

**SCHOOL DISTRICT
OF**

**BURLINGTON
TOWNSHIP**

**Burlington Township Board of Education
Burlington, New Jersey**

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

**Annual Comprehensive
Financial Report**

of the

Burlington Township Board of Education

Burlington, New Jersey

For the Fiscal Year Ended June 30, 2022

**Prepared by
Burlington Township Board of Education
Finance Department**

BURLINGTON TOWNSHIP SCHOOL DISTRICT

INTRODUCTORY SECTION

	<u>Page</u>
Letter of Transmittal	2
Organizational Chart	6
Roster of Officials	7
Consultants and Advisors	8

FINANCIAL SECTION

Independent Auditor's Report	10
Required Supplementary Information - Part I Management's Discussion and Analysis	14
Basic Financial Statements	
A. District-wide Financial Statements:	
A-1 Statement of Net Position	23
A-2 Statement of Activities	24
B. Fund Financial Statements:	
Governmental Funds:	
B-1 Balance Sheet	26
B-2 Statement of Revenues, Expenditures, and Changes in Fund Balances	27
B-3 Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	28
Proprietary Funds:	
B-4 Statement of Net Position	29
B-5 Statement of Revenues, Expenses, and Changes in Fund Net Position	30
B-6 Statement of Cash Flows	31
Fiduciary Funds	N/A
Notes to the Financial Statements	32

	<u>Page</u>
Required Supplementary Information - Part II	
C. Budgetary Comparison Schedules	
C-1 Budgetary Comparison Schedule - General Fund	66
C-1a Combining Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual (if applicable)	N/A
C-2 Budgetary Comparison Schedule - Special Revenue Fund	73
C-3 Budget-to-GAAP Reconciliation	74
Required Supplementary Information - Part III	
L. Schedules Related to Accounting and Reporting for Pensions (GASB-68)	
L-1 Schedule of the District's Proportionate Share of the Net Pension Liability - Public Employees Retirement System	76
L-2 Schedule of the District Contributions - Public Employees Retirement System	77
L-3 Schedule of the District's Proportionate Share of the Net Pension Liability - Teachers' Pension and Annuity Fund	78
M. Schedule Related to Accounting and Reporting for OPEB (GASB-75)	
M-1 Schedule of Changes in the District's Total OPEB Liability Share of the Net OPEB Liability and Related Ratios	79
Notes to the Required Supplementary Information - Part III	80
Other Supplementary Information	
D. School Level Schedules	N/A
E. Special Revenue Fund:	
E-1 Combining Schedule of Revenues and Expenditures Special Revenue Fund - Budgetary Basis	83
E-2 Preschool Education Program Aid Schedule of Expenditures - Budgetary Basis	87
F. Capital Projects Fund:	
F-1 Summary Statement of Revenues, Expenditures, and Changes in Fund Balance - Budgetary Basis	90
F-2 Summary Statement of Project Expenditures	92
G. Proprietary Fund:	
Enterprise Fund:	
G-1 Combining Statement of Net Position	94
G-2 Combining Statement of Revenues, Expenses and Changes in Fund Net Position	95
G-3 Combining Statement of Cash Flows	96
Internal Service Fund:	
G-4 Combining Statement of Net Position	97
G-5 Combining Statement of Revenues, Expenses and Changes in Fund Net Position	98
G-6 Combining Statement of Cash Flows	99

	<u>Page</u>
H. Fiduciary Funds	N/A
I. Long-Term Debt:	
I-1 Schedule of Serial Bonds	101
I-2 Schedule of Obligations under Leases	102
I-3 Budgetary Comparison Schedule	103

STATISTICAL SECTION (Unaudited)

J-1 Net Position by Component	105
J-2 Changes in Net Position, Last Ten Years	106
J-3 Fund Balances, Governmental Funds, Last Ten Years	108
J-4 Changes in Fund Balances, Governmental Funds, Last Ten Fiscal Years	109
J-5 General Fund - Other Local Revenue by Source, Last Ten Fiscal Years	110
J-6 Assessed Value and Actual Value of Taxable Property, Last Ten Fiscal Years	111
J-7 Direct and Overlapping Property Tax Rates, Last Ten Fiscal Years	112
J-8 Principal Property Tax Payers, Current Year and Nine Years Ago	113
J-9 Property Tax Levies and Collections, Last Ten Fiscal Years	114
J-10 Ratios of Outstanding Debt by Type, Last Ten Fiscal Years	115
J-11 Ratios of Net General Bonded Debt Outstanding, Last Ten Fiscal Years	116
J-12 Ratios of Overlapping Governmental Activities Debt, As of December 31, 2021	117
J-13 Legal Debt Margin Information, Last Ten Fiscal Years	118
J-14 Demographic and Economic Statistics	119
J-15 Principal Employers, Current Year & Nine Years Ago (information not available)	N/A
J-16 Full-time Equivalent District Employees by Function/Program, Last Ten Fiscal Years	120
J-17 Operating Statistics, Last Ten Fiscal Years	121
J-18 School Building Information, Last Ten Fiscal Years	122
J-19 Schedule of Required Maintenance, Last Ten Fiscal Years	123
J-20 Insurance Schedule	124

SINGLE AUDIT SECTION

K-1 Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards	126
K-2 Report on Compliance for Each Program and Report on Internal Control Over Compliance Required by the Uniform Guidance and New Jersey Circular 15-08-OMB	128
K-3 Schedule of Expenditures of Federal Awards, Schedule A	131
K-4 Schedule of Expenditures of State Financial Assistance, Schedule B	132
K-5 Notes to the Schedules of Awards and Financial Assistance	133
K-6 Schedule of Findings and Questioned Costs	
Section 1 - Financial Statement Findings	135
Section 2 -Schedule of Financial Statement Findings	137
Section 3 -Schedule of Federal Awards and State Financial Assistance Findings and Questioned Costs	138
K-7 Summary Schedule of Prior Year Audit Findings and Questioned Costs as Prepared by Management	139

Introductory Section

BURLINGTON TOWNSHIP SCHOOLS

P.O. Box 428 - Hopkins Building, Burlington, NJ 08016, 609-387-3955

Mary Ann Bell, *Superintendent of Schools*
mbell@buritwpsch.org

Nicholas Bice, *School Business Administrator*
nbice@buritwpsch.org

www.buritwpsch.org

January 30, 2023

Honorable President and
Members of the Board of Education
Burlington Township School District
Burlington, New Jersey 08016

Dear Board Members:

The annual comprehensive financial report of the Burlington Township School District for the fiscal year ended June 30, 2022, is hereby submitted. Responsibility for the accuracy of the data, completeness, and fairness of the presentation, including all disclosures, rests with the management of the Burlington Township Board of Education. To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups 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 has been prepared in accordance with Governmental Accounting Standards Board Statement 34 and is presented in four sections: introductory, financial, statistical, and single audit. The introductory section includes this transmittal letter, the District's organizational chart and a list of principal officials. The financial section includes the general purpose financial statements and schedules, as well as the auditor's report thereon. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The District is required to undergo an annual single audit in conformity with the provisions of Title 2. U.S. Code of Federal Regulations, cost principles, and audit requirements for federal awards (uniform guidance); and the State of New Jersey Circular 15-08-OMB. Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws, regulations, findings and recommendations, are included in the single audit section of this report.

- 1) **REPORTING ENTITY AND ITS SERVICES:** Burlington Township School District is an independent reporting entity within the criteria adopted by the GASB as established by NCGA Statement No. 3. All funds and account groups of the District are included in this report. Burlington Township Board of Education and all its schools constitute the District's reporting entity.

The District provides a full range of educational services appropriate to grade levels Pre-K through grade 12. These include regular and vocational, as well as special education for disabled students between the ages of 3 and 21 years old. The District completed the 2021-2022 fiscal year with an average student enrollment of 3,583 students, which is the same as the previous year's enrollment. The District's highest enrollment was recorded in 2006-2007 at 4,182 students. The following details the changes in the student enrollment of the District over the last ten years.

Average Daily Enrollment

Fiscal Year	Average Student Enrollment	Percent Change
2012-2013	4,021	-0.98
2013-2014	4,043	0.55
2014-2015	3,994	-1.21
2015-2016	3,931	-1.58
2016-2017	3,869	-1.58
2017-2018	3,819	-1.29
2018-2019	3,697	-3.19
2019-2020	3,690	-0.19
2020-2021	3,583	-2.90
2021-2022	3,583	0.00

- 2) **ECONOMIC CONDITION AND OUTLOOK:** The Burlington Township area had experienced a period of rapid development and expansion during the early 2000's which has since stabilized. The number of families sharing housing in the community has presented challenges to understanding the needs of students prior to enrollment and has resulted in an increase for educational services. Due to the economy during the last several years, the Free and Reduced Lunch numbers increased dramatically from prior levels. During this time, the District has also seen an increase in homeless counts, temporary residency affidavits, DCP&P placements and guardianship affidavit cases. Recent development of open space into warehousing and other uses has brought moderately paying employment.

3) **MAJOR INITIATIVES**

STRATEGIC PLANNING AND GOAL SETTING: The Burlington Township School District engages in a yearly goal setting process that is driven by a long-range strategic plan. The Mission of the District is *to develop the intellectual, creative, and social potential of each child through an active partnership with all members of the community.* The District has established four broad goals focused on ***improving teaching and learning, fostering a safe and secure climate, engaging the community in meaningful ways, and promoting efficiency and quality through effective management and operations.*** During 2021-2022, the District focused on objectives within these goal areas. This focus was presented as the "All Students Achieving Plan" and updates were provided in public at the January and June Board of Education Meetings.

STUDENT ACADEMIC PROGRESS: Student academic progress is measured, in part, by standardized assessments. These assessments include NJSLA, the State Science Assessment, MAP, and PSAT. The District historically outperforms the state in State Science Assessment in grades 4 and 8 by considerable amounts. Additionally, core content areas, which exceed state graduation requirements. The Burlington Township attendance rate is over 95% and the dropout rate less than 1%. Ninety-five percent of Burlington Township students continue their education after high school at four-year colleges and universities, community colleges, and technical schools.

SUMMARY OF SPECIFIC INITIATIVES: The Center for Education has worked on aligning the District's curricula to the New Jersey Student Learning Standards. The District has successfully administered on-line testing. The District utilizes various online adaptive assessment software for both math and language arts benchmarking to further understand the needs of our students. A multi-year focus has been refining the District's special education settings to ensure students are educated in the least restrictive environment as developmentally appropriate. The District's Counseling Department Strategic Planning Process was completed with the adoption of a five year plan to empower the counselors roles in the District to assist in removing the barriers to academic, behavioral and career and college readiness success for students following the outline of the national model.

SCHOOL SAFETY AND SECURITY: School safety and security continues to be an important topic in education. From 2009-2014 the District has engaged in a five-year safety and security project entitled "*Project Guardian*." The District has engaged in a continuous safety and security process review team entitled "*Team Guardian*." The District's significant and innovative efforts have been acknowledged in the State's Task Force Report and mentioned by name in said report. Efforts to reinforce safety and security continue by establishing Project Guardian 2.0: Stay Alert, which is ongoing. The District engages in Emergency Preparedness Task Force meetings with various first responder agencies and other connected agencies. Safety remains our top priority.

SUMMARY OF INFORMATION SOURCES: The District commissioned a full demographic study in 2012, 2015, 2018, and 2020 for the purpose of understanding the potential future enrollments. The District continues to seek information that allows for the development of future plans based on relevant data.

- 4) **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. The District fiscal management team reviews the standard operating procedures on an annual basis and alters the SOPs as needed to continue to ensure the fiscal responsibility is well managed.
- 5) **BUDGETARY CONTROLS:** In addition to internal accounting controls, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the voters of the municipality. Annual appropriated budgets are adopted for the general fund, the special revenue fund, and the debt service fund. Capital budgets are approved for capital improvements and are accounted for in the capital project fund.

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are reported as reservations of fund balance at June 30, 2022.

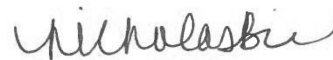
- 6) **CASH MANAGEMENT**: The investment policy of the District is guided in large part by state statute as detailed in "Notes to the Financial Statements," Note 2. The District has adopted a cash management plan that requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (GUDPA). GUDPA was enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution in New Jersey. The law requires governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the act.
- 7) **RISK MANAGEMENT**: The Board carries various forms of insurance, including but not limited to general liability, automobile liability, comprehensive/collision, hazard and theft insurance on property and contents, student accident, and fidelity bonds.
- 8) **FISCAL AND OPERATIONAL EFFICIENCY**: The Burlington Township Board of Education is considered efficient in all areas reviewed by the Department of Education during the mid-year budget review. This efficiency was born from need resulting from periods of large enrollment growth and stagnant state aid during the late 1990's and 2000's. This efficiency has required the District to utilize such strategies as outsourcing almost all operational department personnel including facilities, food service, and technology. The District has also outsourced in-class non-instructional support personnel. The 2% cap on property tax increases continues to be a challenge for the District. Lack of adequate state funding has been a challenge for the District for many years; however, in the 2017-2018 school year, state funding was finally restored to the level the District received in the 2009-2010 school year.
- 9) **OTHER INFORMATION**:
- INDEPENDENT AUDIT**: State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The Board selected the accounting firm of Inverso & Stewart. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Title 2 U.S. Code of Federal Regulations, cost principles and audit requirements for federal awards (uniform guidance); and State of New Jersey Circular OMB-15-08. The auditor's report on the general purpose financial statements 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.
- 10) **ACKNOWLEDGEMENTS**: We would like to express our appreciation to the members of the Burlington Township 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 operations. The preparation of this report could not have been accomplished without the efficient and dedicated services of our central office staff. We greatly appreciate their fine work.

Sincerely,



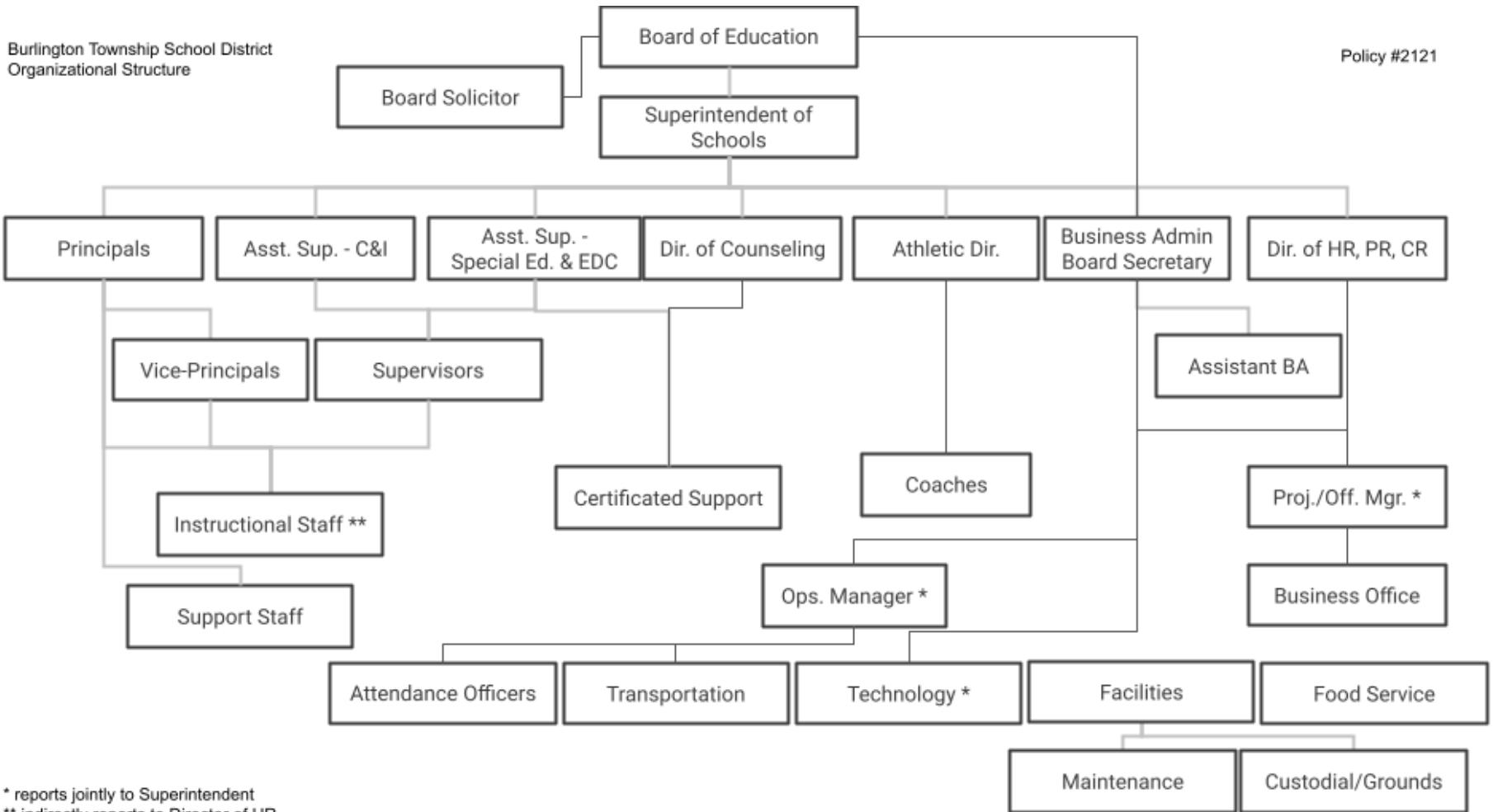
Mary Ann Bell
Superintendent of Schools

Sincerely,



Nicholas Bice
Business Administrator/Board Secretary

Burlington Township School District
Organizational Structure



* reports jointly to Superintendent
** indirectly reports to Director of HR

Policy #2121

BOARD OF EDUCATION
TOWNSHIP OF BURLINGTON
BURLINGTON, NEW JERSEY

ROSTER OF OFFICIALS
 JUNE 30, 2022

<u>Members of the Board of Education</u>	<u>Term Expires (December)</u>
Antoinette Minors-Ferguson, President	2024
Velina Marie Riggi, Vice President	2024
Lisa Bungarden	2023
Donna Custard	2022
Marilyn Dunham	2022
Susan Eichmann	2022
Lisa Hodnett	2024
Edward Leak	2023
Melvin Moore	2022

Other Officials (as of June 30, 2022)

Mary Ann Bell, Superintendent of Schools
 Nicholas Bice, School Business Administrator/Board Secretary
 Ann Britt, Assistant Superintendent for Curriculum & Instruction
 Christopher Giannotti, Assistant Superintendent for Special Education
 Elizabeth Scott, Director of Human Resources and Community Relations

BURLINGTON TOWNSHIP SCHOOL DISTRICT
Consultants and Advisers

Audit Firm

Inverso & Stewart, LLC
651 Route 73 North
Suite 402
Marlton, NJ 08053

Attorney

David Serlin
302 N. Washington Ave.
Suite 202A East
Moorestown, NJ 08057

Special Education Counsel

Parker McCay
9000 Midlantic Dr., #300
Mount Laurel, NJ 08054

Bond Counsel

Parker McCay
9000 Midlantic Dr., #300
Mount Laurel, NJ 08054

Official Depositories

Investors Bank
NJ State Cash Management

Financial Section

INVERSO & STEWART, LLC

Certified Public Accountants

651 Route 73 North, Suite 402
Marlton, New Jersey 08053
(856) 983-2244
Fax (856) 983-6674
E-Mail: rinverso@inversocpa.com

**-Member of-
American Institute of CPAs
New Jersey Society of CPAs**

INDEPENDENT AUDITOR'S REPORT

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

Report on the Audit of the Financial Statements

Opinions

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

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the District, as of June 30, 2022, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Emphasis of Matter

Adoption of New Accounting Principle

As discussed in Note 21 to the financial statements, during the fiscal year ended June 30, 2022, the District adopted new accounting guidance, Governmental Accounting Standards Board (GASB) Statement No. 87, Leases. My opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

My 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 my 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 and *Government Auditing Standards* and in accordance with accounting principles and practices 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, I:

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

I am 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 I 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, and the schedules related to accounting and reporting for pensions and other post-employment benefits, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. I 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 inquires of management about the methods of preparing the information and comparing the information for consistency with management's responses to my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District’s basic financial statements. The introductory section, combining statements and related major fund supporting statements and schedules, and statistical section are presented for purposes of additional analysis, as required by the Office of School Finance, Department of Education, State of New Jersey and are not a required part of the basic financial statements. The accompanying schedules of federal awards and state financial assistance, as required by Title 2 *U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost principles, and Audit Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*, and State of New Jersey Circular 15-08-OMB, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, are also presented for purposes of additional analysis and are not a required part of the basic financial statements.

The accompanying combining statements and related major fund supporting statements and schedules and schedules of expenditures of federal awards and state financial assistance are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such 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 my opinion, the accompanying combining statements and related major fund supporting statements and schedules and schedules of expenditures of federal awards and state financial assistance are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections listed in the table of contents have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, I do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, I have also issued my report dated January 30, 2023, on my consideration of the District’s internal control over financial reporting and my tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District’s internal control over financial reporting and compliance.

Respectfully submitted,

INVERSO & STEWART, LLC
Certified Public Accountants



Robert P. Inverso
Certified Public Accountant
Public School Accountant No. CS001095

Marlton, New Jersey
January 30, 2023

Required Supplementary Information - Part I
Management's Discussion and Analysis

**Burlington Township School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2022**

As management of the Board of Education of Burlington Township, New Jersey (School District), we offer readers of the School District's financial statements this narrative overview and analysis of the School District for the fiscal year ended June 30, 2022. We encourage readers to consider the information presented in conjunction with additional information that we have furnished in our letter of transmittal, which can be found in the introductory section of this report.

Financial Highlights

- The assets of the School District exceeded its liabilities at the close of the most recent fiscal year by \$54,834,106 (*net position*).
- Governmental activities have deficit unrestricted net position of \$6,462,396. The accounting treatments in the governmental funds for compensated absences payable, pension liability, and the June state aid payments, and the state statute that prohibits school districts from maintaining more than 4% of its adopted budget as unrestricted fund balance are primarily responsible for this balance.
- The total net position of the School District increased by \$6,501,183, or a 13.45% increase from the prior fiscal year-end balance. The majority of the increase is attributable to the increase in Governmental Activities.
- Fund balance of the School District's governmental funds increased by \$3,051,495 resulting in an ending fund balance of \$13,903,753. This increase is largely due to the results of operations in the General Fund.
- Business-type activities have unrestricted net position of \$400,887 which may be used to meet the School District's ongoing obligations of the food service operations and performing arts center.
- The School District's long-term obligations decreased by \$4,666,275 which is the result a decrease in serial bond debt, net pension liability and compensated absences.

Overview of the Basic Financial Statements

This discussion and analysis is intended to serve as an introduction to the School District's basic financial statements. Comparison to the prior year's activity is provided in this document. The basic financial statements are comprised of three components: 1) District-wide financial statements, 2) Fund financial statements, and 3) Notes to the basic financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

District-wide Financial Statements

The *district-wide financial statements* are designed to provide the reader with a broad overview of the financial activities in a manner similar to a private-sector business. The district-wide financial statements include the statement of net position and the statement of activities.

The *statement of net position* presents information about all of the School District's assets and liabilities. The difference between the assets and liabilities is reported as net position. Over time, changes in net position may serve as a useful indicator of whether the financial position of the School District is improving or deteriorating.

The *statement of activities* presents information showing how the net position of the School District changed during the current fiscal year. Changes in net position are recorded in the statement of activities when the underlying event occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement even though the resulting cash flows may be recorded in a future period.

