b>															
<b>NJ Nonpublic Aid</b>															
<b>Auxiliary Services</b>															
Compensatory Education	22-100-034-5120-067	7/1/21-6/30/22	14,512				14,512	14,333						14,333	
Compensatory Education	21-100-034-5120-067	7/1/20-6/30/21	19,160		\$ 1,694					\$ 1,694					
<b>Nonpublic Auxiliary Services (Chapter 192) Cluster Total</b>					<b>1,694</b>		<b>14,512</b>	<b>14,333</b>			<b>1,694</b>			<b>14,333</b>	
<b>Handicapped Services</b>															
Examination and Classification	22-100-034-5120-066	7/1/21-6/30/22	20,474				20,474	19,714						19,714	
Examination and Classification	21-100-034-5120-066	7/1/20-6/30/21	18,773			12,488				12,488					
Corrective Speech	22-100-034-5120-066	7/1/21-6/30/22	7,440				7,440	4,464						4,464	
Corrective Speech	21-100-034-5120-066	7/1/20-6/30/21	8,203			3,737				3,737					
Supplemental Instruction	22-100-034-5120-066	7/1/21-6/30/22	15,611				15,611	15,033						578	
Supplemental Instruction	21-100-034-5120-066	7/1/20-6/30/21	9,714			162				162					
<b>Nonpublic Handicapped Services (Chapter 193) Cluster Total</b>						<b>16,387</b>		<b>43,525</b>	<b>39,211</b>		<b>16,387</b>			<b>4,314</b>	<b>24,178</b>
Textbook Aid	22-100-034-5120-064	7/1/21-6/30/22	9,243				9,243	9,243						9,243	
Textbook Aid	21-100-034-5120-064	7/1/20-6/30/21	8,003					17,248						17,248	
Nursing Aid	22-100-034-5120-070	7/1/21-6/30/22	17,248				17,248	17,248							
Nursing Aid	21-100-034-5120-070	7/1/20-6/30/21	13,362												
Technology Aid	22-100-034-5120-373	7/1/21-6/30/22	6,468				6,468	6,468							
Security Aid	22-100-034-5120-509	7/1/21-6/30/22	26,950				26,950	21,563						5,387	
Security Aid	20-100-034-5120-509	7/1/19-6/30/20	31,544			1,730				1,730					
Preschool Education Expansion Aid	22-495-034-5120-086	7/1/21-6/30/22	1,668,720			\$ 26,443	1,501,848	2,046,841	\$ 417,180		(166,872)	\$ 65,502		2,046,841	
Preschool Education Expansion Aid	21-495-034-5120-086	7/1/20-6/30/21	1,613,532	(134,910)		(26,443)	161,353								
<b>School Development Authority</b>															
<b>Emergent and Capital Maintenance Needs Program</b>															
			34,043				34,043	34,043						34,043	
<b>Total Special Revenue Fund</b>							<b>1,815,190</b>	<b>2,188,950</b>	<b>417,180</b>		<b>(166,872)</b>	<b>65,502</b>	<b>9,880</b>	<b>2,145,886</b>	
<b>Debt Service Fund</b>															
<b>Debt Service Aid - Type II</b>															
Debt Service Aid - Type II	22-495-034-5120-017	7/1/21-6/30/22	378,513				378,513	378,513						378,513	
<b>Total Debt Service Fund</b>							<b>378,513</b>	<b>378,513</b>						<b>378,513</b>	
<b>Enterprise Fund</b>															
State School Lunch Program	22-100-010-3350-023	7/1/21-6/30/22	16,909				15,712	16,909			(1,197)			16,909	
State School Lunch Program	21-100-010-3350-023	7/1/20-6/30/21	10,305	(1,911)			1,911								
<b>Total Enterprise Fund</b>				<b>(1,911)</b>			<b>17,623</b>	<b>16,909</b>			<b>(1,197)</b>			<b>1,197</b>	<b>16,909</b>
<b>Total State Awards</b>				<b>\$ (1,054,579)</b>	<b>\$ 19,811</b>	<b>\$ -</b>	<b>12,614,940</b>	<b>13,419,472</b>	<b>\$ 417,180</b>	<b>\$ 19,811</b>	<b>\$ (1,517,313)</b>	<b>\$ 65,502</b>	<b>\$ 9,880</b>	<b>\$ 416,922</b>	<b>\$ 13,013,099</b>
<b>Less:</b>															
<b>On-Behalf Assistance Not Included in Single Audit and Major Program Determination</b>															
TPAF Pension Contributions							(4,882,757)	(4,882,757)							
TPAF Non Contributory Insurance Contributions							(68,889)	(68,889)							
TPAF Post Retirement Medical Contributions							(1,156,905)	(1,156,905)							
TPAF Long Term Disability Insurance Contributions							(1,857)	(1,857)							
<b>Total State Financial Assistance Subject to Single Audit and Major Program Determination Calculation</b>							<b>\$ 6,504,532</b>	<b>\$ 7,309,064</b>							