Both of the district-wide financial statements distinguish functions of the School District that are supported from taxes and intergovernmental revenues (*governmental activities*) and other functions that are intended to recover all or most of their costs from user fees and charges (*business-type activities*). Governmental activities consolidate governmental funds including the General Fund, Special Revenue Fund, Capital Projects Fund, and Debt Service Fund. Business-type activities consolidate the Food Service Fund and the Performing Arts Center Fund.

Fund Financial Statements

Fund financial statements are designed to demonstrate compliance with finance-related requirements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific objectives. All of the funds of the School District are divided into three categories: *governmental funds*, *proprietary funds* and *fiduciary funds*.

Governmental funds account for essentially the same information reported in the governmental activities of the district-wide financial statements. However, unlike the district-wide financial statements, the governmental fund financial statements focus on near-term financial resources and fund balances. Such information may be useful in evaluating the financing requirements in the near term.

Since the governmental funds and the governmental activities report information using the same functions, it is useful to compare the information presented. Because the focus of each report differs, a reconciliation is provided on the fund financial statements to assist the reader in comparing the near-term requirements with the long-term needs.

The School District maintains four individual governmental funds. The major funds are the General Fund, the Special Revenue Fund, the Capital Projects Fund, and the Debt Service Fund. They are presented separately in the fund financial statements.

The School District adopts an annual appropriated budget for the General Fund, Special Revenue Fund and the Debt Service Fund. A budgetary comparison statement has been provided for each of these funds to demonstrate compliance with budgetary requirements.

Proprietary funds are used to present the same functions as the business-type activities presented in the district-wide financial statements. The School District maintains one type of proprietary fund - the Enterprise Fund. The fund financial statements of the enterprise fund provides the same information as the district-wide financial statements, only in more detail.

The School District's two enterprise funds (Food Service Fund and the Performing Arts Center Fund) are listed individually and are considered to be major funds.

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the district-wide financial statements because the resources of those funds are not available to support the School District's programs.

Notes to the Basic Financial Statements

The notes to the basic financial statements provide additional information that is essential to a full understanding of the data provided in the basic financial statements.

Other Information

In addition to the basic financial statements and accompanying notes, this report also contains other supplementary information and schedules required by the New Jersey Audit Program, issued by the New Jersey Department of Education.

District-wide Financial Analysis

The assets of the School District are classified as current assets and capital assets. Cash, investments, receivables, inventories and prepaid expenses are current assets. These assets are available to provide resources for the near-term operations of the School District. The majority of the current assets are the results of the tax levy and state aid collection process.

Capital assets are used in the operations of the School District. These assets are land, buildings, improvements, equipment and vehicles. Capital assets are discussed in greater detail in the section titled, Capital Assets and Debt Administration, elsewhere in this analysis.

Current and long-term liabilities are classified based on anticipated liquidation either in the near-term or in the future. Current liabilities include accounts payable, accrued salaries and benefits, unearned revenues, and current debt obligations. The liquidation of current liabilities is anticipated to be either from currently available resources, current assets or new resources that become available during fiscal year 2023. Long-term liabilities such as long-term debt obligations and compensated absences payable will be liquidated from resources that will become available after fiscal year 2023.

The assets of the primary government activities exceeded liabilities by \$51,762,358 with an unrestricted deficit balance of \$6,462,396. The net position of the primary government does not include internal balances.

A net investment of \$45,964,247 in land, improvements, buildings, equipment and vehicles which provide the services to the School District's 3,583 public school students, represents 83.83% of the School District's net position. Net position of \$7,390,386 has been restricted to provide resources for future capital expansion and renovation projects, \$3,419,237 for maintenance reserve, \$322 for repayment of debt, \$716,817 for unemployment compensation, and \$733,745 for student activities.

As mentioned earlier, deficit unrestricted net position is primarily due to the accounting treatment for compensated absences payable and the June state aid payments, and state statutes that prohibit school districts from maintaining more than 4% of its adopted budget as unrestricted fund balance.

**Burlington Township School District
Comparative Summary of Net Position
As of June 30, 2022 and 2021**

	Governmental Activities		Business-Type Activities		District-Wide	
	2022	2021	2022	2021	2022	2021
ASSETS						
Current assets	\$ 14,308,939	\$ 11,106,771	\$ 729,770	\$ 374,607	\$ 15,038,709	\$ 11,481,378
Capital assets	56,669,007	57,251,061	2,670,861	2,753,825	59,339,868	60,004,886
Total assets	70,977,946	68,357,832	3,400,631	3,128,432	74,378,577	71,486,264
Deferred Outflows of Resources	584,648	968,487			584,648	968,487
LIABILITIES						
Current liabilities	3,898,011	3,542,427	328,883	346,466	4,226,894	3,888,893
Noncurrent liabilities	13,104,909	17,654,587			13,104,909	17,654,587
Total Liabilities	17,002,920	21,197,014	328,883	346,466	17,331,803	21,543,480
Deferred Inflows of Resources	2,797,316	2,578,348			2,797,316	2,578,348
Net Position	\$ 51,762,358	\$ 45,550,957	\$ 3,071,748	\$ 2,781,966	\$ 54,834,106	\$ 48,332,923
Net Position Consists of:						
Net investment in						
Capital Assets	45,964,247	44,132,061	2,670,861	2,753,825	48,635,108	46,885,886
Restricted Assets	12,260,507	8,721,975			12,260,507	8,721,975
Unrestricted Assets	(6,462,396)	(7,303,079)	400,887	28,141	(6,061,509)	(7,274,938)
Net Position	\$ 51,762,358	\$ 45,550,957	\$ 3,071,748	\$ 2,781,966	\$ 54,834,106	\$ 48,332,923

Governmental Activities

Governmental activities increased the net position of the School District by \$6,211,401 during the current fiscal year. Key elements of the increased net position for governmental activities are as follows:

- Governmental funds had a net gain of \$3,051,495.
- Repayment of bond principal \$2,630,000.

Business-type Activities

Business-type activities increased the School District's net position by \$289,782. Key elements of the increase in net position for business-type activities are as follows:

- The Food Service Fund had a net gain of \$285,343 and the Performing Arts Center had a net gain of \$4,439.

**Burlington Township School District
Comparative Schedule of Changes in Net Position
As of and for the Fiscal Year Ended June 30, 2022 and 2021**

	Governmental Activities		Business-Type Activities		District-Wide	
	2022	2021	2022	2021	2022	2021
Revenues:						
Charges for services	\$ -	\$ 941,820	\$ 171,150	\$ 87,785	\$ 171,150	\$ 1,029,605
Operating Grants and contributions	31,098,477	34,480,036	1,935,371	351,866	33,033,848	34,831,902
Property taxes	46,229,820	45,383,392			46,229,820	45,383,392
State aid - unrestricted	25,398,536	23,266,614			25,398,536	23,266,614
Other revenues	1,023,420	661,074	265	21,183	1,023,685	682,257
Total Revenues	103,750,253	104,732,936	2,106,786	460,834	105,857,039	105,193,770
Expenses:						
Governmental Activities:						
Instruction	31,798,543	30,864,391			31,798,543	30,864,391
Tuition	3,271,473	3,175,440			3,271,473	3,175,440
Related Services	12,616,626	11,429,469			12,616,626	11,429,469
Administrative Services	3,386,604	3,310,821			3,386,604	3,310,821
Central services	1,904,318	2,006,904			1,904,318	2,006,904
Operations and Maintenance	6,145,043	6,709,138			6,145,043	6,709,138
Transportation	2,915,287	2,582,209			2,915,287	2,582,209
Employee benefits	34,902,066	39,029,963			34,902,066	39,029,963
Charter Schools	121,821	151,448			121,821	151,448
Interest on debt	380,430	419,553			380,430	419,553
Other	96,641	130,781			96,641	130,781
Business-Type Activities:						
Food Service			1,811,758	550,018	1,811,758	550,018
Performing Arts Center			5,246	14,878	5,246	14,878
Total Expenses	97,538,852	99,810,117	1,817,004	564,896	99,355,856	100,375,013
Increase (Decrease) in Net Position before transfers	6,211,401	4,922,819	289,782	(104,062)	6,501,183	4,818,757
Transfers						
Change in Net Position	6,211,401	4,922,819	289,782	(104,062)	6,501,183	4,818,757
Net Position, July 1	45,550,957	39,438,753	2,781,966	2,886,028	48,332,923	42,324,781
Prior Period Adjustment		1,189,385			-	1,189,385
	45,550,957	40,628,138	2,781,966	2,886,028	48,332,923	43,514,166
Net Position, June 30	\$ 51,762,358	\$ 45,550,957	\$ 3,071,748	\$ 2,781,966	\$ 54,834,106	\$ 48,332,923

Financial Analysis of the Governmental Funds

As noted earlier, the School District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds - The focus of the School District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the School District's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the School District's governmental funds reported a combined ending fund balance of \$13,903,753, an increase of \$3,051,495 in comparison with the prior year. The majority of the increase is attributable to the results of operations in the general fund.

The unreserved fund balance for the School District at the end of the fiscal year includes a combination of an unreserved fund balance for the General Fund of \$304,624, and a deficit fund balance of \$99,178 for the Special Revenue Fund. The remainder of the fund balance is reserved to indicate that it is not available for new spending because it has already been committed 1) as restricted cash reserved for future capital outlay expenditures of \$7,390,326, 2) \$3,419,237 for maintenance reserve, 3) \$716,817 for unemployment compensation, 4) \$60 for capital projects, 5) \$733,745 for student activities, 6) \$322 for debt service, 7) \$476,664 appropriated as a revenue source in the subsequent year's budgets, and 8) \$961,136 reserved for encumbrances.

General Fund Budgetary Highlights

At the end of the current fiscal year, unassigned fund balance (budgetary basis) of the general fund was \$2,431,520, while total fund balance (budgetary basis) was \$15,395,354. As a measure of the general fund's liquidity, it may be useful to compare both unreserved fund balance (budgetary basis) and total fund balance (budgetary basis) to total general fund expenditures. Actual (budgetary basis) expenditures of the General Fund including other financing uses amounted to \$81,422,912. Unassigned fund balance (budgetary basis) represents 2.99% of expenditures while total fund balance (budgetary basis) represents 18.91% of that same amount.

Capital Asset and Debt Administration

The School District's investment in capital assets for its governmental and business-type activities as of June 30, 2022, totaled \$59,128,177 (net of accumulated depreciation). This investment in capital assets includes land, improvements, buildings, equipment and vehicles. The total decrease in the District's investment in capital assets for the current fiscal year was \$876,709, or a 1.46% decrease. This decrease is due to capital asset purchases less annual depreciation expense.

Capital Asset/Leases (net of accumulated depreciation/amortization) June 30, 2022 and 2021

	Governmental Activities		Business-Type Activities		District-Wide	
	2022	2021	2022	2021	2022	2021
Land	\$ 1,621,644	\$ 1,621,644	\$ -	\$ -	\$ 1,621,644	\$ 1,621,644
Construction in Progress					-	-
Site Improvements	1,382,245	1,479,572			1,382,245	1,479,572
Building and Building Improvements	50,613,751	52,431,289	2,475,594	2,550,262	53,089,345	54,981,551
Equipment	2,839,676	1,718,556	195,267	203,563	3,034,943	1,922,119
Leases	211,691	319,833			211,691	319,833
Net Assets	<u>\$ 56,669,007</u>	<u>\$ 57,570,894</u>	<u>\$ 2,670,861</u>	<u>\$ 2,753,825</u>	<u>\$ 59,339,868</u>	<u>\$ 60,324,719</u>

Additional information on the School District's capital assets can be found in the notes to the basic financial statements (Note 5) of this report.

Long-term debt – During the fiscal year ended June 30, 2022, the School District had \$10,489,000 in serial bonds payable, and \$1,319,999 in compensated absences.

State statutes limit the amount of general obligation debt that the District may issue. At the end of the current fiscal year, the legal debt limit was \$107,029,994. The available amount as of June 30, 2022 is \$96,540,994.

Additional information on the School District's long-term obligations can be found in the notes to the basic financial statements (Note 7) of this report.

Economic Factors and Next Year's Budgets and Rates

The following factors were considered and incorporated into the preparation of the School District's budget for the 2022-23 fiscal year.

- For the 2022-23 fiscal year the School District will be receiving an increase in state aid. The local tax levy in the General Fund increased by \$516,287 or 1.18 % as salaries continue to increase contractually. The 2022-23 General Fund Budget is \$1,725,183 more than the previous year or a 2.45% increase.
- The tax rate decreased from \$1.936 in 2021 to \$1.909 in 2022, a 1.39% decrease.

For the Future

The Burlington Township School District is in good financial condition presently. However, a major concern is the continued enrollment growth of the District with an increased reliance on local property taxes as state aid has remained stagnant.

In conclusion, the Burlington Township School District has committed itself to financial excellence for many years. In addition, the School District's system for financial planning, budgeting and internal financial controls are well regarded. The School District plans to continue its sound fiscal management to meet the challenges of the future.

Requests for Information

This financial report is designed to provide a general overview of the School District's finances for all those with an interest in the School District. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Burlington Township School District Business Administrator, Box 428, Burlington, New Jersey, 08016.

Basic Financial Statements

District-Wide Financial Statements

BURLINGTON TOWNSHIP SCHOOL DISTRICT
Statement of Net Position
June 30, 2022

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
ASSETS:			
Cash and cash equivalents	\$ 857,080	\$ 450,528	\$ 1,307,608
Internal Balances	(67,626)	67,626	
Accounts Receivables, net	2,709,922	159,545	2,869,467
Inventory		52,071	52,071
Restricted assets:			
Cash and cash equivalents	10,809,563		10,809,563
Capital assets, net	56,457,316	2,670,861	59,128,177
Right-to-use lease assets, net	211,691		211,691
Total Assets	<u>70,977,946</u>	<u>3,400,631</u>	<u>74,378,577</u>
DEFERRED OUTFLOWS OF RESOURCES:			
Deferred outflows of resources from pensions	<u>584,648</u>		<u>584,648</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>71,562,594</u>	<u>3,400,631</u>	<u>74,963,225</u>
LIABILITIES:			
Accounts payable:			
Other	576,759		576,759
Related to pensions	429,063		429,063
Internal Balances	(301,970)	301,970	
Accrued Liabilities:			
Interest payable	157,703		157,703
Unearned revenue	130,397	26,913	157,310
Noncurrent liabilities:			
Due within one year	2,906,059		2,906,059
Due beyond one year	13,104,909		13,104,909
Total Liabilities	<u>17,002,920</u>	<u>328,883</u>	<u>17,331,803</u>
DEFERRED INFLOWS OF RESOURCES:			
Deferred inflows of resources from pensions	<u>2,797,316</u>	-	<u>2,797,316</u>
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	<u>19,800,236</u>	<u>328,883</u>	<u>20,129,119</u>
NET POSITION:			
Net investment in capital assets	45,964,247	2,670,861	48,635,108
Restricted for:			
Capital projects	7,390,386		7,390,386
Maintenance	3,419,237		3,419,237
Unemployment Compensation	716,817		716,817
Debt Service	322		322
Student Activities	733,745		733,745
Unrestricted (Deficit)	<u>(6,462,396)</u>	<u>400,887</u>	<u>(6,061,509)</u>
Total Net Position	<u>\$ 51,762,358</u>	<u>\$ 3,071,748</u>	<u>\$ 54,834,106</u>

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

BURLINGTON TOWNSHIP 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
Governmental Activities:							
Instruction:							
Regular	\$ 21,588,166	\$ -	\$ 1,506,478	\$ -	\$ (20,081,688)	\$ -	\$ (20,081,688)
Special Education	7,049,224		1,020,476		(6,028,748)		(6,028,748)
Other instruction	3,161,153				(3,161,153)		(3,161,153)
Support Services:							
Tuition	3,271,473				(3,271,473)		(3,271,473)
Student & instruction related services	12,616,626		1,921,607		(10,695,019)		(10,695,019)
General administrative services	800,111				(800,111)		(800,111)
School administrative services	2,586,493				(2,586,493)		(2,586,493)
Central administrative services	1,904,318				(1,904,318)		(1,904,318)
Plant operations and maintenance	6,145,043		127,510		(6,017,533)		(6,017,533)
Pupil transportation	2,915,287				(2,915,287)		(2,915,287)
Unallocated employee benefits	34,902,066		26,522,406		(8,379,660)		(8,379,660)
Transfer of funds to Charter Schools	121,821				(121,821)		(121,821)
Interest on long-term debt	380,430				(380,430)		(380,430)
Unallocated depreciation and amortization	96,641				(96,641)		(96,641)
Total Governmental Activities	<u>97,538,852</u>	<u>-</u>	<u>31,098,477</u>	<u>-</u>	<u>(66,440,375)</u>	<u>-</u>	<u>(66,440,375)</u>
Business-Type Activities:							
Performing Arts	5,246	9,670		-	-	4,424	4,424
Food service	1,811,758	161,480	1,935,371	-	-	285,093	285,093
Total Business-Type Activities	<u>1,817,004</u>	<u>171,150</u>	<u>1,935,371</u>	<u>-</u>	<u>-</u>	<u>289,517</u>	<u>289,517</u>
Total Primary Government	<u>\$ 99,355,856</u>	<u>\$ 171,150</u>	<u>\$ 33,033,848</u>	<u>\$ -</u>	<u>(66,440,375)</u>	<u>289,517</u>	<u>(66,150,858)</u>
General Revenues:							
Taxes:							
Property taxes, levied for general purposes					43,728,011		43,728,011
Taxes levied for debt service					2,501,809		2,501,809
Federal and State aid unrestricted					25,398,536		25,398,536
Investment and Interest earnings - restricted					1,300		1,300
Miscellaneous					1,022,120	265	1,022,385
Total general revenues, special items, extraordinary items and transfers					<u>72,651,776</u>	<u>265</u>	<u>72,652,041</u>
Change in Net Position					6,211,401	289,782	6,501,183
Net Position - July 1,					<u>45,550,957</u>	<u>2,781,966</u>	<u>48,332,923</u>
Net Position - June 30					<u>\$ 51,762,358</u>	<u>\$ 3,071,748</u>	<u>\$ 54,834,106</u>

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

Fund Financial Statements

BURLINGTON TOWNSHIP SCHOOL DISTRICT
Balance Sheet
Governmental Funds
June 30, 2022

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
ASSETS					
Cash and Cash Equivalents	\$ 10,859,516	\$ 733,745	\$ 727	\$ 1	\$ 11,593,989
Interfund Accounts Receivable					
General Fund					
Special Revenue Fund	616,556				616,556
Capital Projects Fund				667	667
Enterprise Fund	301,970				301,970
Internal Service Fund	72,654				72,654
Intergovernmental Accounts Receivables:					
State	1,821,408				1,821,408
Federal	33,926	649,652			683,578
Other	23,374				23,374
Other Accounts Receivable	181,562				181,562
Total Assets	13,910,966	1,383,397	727	668	15,295,758
LIABILITIES AND FUND BALANCES					
Liabilities:					
Interfund Accounts Payable					
General Fund		616,556			616,556
Debt Service Fund			667		667
Enterprise Fund	67,626				67,626
Accounts Payable:					
Payroll Deductions and Withholdings Payable	284,181				284,181
Unemployment Claims Payable	147,095				147,095
Other	143,606	1,877			145,483
Unearned Revenue		130,397			130,397
Total Liabilities	642,508	748,830	667		1,392,005
Fund Balances:					
Restricted:					
Capital Reserve	7,390,326				7,390,326
Maintenance Reserve	3,419,237				3,419,237
Unemployment Compensation	716,817				716,817
Capital Projects			60		60
Debt Service				322	322
Student Activities		733,745			733,745
Assigned to:					
Other Purposes	961,136				961,136
Designated for Subsequent Year's Expenditures	476,318			346	476,664
Unassigned	304,624	(99,178)			205,446
Total Fund Balances	13,268,458	634,567	60	668	13,903,753
Total Liabilities and Fund Balances	\$ 13,910,966	\$ 1,383,397	\$ 727	\$ 668	

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 \$105,688,147 and the accumulated depreciation is \$49,230,831. 56,457,316

Leased assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$319,833 and the accumulated amortization is \$108,142. 211,691

Accrued interest on debt is not due and payable in the current period and therefore is not reported as a liability in the funds. (157,703)

Accounts payable related to the April 1, 2023 required PERS contribution that is not to be liquidated with current financial resources. (429,063)

The District's proportionate share of net pension assets and liabilities as well as pension-related deferred outflows and deferred inflows of resources are recognized in the government-wide statements and include:

Deferred Outflows of resources from Pensions	\$ 584,648	
Net Pension Liability	(3,986,209)	
Deferred Inflows of resources from Pensions	(2,797,316)	(6,198,877)

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.