**TOWN OF BOONTON SCHOOL DISTRICT  
NOTES TO THE SCHEDULES OF EXPENDITURES OF  
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**NOTE 1 GENERAL**

The accompanying schedules present the activity of all federal and state financial assistance programs of the Town of Boonton School District. The Board of Education is defined in Note 1(A) to the Board's financial statements. All federal financial assistance received directly from federal agencies, as well as federal awards and state financial assistance passed through other government agencies is included on the schedule of expenditures of federal awards and state financial assistance.

**NOTE 2 BASIS OF ACCOUNTING**

The accompanying schedules are prepared and presented using the budgetary basis of accounting with the exception of programs recorded in the food service fund, which are presented using the accrual basis of accounting. These basis of accounting are described in Notes 1(C) to the Board's financial statements. The information in these schedules is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (U.S. Uniform Guidance) and New Jersey OMB Circular 15-08, "Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid". Therefore, some amounts presented in these schedules may differ from the amounts presented in, or used in the preparation of, the financial statements.

**NOTE 3 RELATIONSHIP TO FINANCIAL STATEMENTS**

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is a decrease of \$64,584 for the general fund and an increase of \$135,167 for the special revenue fund. See the Notes to Required Supplementary Information for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board's financial statements on a GAAP basis as presented as follows:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ 61,982	\$ 10,770,516	\$ 10,832,498
Special Revenue Fund	1,352,958	1,750,645	3,103,603
Debt Service Fund		378,513	378,513
Food Service Fund	825,094	16,909	842,003
Bridges to Learning Fund	<u>67,000</u>	<u>-</u>	<u>67,000</u>
Total Financial Assistance	<u>\$ 2,307,034</u>	<u>\$ 12,916,583</u>	<u>\$ 15,223,617</u>

**TOWN OF BOONTON SCHOOL DISTRICT  
NOTES TO THE SCHEDULES OF EXPENDITURES OF  
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022****NOTE 4 RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS**

Amounts reported in the accompanying schedules may not necessarily agree with the amounts reported in the related federal and state financial reports due to timing differences between the District's fiscal year and grant program years.

**NOTE 5 OTHER INFORMATION**

Revenues and expenditures reported under the Food Distribution Program as non-cash assistance represent current year value received and current year distributions, respectively. TPAF Social Security contributions in the amount of \$1,063,178 represents the amount reimbursed by the State for the employer's share of social security contributions for TPAF members for the fiscal year ended June 30, 2022. The amount reported as TPAF Pension System Contributions in the amount of \$4,951,646, TPAF Post-Retirement Medical Benefits Contributions in the amount of \$1,156,905 and TPAF Long-Term Disability Insurance in the amount of \$1,857 represents the amount paid by the State on behalf of the District for the fiscal year ended June 30, 2022.

**NOTE 6 ON-BEHALF PROGRAMS NOT SUBJECT TO STATE SINGLE AUDIT**

On-behalf State Programs for TPAF Pension, Post-Retirement Medical Benefits and Long-Term Disability Insurance Contributions payments are not subject to a State single audit and, therefore, are excluded from major program determination. The Schedule of State Financial Assistance provides a reconciliation of State financial assistance reported in the District's financial statements and the amount subject to State single audit and major program determination.