Compensated Absences	(1,319,999)	
Leases Payable	(215,760)	
General Obligation Bonds	(10,489,000)	(12,024,759)

Net position of governmental activities \$ 51,762,358

BURLINGTON TOWNSHIP SCHOOL DISTRICT
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
for the Fiscal Year Ended June 30, 2022

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
REVENUES:					
Local property tax levy	\$ 43,728,011	\$ -	\$ -	\$ 2,501,809	\$ 46,229,820
Tuition charges	329,349				329,349
Transportation fees	46,501				46,501
Interest earned on capital reserve					-
Interest earned on maintenance reserve					-
Other restricted miscellaneous revenue	1,300				1,300
Unrestricted miscellaneous revenues	645,948		322		646,270
State sources	40,002,244	982,879		503,442	41,488,565
Federal sources	98,820	2,793,346			2,892,166
Local sources		973,938			973,938
Total revenues	84,852,173	4,750,163	322	3,005,251	92,607,909
EXPENDITURES:					
Current expense:					
Regular instruction	18,538,048	1,506,478			20,044,526
Special education instruction	6,028,748	1,020,476			7,049,224
Other instruction	3,161,153				3,161,153
Support services and undistributed costs:					
Tuition	3,271,473				3,271,473
Student & instruction related services	10,695,019	1,921,607			12,616,626
General administrative services	789,297				789,297
School administrative services	2,196,607				2,196,607
Central services	937,284				937,284
Administrative Info Technology	961,627				961,627
Plant operations and maintenance	5,959,721				5,959,721
Pupil transportation	2,915,287				2,915,287
Unallocated employee benefits	24,616,353	174,092			24,790,445
Transfer of funds to Charter Schools	121,821				121,821
Capital outlay	1,230,474	456,469	43,950		1,730,893
Debt service:					
Principal				2,630,000	2,630,000
Interest and other charges				380,430	380,430
Total expenditures	81,422,912	5,079,122	43,950	3,010,430	89,556,414
Excess (deficiency) of revenues over (under) expenditures	3,429,261	(328,959)	(43,628)	(5,179)	3,051,495
Other Financing Sources (Uses):					
Transfers in		269,060		322	269,382
Transfers out	(269,060)		(322)		(269,382)
Total other financing sources (uses)	(269,060)	269,060	(322)	322	-
Net change in fund balance	3,160,201	(59,899)	(43,950)	(4,857)	3,051,495
Fund balances, July 1	10,108,257	694,466	44,010	5,525	10,852,258
Fund balances, June 30	\$ 13,268,458	\$ 634,567	\$ 60	\$ 668	\$ 13,903,753

BURLINGTON TOWNSHIP SCHOOL DISTRICT
Reconciliation of the Statement of Revenues, Expenditures
and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
for the Fiscal Year Ended June 30, 2022

Total net change in fund balances - governmental funds (from B-2)		\$ 3,051,495
Amounts reported for governmental activities in the statement of activities (A-2) are different because:		
<p>Capital outlays are reported in the governmental funds as expenditures. However, on the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current fiscal year.</p>		
Depreciation expense	\$ (2,599,240)	
Capital outlay	<u>1,805,495</u>	(793,745)
<p>Capital outlays related to leases are reported in the governmental funds as expenditures. However, on the statement of activities, the cost of those assets is allocated over their estimated useful lives as amortization expense. This is the amount by which capital outlays exceeded amortization in the current fiscal year.</p>		
Amortization expense	(108,142)	
Fixed Asset Additions	<u>182,186</u>	74,044
Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is reported in the statement of activities.		2,630,000
The proceeds of a lease is an other financing source of revenue in the governmental funds but is not reported in the statement of activities.		(182,186)
Repayment of leases is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is not reported in the statement of activities.		104,073
In the statement of activities, interest on long-term debt is accrued, regardless of when due. In the governmental funds, interest is reported when due. The accrued interest is an addition to the reconciliation.		33,321
Net differences between pension system contributions recognized in the fund statement of revenues, expenditures and changes in fund balances and the statement of activities.		1,030,723
In the statement of activities, certain operating expenses, e.g., compensated absences (vacations) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is a reduction in the reconciliation (-); when the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+).		<u>263,676</u>
Change in net position of governmental activities		<u>\$ 6,211,401</u>

BURLINGTON TOWNSHIP SCHOOL DISTRICT
Statement of Net Position
Proprietary Funds
June 30, 2022

	Business-type Activities Enterprise Funds			Governmental Activities - Internal Service
	<u>Food Service Program</u>	<u>Performing Arts Center</u>	<u>Total Enterprise</u>	<u>Technology Services</u>
ASSETS:				
Current assets:				
Cash and cash equivalents	\$ 445,723	\$ 4,805	\$ 450,528	\$ 72,654
Accounts receivable	150,490	9,055	159,545	-
Interfund receivable	64,496	3,130	67,626	-
Inventories	52,071	-	52,071	-
Total current assets	<u>712,780</u>	<u>16,990</u>	<u>729,770</u>	<u>72,654</u>
Noncurrent assets:				
Building and Building Improvements	2,875,568	-	2,875,568	-
Equipment	685,579	-	685,579	-
	3,561,147	-	3,561,147	-
Less accumulated depreciation	(890,286)	-	(890,286)	-
Total noncurrent assets	<u>2,670,861</u>	<u>-</u>	<u>2,670,861</u>	<u>-</u>
Total assets	<u>\$ 3,383,641</u>	<u>\$ 16,990</u>	<u>\$ 3,400,631</u>	<u>\$ 72,654</u>
LIABILITIES				
Current liabilities:				
Unearned Revenue	\$ 26,913	\$ -	\$ 26,913	\$ -
Interfund payable	301,970	-	301,970	72,654
Total liabilities	<u>328,883</u>	<u>-</u>	<u>328,883</u>	<u>72,654</u>
NET POSITION				
Net Investment in Capital Assets	2,670,861	-	2,670,861	-
Unrestricted	383,897	16,990	400,887	-
Total net position	<u>\$ 3,054,758</u>	<u>\$ 16,990</u>	<u>\$ 3,071,748</u>	<u>\$ -</u>

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

BURLINGTON TOWNSHIP SCHOOL DISTRICT
Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
for the Fiscal Year Ended June 30, 2022

	Business-type Activities			Governmental
	Enterprise Funds			Activities -
	<u>Food Service</u>	<u>Performing Arts</u>	<u>Total</u>	<u>Internal Service</u>
	<u>Program</u>	<u>Center</u>	<u>Enterprise</u>	<u>Technology</u>
				<u>Services</u>
Operating revenues:				
Charges for services:				
Daily sales-reimbursable programs	\$ -	\$ -	\$ -	\$ -
Daily sales-non-reimbursable programs	141,913	-	141,913	-
Special functions	19,352	-	19,352	-
Charges for technology services	-	-	-	804,555
Refund of prior year expense	215	9,670	9,885	-
Rentals	-	-	-	-
Total operating revenue	<u>161,480</u>	<u>9,670</u>	<u>171,150</u>	<u>804,555</u>
Operating expenses:				
Salaries and benefits	890,515	1,338	891,853	-
Supplies and materials	67,181	3,908	71,089	-
Depreciation	91,528	-	91,528	-
Management fee	28,734	-	28,734	-
Cost of sales - reimbursable programs	674,044	-	674,044	-
Cost of sales - nonreimbursable programs	51,071	-	51,071	-
Other costs	8,685	-	8,685	804,555
Total operating expenses	<u>1,811,758</u>	<u>5,246</u>	<u>1,817,004</u>	<u>804,555</u>
Operating income (loss)	<u>(1,650,278)</u>	<u>4,424</u>	<u>(1,645,854)</u>	<u>-</u>
Nonoperating revenues (expenses):				
State sources:				
State school lunch program	35,278	-	35,278	-
Federal sources:				
National school lunch program	1,561,552	-	1,561,552	-
National school breakfast program	256,593	-	256,593	-
U.S.D.A. commodities	81,948	-	81,948	-
Local sources:				
Interest revenue	250	15	265	-
Total nonoperating revenues (expenses)	<u>1,935,621</u>	<u>15</u>	<u>1,935,636</u>	<u>-</u>
Change in Net Position	285,343	4,439	289,782	
Total net position - July 1	<u>2,769,415</u>	<u>12,551</u>	<u>2,781,966</u>	<u>-</u>
Total net position - June 30	<u>\$ 3,054,758</u>	<u>\$ 16,990</u>	<u>\$ 3,071,748</u>	<u>\$ -</u>

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

BURLINGTON TOWNSHIP SCHOOL DISTRICT
Statement of Cash Flows
Proprietary Funds
for the Fiscal Year Ended June 30, 2022

	Business-type Activities			Governmental
	Enterprise Funds			Activities -
	Food Service Program	Performing Arts Center	Total Enterprise	Internal Service Technology Services
Cash flows from operating activities:				
Receipts from customers	\$ 457,553	\$ -	\$ 457,553	\$ 841,842
Payments to employees	(1,011,333)	(1,338)	(1,012,671)	
Payments to suppliers	(818,500)	(7,163)	(825,663)	(804,555)
Net cash used for operating activities	<u>(1,372,280)</u>	<u>(8,501)</u>	<u>(1,380,781)</u>	<u>37,287</u>
Cash flows from noncapital financing activities:				
State sources	35,173	-	35,173	-
Federal sources	1,721,077	-	1,721,077	-
Net cash provided by non-capital financing activities	<u>1,756,250</u>	<u>-</u>	<u>1,756,250</u>	<u>-</u>
Cash flows from capital activities:				
Purchases of fixed assets	(8,564)	-	(8,564)	-
	<u>(8,564)</u>	<u>-</u>	<u>(8,564)</u>	<u>-</u>
Cash flows from investing activities:				
Interest and dividends	250	15	265	-
Net cash provided by investing activities	<u>250</u>	<u>15</u>	<u>265</u>	<u>-</u>
Net increase in cash and cash equivalents	375,656	(8,486)	367,170	35,367
Balances - July 1	<u>70,067</u>	<u>13,291</u>	<u>83,358</u>	<u>37,287</u>
Balances - June 30	<u>\$ 445,723</u>	<u>\$ 4,805</u>	<u>\$ 450,528</u>	<u>\$ 72,654</u>
Reconciliation of operating loss to net cash provided (used) by operating activities:				
Operating income (loss)	\$ (1,650,278)	\$ 4,424	\$ (1,645,854)	\$ -
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:				
Depreciation	91,528	-	91,528	-
Federal commodities	81,948	-	81,948	-
(Increase) decrease in inventories	(10,723)	-	(10,723)	-
(Increase) decrease in accounts receivable	49,669	(7,680)	41,989	37,287
(Increase) decrease in interfund receivable	77,914	-	77,914	-
Increase (decrease) in unearned revenue	(12,338)	(5,245)	(17,583)	-
Total adjustments	<u>277,998</u>	<u>(12,925)</u>	<u>265,073</u>	<u>37,287</u>
Net cash provided by (used for) operating activities	<u>\$ (1,372,280)</u>	<u>\$ (8,501)</u>	<u>\$ (1,380,781)</u>	<u>\$ 37,287</u>

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

**Burlington Township School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2022**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Township of Burlington School District (School District) is a Type II district located in the County of Burlington, State of New Jersey. As a Type II district, it functions independently through a Board of Education. The Board is comprised of nine members elected to three-year terms. These terms are staggered so that three member's terms expire each year. The purpose of the School District is to provide educational services for resident students in grades K through 12. The Burlington Township School District has an approximate enrollment at June 30, 2022 of 3,583 students.

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

Component Units – GASB Statement No. 14, *The Financial Reporting Entity* and GASB Statement No. 39, *Determining Whether Certain Organizations are Component Unit*, provide guidance that all entities associated with a primary government are potential component units and should be evaluated for inclusion in the financial reporting entity. A primary government is financially accountable not only for the organizations that make up its legal entity, but also for legally separate organizations that meet the criteria established by GASB Statements No. 14 and No. 39. In addition, GASB Statement No. 61, provides additional guidance for organizations that do not meet the financial accountability criteria for inclusion as component units but that nevertheless should be included because the primary government's management determines that it would be misleading to exclude them. GASB Statement No. 80, *Blending Requirements for Certain Component Units* - an Amendment of GASB Statement No. 14 amends the blending requirements for the financial statement presentation of component units of all state and local governments. The additional criteria requires blending of a component unit incorporated as a not-for-profit corporation in which the primary government is the sole corporate member. There were no additional entities required to be included in the reporting entity under the criteria as described above. Furthermore, the School District is not includable in any other reporting entity on the basis of such criteria.

Basis of Presentation

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

The School District's basic financial statements consists of government-wide statements, including a statement of net position and a statement of activities, and fund financial statements, which provide a more detailed level of financial information.

Government-wide Statements - The statement of net position and the statement of activities display information about the School District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The statements distinguish between those activities of the School District that are governmental and those that are considered business-type activities. The statement of net position presents the financial condition of the governmental and business-type activities of the School District at fiscal year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the School District's governmental activities and for the business-type activities of the School District. Direct expenses are those that are specifically associated with a service, program or department and, therefore, clearly identifiable to a particular function. The policy of the School District is to not allocate indirect expenses to functions in the statement of activities. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program and interest earned on grants that is required to be used to support a particular program. Revenues, which are not classified as program revenues, are presented as general revenues of the School District, with certain limited exceptions.

**Burlington Township School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2022**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Government-wide Statements (Continued) - The comparison of direct expenses with program revenues identifies the extent to which each business segment or governmental function is self-financing or draws from the general revenues of the School District.

Fund Financial Statements - During the fiscal year, the School District segregates transactions related to certain School District functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the School District at this more detailed level. The focus of governmental and enterprise fund financial statements is on major funds. Each major fund is presented in a single column. The fiduciary fund is reported by type. The School District uses funds to maintain its financial records during the fiscal year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. There are three categories of funds: governmental, proprietary, and fiduciary.

Governmental Funds - Governmental funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The following are the School District's major governmental funds:

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

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

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

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

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

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

Proprietary Funds - Proprietary funds are used to account for the School District's ongoing activities, which are similar to those in the private sector.

Enterprise Funds - The enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent of the School District is that all costs (expenses, including depreciation) of providing goods or services to the students on a continuing basis be financed or recovered primarily through user charges; or, where the School District has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

**Burlington Township School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2022**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Proprietary Funds (Continued)

The School District's enterprise funds are:

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

Performing Arts Center Fund – This fund accounts for the financial transactions related to the performing arts center operations of the School District.

All proprietary funds are accounted for on a cost of services or “capital maintenance” measurement focus. This means that all assets and all liabilities, whether current or noncurrent, associated with their activity are included on their balance sheets. Their reported fund equity (net position) is segregated into investment in capital assets, net of related debt, and unrestricted net position, if applicable. Proprietary fund type operating statements present increases (revenues) and decreases (expenses) in net total assets.

Depreciation of all exhaustive fixed assets used by proprietary funds is charged as an expense against their operations. Accumulated depreciation is reported on proprietary fund balance sheets. Depreciation has been provided over the estimated useful lives using the straight-line method. The estimated useful lives are as follows:

Equipment	12 Years
Light Trucks and Vehicles	4 Years
Heavy Trucks and Vehicles	6 Years

Internal Service Fund – The internal service fund has been established to account for the financing of technology services provided by the Burlington Township School District for use by other school districts, as well as for the Burlington Township School District itself. Services are provided on a cost-reimbursement basis.

Measurement Focus

Government-wide Financial Statements - The government-wide financial statements are prepared using the economic resources measurement focus. All assets and all liabilities associated with the operation of the School District are included on the statement of net position.

Fund Financial Statements – All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports on the sources (i.e. revenues and other financing sources) and uses (i.e. expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements, therefore, include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

**Burlington Township School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2022**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus (Continued)

Fund Financial Statements (Continued) - Like the government-wide statements, all proprietary fund types are accounted for on a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of these funds are included on the statement of net position. The statement of changes in fund net position presents increases (i.e. revenues) and decreases (i.e. expenses) in net total assets. The statement of cash flows provides information about how the School District finances and meets the cash flow needs of its proprietary activities. Fiduciary funds are reported using the economic resources measurement focus.

Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Proprietary and fiduciary funds also use the accrual basis of accounting. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue, and in the presentation of expenses versus expenditures.

Revenues - Exchange and Non-exchange Transactions - Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. "Measurable" means the amount of the transaction can be determined and "available" means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the School District, available means expected to be received within sixty days after fiscal year end.

Non-exchange transactions, in which the School District receives value without directly giving equal value in return, include Ad Valorem (property) taxes, grants, entitlements, and donations. Ad Valorem (Property) Taxes are susceptible to accrual, as under New Jersey State Statute, a municipality is required to remit to its school district the entire balance of taxes in the amount voted upon or certified, prior to the end of the school year. The School District records the entire approved tax levy as revenue (accrued) at the start of the fiscal year since the revenue is both measurable and available. The School District is entitled to receive monies under the established payment schedule and the unpaid amount is considered to be an "accounts receivable". With the exception of restricted formula aids recorded in the special revenue fund, revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the fiscal year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the School District must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the School District on a reimbursement basis.

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

Expenses/Expenditures - On the accrual basis of accounting, expenses are recognized at the time they are incurred. The fair value of donated commodities used during the fiscal year is reported in the operating statement as an expense. Unused donated commodities are reported as deferred revenue. The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in governmental funds.

**Burlington Township School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2022**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Budgets/Budgetary Control - Annual appropriated budgets are prepared in the spring of each fiscal year for the general, special revenue, and debt service funds. The budgets are submitted to the county office for their approval. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line-item accounts within each fund. Line-item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:23A-16.2(f)1. Transfers of appropriations may be made by School Board resolution at any time during the fiscal year in accordance with N.J.A.C. 6A:23A-13.3.

Formal budgetary integration into the accounting system is employed as a management control device during the fiscal 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 the one or more June state aid payments for budgetary purposes only and the special revenue fund. Encumbrance accounting is also employed as an extension of formal budgetary integration in the governmental fund types. Unencumbered appropriations lapse at fiscal year-end.

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

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

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

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

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

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

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

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

**Burlington Township School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2022**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

Tuition Payable - Tuition charges for the fiscal years ended June 30, 2022 and 2021 were based on rates established by the receiving school district. These rates are subject to change when the actual costs have been determined.

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

The cost of inventories in governmental fund types is recorded as expenditures when purchased rather than when consumed and is not recorded since any amounts are considered immaterial to the basic financial statements.

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

Prepaid Expenses - Prepaid expenses recorded on the government-wide financial statements and in the proprietary fund types represent payments made to vendors for services that will benefit periods beyond June 30, 2022.

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

Deferred Expenditures - Deferred expenditures are disbursements that are made in one period but are more accurately reflected as an expenditure/expense in the next fiscal period. Unlike prepaid expenses, deferred expenditures are not regularly recurring cost of operations.

Short-Term Interfund Receivables / Payables - Short-term interfund receivables / payables represent amounts that are owed, other than charges for goods or services rendered to / from a particular fund in the School District and that are due within one year. These amounts are eliminated in the governmental and business-type columns of the statement of net position, except for the net residual amounts due between governmental and business-type activities, which are presented as internal balances.

Capital Assets - General capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net position but are not reported in the fund financial statements. Capital assets utilized by the proprietary funds are reported both in the business-type activities column of the government-wide statement of net position and the proprietary fund statement of net position.

**Burlington Township School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2022**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Capital Assets (Continued) - All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the fiscal year. Donated fixed assets are recorded at their fair market value as of the date received. The School District maintains a capitalization threshold of \$2,000. The School District does not possess any infrastructure. Improvements are capitalized; the cost of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not. All reported capital assets except land and construction in progress are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets.

Depreciation is computed using the straight-line method over the following useful lives:

<u>Description</u>	<u>Governmental Activities Estimated Lives</u>	<u>Business-Type Activities Estimated Lives</u>
Land and Improvements	10-20 years	N/A
Buildings and Improvements	10-50 years	N/A
Furniture and Equipment	5-20 years	12 years
Vehicles	5-10 years	4-6 years

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

Bond Discount and Bond Premium – Bond discount and bond premium arising from the issuance of the general obligation bonds are recorded as liabilities. They are amortized in a systematic and rational manner over the duration of the related debt as a component of interest expense. Bond discount and bond premium are presented as an adjustment of the face amount of the bonds.

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

The entire compensated absence liability is reported on the government-wide financial statements.

For governmental funds, the current portion of unpaid compensated absences is the amount that is normally expected to be paid with expendable available financial resources. In proprietary funds, the entire amount of compensated absences is recorded as a fund liability.

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

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

**Burlington Township School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2022**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

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

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

It is the School District’s policy to apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

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

Nonspendable – The nonspendable fund balance classification includes amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact. The “not in spendable form” criteria includes items that are not expected to be converted to cash, such as inventories and prepaid amounts. The School District had no nonspendable fund balance at June 30, 2022.

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

Committed – This fund balance classification includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the School District’s highest level of decision making authority, which for the School District is the Board of Education. Once committed, amounts cannot be used for any other purpose unless the Board of Education removes, or changes, the specified use by taking the same type of action imposing the commitment.

Assigned – This fund balance classification includes amounts that are constrained by the School District’s *intent* to be used for specific purposes but are neither restricted nor committed. *Intent* is expressed by either the Board of Education or by the Business Administrator, to which the Board of Education has delegated the authority to assign amounts to be used for specific purposes.

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

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

**Burlington Township School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2022**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Operating and Non-Operating Revenues and Expenses - Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the School District, these revenues are sales for the food service program and rental fees for the performing arts center. Non-operating revenues principally consist of interest income earned on various interest-bearing accounts and federal and state subsidy reimbursements for the food service program.

Operating expenses are necessary costs incurred to provide the goods or services that are the primary activity of the fund. There are no non-operating expenses.

Interfunds – Interfund receivables and payables that arise from transactions between funds are recorded by all funds affected by such transactions in the period in which the transaction is executed.

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

Recently Issued Accounting Pronouncements – In May 2020, the GASB issued Statement No. 96, *Subscription-Based Information Technology Arrangements*. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset-and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosure regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, *Leases*, as amended. The requirements of this Statement are effective for reporting periods beginning after June 15, 2022. Management is currently evaluating the impact of the adoption of this Statement on the District’s financial statements.

In June 2022 the GASB issued Statement 100, *Accounting Changes and Error Corrections- An Amendment of GASB Statement No. 62* 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. The requirements of this Statement are effective for reporting periods beginning after June 15, 2023.

In June 2022 the GASB issued Statement 101, *Compensated Absences*. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The requirements of this Statement are effective for reporting periods beginning after December 15, 2023.

2. CASH AND CASH EQUIVALENTS

Custodial Credit Risk Related to Deposits – Custodial credit risk refers to the risk that, in the event of a bank failure, the School District’s deposits might not be recovered. Although the School District does not have a formal policy regarding custodial credit risk, N.J.S.A. 17:9-41 et seq. requires that governmental units shall deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Unit (GUDPA). Under the Act, the first \$250,000 of governmental deposits in each insured depository is protected by the Federal Deposit Insurance Corporation (FDIC). Public funds owned by the School district in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds such as salary withholdings of funds that pass to the School District relative to the happening of a future condition. Such funds are classified as uninsured and uncollateralized. Of the School District’s amount on deposit of \$16,581,748 as of June 30, 2022, \$250,000 was insured under FDIC and the remaining balance of \$16,222,548 was collateralized under GUDPA.

During the fiscal year, the School district participated in the New Jersey Cash Management Fund. This Fund is governed by regulations of the State Investment Council, who prescribe standards designed to insure the quality of investments in order to minimize risk to the Funds participants. Deposits with the New Jersey Cash Management Fund are not subject to custodial risk. Accordingly, the School District’s deposits with the New Jersey Cash Management Fund of \$109,200 were uninsured and uncollateralized

**Burlington Township School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2022**

3. CAPITAL RESERVE ACCOUNT

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

Funds placed in the capital reserve account are restricted to capital projects in the School District’s approved Long-Range Facilities Plan (LRFP). Upon submission of the LRFP to the New Jersey Department of Education, a school district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes or by transfer by board resolution at fiscal year-end (June 1 to June 30) of any unanticipated revenue or unexpended line-item appropriation amounts, or both. A school district may also appropriate additional amounts when the express approval of the voters has been obtained 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 account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

The activity of the capital reserve for the July 1, 2021 to June 30, 2022 fiscal year is as follows:

Balance – July 1, 2021		\$ 4,989,712
Increased by:		
Budget Resolution	\$ 2,405,000	
Interest Earned	<u>6,260</u>	<u>2,411,260</u>
		7,400,972
Decreased by:		
Transfer to General Fund Budget		<u>10,646</u>
		7,390,326
Balance – June 30, 2022		<u>\$ 7,390,326</u>

The June 30, 2022 capital reserve balance does not exceed the LRFP balance of local support costs of uncompleted capital projects.

4. ACCOUNTS RECEIVABLE

Accounts receivable at June 30, 2022 consisted of accounts (fees) and intergovernmental grants. All intergovernmental receivables are considered collectible in full due to the stable condition of State programs and the current fiscal year guarantee of federal funds.

Accounts receivable at June 30, 2022 for the School District’s individual major and fiduciary funds, in the aggregate, are as follows:

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Proprietary Funds</u>	<u>Total</u>
State Aid	\$ 1,821,408	\$ -	\$ -	\$ 2,366	\$ 1,823,774
Federal Aid	33,926	649,652	-	126,303	809,881
Other	<u>204,936</u>	<u>-</u>	<u>-</u>	<u>30,876</u>	<u>235,812</u>
	<u>\$ 2,060,270</u>	<u>\$ 649,652</u>	<u>\$ -</u>	<u>\$ 159,545</u>	<u>\$ 2,869,467</u>

**Burlington Township School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2022**

5. CAPITAL ASSETS

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

	<u>Balance June 30, 2021</u>	<u>Additions</u>	<u>Adjustments/ Deletions</u>	<u>Balance June 30, 2022</u>
Governmental Activities:				
<i>Capital Assets, not being depreciated</i>				
Land	\$ 1,621,644	\$ -	\$ -	\$ 1,621,644
Total Capital Assets not being Depreciation	1,621,644			1,621,644
<i>Capital Assets, being depreciated</i>				
Building and Improvements	93,155,957	183,805		93,339,762
Equipment	9,105,051	1,621,690		10,726,741
Total Historical Cost	102,261,008	1,805,495	-	104,066,503
<i>Less Accumulated Depreciation:</i>				
Building and Improvements	(39,245,096)	(2,098,670)		(41,343,766)
Equipment	(7,386,495)	(500,570)		(7,887,065)
Total Accumulated Depreciation	(46,631,591)	(2,599,240)	-	(49,230,831)
Total Capital Assets, being depreciated, net	55,629,417	(793,745)	-	54,835,672
Governmental Activities Capital Assets, Net	<u>\$ 57,251,061</u>	<u>\$ (793,745)</u>	<u>\$ -</u>	<u>\$ 56,457,316</u>
Business-Type Activities:				
Building and Improvements	\$ 2,875,568	\$ -	\$ -	\$ 2,875,568
Equipment	677,015	8,564		685,579
Total Historical Cost	3,552,583	8,564	-	3,561,147
<i>Less Accumulated Depreciation:</i>				
Building and Improvements	(325,306)	(74,668)		(399,974)
Equipment	(473,452)	(16,860)		(490,312)
Total Accumulated Depreciation	(798,758)	(91,528)	-	(890,286)
Business-Type Activities Capital Assets, Net	<u>\$ 2,753,825</u>	<u>\$ (82,964)</u>	<u>\$ -</u>	<u>\$ 2,670,861</u>

Depreciation expense in the amount of \$2,599,240 was charged to governmental functions as follows:

<u>Function</u>	<u>Amount</u>
Regular Instruction	\$ 1,819,468
Administration	389,886
Plant Operations and Maintenance	259,924
Unallocated	129,962
Total depreciation expense	<u>\$ 2,599,240</u>

**Burlington Township School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2022**

6. LEASE ASSETS

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

	(Restated) Balance June 30, 2021	Additions	Deletions	Balance June 30, 2022
Governmental Activities:				
Lease Assets, being Amortized:				
Machinery and Equipment	\$ 137,647	\$ 182,186	\$ -	\$ 319,833
Total Lease Assets Being Amortized	<u>137,647</u>	<u>182,186</u>	<u>-</u>	<u>319,833</u>
Governmental Activities Lease Assets	<u>137,647</u>	<u>182,186</u>	<u>-</u>	<u>319,833</u>
Less Accumulated Amortization for:				
Machinery and Equipment		(108,142)	-	(108,142)
Total Accumulated Amortization	<u>-</u>	<u>(108,142)</u>	<u>-</u>	<u>(108,142)</u>
Governmental Activities Lease Assets, Net	<u>\$ 137,647</u>	<u>\$ 74,044</u>	<u>\$ -</u>	<u>\$ 211,691</u>

Amortization expense in the amount of \$108,142 was charged to governmental functions as follows:

Function	Amount
Regular Instruction	\$ 91,921
Administration	10,814
Central Services	<u>5,407</u>
	<u>\$ 108,142</u>

7. INVENTORY

Inventory in the Food Service Fund at June 30, 2022 consisted of the following:

Food	\$ 37,799
Supplies	<u>14,272</u>
	<u>\$ 52,071</u>

**Burlington Township School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2022**

8. LONG-TERM OBLIGATIONS

During the fiscal year ended June 30, 2022, the following changes occurred in long-term obligations:

	(Restated) Balance <u>June 30,</u> <u>2021</u>	<u>Increases</u>	<u>Decreases</u>	Balance <u>June 30,</u> <u>2022</u>	Due Within <u>One Year</u>
Bonds Payable	\$ 13,119,000	\$ -	\$ 2,630,000	\$ 10,489,000	\$ 2,665,000
Compensated Absences Payable	1,583,675	-	263,676	1,319,999	132,056
Leases Payable	137,647	182,186	104,073	215,760	109,003
Net Pension Liability	5,654,735	-	1,668,526	3,986,209	
Total Long-Term Obligations	<u>\$ 20,495,057</u>	<u>\$ 182,186</u>	<u>\$ 4,666,275</u>	<u>\$ 16,010,968</u>	<u>\$ 2,906,059</u>

Bonds Payable:

Bonds and loans are authorized in accordance with State law by the voters of the District through referendums. All bonds are retired in serial installments within the statutory period of usefulness. Outstanding bonds issued by the District are as follows:

Refunding Bonds - Authorized and issued, \$4,575,000, dated April 1, 2012, for refunding a portion of the 2004 bonds issued for the acquisition of land, construction of a new elementary school, expansion of Fountain Woods Elementary School and High School. The final maturity is due July 15, 2024 with interest rates varying from 4.00% to 4.50%

School Bonds - Authorized and issued, \$5,914,000, dated July 15, 2016, for various improvements and renovations, to acquire necessary furnishings and equipment, and site work of the district. The final maturity is due July 15, 2026 with interest rates varying from 1.50% to 2.00%.

Debt Service Requirements

Principal and interest due on bonds outstanding are as follows:

<u>Year ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 2,665,000	\$ 296,630	\$ 2,961,630
2024	2,695,000	199,130	2,894,130
2025	2,730,000	98,530	2,828,530
2026	1,200,000	35,980	1,235,980
2027	<u>1,199,000</u>	<u>11,990</u>	<u>1,210,990</u>
	<u>\$ 10,489,000</u>	<u>\$ 642,260</u>	<u>\$ 11,131,260</u>

As of June 30, 2022 the District had no authorized but not issued bonds.

Compensated Absences:

Compensated absences will be paid from the fund from which the employees' salaries are paid.

**Burlington Township School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2022**

8. LONG-TERM OBLIGATIONS (Continued)

Leases Payable:

The School District has entered into agreements to lease certain equipment. The lease agreements qualify as other than short-term leases under GASB 87 and, therefore, have been recorded at the present value of the future minimum lease payments as of the date of their inception.

On July 1, 2019, the School District entered a 48-month lease as lessee for the use of copiers. As of July 1, 2021, an initial lease liability was recorded in the amount of \$110,876. The School District is required to make monthly payments of \$4,799. The lease has an interest rate of 4.00%. The value of the right to use asset as of June 30, 2022, was \$55,438 with accumulated amortization of \$55,438.

On June 1, 2020, the School District entered a 48-month lease as lessee for the use of copiers. As of July 1, 2021, an initial lease liability was recorded in the amount of \$22,034. The School District is required to make monthly payments of \$666. The lease has an interest rate of 4.00%. The value of the right to use asset as of June 30, 2022, was \$14,480 with accumulated amortization of \$7,554.

On March 1, 2021, the School District entered a 48-month lease as lessee for the use of copiers. As of July 1, 2021, an initial lease liability was recorded in the amount of \$4,737. The School District is required to make monthly payments of \$116. The lease has an interest rate of 4.00%. The value of the right to use asset as of June 30, 2022, was \$3,445 with accumulated amortization of \$1,292.

On July 1, 2021, the School District entered a 48-month lease as lessee for the use of copiers. An initial lease liability was recorded in the amount of \$166,427. The School District is required to make monthly payments of \$3,745. The lease has an interest rate of 4.00%. The value of the right to use asset as of June 30, 2022, was \$124,821 with accumulated amortization of \$41,606.

On October 1, 2021, the School District entered a 63-month lease as lessee for the use of a postage meter. An initial lease liability was recorded in the amount of \$15,759. The School District is required to make monthly payments of \$270. The lease has an interest rate of 3.00%. The value of the right to use asset as of June 30, 2022, was \$13,508 with accumulated amortization of \$2,251.

As of June 30, 2022, the District had leases outstanding as follows:

<u>Purpose</u>	<u>Commencement Date</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Total Value</u>
Copiers	July 1, 2019	June 1, 2023	4.00%	\$ 56,544
Copiers	June 1, 2020	May 1, 2024	4.00%	14,767
Copiers	March 1, 2021	February 1, 2025	4.00%	3,513
Copiers	July 1, 2021	June 1, 2025	4.00%	127,279
Postage Meter	October 1, 2021	December 1, 2026	3.00%	13,657
Total				<u>\$ 215,760</u>

The future annual lease obligations as of June 30, 2022, are as follows:

<u>Year ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 109,003	\$ 6,142	\$ 115,145
2024	53,898	2,996	56,894
2025	48,101	1,007	49,108
2026	3,148	92	3,240
2027	1,610	10	1,620
Total	<u>\$ 215,760</u>	<u>\$ 10,247</u>	<u>\$ 226,007</u>

**Burlington Township School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2022**

9. PENSION PLANS

Description of Plans – Substantially all of the School District's employees participate in one of the following pension plans which have been established by State statute and are administered by the New Jersey Division of Pensions and Benefits (Division): the Teachers' Pension and Annuity Fund (TPAF) and the Public Employees' Retirement System (PERS). In addition, several School District employees participate in the Defined Contribution Retirement Program (DCRP), which is a defined contribution pension plan. This plan is administered by Prudential Financial for the Division. Each plan has a Board of Trustees that is primarily responsible for its administration. The Division issues a publicly available financial report that includes financial statements and required supplementary information. For additional information about TPAF, please refer to the Division's annual financial statements which can be found at <https://www.state.nj.us/treasury/pensions/annual-reports.shtml>.

Teachers' Pension and Annuity Fund (TPAF)

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

Vesting and Benefit Provisions – 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 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.

The following represents the membership tiers for TPAF:

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

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

Contributions - The contribution requirements of plan members are determined by N.J.S.A. 18A:66 and requires contributions by active members and contributing employers. Pursuant to the provisions of Chapter 78, P.L. 2011, the member contribution rate was 7.50% in State fiscal year 2022. 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. Funding for noncontributory group insurance benefits is based on actual claims paid.

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

**Burlington Township School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2022**

9. PENSION PLANS (Continued)

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

The School District was not required to make any contributions to the pension plan during the fiscal year ended June 30, 2022 because of the 100.00% special funding situation with the State of New Jersey.

Based on the most recent TPAF measurement date of June 30, 2021, the State's contractually required contribution, on-behalf of the School District, to the pension plan for the fiscal year ended June 30, 2022 was \$7,504,910 and was paid by April 1, 2022. School District employee contributions to the pension plan during the fiscal year ended June 30, 2022 were \$2,227,566.

Pension Liabilities, Pension Expense, and Deferred Outflow of Resources and Deferred Inflows of Resources Related to Pensions - For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Teachers' Pension and Annuity Fund (TPAF) and additions to/deductions from the TPAF's fiduciary net position have been determined on the same basis as they are reported by the TPAF. 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.

At June 30, 2022, the School District was not required to report a liability for its proportionate share of the net pension liability because of a 100% special funding situation by the State of New Jersey.

For the year ended June 30, 2022, the School District recognized pension expense of \$2,897,029 and revenue of \$2,897,029 for support provided by the State. Although the School District does not report net pension liability or deferred outflows or inflows related to the TPAF, the following schedule illustrates the collective net pension liability and deferred items and the State's portion of the net pension liability associated with the School District.

The collective amounts are the total of all New Jersey local governments participating in the TPAF plan.

	<u>06/30/21</u>	<u>06/30/20</u>
Collective deferred outflows of resources	\$ 6,230,825,389	\$ 9,458,881,999
Collective deferred inflows of resources	27,221,092,460	14,424,322,612
Collective net pension liability (Non-Employer – State of New Jersey)	48,165,991,182	65,993,498,688
State's portion of the net pension liability that was associated with the School District	123,118,363	164,983,169
State's portion of the net pension liability that was associated with the School District as a percentage of the collective net pension liability	.2560954330%	.2505484947%

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

This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

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

**Burlington Township School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2022**

9. PENSION PLANS (Continued)

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

Pre-retirement mortality rates were based on the Pub-2010 Teachers Above-Median Income Employee mortality tables 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-2020.

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.

Long-Term Expected Rate of Return - In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2021) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Best estimates of arithmetic real rates of return for each major asset class included in 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>
US Equity	27.00%	8.09%
Non-U.S. Developed Markets Equity	13.50%	8.71%
Emerging Markets Equity	5.50%	10.96%
Private Equity	13.00%	11.30%
Real Estate	8.00%	9.15%
Real Assets	3.00%	7.40%
High Yield	2.00%	3.75%
Private Credit	8.00%	7.60%
Investment Grade Credit	8.00%	1.68%
Cash Equivalents	4.00%	0.50%
U.S. Treasuries	5.00%	.95%
Risk Mitigation Strategies	3.00%	3.35%
	<u>100.00%</u>	

Discount rate. The discount rate used to measure the State's total pension liability was 7.000% 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 (State of New Jersey) 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 projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied rate was applied to projected benefit payments after that date in determining the total pension liability.

Sensitivity of the School District's proportionate share of the net pension liability to changes in the discount rate. As previously mentioned, TPAF has a special funding situation where the State pays 100% of the School District's annual required contribution. As such, the proportionate share of the net pension liability as of June 30, 2021, the pension plans measurement date, attributable to the School District is \$0.00, and the State of New Jersey's proportionate share of the net pension liability, attributable to the School District, using a discount rate of 7.00%, as well as what the School District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.00%) or 1 percentage point higher (8.00%) that the current rate:

**Burlington Township School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2022**

9. PENSION PLANS (Continued)

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

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
District's proportionate share of the net pension liability	\$ -	\$ -	\$ -
State's proportionate share of the net pension liability associated with the School District	<u>145,669,589</u>	<u>123,118,363</u>	<u>104,176,750</u>
	<u>\$ 145,669,589</u>	<u>\$ 123,118,363</u>	<u>\$ 104,176,750</u>

Detailed information about the pension plan's sensitivity of the collective net pension liability to changes in the discount rate is available in the separately issued State of New Jersey Division of Pensions and Benefits financial report.

Public Employees' Retirement System (PERS)

Plan Description - The Public Employees' Retirement System is a cost-sharing multiple-employer defined benefit pension plan which was established on January 1, 1955. The PERS provides retirement, death and disability, and medical benefits to certain qualified members. Vesting Membership in the PERS is mandatory for substantially all full-time employees of the Authority, provided the employee is not required to be a member of another state-administered retirement system or other state pension fund or local jurisdiction's pension fund. The PERS's Board of Trustees is primarily responsible for the administration of the PERS. For additional information about PERS, please refer to Division's annual financial statements, which can be found at <http://www.state.nj.us/treasury/pensions/annual-reports.shtml>.

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

**Burlington Township School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2022**

9. PENSION PLANS (Continued)

Public Employees' Retirement System (PERS) (Continued)

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

Based on the most recent PERS measurement date of June 30, 2021, the School Districts contractually required contribution to the pension plan for the fiscal year ended June 30, 2022 was \$394,067 and was paid by April 1, 2022. School District employee contributions to the pension plan during the fiscal year ended June 30, 2022 were \$201,901.

The School District is billed annually for its normal contribution plus any accrued liability. The School District's contributions, equal to the required contribution for each fiscal year, were as follows:

<u>Fiscal Year</u>	<u>Normal Contributions</u>	<u>Accrued Liability</u>	<u>Non Contributory Life</u>	<u>Long-Term Disability</u>	<u>Total Liability Paid by District</u>
2022	\$ 47,715	\$ 328,188	\$ 18,164	\$ -	\$ 394,067
2021	43,307	317,695	18,335	-	379,337
2020	30,743	284,490	16,986	1,196	333,415

Pension Liabilities, Pension Expense, and Deferred Outflow of Resources and Deferred Inflows of Resources Related to Pensions – For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the PERS and additions to/deductions from PERS fiduciary net position have been determined on the same basis as they are reported by PERS. 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.

At June 30, 2022, the School District reported a liability of \$3,986,209 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2020. The School District's proportion of the of the net pension liability was based on a projection of the School District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined.

**Burlington Township School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2022**

9. PENSION PLANS (Continued)

Public Employees' Retirement System (PERS) (Continued)

For the year ended June 30, 2022, the School District recognized pension expense of (\$636,632). At June 30, 2022, the School District reported a liability of \$3,986,209 for its proportionate share of the PERS net pension liability and deferred outflows of resources related to PERS from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 62,868	\$ 28,537
Changes of assumptions	20,760	1,419,116
Net Difference between projected and actual earnings on pension plan investments		1,050,072
Changes in proportion	71,957	299,591
District contributions subsequent to the measurement date	429,063	
Total	\$ 584,648	\$ 2,797,316

\$429,063 reported as deferred outflows of resources related to pensions resulting from school district contributions subsequent to the measurement date (i.e. for the school year ending June 30, 2022, the plan measurement date is June 30, 2021) will be recognized as a reduction of the net liability in the year ended June 30, 2022.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

For the year ended:	Net Deferred Outflows (Inflows) of Resources
2023	\$ (960,685)
2024	(808,682)
2025	(483,413)
2026	(386,219)
2027	(2,732)
Total	\$ (2,641,731)

**Burlington Township School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2022**

9. PENSION PLANS (Continued)

Public Employees' Retirement System (PERS) (Continued)

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

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience		
Year of Pension Plan Deferral:		
June 30, 2016	5.57	-
June 30, 2017	5.48	-
June 30, 2018	-	5.63
June 30, 2019	5.21	
June 30, 2020	5.16	-
June 30, 2021	5.13	5.13
Changes of assumptions		
June 30, 2016	5.57	-
June 30, 2017	-	5.48
June 30, 2018	-	5.63
June 30, 2019	-	5.21
June 30, 2020	-	5.16
June 30, 2021	5.13	
Differences between projected and actual investment earnings on pension plan investments		
June 30, 2016	-	5.00
June 30, 2017	-	5.00
June 30, 2018	-	5.00
June 30, 2019	-	5.00
June 30, 2020	-	5.00

Additional Information

Collective balances at June 30, 2021 and 2020 are as follows:

	<u>6/30/2021</u>	<u>6/30/2020</u>
Collective deferred outflows of resources	\$ 818,359,815	\$ 2,590,600,991
Collective deferred inflows of resources	\$ 11,243,411,487	\$ 12,009,239,423
Collective net pension liability	\$ 11,972,782,878	\$ 16,435,616,426
School District's Proportion	.0336488379%	.0346759131%

**Burlington Township School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2022**

9. PENSION PLANS (Continued)

Public Employees' Retirement System (PERS) (Continued)

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

This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

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

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

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

Long-Term Expected Rate of Return - In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2021) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Best estimates of arithmetic rates of return for each major asset class included in 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>
US Equity	27.00%	8.09%
Non-U.S. Developed Market Equity	13.50%	8.71%
Emerging Market Equity	5.50%	10.96%
Private Equity	13.00%	11.30%
Real Estate	8.00%	9.15%
Real Assets	3.00%	7.40%
High Yield	2.00%	3.75%
Private Credit	8.00%	7.60%
Investment Grade Credit	8.00%	1.68%
Cash Equivalents	4.00%	0.50%
U.S. Treasuries	5.00%	1.95%
Risk Mitigation Strategies	3.00%	3.35%
Total	100.00%	

**Burlington Township School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2022**

9. PENSION PLANS (Continued)

Public Employees' Retirement System (PERS) (Continued)

Discount rate. The discount rate used to measure the State's total pension liability was 7.00% as of June 30, 2021. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and nonemployer contributing entity will be made based on 78% 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 all projected benefit payments to determining the total pension liability.

Sensitivity of the School District's proportionate share of the net pension liability to changes in the discount rate. The following presents the School District's proportionate share of the net pension liability measured as of June 30, 2021, calculated using the discount rate of 7.00%, as well as what the School District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.00%) or 1 percentage point higher (8.00%) than the current rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
School District's proportionate share of the net pension liability	\$ 5,428,408	\$ 3,986,209	\$ 2,762,298

Pension Plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in the separately issued State of New Jersey Division of Pensions and Benefits financial report.

Defined Contribution Retirement Program (DCRP)

The Defined Contribution Retirement Program is a cost-sharing multiple-employer defined contribution pension plan which was established on July 1, 2007, under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007 (N.J.S.A.43:15C-1 et. seq), and expanded under the provisions of Chapter 89, P.L. 2008 and Chapter 1, P.L. 2010. The Defined Contribution Retirement Program Board oversees the DCRP, which is administered for the Divisions of Pensions and Benefits by Prudential Financial. The DCRP provides eligible members, and their beneficiaries, with a tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage. Vesting and benefit provisions are established by N.J.S.A. 43:15C-1 et. seq.

The contribution requirements of plan members are determined by State statute. In accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members are required to contribute 5.5% of their annual covered salary. In addition to the employee contributions, the School District's contribution amounts for each pay period are transmitted to Prudential Financial not later than the fifth business day after the date on which the employee is paid for that pay period.

The School District's contributions, equal to the required contribution for each fiscal year, were as follows:

Fiscal Year	Total Liability	Paid by School District
2022	\$ 36,173	\$ 36,173
2021	23,412	23,412
2020	36,600	36,600

**Burlington Township School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2022**

10. OTHER POSTEMPLOYMENT BENEFITS (OPEB)

Plan Description and Benefits Provided

The State Health Benefit State Retired Employees Plan (State Retired OPEB Plan) is a single-employer defined benefit OPEB plan with a special funding situation. The State Retired OPEB Plan is administered on a “pay-as-you-go” basis. Accordingly, no assets are accumulated in a qualifying trust that meets the criteria in paragraph 4 of GASB Statement No. 75. The State Retired OPEB Plan covers the State, State colleges and universities, the Palisades Interstate Park Commission, and the New Jersey Building Authority (referred to collectively as “the employers”) for which the State is legally obligated to pay for benefits. The State Retired OPEB Plan is treated as a cost-sharing multiple employer plan with a special funding situation for allocating the total OPEB liability and related OPEB amounts since each employer mentioned above is required to issue stand-alone financial statements. The State Retired OPEB Plan provides medical, prescription drug, and Medicare Part B reimbursement to retirees and the covered dependents of the employees. The State also offers dental care to retirees, however, since dental benefits are completely paid for by the retirees, there is no OPEB liability for these benefits.

In accordance with N.J.S.A. 52:14-17.32, the State is required to pay the premiums or periodic charges for health benefits of State employees who retire with 25 years or more of service credit in, or retires on a disability pension from, one or more of the following plans: the Judicial Retirement System (JRS), the State Police Retirement System (SPRS), the Teachers’ Pension and Annuity Fund (TPAF), the Public Employees’ Retirement System (PERS), the Police and Firemen’s Retirement System (PFRS), and the Alternate Benefit Program (ABP). In addition, N.J.S.A. 52:14-17.26 provides that for purposes of the State Retired OPEB Plan, an employee of Rutgers, the State University of New Jersey, and New Jersey Institute of Technology shall be deemed to be an employee of the State. Further, P.L.1966, c.302, addresses the other State colleges and universities, whereas while these institutions were provided autonomy from the State, their employees retained any and all rights to health benefits within the State Retired OPEB Plan and are therefore classified as State employees.

The State Health Benefit Local Education Retired Employees Plan (Local Education Retired OPEB Plan) is a multiple-employer defined benefit OPEB plan with a special funding situation. The Local Education Retired OPEB Plan is administered on a “pay-as-you-go” basis. Accordingly, no assets are accumulated in a qualifying trust that meets the criteria in paragraph 4 of GASB Statement No. 75. The Local Education Retired OPEB Plan provides medical, prescription drug, and Medicare Part B reimbursement to retirees and the covered dependents of local education employees. The State also offers dental care to retirees, however, since dental benefits are completely paid for by the retirees, there is no OPEB liability for these benefits. The Division issues a publicly available financial report that includes financial statements and required supplementary information which can be obtained by writing to or at the following website:

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

Contributions

The employer contributions for the participating local education employers are legally required to be funded by the State in accordance with N.J.S.A. 52:14-17.32f. According to this law, the State provides employer-paid coverage to employees who retire from a board of education or county college with 25 years or more of service credit in, or retires on a disability pension from, one or more of the following plans: the Teachers’ Pension and Annuity Fund (TPAF), the Public Employees’ Retirement System (PERS), the Police and Firemen Retirement System (PFRS), or the Alternate Benefit Program (ABP).

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

**Burlington Township School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2022**

10. OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)

The State is legally required to pay for the OPEB benefit coverage for the participating local education employers. Therefore, these employers are considered to be in a special funding situation as defined by GASB Statement No. 75 and the State is treated as a nonemployer contributing entity. The State, as a nonemployer contributing entity, reported a Fiscal Year 2021 total OPEB liability of \$60,007,650,970 for this special funding situation.