**NOTE 7 DE MINIMIS INDIRECT COST RATE**

The District has elected to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

**TOWN OF BOONTON SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

*Part I – Summary of Auditor’s Results*

**Financial Statement Section**

Type of auditors' report issued on financial statements Unmodified

Internal control over financial reporting:

1) Were material weakness(es) identified?      yes   X   no

2) Significant deficiencies identified that are not considered to be material weakness(es)?      yes   X   none reported

Noncompliance material to the basic financial statements noted?      yes   X   no

**Federal Awards Section**

Internal Control over major programs:

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

2) Significant deficiencies identified that are not considered to be material weakness(es)?      yes   X   none reported

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

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

Identification of major federal programs:

<u>AL Number(s)</u>	<u>FAIN Number(s)</u>	<u>Name of Federal Program or Cluster</u>
<u>10.553</u>	<u>221NJ304N1099</u>	<u>National School Breakfast Program</u>
<u>10.555</u>	<u>221NJ304N1099</u>	<u>After School Snack Program</u>
<u>10.555</u>	<u>221NJ304N1099</u>	<u>National School Lunch Program</u>
<u>84.425D</u>	<u>S425D200027</u>	<u>Coronavirus Relief and Economic Security Act - Elementary and Secondary School Emergency Relief (CARES-ESSER I)</u>
<u>84.425D</u>	<u>S425D210027</u>	<u>Coronavirus Response and Relief Supplemental Act (CRRSA-ESSER II)</u>
<u>84.425U</u>	<u>S425U210027</u>	<u>American Rescue Plan - Elementary and Secondary Schools Emergency Relief Fund (ARP-ESSER)</u>

Dollar threshold used to distinguish between Type A and Type B programs: \$750,000

Auditee qualified as low-risk auditee?   X   yes      no

**TOWN OF BOONTON SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

*Part I – Summary of Auditor’s Results*

**State Awards Section**

Dollar threshold used to distinguish between Type A and Type B programs:

\$ 750,000

Auditee qualified as low-risk auditee?

X  yes         no

Internal control over major programs:

1) Material weakness(es) identified?

    yes     X  no

2) Significant deficiencies identified that are not considered to be material weakness(es)?

    yes     X  none reported

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

Unmodified

Any audit findings disclosed that are required to be reported in accordance with N.J. Circular Letter 15-08?

    yes     X  no

Identification of major programs:

GMIS Number(s)	Name of State Program
<u>495-034-5120-089</u>	<u>Special Education Aid</u>
<u>495-034-5120-078</u>	<u>Equalization Aid</u>
<u>495-034-5120-084</u>	<u>Security Aid</u>
<u>495-034-5094-003</u>	<u>Reimbursed TPAF Social Security Contributions</u>
<u>495-034-5120-086</u>	<u>Preschool Education Aid</u>
<u> </u>	<u> </u>
<u> </u>	<u> </u>
<u> </u>	<u> </u>



**TOWN OF BOONTON SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

***Part 2 – Schedule of Financial Statement Findings***

This section identifies the significant deficiencies, material weaknesses, fraud, illegal acts, violations of provisions of contracts and grant agreements and abuse related to the financial statements in accordance with Government Auditing Standards.

There are none.

**TOWN OF BOONTON SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONT'D)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

*Part 3 – Schedule of Federal and State Award Findings and Questioned Costs*

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance, including questioned costs, related to the audit of major federal and state programs, as required by U.S. Uniform Guidance and New Jersey OMB's Circular 15-08.

**CURRENT YEAR FEDERAL AWARDS**

There are none.

**TOWN OF BOONTON SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONT'D)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

***Part 3 – Schedule of Federal and State Award Findings and Questioned Costs***

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance, including questioned costs, related to the audit of major federal and state programs, as required by U.S. Uniform Guidance and New Jersey OMB's Circular 15-08.

**CURRENT YEAR STATE AWARDS**

There are none.

**TOWN OF BOONTON SCHOOL DISTRICT  
SUMMARY SCHEDULE OF PRIOR-YEAR AUDIT FINDINGS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

This section identifies the status of prior-year findings related to the basic financial statements and federal and state awards that are required to be reported in accordance with Chapter 6.12 of *Government Auditing Standards*, U.S. Uniform Guidance and New Jersey OMB's Circular 15-08.

**STATUS OF PRIOR YEAR FINDINGS**

There were none.