Plan Membership

As of June 30, 2020, the program membership consisted of the following:

Active Plan Members	213,901
Retirees	150,427
	364,328

Total Non-Employer OPEB Liability

The State of New Jersey, a nonemployer contributing entity, is the only entity that has a legal obligation to make employer contributions to OPEB for qualified retired PERS and TPAF participants. The School District’s proportionate share percentage determined under paragraphs 193 and 203 through 205 of GASB No. 75 is zero percent. Accordingly, the School District did not recognize any portion of the collective net OPEB liability on the Statement of Net Position. Accordingly, the following OPEB liability note information is reported at the State’s level and is not specific to the board of education/board of trustees. Note that actual numbers will be published in the NJ State ACFR on the Office of Management and Budget webpage: nj.gov/treasury/omb/fr.shtml.

Actuarial assumptions and other imputes - The total OPEB liability in the June 30, 2021 actuarial valuation reported by the State in the State’s most recently issued ACFR was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified.

Inflation rate	2.50%		
	TPAF/ABP	PERS	PFRS
Salary Increases Through 2026	1.55 – 4.45% based on service years	2.00 – 6.00% based on service years	3.25 – 15.25% based on service years
Thereafter	2.75 – 5.65% based on service years	3.00 - 7.00% based on service years	Not Applicable

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

**Burlington Township School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2022**

10. OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)

The actuarial assumptions used in the June 30, 2020 valuation were based on the results of actuarial experience studies for the periods July 1, 2015 – June 30, 2018, July 1, 2014 – June 30, 2018, and July 1, 2013 – June 30, 2018 for TPAF, PERS and PFRS, respectively.

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%.

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 Nonemployer OPEB Liability

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

	Total OPEB Liability
Balance as of June 30, 2020	\$ 154,528,146
Changes for the years'	
Service Cost	7,374,158
Interest	3,617,901
Changes of benefit terms	(148,445)
Differences between expected and actual experience	(23,285,719)
Changes in assumptions	137,594
Gross Benefit Payments	(2,849,893)
Contributions from the Non-employer	N/A
Contributions from the Member	92,492
Net Investment Income	N/A
Administrative Expense	N/A
Net Changes	\$ (15,061,912)
Balance at 06/30/2021	\$ 139,466,234

Sensitivity of the total nonemployer OPEB liability to changes in the discount rate - The following presents the total nonemployer OPEB liability as of June 30, 2021, respectively, calculated using the discount rate as disclosed above as well as what the total nonemployer OPEB liability would be if it was calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	1% Decrease (1.16%)	Current Discount Rate (2.16%)	1% Increase (3.16%)
State of New Jersey's Proportionate Share of the Total Nonemployer OPEB Liability Associated with the School District	\$ 167,058,654	\$ 139,466,234	\$ 117,738,859

**Burlington Township School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2022**

10. OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)

Sensitivity of the total nonemployer OPEB liability to changes in the healthcare cost trend rate - The following presents the total nonemployer OPEB liability as of June 30, 2021 calculated using the healthcare trend rate as disclosed above as well as what the total nonemployer OPEB liability would be if it was calculated using a healthcare trend rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
State of New Jersey's Proportionate Share of the Total Nonemployer OPEB Liability Associated with the School District	\$ 112,898,370	\$ 139,466,234	\$ 175,144,913

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

For the year ended June 30, 2021, the School District recognized \$8,881,947 in OPEB expense and revenue, in the government-wide financial statements, for the State's proportionate share of the OPEB Plan's OPEB Expense, associated with the School District. This expense and revenue were based on the OPEB Plan's June 30, 2021 measurement date.

In accordance with GASBS No. 75, the School District's proportionate share of the OPEB liability is zero. As such, there is no recognition of the allocation of proportionate share of deferred outflows of resources and deferred inflows of resources by the School District.

At June 30, 2021, the State's proportionate share of the total nonemployer OPEB liability's deferred outflows of resources and deferred inflows of resources, associated with the School District, from the following sources are as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Change in Proportion	\$ 7,828,369	\$ (64,719)
Differences between expected and actual experience	21,023,915	(41,856,296)
Changes of assumptions	23,658,678	(14,963,427)
Total	\$ 52,510,962	\$ (56,884,442)

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

For the year ended:		
2022		\$ (990,153)
2023		(990,153)
2024		(990,153)
2025		(990,153)
2026		(703,985)
Thereafter		291,117
Total		\$ (4,373,480)

Detailed information about the pension plan's sensitivity of the collective net pension liability to changes in the discount rate is available in the separately issued State of New Jersey Division of Pensions and Benefits financial report.

**Burlington Township School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2022**

11. ON-BEHALF PAYMENTS

For the fiscal year ended June 30, 2022, the School District has recognized as revenues and expenditures on-behalf payments made by the state for normal retirement costs, post-retirement medical costs and long-term disability insurance related to TPAF, in the fund statements. The amounts recognized as revenues and expenditures in the fund financial statements for normal costs, post-retirement medical costs and long-term disability insurance were \$10,566,364, \$2,468,730, and \$2,541, respectively. In addition, \$2,168,335 on-behalf payments were made by the state for the employer's share of social security contributions for TPAF members, as calculated on their base salaries.

12. RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; employee health and accident claims; and natural disasters. The District has chosen to purchase insurance to transfer the risk to outside parties.

Property and Liability Insurance - The District maintains commercial insurance coverage for all risks of loss, including property, liability, employee health, accident insurance and public official surety bonds. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

A complete schedule of insurance coverage can be found in the "Statistical Section" of this report.

New Jersey Unemployment Compensation Insurance - The District has elected to fund its New Jersey Unemployment Compensation Insurance under the "Business 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 the School District's unemployment compensation contributions, employee contributions, reimbursements to the State for benefits paid and the ending balance of the current and previous two fiscal years:

<u>Fiscal Year</u>	<u>Employee Contributions</u>	<u>Employer Contributions</u>	<u>Interest Earned</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2021-2022	\$ -	\$ -	\$ 1,299	\$ -	\$ 716,816
2020-2021	-	-	1,371	-	715,517
2019-2020	50,767	-	8,386	76,681	714,146

13. DEFERRED COMPENSATION

The School District offers its employees a choice of various deferred compensation plans created in accordance with Internal Revenue Code Section 403(b). The plans, available to all permanent School District employees, permit participants to defer a portion of their current salary to future years. Participation in the plans is optional. The deferred compensation is not available to the participants until termination, retirement, death, or an unforeseeable emergency occurs. The plan assets are held in trust for the benefit of the employee and are administered by a third party therefore they are not reflected on the financial statements of the School District.

14. COMPENSATED ABSENCES

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

School District employees are granted vacation and sick leave in varying amounts in accordance with the School District's personnel policies. Unused sick leave may be accumulated carried forward to the subsequent years. Employees who retire from the School District shall be paid for unused sick leave in accordance with the School District's agreement or personnel policy.

**Burlington Township School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2022**

14. COMPENSATED ABSENCES (Continued)

The liability for vested compensated absences is recorded within those funds as the benefits accrued to the employees. As of June 30, 2022, the liability for compensated absences in the governmental fund was \$1,319,999.

15. INTERFUND RECEIVABLES AND PAYABLES

Interfund receivables/payables are recorded to cover temporary cash shortages and/or timing differences in the respective funds. There are no interfund balances that are not expected to be repaid by June 30, 2023. The following interfund balances were recorded on the various balance sheets as of June 30, 2022:

<u>Fund</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
General	\$ 991,180	\$ 67,626
Special Revenue	-	616,556
Capital Projects	-	667
Debt Service	667	-
Internal Service	-	72,654
Proprietary	<u>67,626</u>	<u>301,970</u>
	<u>\$ 1,059,473</u>	<u>\$ 1,059,473</u>

16. CONTINGENCIES

The School District 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 School District may be required to reimburse the grantor government.

At June 30, 2022, significant amounts of grant expenditures have not been audited by the granting agency, but the School District believes that disallowed expenditures discovered in subsequent audits, if any, will not have a material effect on any of the individual funds or the overall financial position of the School District. Additionally, deferred revenues are recognized in those funds that have received grant monies in advance of future, reimbursable expenditures.

17. TAX ABATEMENTS

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

For a local school district board of education or board of school estimate that has elected to raise their minimum tax levy using the required local share provisions at N.J.S.A. 18A:7F-5(b), the loss of revenue resulting from the municipality or county having entered into a tax abatement agreement is indeterminate due to the complex nature of the calculation of required local share performed by the New Jersey Department of Education based upon district property value and wealth.

The Township of Burlington (Municipality) provides for long-term tax exemptions, as authorized by New Jersey State Statutes. N.J.S.A. 40A:20-1 et seq. sets forth the criteria and mechanism by which property taxes can and are abated. The exemptions provided by the Municipality are for affordable housing and other permitted purposes. Taxes abated include municipal, local school, and county taxes.

**Burlington Township School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2022**

17. TAX ABATEMENTS (Continued)

The municipality recognized revenue of \$538,488 from the annual service charge in lieu of payment of taxes in 2021. The assessed value on these tax exemption properties amounted to \$47,859,500 which would have resulted in 2021 taxes billed in full of \$1,284,294. Of this amount, \$926,560 would have been allocated to the District.

18. DEFICIT UNASSIGNED FUND BALANCE

The School District has a deficit unassigned fund balance of \$99,178 in the Special Revenue Fund as of June 30, 2022 as reported in the fund statements (modified accrual basis). N.J.S.A. 18A:22-44.2 provides that in the event a state school aid payment is not made until the following school budget year, school districts must record the delayed one or more June state aid payments as revenues, for budget purposes only, in the current school budget year. The statute provides legal authority for school districts to recognize this revenue in the current budget year. For intergovernmental transactions, GASB Statement No. 33 requires that recognition (revenue, expenditure, asset, liability) should be in symmetry, i.e., if one government recognizes an asset, the other government recognizes a liability. Since the State is recording the June state aid payments in the subsequent fiscal year, the School District cannot recognize the June state aid payments on the GAAP financial statements until the year the State records the payable.

Due to the timing difference of recording the June state aid payments, the special revenue fund balance deficit does not alone indicate that the School District is facing financial difficulties.

Pursuant to N.J.S.A. 18A:22-44.2 any negative unassigned special revenue fund balance that is reported as a direct result from a delay in the June payments of state aid until the following fiscal year, is not considered in violation of New Jersey statute and regulation nor in need of corrective action. The School District deficit in the GAAP funds statements of \$99,178 in the Special Revenue Fund is equal to or less than the June state aid payments.

19. DEFICIT UNRESTRICTED NET POSITION

As of June 30, 2022, a deficit of \$6,462,396 existed in the Unrestricted Net Position of the Governmental Activities. A reconciliation of Unreserved Fund Balance reported on Exhibit B-1 to Unrestricted Net Position reported on Exhibited A-1 is as follows:

Balances June 30, 2022	
Fund Balance (Deficit)	
(Exclusive of Capital Projects and Debt Service Funds):	
Fund Balance – Unassigned	\$ 205,446
Fund Balance – Assigned	1,437,800
Liabilities:	
Accrued interest payable	(157,703)
Net pension differences	(6,627,940)
Compensated Absences	<u>(1,319,999)</u>
Unrestricted Net Position (Deficit)	<u>\$ (6,462,396)</u>

20. FUND BALANCES

RESTRICTED

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

General Fund:

Capital Reserve – As of June 30, 2022, the balance in the capital reserve account is \$7,390,326, all of which is restricted for future capital outlay expenditures for capital projects in the School District’s approved Long-Range Facilities Plan.

**Burlington Township School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2022**

20. FUND BALANCES (Continued)

RESTRICTED

General Fund:

Maintenance Reserve Account – As of June 30, 2022 the balance in the maintenance reserve account is \$3,419,237. Of this amount, \$500,000 has been appropriated and included as an anticipated revenue for the fiscal year ended June 30, 2023. These funds are restricted for the required maintenance of school facilities in accordance with the Educational Facilities Construction and Financing Act (EFCFA) (N.J.S.A. 18A:7G-9) as amended by P.L. 2004, c. 73 (S1701).

Unemployment Compensation Reserve – As of June 30, 2022, the balance in the unemployment compensation reserve is \$716,817. These funds are restricted for the purpose of financing unemployment claims.

Special Revenue Fund:

Student Activities – As of June 30, 2022, \$733,745 is the restricted fund balance.

Capital Projects Fund:

Capital Projects – As of June 30, 2022, \$60 is the restricted fund balance.

Debt Service Fund:

Debt Service – As of June 30, 2022, \$668 is the restricted fund balance.

ASSIGNED

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

General Fund:

Designated for Subsequent Year's Expenditures – The School District has appropriated and included as an anticipated revenue for the fiscal year ending June 30, 2023, \$476,318 of general fund balance at June 30, 2022.

Other Purposes – At June 30, 2022 the School District has \$961,136 of encumbrances outstanding for purchase orders and contracts signed by the School District, but not completed, as of the close of the fiscal year.

UNASSIGNED

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

General Fund – As of June 30, 2022, \$304,624 of general fund balance was unassigned.

Special Revenue Fund – As of June 30, 2022, the unassigned fund balance of the special revenue fund was a deficit of \$99,178. The deficit is a result of the delay in the recording of the payment of state aid until the following fiscal year (See Note 18).

**Burlington Township School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2022**

21. PRIOR PERIOD ADJUSTMENT

GASB Statement No. 87, *Leases* was implemented during the fiscal year ended June 30, 2022. As a result of this implementation, a right-to-use asset and a lease liability were created. The ending balances as of June 30, 2021, were restated due to this implementation as follows:

Statement of Net Position - Governmental Activities:

Assets:

Right-to-Use Lease Assets, Net	\$	-	\$	137,647	\$	137,647
Total Assets		68,357,832		137,647		68,495,479

Noncurrent Liabilities:

Due Within One Year		2,702,823		62,822		2,765,645
Due Beyond One Year		17,654,587		74,825		17,729,412
Total Liabilities		21,197,014		137,647		21,334,661

Required Supplementary Information - Part II

Budgetary Comparison Schedules

BURLINGTON TOWNSHIP SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
Fiscal Year Ended June 30, 2022

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES:					
Local sources:					
Local tax levy	\$ 43,728,011	\$ -	\$ 43,728,011	\$ 43,728,011	\$ -
Tuition - other LEAS within State	50,000	-	50,000	324,770	274,770
Tuition - from individuals				4,579	4,579
Transportation fees from other LEAs	20,000	-	20,000	46,501	26,501
Capital reserve interest	400	-	400	6,260	5,860
Maintenance reserve interest				3,716	3,716
Restricted miscellaneous revenue				1,300	1,300
Unrestricted miscellaneous revenue	321,500	-	321,500	635,972	314,472
Total local sources	44,119,911	-	44,119,911	44,751,109	631,198
State sources:					
Categorical special education aid	2,355,238		2,355,238	2,355,238	-
Equalization aid	18,610,889	-	18,610,889	18,610,889	-
Categorical security aid	533,760		533,760	533,760	-
Categorical transportation aid	1,741,167		1,741,167	1,741,167	-
School Security aid		208,877	208,877	208,877	-
Homeless tuition aid				4,341	4,341
Additional non-public transportation aid				35,960	35,960
Extraordinary aid	400,000		400,000	1,466,468	1,066,468
On-behalf TPAF Pension (non-budgeted)				10,566,364	10,566,364
On-behalf TPAF post retirement (non-budgeted)				2,468,730	2,468,730
On-behalf TPAF-LTDI (non-budgeted)				2,541	2,541
Reimbursed TPAF social security contributions (non-budgeted)				2,168,335	2,168,335
Total state sources	23,641,054	208,877	23,849,931	40,162,670	16,312,739
Federal sources:					
Medicaid Reimbursement	42,446	-	42,446	98,820	56,374
Total federal sources	42,446	-	42,446	98,820	56,374
TOTAL REVENUES	67,803,411	208,877	68,012,288	85,012,599	17,000,311
EXPENDITURES:					
CURRENT EXPENSE:					
Regular Programs - Instruction:					
Salaries of teachers					
Preschool	42,206	-	42,206	37,425	4,781
Kindergarten	967,166	(33,000)	934,166	913,548	20,618
Grades 1-5	5,919,960	(516,573)	5,403,387	5,290,018	113,369
Grades 6-8	4,563,579	(151,631)	4,411,948	4,397,023	14,925
Grades 9-12	6,263,441	(101,872)	6,161,569	6,152,672	8,897
Total Instruction	17,756,352	(803,076)	16,953,276	16,790,686	162,590
Regular Programs - Home Instruction:					
Salaries of teachers	104,562	(25,550)	79,012	53,827	25,185
Purchased Prof. - Ed. Services	30,000	(12,700)	17,300	7,212	10,088
Total Home Instruction	134,562	(38,250)	96,312	61,039	35,273
Regular Programs - Undistributed Instruction:					
Purchased Prof. - Ed. Services	648,000	310,240	958,240	925,373	32,867
Other purchased services	148,000	6,000	154,000	123,534	30,466
General supplies	736,927	(28,099)	708,828	628,130	80,698
Textbooks	61,100	(47,678)	13,422	9,286	4,136
Total Undistributed Instruction	1,594,027	240,463	1,834,490	1,686,323	148,167
Total - Regular Programs - Instruction	19,484,941	(600,863)	18,884,078	18,538,048	346,030

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

(CONTINUED TO NEXT PAGE)

BURLINGTON TOWNSHIP SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
Fiscal Year Ended June 30, 2022

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Learning and/or Language Disabilities Mild or Moderate					
Salaries of teachers	\$ 209,477	\$ 152,022	\$ 361,499	\$ 353,103	\$ 8,396
Purchased professional education services	105,357	19,200	124,557	115,497	9,060
Total Learning and/or Language Disabilities	<u>314,834</u>	<u>171,222</u>	<u>486,056</u>	<u>468,600</u>	<u>17,456</u>
Special Educ Instruction: Multiple Disabilities					
Salaries of teachers	545,144	153,210	698,354	698,155	199
Other salaries for instruction	83,893	(26,500)	57,393	55,928	1,465
Purchased professional - educ services	337,055	(130,500)	206,555	173,525	33,030
General supplies	12,700		12,700	8,415	4,285
Textbooks	700		700	700	700
Total Multiple Disabilities	<u>979,492</u>	<u>(3,790)</u>	<u>975,702</u>	<u>936,023</u>	<u>39,679</u>
Special Educ Instruction: Res. Room/Res. Center					
Salaries of teachers	3,493,040	(151,825)	3,341,215	3,204,259	136,956
Other salaries for instruction	112,157	29,664	141,821	141,503	318
Purchased professional education services	1,194,733	(238,308)	956,425	860,006	96,419
General supplies	34,700		34,700	19,714	14,986
Textbooks	4,300		4,300	1,079	3,221
Total Resource Room/Resource Center	<u>4,838,930</u>	<u>(360,469)</u>	<u>4,478,461</u>	<u>4,226,561</u>	<u>251,900</u>
Special Educ Instruction: Autism					
Salaries of teachers	139,280		139,280	123,040	16,240
Other salaries for instruction					
Purchased professional - educ services	198,368	(168,990)	29,378	2,877	26,501
General supplies	7,850	11,700	19,550	14,768	4,782
Total Autism	<u>345,498</u>	<u>(157,290)</u>	<u>188,208</u>	<u>140,685</u>	<u>47,523</u>
Special Educ Instruction: Preschool Disabilities - PT					
Salaries of teachers	42,206	(5,453)	36,753	36,753	36,753
Total Preschool Disabilities - Part-Time	<u>42,206</u>	<u>(5,453)</u>	<u>36,753</u>	<u>36,753</u>	<u>36,753</u>
Special Educ Instruction: Preschool Disabilities - FT					
Salaries of teachers	84,203	137,296	221,499	221,444	55
Purchased professional - educ services	15,017	18,200	33,217	33,181	36
General Supplies	1,000	2,500	3,500	2,254	1,246
Total Preschool Disabilities - Full-Time	<u>100,220</u>	<u>157,996</u>	<u>258,216</u>	<u>256,879</u>	<u>1,337</u>
Total Special Education - Instruction	<u>6,621,180</u>	<u>(197,784)</u>	<u>6,423,396</u>	<u>6,028,748</u>	<u>394,648</u>
Basic Skills/Remedial - Instruction					
Salaries of teachers	1,434,463	36,625	1,471,088	1,187,840	283,248
Other salaries for instruction	14,662	6,625	21,287	14,662	6,625
Purchased professional - educ services	4,000		4,000	3,200	800
Total Basic Skills/Remedial - Instruction	<u>1,453,125</u>	<u>43,250</u>	<u>1,496,375</u>	<u>1,205,702</u>	<u>290,673</u>
Bilingual Education - Instruction					
Salaries of teachers	290,244	30,558	320,802	317,758	3,044
General supplies	4,800		4,800	4,096	704
Textbooks	2,000		2,000	1,967	33
Total Bilingual Instruction- Instruction	<u>297,044</u>	<u>30,558</u>	<u>327,602</u>	<u>323,821</u>	<u>3,781</u>

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

(CONTINUED TO NEXT PAGE)

BURLINGTON TOWNSHIP SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
Fiscal Year Ended June 30, 2022

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Vocational Programs - Local - Instruction					
Salaries of teachers	\$ 169,540	\$ 900	\$ 170,440	\$ 170,362	\$ 78
General supplies	22,300	(666)	21,634	18,522	3,112
Total Vocational Programs- Instruction	191,840	234	192,074	188,884	3,190
School-Sponsored Cocurricular Act - Inst.					
Salaries	304,234	12,873	317,107	250,962	66,145
Supplies and materials	101,950	5,126	107,076	60,342	46,734
Total School-Sponsored Cocurr. Act. - Inst	406,184	17,999	424,183	311,304	112,879
School-Sponsored Athletics - Inst.					
Salaries	505,214	14,303	519,517	514,740	4,777
Purchased services (300-500)	54,100		54,100	44,890	9,210
Supplies and materials	76,550	10,000	86,550	82,590	3,960
Transfer to cover deficit (agency funds)	80,000		80,000	80,000	
Total School-Sponsored Athletics - Inst	715,864	24,303	740,167	722,220	17,947
Summer School					
Salaries	132,644	29,100	161,744	129,323	32,421
Other Salaries of Instructions	23,428		23,428	11,420	12,008
Purchased Professional & Technical Services	130,000	(30,000)	100,000	97,734	2,266
General Supplies	20,850		20,850	4,595	16,255
Total Summer School	306,922	(900)	306,022	243,072	62,950
Other Supplemental/At-Risk Programs					
Salaries of Teacher Tutors	21,129		21,129	10,254	10,875
Salaries of Reading Specialist	155,896		155,896	155,896	
Total Other Supplemental/At-Risk Programs	177,025		177,025	166,150	10,875
Undistributed Expenditures - Instruction					
Tuition to other LEA's w/l the state - reg.	235,252	(183,461)	51,791	36,173	15,618
Tuition to other LEA's w/l the state - spl.	55,217	44,000	99,217	68,250	30,967
Tuition to county voc. school dist. - reg.	247,503	1	247,504	247,503	1
Tuition to CSSD & reg. day schools	1,319,357	(292,682)	1,026,675	1,025,128	1,547
Tuition to priv. sch. for the disabled w/i state	1,590,639	31,358	1,621,997	1,615,925	6,072
Tuition - State Facilities	39,782	90	39,872	39,872	
Tuition - Other	92,594	155,466	248,060	238,622	9,438
Total Undistributed Expenditures - Instruction	3,580,344	(245,228)	3,335,116	3,271,473	63,643
Undistributed Expenditures - Attend. and Social Work					
Salaries	76,480	(15,801)	60,679	57,561	3,118
Salaries of Community School Coordinator	78,604	(1)	78,603	78,603	
Other Purchased Serv.	3,000		3,000	1,321	1,679
Total Undistributed Expenditures - Attendance	158,084	(15,802)	142,282	137,485	4,797
Undistributed Expenditures - Health Services					
Salaries	618,101	(28,174)	589,927	580,856	9,071
Purchased prof. and technical services	85,000	6,000	91,000	83,586	7,414
Supplies and materials	15,600	300	15,900	12,881	3,019
Total Undistributed Expenditures - Health Svcs.	718,701	(21,874)	696,827	677,323	19,504

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

(CONTINUED TO NEXT PAGE)

BURLINGTON TOWNSHIP SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
Fiscal Year Ended June 30, 2022

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist. Expend. - Speech, OT, PT, - Related Services					
Salaries	\$ 782,777	\$ 5,479	\$ 788,256	\$ 786,698	\$ 1,558
Purchased prof. and educational services	212,700	30,168	242,868	208,988	33,880
Supplies and materials	13,800		13,800	12,322	1,478
Total Undst. Expend. - Speech, OT, PT. - Rel. Serv.	<u>1,009,277</u>	<u>35,647</u>	<u>1,044,924</u>	<u>1,008,008</u>	<u>36,916</u>
Undist. Expend. - Other Supp. Serv. Stud. - Extra. Serv.					
Salaries	153,407	1,686	155,093	155,059	34
Purchased prof. and educational services	2,217,731	231,009	2,448,740	2,436,872	11,868
Total Undst. Expend. - Other Supp. Serv. Stud. - Extra. Serv.	<u>2,371,138</u>	<u>232,695</u>	<u>2,603,833</u>	<u>2,591,931</u>	<u>11,902</u>
Undist. Expend. - Guidance					
Salaries of other professional staff	1,350,865	(69,677)	1,281,188	1,251,603	29,585
Salaries of secretarial and clerical assistants	280,325	(18,500)	261,825	260,720	1,105
Purchased Prof. - Ed Services		59,000	59,000	58,990	10
Other purchased prof. and technical services	9,200	(5,500)	3,700	1,700	2,000
Other purchased prof. services	1,100		1,100	427	673
Supplies and materials	43,000	2,300	45,300	32,790	12,510
Other objects	1,000		1,000	50	950
Total Undst. Expend. - Guidance	<u>1,685,490</u>	<u>(32,377)</u>	<u>1,653,113</u>	<u>1,606,280</u>	<u>46,833</u>
Undist. Expend. - Child Study Team					
Salaries of other professional staff	1,278,449	(44,213)	1,234,236	1,205,517	28,719
Salaries of secretarial and clerical assistants	158,988	3	158,991	155,988	3,003
Purchased Prof. - Ed Services	107,900	(10,500)	97,400	94,697	2,703
Other purchased prof. and technical services	6,000		6,000		6,000
Other purchased services (400-500 series)	9,700		9,700	8,547	1,153
Supplies and materials	99,500	28,800	128,300	112,419	15,881
Other objects	3,500		3,500	2,822	678
Total Undst. Expend. - Child Study Team	<u>1,664,037</u>	<u>(25,910)</u>	<u>1,638,127</u>	<u>1,579,990</u>	<u>58,137</u>
Undist. Expend. - Improvement of Instr. Services					
Salaries of supervisor of instruction	855,279	1,310	856,589	856,176	413
Salaries of other professional staff	153,693	(28,900)	124,793	112,930	11,863
Salaries of secretarial and clerical assistants	57,200	1	57,201	57,200	1
Other Salaries	3,087	2,484	5,571		5,571
Salaries of Facilitators, Math & Literacy	165,097	1,364	166,461	151,404	15,057
Purchased prof. and educational services	615,881	(65,700)	550,181	525,295	24,886
Other purchased services (400-500)	15,200		15,200	5,025	10,175
Supplies and materials	439,994	(46,337)	393,657	342,712	50,945
Other Objects	9,600	(6,500)	3,100	1,060	2,040
Total Undst. Expend. - Improvement of Instr. Services	<u>2,315,031</u>	<u>(142,278)</u>	<u>2,172,753</u>	<u>2,051,802</u>	<u>120,951</u>
Undist. Expend. - Educ. Media Serv./Sch. Library					
Salaries	159,085	2,625	161,710	161,297	413
Purchased prof. and technical services	30,000	(30,000)			
Supplies and materials	690,912	533,700	1,224,612	771,344	453,268
Total Undst. Expend. - Educ. Media Serv./Sch. Library	<u>879,997</u>	<u>506,325</u>	<u>1,386,322</u>	<u>932,641</u>	<u>453,681</u>
Undist. Expend. - Instructional Staff Training					
Salaries of other professional staff	18,958	17,811	36,769	36,716	53
Purchased prof. and educational services	35,000		35,000	34,500	500
Other purchased services (400-500)	47,500	14,100	61,600	38,343	23,257
Total Undst. Expend. - Instructional Staff Training	<u>101,458</u>	<u>31,911</u>	<u>133,369</u>	<u>109,559</u>	<u>23,810</u>

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

(CONTINUED TO NEXT PAGE)

BURLINGTON TOWNSHIP SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
Fiscal Year Ended June 30, 2022

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist. Expend. - Supp. Serv. General Admin.					
Salaries	\$ 248,062	\$ -	\$ 248,062	\$ 236,546	\$ 11,516
Legal services	125,000	(10,000)	115,000	108,562	6,438
Audit fees	36,190		36,190	35,000	1,190
Architectural/Engineering Services	50,000	59,000	109,000	97,540	11,460
Other purchased professional services	17,000	2,200	19,200	14,133	5,067
Communications / telephone	275,000	(10,600)	264,400	234,942	29,458
BOE Other Purchased Services	1,500		1,500	523	977
Other purchased services (400-500)	70,000	(15,700)	54,300	29,918	24,382
General supplies	7,500	14,700	22,200	79	22,121
BOE In-House Training/Meeting Supplies	24,000	(15,000)	9,000	1,683	7,317
Miscellaneous expenditures	8,500	1,000	9,500	9,447	53
BOE Membership Dues and Fees	30,000		30,000	20,924	9,076
Total Undst. Expend. - Supp. Serv. General Admin.	892,752	25,600	918,352	789,297	129,055
Undist. Expend. - Supp. Serv. School Admin.					
Salaries of principals/assist. principals	1,480,119	7,686	1,487,805	1,477,910	9,895
Salaries of secretarial and clerical assistants	640,728	6,409	647,137	604,266	42,871
Other purchased services (400-500)	15,450		15,450	1,520	13,930
Supplies and materials	332,600	(113,500)	219,100	64,644	154,456
Other Objects	26,500	22,000	48,500	48,267	233
Total Undst. Expend. - Supp. Serv. School Admin.	2,495,397	(77,405)	2,417,992	2,196,607	221,385
Undist. Expend. - Central Services					
Salaries	863,725		863,725	855,623	8,102
Misc. Purchased services	63,319	275	63,594	54,030	9,564
Supplies and materials	91,000	(34,275)	56,725	23,236	33,489
Miscellaneous Expenditures	5,000		5,000	4,395	605
Total Undst. Expend. - Central Services	1,023,044	(34,000)	989,044	937,284	51,760
Undist. Expend. - Admin Info Technology					
Purchased Technical Services	470,246	15,000	485,246	469,094	16,152
Other purchased services (400-500)	5,500	-	5,500	3,572	1,928
Supplies and materials	456,120	195,700	651,820	488,961	162,859
Total Undst. Expend. - Admin Info Technology	931,866	210,700	1,142,566	961,627	180,939
Undist. Expend. - Required Maint. Sch. Facilities					
Salaries	503,501	16,577	520,078	471,256	48,822
Cleaning, repair, and maintenance services	369,330	81,600	450,930	406,378	44,552
General supplies	200,000	5,000	205,000	200,275	4,725
Total Undst. Expend. - Required Maint. Sch. Facilities	1,072,831	103,177	1,176,008	1,077,909	98,099
Undist. Expend. - Custodial Services					
Salaries of Non-Instructional Aides	70,151		70,151	63,768	6,383
Purchased professional & tech. services	2,739,824	(33,000)	2,706,824	2,656,384	50,440
Other purchased property services	26,000	(45)	25,955	23,730	2,225
Insurance	368,230	35,000	403,230	403,155	75
General supplies	102,000	(18,000)	84,000	73,816	10,184
Energy (Natural Gas)	250,000	48,045	298,045	294,682	3,363
Energy (Electricity)	1,200,000		1,200,000	1,026,643	173,357
Total Undst. Expend. - Custodial Services	4,756,205	32,000	4,788,205	4,542,178	246,027
Undist. Expend. - Care & Upkeep of Grounds					
Cleaning, repair, and maintenance services	26,000	(26,000)		54,296	704
General supplies	55,000		55,000		
Total Undst. Expend. - Care & Upkeep of Grounds	81,000	(26,000)	55,000	54,296	704

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

(CONTINUED TO NEXT PAGE)

BURLINGTON TOWNSHIP SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
Fiscal Year Ended June 30, 2022

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist. Expend. - Security					
Salaries	\$ 88,628	\$ -	\$ 88,628	\$ 54,955	\$ 33,673
Purchased professional & tech. services	235,500		235,500	209,553	25,947
Cleaning, repair, and maintenance services	20,000	(7,000)	13,000	2,646	10,354
General supplies	20,000	7,000	27,000	18,184	8,816
Total Undst. Expend. - Security	<u>364,128</u>		<u>364,128</u>	<u>285,338</u>	<u>78,790</u>
Total Undst. Expend. - Oper. & Maint. of Plant Services	<u>6,274,164</u>	<u>109,177</u>	<u>6,383,341</u>	<u>5,959,721</u>	<u>423,620</u>
Undist. Expend. - Student Trans. Services					
Salaries for Non-Instructional Aides	25,629	1,400	27,029	26,809	220
Salaries for pupil trans (bet home & sch) - reg ed.	136,500		136,500	136,500	
Salaries for pupil trans (bet home & sch) - spl. ed.	511,218	504,288	1,015,506	978,763	36,743
Salaries for pupil trans (other than bet home & sch)	77,559	(18,900)	58,659	27,078	31,581
Cleaning, repair, and maintenance services	50,000	32,700	82,700	82,632	68
Rental Payments - School Buses		475,680	475,680	475,680	
Contr. serv. - aid in lieu payments - non public schools		137,500	137,500	136,955	545
Contr. serv. (bet. home & sch.) - vendors	1,469,875	(1,409,233)	60,642	60,515	127
Purchased prof. and technical services		84,348	84,348	42,526	41,822
Contr. serv. (other than bet. home & sch.) - vendors	76,000	(71,000)	5,000	800	4,200
Contr. serv. (bet. home & sch.) - joint agreement					
Contr. serv. (sp ed stds) - vendors	538,697	(58,310)	480,387	479,387	1,000
Contr. serv. (sp ed stds) - joint agreements	125,000	184,700	309,700	309,565	135
Contr. serv. Aid in Lieu Pymts - Non Public	135,000	(135,000)			
Misc. purchased services - transportation	3,000		3,000	731	2,269
Supplies and materials	21,000	137,900	158,900	157,346	1,554
Total Undst. Expend. - Student Trans. Services	<u>3,169,478</u>	<u>(133,927)</u>	<u>3,035,551</u>	<u>2,915,287</u>	<u>120,264</u>
Regular Programs - Instruction - Employee Benefits					
Social security contributions	395,000	147,100	542,100	542,062	38
Other retirement contributions - PERS	439,277	1	439,278	437,495	1,783
Workmen's Compensation	263,500	(11,610)	251,890	234,182	17,708
Health benefits	7,898,939	199,768	8,098,707	7,912,074	186,633
Tuition reimbursement	90,000	13,200	103,200	94,291	8,909
Unused Sick Payment to Terminated/Retired Staff					
Other employee benefits	81,142	119,528	200,670	190,279	10,391
Total Regular Programs - Instruction	<u>9,167,858</u>	<u>467,987</u>	<u>9,635,845</u>	<u>9,410,383</u>	<u>225,462</u>
Support Services - General Administration - Employee Benefits					
Social security contributions	90,000	(90,000)			
Workmen's Compensation	2,000	(2,000)			
Health benefits	380,708	(380,708)			
Tuition reimbursement	12,000	(12,000)			
Unused Sick Payment to Terminated/Retired Staff	32,400	(32,400)			
Total Other Support Services	<u>517,108</u>	<u>(517,108)</u>			
Support Services - General Administration - Central Services					
Tuition reimbursement	7,400	(7,400)			
Total Other Support Services	<u>7,400</u>	<u>(7,400)</u>			
Total Allocated Benefits	<u>9,692,366</u>	<u>(56,521)</u>	<u>9,635,845</u>	<u>9,410,383</u>	<u>225,462</u>
On-behalf TPAF Pension Contributions (non-budgeted)				10,566,364	(10,566,364)
On-behalf TPAF post retirement (non-budgeted)				2,468,730	(2,468,730)
On-behalf TPAF-LTDI (non-budgeted)				2,541	(2,541)
Reimbursed TPAF social security contributions (non-budgeted)				2,168,335	(2,168,335)
Total Undistributed Expenditures - TPAF				<u>15,205,970</u>	<u>(15,205,970)</u>
Total Undistributed Expenditures	<u>38,962,624</u>	<u>366,733</u>	<u>39,329,357</u>	<u>52,342,668</u>	<u>(13,013,311)</u>
Total General Current Expense	<u>68,616,749</u>	<u>(316,470)</u>	<u>68,300,279</u>	<u>80,070,617</u>	<u>(11,770,338)</u>

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

(CONTINUED TO NEXT PAGE)

BURLINGTON TOWNSHIP SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
Fiscal Year Ended June 30, 2022

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES:					
CAPITAL OUTLAY:					
Equipment:					
Grades 6-8	\$ 39,971	\$ 11,025	\$ 50,996	\$ 50,946	\$ 50
Grades 9-12	51,158	62,245	113,403	41,114	72,289
Undistributed Expenditures - Admin. Info. Tech.		136,200	136,200		136,200
Undistributed Expenditures - Required Maint.	343,883	107,000	450,883	359,189	91,694
Undistributed Expenditures - Care and Upkeep of Grnds	33,005		33,005	13,005	20,000
School Buses - Special	165,843		165,843	164,343	1,500
	<u>633,860</u>	<u>316,470</u>	<u>950,330</u>	<u>628,597</u>	<u>321,733</u>
Total Equipment					
Facilities Acquisition and Construction Services:					
Construction Services	241,818	10,646	252,464	247,007	5,457
Buildings		208,877	208,877	191,010	17,867
Assessment for Debt Service on SDA funding	163,860		163,860	163,860	
	<u>405,678</u>	<u>219,523</u>	<u>625,201</u>	<u>601,877</u>	<u>23,324</u>
Total Facilities Acquisition and Construction Services					
Total Capital Outlay	<u>1,039,538</u>	<u>535,993</u>	<u>1,575,531</u>	<u>1,230,474</u>	<u>345,057</u>
Transfer of Funds to Charter Schools	<u>140,386</u>	<u>-</u>	<u>140,386</u>	<u>121,821</u>	<u>18,565</u>
Total Expenditures	<u>69,796,673</u>	<u>219,523</u>	<u>70,016,196</u>	<u>81,422,912</u>	<u>\$(11,406,716)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures:	<u>(1,993,262)</u>	<u>(10,646)</u>	<u>(2,003,908)</u>	<u>3,589,687</u>	<u>5,593,595</u>
Other Financing Sources(Uses):					
Operating Transfer In - Capital Projects Fund			(269,060)	(269,060)	
Operating Transfer Out - Sprcial Revenue Fund	(269,060)				
	<u>(269,060)</u>	<u>-</u>	<u>(269,060)</u>	<u>(269,060)</u>	<u>-</u>
Total Other Financing Sources					
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Sources (Uses):	<u>(2,262,322)</u>	<u>(10,646)</u>	<u>(2,272,968)</u>	<u>3,320,627</u>	<u>5,593,595</u>
Fund Balance, July 1	<u>12,074,727</u>	<u>-</u>	<u>12,074,727</u>	<u>12,074,727</u>	<u>-</u>
Fund Balance, June 30	<u>\$ 9,812,405</u>	<u>\$ (10,646)</u>	<u>\$ 9,801,759</u>	<u>\$ 15,395,354</u>	<u>\$ 5,593,595</u>
Recapitulation:					
Restricted:					
Capital Reserve:					
Designated for Subsequent Year's Expenditures				\$ -	
Capital Reserve				7,390,326	
Maintenance Reserve:					
Designated for Subsequent Year's Expenditures				500,000	
Maintenance Reserve				2,919,237	
Unemployment Compensation				716,817	
Assigned:					
Year-end encumbrances				961,136	
Designated for Subsequent Year's Expenditures				476,318	
Unassigned				<u>2,431,520</u>	
				15,395,354	
Reconciliation on Governmental Fund Statements (GAAP):					
Less: State Aid Payment not Recognized on GAAP Basis				<u>(2,126,896)</u>	
Fund Balance per Government Fund (GAAP)				<u>\$ 13,268,458</u>	

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

BURLINGTON TOWNSHIP SCHOOL DISTRICT
Budgetary Comparison Schedule
Special Revenue Fund
Fiscal Year Ended June 30, 2022

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES:					
Local sources	\$ 39,288	\$ -	\$ 39,288	\$ 973,938	\$ 934,650
State sources	1,114,425		1,114,425	1,081,784	(32,641)
Federal sources	5,563,876		5,563,876	2,793,346	(2,770,530)
Total revenues	<u>6,717,589</u>		<u>6,717,589</u>	<u>4,849,068</u>	<u>(1,868,521)</u>
EXPENDITURES:					
Instruction:					
Salaries of teachers	1,416,148	12,001	1,428,149	755,531	672,618
Purchased professional - educ. services	204,581	(79,612)	124,969	111,315	13,654
Tuition	1,120,613	-	1,120,613	1,120,613	
General supplies	1,015,206	4,441	1,019,647	534,813	484,834
Textbooks	4,682		4,682	4,682	
Total instruction	<u>3,761,230</u>	<u>(63,170)</u>	<u>3,698,060</u>	<u>2,526,954</u>	<u>1,171,106</u>
Support services:					
Salaries	95,144		95,144	69,233	25,911
PEA Comm. Parent Inv.	58,105	9,305	67,410	64,043	3,367
PEA Master Teachers		47,500	47,500	43,311	4,189
Personal services - employee benefits	265,302	17,019	282,321	174,092	108,229
Purchased professional - educ. services	391,030		391,030	391,030	
Purchased professional - tech. services	1,322,018		1,322,018	219,120	1,102,898
Other purchases services	33,000	(33,000)			
Cleaning, Repair	89,431		89,431	89,431	
Contra	1,525	(1,525)			
Travel	5,366	(680)	4,686	4,686	
General supplies	116,998	24,551	141,549	126,962	14,587
Student activities				913,791	(913,791)
Total support services	<u>2,377,919</u>	<u>63,170</u>	<u>2,441,089</u>	<u>2,095,699</u>	<u>345,390</u>
Facilities acquisition and construction services:					
Building	847,500		847,500	456,469	391,031
Non- Instructional equipment					
Total facilities acq. and const. services	<u>847,500</u>		<u>847,500</u>	<u>456,469</u>	<u>391,031</u>
Total expenditures	<u>6,986,649</u>		<u>6,986,649</u>	<u>5,079,122</u>	<u>1,907,527</u>
Other Financing Sources (Uses)					
Transfer in from General Fund	269,060		269,060	269,060	
Total Other Financing Sources (Uses)	<u>269,060</u>		<u>269,060</u>	<u>269,060</u>	
Total outflows	<u>6,717,589</u>		<u>6,717,589</u>	<u>4,810,062</u>	<u>1,907,527</u>
Excess (Deficiency) of revenues over (under) expenditures and other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>39,006</u>	<u>39,006</u>
Fund Balance, July 1				<u>694,739</u>	
Fund Balance, June 30				<u>\$ 733,745</u>	
Recapitulation:					
Restricted:					
Student Activities				<u>\$ 733,745</u>	
Total Fund Balance				<u>\$ 733,745</u>	

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

Burlington Township School District
Notes to Required Supplementary Information
Budgetary Comparison
Fiscal Year Ended June 30, 2022

**Explanation of Differences between Budgetary Inflows and Outflows and GAAP
Revenues and Expenditures**

	General Fund	Special Revenue Fund
Sources/inflows of resources		
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedules	\$ 85,012,599	\$ 4,849,068
Difference - budget to GAAP:		
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes.	1,966,470	273
State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year.	(2,126,896)	(99,178)
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.	\$ 84,852,173	\$ 4,750,163
Uses/outflows of resources		
Actual amounts (budgetary basis) "total outflowss" from the budgetary comparison schedule	\$ 81,422,912	\$ 4,810,062
Differences - budget to GAAP		
Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.		
Transfers to and from other funds are presented as outflows of budgetary resources but are not expenditures for financial reporting purposes.		269,060
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	\$ 81,422,912	\$ 5,079,122

Required Supplementary Information - Part III
Schedules Related to Accounting and Reporting
For Pensions and
Other Post Employment Benefits

BURLINGTON TOWNSHIP 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

	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
District's proportion of the net pension liability (asset)	0.0336488379%	0.0346759131%	0.0341540191%	0.0350571118%	0.0354646385%	0.0357718493%	0.0359487690%	0.0465927608%	0.0493936415%
District's proportionate share of the net pension liability (asset)	\$ 3,986,209	\$ 5,654,735	\$ 6,154,036	\$ 6,902,571	\$ 8,255,601	\$ 10,594,596	\$ 8,069,778	\$ 8,723,439	\$ 9,440,106
District's covered-employee payroll	2,660,440	2,534,592	2,507,840	2,489,563	2,428,858	2,399,955	2,400,251	2,432,574	2,428,688
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	149.83%	223.10%	245.39%	277.26%	339.90%	441.45%	336.21%	358.61%	388.69%
Plan fiduciary net position as a percentage of the total pension liability	51.51%	42.90%	42.04%	40.45%	36.78%	31.20%	38.21%	42.74%	40.71%

This schedule does not contain ten years of information as GASB 68 was implemented during the fiscal year ended June 30, 2015.

BURLINGTON TOWNSHIP SCHOOL DISTRICT
Required Supplementary Information
Schedule of the District's Contributions
Public Employees Retirement System
Last Nine Fiscal Years

	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
Contractually required contribution	\$ 429,063	\$ 394,067	\$ 379,337	\$ 333,415	\$ 348,705	\$ 328,542	\$ 317,792	\$ 309,063	\$ 384,104
Contributions in relation to the contractually required contributions	<u>(429,063)</u>	<u>(394,067)</u>	<u>(379,337)</u>	<u>(333,415)</u>	<u>(348,705)</u>	<u>(331,074)</u>	<u>(317,792)</u>	<u>(309,063)</u>	<u>(384,104)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (2,532)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered-employee payroll	2,660,440	2,534,592	2,507,840	2,489,563	2,428,858	2,399,955	2,400,251	2,432,574	2,428,688
Contributions as a percentage of covered-employee payroll	16.13%	15.55%	15.13%	13.39%	14.36%	13.69%	13.24%	12.71%	15.82%

This schedule does not contain ten years of information as GASB 68 was implemented during the fiscal year ended June 30, 2015.

BURLINGTON TOWNSHIP 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

	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
District's proportion of the net pension liability (asset)	0.2560954330%	0.2505484947%	0.2503803415%	0.2439661007%	0.2442348240%	0.2417216061%	0.2451435951%	0.2468446315%	0.2392690707%
District's proportionate share of the net pension liability (asset)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's proportionate share of the net pension liability (asset) associated with the District	<u>\$ 123,118,363</u>	<u>\$ 164,983,169</u>	<u>\$ 153,660,779</u>	<u>\$ 155,205,993</u>	<u>\$ 164,671,925</u>	<u>\$ 190,153,606</u>	<u>\$ 154,941,220</u>	<u>\$ 131,930,422</u>	<u>\$ 120,924,706</u>
Total	<u><u>\$ 123,118,363</u></u>	<u><u>\$ 164,983,169</u></u>	<u><u>\$ 153,660,779</u></u>	<u><u>\$ 155,205,993</u></u>	<u><u>\$ 164,671,925</u></u>	<u><u>\$ 190,153,606</u></u>	<u><u>\$ 154,941,220</u></u>	<u><u>\$ 131,930,422</u></u>	<u><u>\$ 120,924,706</u></u>
District's covered-employee payroll	29,458,676	28,643,409	28,449,848	27,963,154	27,127,442	25,865,375	24,975,921	24,681,882	24,642,454
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the total pension liability	35.52%	24.60%	26.95%	26.49%	25.41%	22.33%	28.71%	33.64%	33.76%

This schedule does not contain ten years of information as GASB 68 was implemented during the fiscal year ended June 30, 2015.

BURLINGTON TOWNSHIP SCHOOL DISTRICT
Required Supplementary Information
Schedule of the State's Proportionate Share of the Net OPEB Liability Associated with the District
and Changes in the Total OPEB Liability and Related Ratios
Public Employee's Retirement System and Teachers' Pension and Annuity Fund
Last Five Fiscal Years

	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018
State's proportion of the net OPEB liability (asset) associated with the District	0.23%	0.23%	0.22%	0.22%	0.22%
District's proportionate share of the net OPEB liability	\$ -	\$ -	\$ -	\$ -	\$ -
State's proportionate share of the net OPEB liability associated with the District	<u>139,466,234</u>	<u>154,528,146</u>	<u>92,638,573</u>	<u>99,803,736</u>	<u>115,801,625</u>
Total proportionate share of the net OPEB liability (asset) associated with the District	<u>\$ 139,466,234</u>	<u>\$ 154,528,146</u>	<u>\$ 92,638,573</u>	<u>\$ 99,803,736</u>	<u>\$ 115,801,625</u>
Plan fiduciary net position as a percentage of the total OPEB Liability	0.00%	0.00%	0.00%	0.00%	0.00%
	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018
Total OPEB Liability					
Service Cost	\$ 7,374,158	\$ 4,109,465	\$ 4,043,442	\$ 4,507,399	\$ 5,443,504
Interest	3,617,901	3,340,922	3,965,998	4,261,350	3,681,243
Changes in benefit terms	(148,445)				
Difference between expected and actual experiences	(23,285,719)	28,820,872	(13,796,420)	(10,737,179)	-
Changes of assumptions	137,594	28,226,982	1,381,249	(11,452,978)	(15,745,241)
Member Contributions	92,492	81,540	84,296	92,235	98,766
Benefit payments	<u>(2,849,893)</u>	<u>(2,690,208)</u>	<u>(2,843,728)</u>	<u>(2,668,716)</u>	<u>(2,682,211)</u>
Net Change in total OPEB Liability	(15,061,912)	61,889,573	(7,165,163)	(15,997,889)	(9,203,939)
Total OPEB Liability - beginning	<u>154,528,146</u>	<u>92,638,573</u>	<u>99,803,736</u>	<u>115,801,625</u>	<u>125,005,564</u>
Total OPEB Liability - ending	<u>\$ 139,466,234</u>	<u>\$ 154,528,146</u>	<u>\$ 92,638,573</u>	<u>\$ 99,803,736</u>	<u>\$ 115,801,625</u>
District's covered-employee payroll	32,119,116	31,178,001	30,957,688	30,452,717	29,556,300
Total OPEB Liability as a percentage of covered-employee payroll	434.22%	495.63%	299.24%	327.73%	391.80%

This schedule does not contain ten years of information as GASB 75 was implemented during the fiscal year ended June 30, 2018.

Burlington Township School District
Notes to Required Supplementary Information – Part III
For the Fiscal Year Ended June 30, 2022

Teacher's Pension and Annuity Fund (TPAF)

Changes of benefit term: There were none.

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

Public Employees' Retirement System (PERS)

Changes of benefit term: There were none.

Changes of assumptions: The discount rate remained at 7.00% as of June 30, 2020, and June 30, 2021.

State Health Benefit Local Education Retired Employees Plan (OPEB)

Changes of benefit term: There were none.

Changes of assumptions: The discount rate changed from 2.21% as of June 30, 2020 to 2.16% as of June 30, 2021.

Other Supplementary Information

Special Revenue Fund

BURLINGTON TOWNSHIP SCHOOL DISTRICT
Special Revenue Fund
Combining Statement of Revenues and Expenditures
Budgetary Basis
for the Fiscal Year Ended June 30, 2022

	Brought Forward (Exh. E-1B)	Brought Forward (Exh. E-1C)	Brought Forward (Exh. E-1D)	Totals
REVENUES:				
Local sources	\$ -	\$ -	\$ 973,938	\$ 973,938
State sources	-	973,677	108,107	1,081,784
Federal sources	1,445,701	1,226,865	120,780	2,793,346
Total Revenues	1,445,701	2,200,542	1,202,825	4,849,068
EXPENDITURES:				
Instruction:				
Salaries of teachers	141,707	593,181	20,643	755,531
Purchased professional and educational services	-	111,315	-	111,315
Purchased professional and technical services	-	-	-	-
Tuition	1,020,476	-	100,137	1,120,613
Textbook	-	4,682	-	4,682
General supplies	83,769	451,044	-	534,813
Total instruction	1,245,952	1,160,222	120,780	2,526,954
Support services:				
Salaries	-	69,233	-	69,233
PEA Comm. Parent Involvement	-	64,043	-	64,043
PEA Master Teachers	-	43,311	-	43,311
Personal services-employee benefits	26,293	147,799	-	174,092
Purchased professional and technical services	142,658	-	-	142,658
Purchased professional and educational services	-	448,816	18,676	467,492
Cleaning, Repair	-	-	89,431	89,431
Other purchased services	-	-	-	-
Travel	-	-	4,686	4,686
Supplies	30,798	79,709	16,455	126,962
Student activities	-	-	913,791	913,791
Total support services	199,749	852,911	1,043,039	2,095,699
Facilities acquisition and const. serv.:				
Building	-	456,469	-	456,469
Non-Instructional equipment	-	-	-	-
Total facilities acquisition and const. serv.	-	456,469	-	456,469
Total Expenditures	1,445,701	2,469,602	1,163,819	5,079,122
Other financing sources (uses):				
Transfer in from General Fund	-	269,060	-	269,060
Total other financing sources (uses)	-	269,060	-	269,060
Total outflows	1,445,701	2,200,542	1,163,819	4,810,062
Excess (Deficiency) of revenues over (under) expenditures and other financing sources (uses)	-	-	39,006	39,006
Fund Balance, July 1	-	-	694,739	694,739
Fund Balance, June 30	\$ -	\$ -	\$ 733,745	\$ 733,745

**BURLINGTON TOWNSHIP SCHOOL DISTRICT
Special Revenue Fund
Combining Statement of Revenues and Expenditures
Budgetary Basis
for the Fiscal Year Ended June 30, 2022**

	E.S.E.A. as amended by No Child Left Behind (N.C.L.B.)			Individuals with Disabilities Act (IDEA)			CRRSA Mental Health	ESSER CARES Act	Carried Forward (Exh. E-1A)
	Title IIA	Title III	Title IV	ARP Basic	Basic	ARP Preschool			
REVENUES:									
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State sources									
Federal sources	71,571	31,900	6,702	175,249	845,227	14,921	29,983	45,000	225,148
Total Revenues	71,571	31,900	6,702	175,249	845,227	14,921	29,983	45,000	225,148
EXPENDITURES:									
Instruction:									
Salaries of teachers	52,131	7,431							82,145
Purchased professional and edcational services									
Purchased professional and technical services									
Tuition				175,249	845,227				
Textbooks									
General supplies		496	6,702						76,571
Total instruction	52,131	7,927	6,702	175,249	845,227	-	-	-	158,716
Support services:									
Salaries									
Personal services-employee benefits	19,440	569							6,284
Purchased professional and technical services		23,404				14,921	29,983	45,000	29,350
Purchased professional and educational services									
Other purchased services									
Supplies									30,798
Total support services	19,440	23,973	-	-	-	14,921	29,983	45,000	66,432
Facilities acquisition and const. serv.:									
Instructional equipment									
Total facilities acquisition and const. serv.:	-	-	-	-	-	-	-	-	-
Total Expenditures	71,571	31,900	6,702	175,249	845,227	14,921	29,983	45,000	225,148
Other financingsources (used)									
Transfer in from General Fund									
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-
Total outflows	71,571	31,900	6,702	175,249	845,227	14,921	29,983	45,000	225,148
Excess (Deficiency) of revenues over (under) expenditures and other financing sources (uses)	-	-	-	-	-	-	-	-	-
Fund Balance, July 1	-	-	-	-	-	-	-	-	-
Fund Balance, June 30	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

BURLINGTON TOWNSHIP SCHOOL DISTRICT
Special Revenue Fund
Combining Statement of Revenues and Expenditures
Budgetary Basis
for the Fiscal Year Ended June 30, 2022

	ARP Summer Learning	ARP ESSER III	CRRSA ESSER II	Nonpulic Textbook	Nonpulic Nursing	Preschool Education Aid	Title I	Title I - SIA	Totals
REVENUES:									
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State sources				4,682	9,856	959,139			973,677
Federal sources	6,000	476,914	425,017				318,126	808	1,226,865
Total Revenues	6,000	476,914	425,017	4,682	9,856	959,139	318,126	808	2,200,542
EXPENDITURES:									
Instruction:									
Salaries of teachers						313,459	279,722		593,181
Purchased professional and edcational services						111,315			111,315
Purchased professional and technical services									-
Tuition									-
Textbooks				4,682					4,682
General supplies			375,000			70,275	4,961	808	451,044
Total instruction	-	-	375,000	4,682	-	495,049	284,683	808	1,160,222
Support services:									
Salaries						69,233			69,233
PEA Comm. Parent Involvement						64,043			64,043
PEA Master Teachers						43,311			43,311
Personal services-employee benefits						114,356	33,443		147,799
Purchased professional and educational services	6,000	20,445	50,017		9,856	362,498			448,816
Purchased professional and technical services									-
Cleaning, Repair									-
Other purchased services									-
Supplies						79,709			79,709
Total support services	6,000	20,445	50,017	-	9,856	733,150	33,443	-	852,911
Facilities acquisition and const. serv.:									
Building		456,469							456,469
Non-Instructional Equipment									-
Total facilities acquisition and const. serv.:	-	456,469	-	-	-	-	-	-	456,469
Total Expenditures	6,000	476,914	425,017	4,682	9,856	1,228,199	318,126	808	2,469,602
Other financingsources (used)									
Transfer in from General Fund						269,060			269,060
Total other financing sources (uses)	-	-	-	-	-	269,060	-	-	269,060
Total outflows	6,000	476,914	425,017	4,682	9,856	959,139	318,126	808	2,200,542
Excess (Deficiency) of revenues over (under) expenditures and other financing sources (uses)	-	-	-	-	-	-	-	-	-
Fund Balance, July 1	-	-	-	-	-	-	-	-	-
Fund Balance, June 30	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

BURLINGTON TOWNSHIP SCHOOL DISTRICT
Special Revenue Fund
Combining Statement of Revenues and Expenditures
Budgetary Basis
for the Fiscal Year Ended June 30, 2022

	Nonpublic Technology	Nonpublic Security	Safety Grant	NJTSS-ER	ACSERS	Emergent Cap. & Maint.	CRRSA Learning Acceleration	Student Activity Fund	Totals
REVENUES:									
Local sources	\$ -	\$ -	\$ 16,455	\$ 4,686	\$ -	\$ -	\$ -	\$ 952,797	\$ 973,938
State sources	3,276	15,400				89,431			108,107
Federal sources					100,137		20,643		120,780
Total Revenues	3,276	15,400	16,455	4,686	100,137	89,431	20,643	952,797	1,202,825
EXPENDITURES:									
Instruction:									
Salaries of teachers							20,643		20,643
Purchased professional and educational services									-
Purchased professional and technical services									-
Tuition					100,137				100,137
Textbooks									-
General supplies									-
Total instruction	-	-	-	-	100,137	-	20,643	-	120,780
Support services:									
Salaries									-
Personal services-employee benefits									-
Purchased professional and educational services	3,276	15,400							18,676
Purchased professional and technical services									-
Cleaning, Repair						89,431			89,431
Travel				4,686					4,686
Supplies			16,455						16,455
Student activities								913,791	913,791
Total support services	3,276	15,400	16,455	4,686	-	89,431	-	913,791	1,043,039
Facilities acquisition and const. serv.:									
Instructional equipment									-
Total facilities acquisition and const. serv.:	-	-	-	-	-	-	-	-	-
Total Expenditures	3,276	15,400	16,455	4,686	100,137	89,431	20,643	913,791	1,163,819
Other financingsources (used)									
Transfer in from General Fund									-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-
Total outflows	3,276	15,400	16,455	4,686	100,137	89,431	20,643	913,791	1,163,819
Excess (Deficiency) of revenues over (under) expenditures and other financing sources (uses)	-	-	-	-	-	-	-	39,006	39,006
Fund Balance, July 1	-	-	-	-	-	-	-	694,739	694,739
Fund Balance, June 30	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 733,745	\$ 733,745

**Burlington Township School District
Special Revenue Fund
Schedule of Preschool Education Aid Expenditures
Preschool - All Programs
Budgetary Basis
For the Fiscal Year Ended June 30, 2022**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance
EXPENDITURES:					
Instruction:					
Salaries of teachers	\$ 313,459	\$ -	\$ 313,459	\$ 313,459	\$ -
Purchased professional & technical services	204,581	(79,612)	124,969	111,315	13,654
Other purchased services (400-500 series)	-	-	-	-	-
General supplies	50,140	26,205	76,345	70,275	6,070
Total instruction	568,180	(53,407)	514,773	495,049	19,724
Support services:					
Salaries of program directors	73,384	-	73,384	69,233	4,151
Salaries of community parent involvement spec.	58,105	9,305	67,410	64,043	3,367
Salaries of master teachers	-	47,500	47,500	43,311	4,189
Personal services - employee benefits	107,761	7,256	115,017	114,356	661
Purchased professional - educational services	362,498	-	362,498	362,498	-
Other purchased services	33,000	(33,000)	-	-	-
Cleaning, Repair	-	-	-	-	-
Contra	1,525	(1,525)	-	-	-
Travel	680	(680)	-	-	-
Supplies & materials	55,707	24,551	80,258	79,709	549
Total support services	692,660	53,407	746,067	733,150	12,917
Facilities acquisition and cont. serv:					
Non-Instructional equipment	-	-	-	-	-
Total facilities acquisition and cont. serv.	-	-	-	-	-
Contribution to charter schools					
Transfer to general fund	-	-	-	-	-
Total expenditures	\$ 1,260,840	\$ -	\$ 1,260,840	\$ 1,228,199	\$ 32,641

CALCULATION OF BUDGET & CARRYOVER

Total 2021-22 PreK Aid Allocation	\$ 991,780
Add: Actual PreK/ECPA Aid Carryover June 30, 2021	72,024
Add: Budgeted Transfer From General Fund	269,060
Total Funds Available for 2021-22 Budget	1,332,864
Less: 2021-22 Budgeted PreK/ECPA (Including prior year budgeted carryover)	(1,260,840)
Available & Unbudgeted Funds as of June 30, 2022	72,024
Add: June 30, 2022 Unexpended PreK Aid	32,641
2022 - Actual Carryover - PreK Aid	\$ 104,665
2021-22 PreK Aid Carryover Budgeted in 2022-23	\$ 72,024

**Burlington Township School District
Special Revenue Fund
Schedule of Preschool Education Aid Expenditures
Preschool - Full Day 3yr & 4 yr - Regular
Budgetary Basis
For the Fiscal Year Ended June 30, 2022**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance
EXPENDITURES:					
Instruction:					
Salaries of teachers	\$ 313,459	\$ -	\$ 313,459	\$ 313,459	\$ -
Purchased professional & educational services	204,581	(79,612)	124,969	111,315	13,654
Other purchased services (400-500 series)	-	-	-	-	-
General supplies	50,140	26,205	76,345	70,275	6,070
Total instruction	568,180	(53,407)	514,773	495,049	19,724
Support services:					
Salaries of program directors	73,384	-	73,384	69,233	4,151
Salaries of community parent involvement spec.	58,105	9,305	67,410	64,043	3,367
Salaries of master teachers	-	47,500	47,500	43,311	4,189
Personal services - employee benefits	107,761	7,256	115,017	114,356	661
Purchased professional - educational services	362,498	-	362,498	362,498	-
Other purchased services	33,000	(33,000)	-	-	-
Cleaning, Repair	-	-	-	-	-
Contra	1,525	(1,525)	-	-	-
Travel	680	(680)	-	-	-
Supplies & materials	55,707	24,551	80,258	79,709	549
Total support services	692,660	53,407	746,067	733,150	12,917
Facilities acquisition and cont. serv:					
Non-Instructional equipment	-	-	-	-	-
Total facilities acquisition and cont. serv.	-	-	-	-	-
Total program expenditures	\$ 1,260,840	\$ -	\$ 1,260,840	\$ 1,228,199	\$ 32,641

Capital Projects Fund
Detail Statements

BURLINGTON TOWNSHIP SCHOOL DISTRICT
Capital Projects Fund
Summary Statement of Revenues, Expenditures,
and Changes in Fund Balance - Budgetary Basis
For the Fiscal Year ended June 30, 2022

Revenues and Other Financing Sources:

Interest	\$ 322
	322
Total revenues and other financing sources	322
Expenditures and Other Financing (Uses):	
Purchased professional services	43,950
Construction services	322
Transfer to Debt Service Fund	322
	44,272
Total expenditures and other financing (uses)	44,272
Excess (deficiency) or revenues over (under) expenditures	(43,950)
Fund Balance - July 1, 2021	44,010
Fund Balance - June 30, 2022	\$ 60

BURLINGTON TOWNSHIP SCHOOL DISTRICT
Capital Projects Fund
Statement of Project Revenues, Expenditures, Project Balance,
and Project Status - Budgetary Basis
Various Improvements to School Facilities
From Inception and for the Fiscal Year ended June 30, 2022

	Prior Periods	Current Year	Total	Revised Authorized Costs
Revenues and Other Financing Sources:				
Bond Proceeds	\$ 10,114,000	\$ -	\$ 10,114,000	\$ -
Total revenues	10,114,000		10,114,000	-
Expenditures and Other Financing Uses:				
Purchased professional services	1,527,917		1,527,917	
Construction services	8,542,073	43,950	8,586,023	
Total expenditures and other financing uses	10,069,990	43,950	10,113,940	
Excess (deficiency) or revenues over (under) expenditures	\$ 44,010	\$ (43,950)	\$ 60	\$ -
Additional project information:				
Project Number	N/A			
Grant Date	N/A			
Bond Authorization Date	12/08/15			
Bonds Authorized	\$ 10,114,000			
Bonds Issued	N/A			
Original Authorized Cost	\$ 10,114,000			
Additional Authorized Cost	\$ -			
Revised Authorized Cost	\$ 10,114,000			
Percentage Increase over Original Authorized Cost	0.00%			
Percentage Completion	10.00%			
Original target completion date	12/31/16			
Revised target completion date	N/A			

BURLINGTON TOWNSHIP SCHOOL DISTRICT
Capital Projects Fund
 Summary Statement of Project Expenditures
 Year Ended June 30, 2022

Issue/Project Title	Original Date	Appropriations	Expenditures to Date		Transfer to Capital Reserve	Unexpended Balance
			Prior Years	Current Year		
High School - Mechanical and Electrical Upgrades Security System and Windows	06/20/14	\$ 2,605,062	\$ 2,594,994	\$ -	\$ 10,068	\$ -
Hopkins School - Mechanical Upgrades, Security Upgrades Windows and Communications	05/02/14	496,820	494,567		2,253	
BTMS @ Springside School - Security Upgrades and Communications	05/02/14	196,000	196,000			
Fountain Woods - Security Upgrades and Communications	05/02/14	150,000	150,000			
Young School - Exterior Closure and HVAC	05/02/14	2,230,553	2,230,553			
Various Improvements to School Facilities	12/08/15	10,114,000	10,069,990	43,950		60
Total		<u>\$ 15,792,435</u>	<u>\$ 15,736,104</u>	<u>\$ 43,950</u>	<u>\$ 12,321</u>	<u>\$ 60</u>

Proprietary Funds

BURLINGTON TOWNSHIP SCHOOL DISTRICT
Enterprise Funds
Statement of Net Position
as of June 30, 2022

	Food Service	Performing Arts Center	Total
ASSETS:			
Current assets:			
Cash and cash equivalents	\$ 445,723	\$ 4,805	\$ 450,528
Accounts receivable:			
State	2,366		2,366
Federal	126,303		126,303
Other	21,821	9,055	30,876
Interfund	64,496	3,130	67,626
Inventories	52,071		52,071
Total current assets	<u>712,780</u>	<u>16,990</u>	<u>729,770</u>
Fixed assets:			
Buildings and Improvements	2,875,568	-	2,875,568
Equipment	685,579	-	685,579
Total Fixed Assets	<u>3,561,147</u>	<u>-</u>	<u>3,561,147</u>
Less Accumulated depreciation	<u>(890,286)</u>	<u>-</u>	<u>(890,286)</u>
Total fixed assets	<u>2,670,861</u>	<u>-</u>	<u>2,670,861</u>
Total assets	<u>\$ 3,383,641</u>	<u>\$ 16,990</u>	<u>\$ 3,400,631</u>
LIABILITIES:			
Current liabilities:			
Unearned Revenue	\$ 26,913	\$ -	\$ 26,913
Interfund payable	301,970	-	301,970
Total current liabilities	<u>328,883</u>	<u>-</u>	<u>328,883</u>
NET POSITION:			
Net investment in capital assets	2,670,861	-	2,670,861
Unrestricted	383,897	16,990	400,887
Total net position	<u>\$ 3,054,758</u>	<u>\$ 16,990</u>	<u>\$ 3,071,748</u>

BURLINGTON TOWNSHIP SCHOOL DISTRICT
Enterprise Funds

Statement of Revenues, Expenses and Changes in Net Position
for the Fiscal Years ended June 30, 2022

	Food Service	Performing Arts Center	Total
OPERATING REVENUES:			
Local sources:			
Daily sales-reimbursable programs	\$ -	\$ -	\$ -
Total reimbursable programs	-	-	-
Daily sales-non-reimbursable programs	141,913	-	141,913
Special functions	19,352	-	19,352
Miscellaneous - refund of prior year expenditures	215	9,670	9,885
Total non-reimbursable programs	161,480	9,670	171,150
Total operating revenue	161,480	9,670	171,150
OPERATING EXPENSES:			
Salaries and Wages	715,974	1,338	717,312
Employee Benefits	174,541		174,541
Direct expenses	1,922		1,922
Supplies and materials	67,181	3,908	71,089
Depreciation	91,528		91,528
Management fee	28,734		28,734
Cost of Sales - reimbursable programs	674,044		674,044
Cost of Sales - nonreimbursable programs	51,071		51,071
Other	6,763		6,763
Total operating expenses	1,811,758	5,246	1,817,004
Operating income (loss)	(1,650,278)	4,424	(1,645,854)
Non-operating revenues:			
State sources:			
State School Lunch Program	35,278	-	35,278
Federal sources:			
National School Lunch Program	1,561,552	-	1,561,552
National School Breakfast Program	256,593	-	256,593
U.S.D.A. commodities	81,948	-	81,948
Interest revenue	250	15	265
Total non-operating revenues	1,935,621	15	1,935,636
Change in Net Position	285,343	4,439	289,782
Net position - July 1	2,769,415	12,551	2,781,966
Net position - June 30	\$ 3,054,758	\$ 16,990	\$ 3,071,748

BURLINGTON TOWNSHIP SCHOOL DISTRICT
Enterprise Funds
Statement of Cash Flows
for the Fiscal Year ended June 30, 2022

	Food Service	Performing Arts Center	Total
Cash flows from operating activities:			
Cash receipts from customers	\$ 457,553	\$ -	\$ 457,553
Cash payments to employees for services	(1,011,333)	(1,338)	(1,012,671)
Cash payments to suppliers for goods and services	(818,500)	(7,163)	(825,663)
Net cash used by operating activities	<u>(1,372,280)</u>	<u>(8,501)</u>	<u>(1,380,781)</u>
Cash flows from noncapital financing activities:			
Cash received from state and federal reimbursements	1,756,250	-	1,756,250
Net cash provided by noncapital financing activities	<u>1,756,250</u>	<u>-</u>	<u>1,756,250</u>
Cash flows from capital financing activities:			
Purchases of fixed assets	(8,564)	-	(8,564)
Net cash used by capital financing activities	<u>(8,564)</u>	<u>-</u>	<u>(8,564)</u>
Cash flows from investing activities:			
Interest on investments	250	15	265
Net cash provided by investing activities	<u>250</u>	<u>15</u>	<u>265</u>
Net increase (decrease) in cash and cash equivalents	375,656	(8,486)	367,170
Cash and cash equivalents, July 1	70,067	13,291	83,358
Cash and cash equivalents, June 30	<u>\$ 445,723</u>	<u>\$ 4,805</u>	<u>\$ 450,528</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:			
Operating income (loss)	\$ (1,650,278)	\$ 4,424	\$ (1,645,854)
Adjustments to reconcile operating income (loss) to cash provided (used) by operating activities:			
Depreciation	91,528	-	91,528
Federal commodities	81,948	-	81,948
Board contribution of Fixed Assets	-	-	-
Change in assets and liabilities:			
(Increase)/decrease in inventory	(10,723)	-	(10,723)
(Increase)/decrease in accounts receivable	49,669	(7,680)	41,989
(Increase)/decrease in interfund receivable	77,914	-	77,914
Increase/(decrease) in interfund payable	-	-	-
Increase/(decrease) in unearned revenue	(12,338)	(5,245)	(17,583)
Net cash used by operating activities	<u>\$ (1,372,280)</u>	<u>\$ (8,501)</u>	<u>\$ (1,380,781)</u>

BURLINGTON TOWNSHIP SCHOOL DISTRICT
Internal Service Fund
 Statement of Net Position
 as of June 30, 2022

	Governmental Activities - Internal Service Technology Service
ASSETS:	
Current assets:	
Cash and cash equivalents	\$ 72,654
Accounts receivable:	
Intergovernmental	
	72,654
Total current assets	72,654
Total assets	\$ 72,654
LIABILITIES:	
Current liabilities:	
Interfund payable	\$ 72,654
Total current liabilities	72,654
NET POSITION:	
Unrestricted	-
Total net position	\$ -

BURLINGTON TOWNSHIP SCHOOL DISTRICT
Internal Service Fund
Statement of Revenues, Expenses and Changes in Net Position
for the Fiscal Years ended June 30, 2022

	Governmental Activities - Internal Service Technology Service
<hr/>	
OPERATING REVENUES:	
Local sources:	
Shared Service Agreements	\$ 804,555
	<hr/>
Total operating revenue	804,555
	<hr/>
OPERATING EXPENSES:	
Technology Services	804,555
	<hr/>
Total operating expenses	804,555
	<hr/>
Operating income (loss)	-
	<hr/>
Net Income (loss)	-
	<hr/>
Net position - July 1	-
	<hr/>
Net position - June 30	\$ -
	<hr/> <hr/>

BURLINGTON TOWNSHIP SCHOOL DISTRICT
Internal Service Fund
Statement of Cash Flows
for the Fiscal Year ended June 30, 2022

	<u>Governmental Activities - Internal Service Technology Service</u>
Cash flows from operating activities:	
Cash receipts from customers	\$ 841,842
Cash payments to suppliers for goods and services	<u>(804,555)</u>
Net cash used by operating activities	<u>37,287</u>
Net increase (decrease) in cash and cash equivalents	37,287
Cash and cash equivalents, July 1	<u>35,367</u>
Cash and cash equivalents, June 30	<u><u>\$ 72,654</u></u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:	
Operating income (loss)	\$ -
Adjustments to reconcile operating income (loss) to cash provided (used) by operating activities:	
Change in assets and liabilities:	
(Increase)/decrease in accounts receivable	37,287
Increase/(decrease) in interfund payable	<u>-</u>
Net cash used by operating activities	<u><u>\$ 37,287</u></u>

Long-Term Debt Schedules

BURLINGTON TOWNSHIP SCHOOL DISTRICT
General Long-Term Debt Account Group
 Schedule of Serial Bonds
 June 30, 2022

Issue	Date of Issue	Amount of Issue	Annual Maturities		Rate of Interest	Balance July 1, 2021	Issued	Retired	Balance June 30, 2022
			Date	Amount					
Refunding Bonds	4/1/2012	\$ 13,795,000	07/15/22	\$ 1,485,000	4.50%	\$ 6,005,000	\$ -	\$ 1,430,000	\$ 4,575,000
			07/15/23	1,540,000	4.50%				
			07/15/24	1,550,000	4.40%				
2016 School Bonds	7/15/2016	10,114,000	7/15/2022	1,180,000	1.750%	7,114,000		1,200,000	5,914,000
			7/15/2023	1,155,000	2.000%				
			7/15/2024	1,180,000	2.000%				
			7/15/2025	1,200,000	2.000%				
			7/15/2026	1,199,000	2.000%				
Total						<u>\$ 13,119,000</u>	<u>\$ -</u>	<u>\$ 2,630,000</u>	<u>\$ 10,489,000</u>

BURLINGTON TOWNSHIP SCHOOL DISTRICT
Long-Term Debt
Schedule of Obligations Under Leases
June 30, 2022

Purpose	Original Issue	Interest Rate	(Restated) Balance June 30, 2021	Issued	Retired	Balance June 30, 2022
Copiers	\$ 213,240	4.00%	\$ 110,876	\$ -	\$ 54,331	\$ 56,545
Copiers	29,587	4.00%	22,034		7,267	14,767
Copiers	5,134	4.00%	4,737		1,224	3,513
Copiers	166,427	4.00%		166,427	39,148	127,279
Postage Meter	15,759	3.00%		15,759	2,103	13,656
			<u>\$ 137,647</u>	<u>\$ 182,186</u>	<u>\$ 104,073</u>	<u>\$ 215,760</u>

BURLINGTON TOWNSHIP SCHOOL DISTRICT
Budgetary Comparison Schedule
Debt Service Fund
Fiscal Year Ended June 30, 2022

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES:					
Local sources:					
Local tax levy	\$ 2,501,809	\$ -	\$ 2,501,809	\$ 2,501,809	\$ -
Total revenues - local sources	2,501,809	-	2,501,809	2,501,809	-
State sources:					
Debt service aid type II	503,442	-	503,442	503,442	-
Total revenues - state sources	503,442	-	503,442	503,442	-
Total Revenues	3,005,251	-	3,005,251	3,005,251	-
EXPENDITURES:					
Regular debt service:					
Interest on bonds	380,430	-	380,430	380,430	-
Redemption of principal	2,630,000	-	2,630,000	2,630,000	-
Total Expenditures	3,010,430	-	3,010,430	3,010,430	-
Excess (Deficiency) of revenues over (under) expenditures	(5,179)	-	(5,179)	(5,179)	-
Other Financing Sources and (Uses):					
Transfer from Capital Projects	-	-	-	322	322
Total Other Financing Sources	-	-	-	322	322
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Sources (Uses):	(5,179)	-	(5,179)	(4,857)	322
Fund Balance, July 1	5,525	-	5,525	5,525	-
Fund Balance, June 30	\$ 346	\$ -	\$ 346	\$ 668	\$ 322

Statistical Section

Burlington Township School District
Net Position by Component,
Last Ten Fiscal Years
(accrual basis of accounting)

EXHIBIT J-1

	Fiscal Year Ending June 30,									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Governmental activities:										
Net investment in capital assets	\$ 28,803,444	\$ 31,090,573	\$ 36,972,907	\$ 40,367,864	\$ 33,307,706	\$ 36,783,789	\$ 40,510,458	\$ 43,678,376	\$ 44,132,061	\$ 45,964,247
Restricted for:										
Special Revenue	-	-	-	-	-	-	-	-	-	733,745
Capital projects	2,966,623	5,683,186	3,004,047	2,026,604	9,545,718	4,496,580	2,644,042	3,165,987	5,015,672	7,390,386
Debt service	-	-	182,209	13,870	49,322	74,720	51,813	17,724	5,525	322
Other purposes	3,701,179	3,474,621	2,774,416	2,818,246	3,078,738	2,728,974	2,694,401	2,788,665	3,700,778	4,136,054
Unrestricted	<u>(1,788,509)</u>	<u>(1,737,575)</u>	<u>(11,375,681)</u>	<u>(11,270,635)</u>	<u>(11,736,951)</u>	<u>(11,686,854)</u>	<u>(11,046,203)</u>	<u>(10,211,999)</u>	<u>(7,303,079)</u>	<u>(6,462,396)</u>
Total governmental activities net position	<u>\$ 33,682,737</u>	<u>\$ 38,510,805</u>	<u>\$ 31,557,898</u>	<u>\$ 33,955,949</u>	<u>\$ 34,244,533</u>	<u>\$ 32,397,209</u>	<u>\$ 34,854,511</u>	<u>\$ 39,438,753</u>	<u>\$ 45,550,957</u>	<u>\$ 51,762,358</u>
Business-type activities:										
Net investment in capital assets	\$ 377,636	\$ 362,477	\$ 347,772	\$ 334,117	\$ 321,844	\$ 3,009,199	\$ 2,916,666	\$ 2,824,573	\$ 2,753,825	\$ 2,670,861
Unrestricted	164,406	214,916	191,016	129,597	92,505	97,869	117,632	61,455	28,141	400,887
Total business-type activities net position	<u>\$ 542,042</u>	<u>\$ 577,393</u>	<u>\$ 538,788</u>	<u>\$ 463,714</u>	<u>\$ 414,349</u>	<u>\$ 3,107,068</u>	<u>\$ 3,034,298</u>	<u>\$ 2,886,028</u>	<u>\$ 2,781,966</u>	<u>\$ 3,071,748</u>
District-wide:										
Net investment in capital assets	\$ 29,181,080	\$ 31,453,050	\$ 37,320,679	\$ 40,701,981	\$ 33,629,550	\$ 39,792,988	\$ 43,427,124	\$ 46,502,949	\$ 46,885,886	\$ 48,635,108
Restricted:										
Capital projects	2,966,623	5,683,186	3,004,047	2,026,604	9,545,718	4,496,580	2,644,042	3,165,987	5,015,672	7,390,386
Debt service	-	-	182,209	13,870	49,322	74,720	51,813	17,724	5,525	322
Other purposes	3,701,179	3,474,621	2,774,416	2,818,246	3,078,738	2,728,974	2,694,401	2,788,665	3,700,778	4,136,054
Special Revenue										733,745
Unrestricted	<u>(1,624,103)</u>	<u>(1,522,659)</u>	<u>(11,184,665)</u>	<u>(11,141,038)</u>	<u>(11,644,446)</u>	<u>(11,588,985)</u>	<u>(10,928,571)</u>	<u>(10,150,544)</u>	<u>(7,274,938)</u>	<u>(6,061,509)</u>
Total district net position	<u>\$ 34,224,779</u>	<u>\$ 39,088,198</u>	<u>\$ 32,096,686</u>	<u>\$ 34,419,663</u>	<u>\$ 34,658,882</u>	<u>\$ 35,504,277</u>	<u>\$ 37,888,809</u>	<u>\$ 42,324,781</u>	<u>\$ 48,332,923</u>	<u>\$ 54,834,106</u>

Burlington Township School District
Changes in Net Position, Last Ten Fiscal Years
(accrual basis of accounting)

EXHIBIT J-2

	Fiscal Year Ending June 30,									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Expenses:										
Governmental activities:										
Instruction:										
Regular	\$ 18,587,884	\$ 18,548,395	\$ 19,079,235	\$ 19,510,826	\$ 19,835,384	\$ 20,750,514	\$ 20,478,045	\$ 20,406,596	\$ 20,854,103	\$ 21,588,166
Special education	7,859,851	6,365,974	6,556,937	6,586,368	6,857,960	7,281,816	6,582,548	7,151,647	7,270,472	7,049,224
Other instruction	1,956,105	2,067,717	2,044,938	2,096,426	2,240,798	2,188,131	2,692,241	2,999,813	2,739,816	3,161,153
Support Services:										
Tuition	2,296,865	2,228,530	2,133,509	2,492,883	2,721,679	3,262,410	4,841,975	3,669,942	3,175,440	3,271,473
Student & instruction related services	5,994,396	7,795,640	8,006,836	8,074,909	8,402,913	8,604,348	9,453,035	10,372,015	11,429,469	12,616,626
School administrative services	2,170,709	2,264,061	2,008,566	1,998,980	2,279,415	2,018,627	2,536,377	2,633,674	2,574,804	2,586,493
General and business administrative services	1,715,221	1,806,085	2,739,238	3,231,349	2,139,713	3,034,794	2,184,175	2,488,263	2,742,921	2,704,429
Plant operations and maintenance	5,494,750	6,632,987	6,770,069	6,280,321	7,744,288	9,900,494	5,616,269	5,513,168	6,709,138	6,145,043
Pupil transportation	2,662,537	2,726,822	2,847,978	2,853,287	2,832,214	2,903,921	3,425,087	2,773,685	2,582,209	2,915,287
Unallocated employee benefits	14,741,082	14,460,219	14,637,894	15,249,854	16,613,737	35,796,503	32,068,620	29,904,081	39,029,963	34,902,066
Charter schools	52,122	37,196	9,035	18,393	10,005	9,197	106,261	126,850	151,448	121,821
Interest on long-term debt	1,523,662	908,696	870,560	745,475	745,241	717,192	432,527	528,034	419,553	380,430
Unallocated depreciation and amortization	114,186	214,399	76,577	130,504	126,795	131,204	155,209	81,926	130,781	96,641
Total governmental activities expenses	<u>65,169,370</u>	<u>66,056,721</u>	<u>67,781,372</u>	<u>69,269,575</u>	<u>72,550,142</u>	<u>96,599,151</u>	<u>90,572,369</u>	<u>88,649,694</u>	<u>99,810,117</u>	<u>97,538,852</u>
Business-type activities:										
Community Arts Center	47,437	52,367	65,689	63,499	57,789	53,569	47,489	31,995	14,878	5,246
Food Service	1,657,407	1,671,370	1,628,871	1,683,937	1,471,199	1,353,351	1,491,956	1,191,951	550,018	1,811,758
Total business-type activities expense	<u>1,704,844</u>	<u>1,723,737</u>	<u>1,694,560</u>	<u>1,747,436</u>	<u>1,528,988</u>	<u>1,406,920</u>	<u>1,539,445</u>	<u>1,223,946</u>	<u>564,896</u>	<u>1,817,004</u>
Total district expenses	<u>\$ 66,874,214</u>	<u>\$ 67,780,458</u>	<u>\$ 69,475,932</u>	<u>\$ 71,017,011</u>	<u>\$ 74,079,130</u>	<u>\$ 98,006,071</u>	<u>\$ 92,111,814</u>	<u>\$ 89,873,640</u>	<u>\$ 100,375,013</u>	<u>\$ 99,355,856</u>
Program Revenues:										
Governmental activities:										
Operating grants and contributions	\$ 7,675,389	\$ 7,057,093	\$ 6,518,042	\$ 7,394,673	\$ 9,351,983	\$ 29,611,391	\$ 25,978,361	\$ 23,552,023	\$ 34,480,036	\$ 31,098,477
Charges for service			653,043	833,398	232,010	478,208	245,364	279,358	941,820	-
Total governmental activities program revenues	<u>7,675,389</u>	<u>7,057,093</u>	<u>7,171,085</u>	<u>8,228,071</u>	<u>9,583,993</u>	<u>30,089,599</u>	<u>26,223,725</u>	<u>23,831,381</u>	<u>35,421,856</u>	<u>31,098,477</u>

(Continued)

Burlington Township School District
Changes in Net Position, Last Ten Fiscal Years
(accrual basis of accounting)

EXHIBIT J-2

	Fiscal Year Ending June 30,									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Business-type activities:										
Charges for services:										
Performing Arts Center	\$ 46,510	\$ 40,710	\$ 60,835	\$ 41,250	\$ 39,955	\$ 30,970	\$ 32,185	\$ 4,645	\$ -	\$ 9,670
Food service	1,072,889	1,155,350	999,327	974,981	773,464	720,104	823,135	552,820	87,785	161,480
Operating grants and contributions	566,926	562,674	595,051	655,224	629,094	601,908	607,443	514,676	351,866	1,935,371
Total business type activities program revenues	<u>1,686,325</u>	<u>1,758,734</u>	<u>1,655,213</u>	<u>1,671,455</u>	<u>1,442,513</u>	<u>1,352,982</u>	<u>1,462,763</u>	<u>1,072,141</u>	<u>439,651</u>	<u>2,106,521</u>
Total district program revenues	<u>\$ 9,361,714</u>	<u>\$ 8,815,827</u>	<u>\$ 8,826,298</u>	<u>\$ 9,899,526</u>	<u>\$ 11,026,506</u>	<u>\$ 31,442,581</u>	<u>\$ 27,686,488</u>	<u>\$ 24,903,522</u>	<u>\$ 35,861,507</u>	<u>\$ 33,204,998</u>
Net (Expense)/Revenue:										
Governmental activities	\$ (57,493,981)	\$ (58,999,628)	\$ (60,610,287)	\$ (61,041,504)	\$ (62,966,149)	\$ (66,509,552)	\$ (64,348,644)	\$ (64,818,313)	\$ (64,388,261)	\$ (66,440,375)
Business-type activities	(18,519)	34,997	(39,347)	(75,981)	(86,475)	(53,938)	(76,682)	(151,805)	(125,245)	289,517
Total district-wide net expense	<u>\$ (57,512,500)</u>	<u>\$ (58,964,631)</u>	<u>\$ (60,649,634)</u>	<u>\$ (61,117,485)</u>	<u>\$ (63,052,624)</u>	<u>\$ (66,563,490)</u>	<u>\$ (64,425,326)</u>	<u>\$ (64,970,118)</u>	<u>\$ (64,513,506)</u>	<u>\$ (66,150,858)</u>
General Revenues and Other Changes in Net Position:										
Governmental activities:										
Property taxes levied for general purposes, net	\$ 35,829,683	\$ 37,196,328	\$ 38,033,254	\$ 38,793,919	\$ 39,569,797	\$ 40,361,193	\$ 41,168,417	\$ 42,029,999	\$ 42,870,599	\$ 43,728,011
Taxes levied for debt service	3,897,792	3,800,613	3,539,220	3,306,596	3,466,574	3,564,151	3,656,267	3,531,589	2,512,793	2,501,809
Unrestricted grants and contributions	19,476,178	21,617,556	20,482,740	20,421,926	19,857,334	19,770,577	21,116,815	22,931,796	23,266,614	25,398,536
Investment earnings	2,248	2,654	890	2,784	43,450	53,795	12,545	26,010	1,371	1,300
Miscellaneous income	849,601	1,210,545	669,211	914,330	317,578	912,512	851,902	883,161	659,703	1,022,120
Total governmental activities	<u>60,055,502</u>	<u>63,827,696</u>	<u>62,725,315</u>	<u>63,439,555</u>	<u>63,254,733</u>	<u>64,662,228</u>	<u>66,805,946</u>	<u>69,402,555</u>	<u>69,311,080</u>	<u>72,651,776</u>
Business-type activities:										
Investment earnings	476	354	742	907	1,310	2,842	3,912	3,535	389	265
Board contribution of fixed assets	-	-	-	-	-	-	-	-	20,794	-
Miscellaneous income	-	-	-	-	35,800	2,743,815	-	-	-	-
Total business-type activities	<u>476</u>	<u>354</u>	<u>742</u>	<u>907</u>	<u>37,110</u>	<u>2,746,657</u>	<u>3,912</u>	<u>3,535</u>	<u>21,183</u>	<u>265</u>
Total district-wide	<u>\$ 60,055,978</u>	<u>\$ 63,828,050</u>	<u>\$ 62,726,057</u>	<u>\$ 63,440,462</u>	<u>\$ 63,291,843</u>	<u>\$ 67,408,885</u>	<u>\$ 66,809,858</u>	<u>\$ 69,406,090</u>	<u>\$ 69,332,263</u>	<u>\$ 72,652,041</u>
Change in Net Position:										
Governmental activities	\$ 2,561,521	\$ 4,828,068	\$ 2,115,028	\$ 2,398,051	\$ 288,584	\$ (1,847,324)	\$ 2,457,302	\$ 4,584,242	\$ 4,922,819	\$ 6,211,401
Business-type activities	(18,043)	35,351	(38,605)	(75,074)	(49,365)	2,692,719	(72,770)	(148,270)	(104,062)	289,782
Total district-wide	<u>\$ 2,543,478</u>	<u>\$ 4,863,419</u>	<u>\$ 2,076,423</u>	<u>\$ 2,322,977</u>	<u>\$ 239,219</u>	<u>\$ 845,395</u>	<u>\$ 2,384,532</u>	<u>\$ 4,435,972</u>	<u>\$ 4,818,757</u>	<u>\$ 6,501,183</u>

**Burlington Township School District
Fund Balances, Governmental Funds,
Last Ten Fiscal Years**
(modified accrual basis of accounting)

EXHIBIT J-3

	Fiscal Year Ending June 30,									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Fund:										
Reserved for:										
Encumbrances	\$ 151,380	\$ -	\$ 25,001	\$ 191,126	\$ 279,304	\$ -	\$ 52,627	\$ 358,836	\$ 1,277,140	\$ 961,136
Capital reserve	2,924,446	1,300,156	1,707,921	2,016,726	1,794,043	1,852,716	1,864,556	3,083,387	4,989,712	7,390,326
Maintenance reserve	946,000	946,000	946,000	946,000	1,419,000	1,446,000	1,458,800	1,458,800	2,290,522	3,419,237
Unemployment compensation	-	-	-	-	-	-	-	-	715,517	716,817
Excess surplus	205,428	-	-	-	-	-	-	-	-	-
Excess surplus - designated for subsequent year's expenditures	257,917	205,428	-	-	-	-	-	-	-	-
ARRA/SEM- Unreserved - designated for subsequent year's expenditures	-	-	21,368	-	-	-	-	-	-	-
Unreserved - designated for subsequent year's expenditures	2,085,947	2,095,157	1,782,047	1,677,716	1,380,434	1,282,974	1,182,974	992,330	610,582	476,318
Unreserved	(44,754)	(300,651)	(481,977)	(429,709)	(205,080)	(316,528)	(273,546)	(166,491)	224,784	304,624
Total general fund	<u>\$ 6,526,364</u>	<u>\$ 4,246,090</u>	<u>\$ 4,000,360</u>	<u>\$ 4,401,859</u>	<u>\$ 4,667,701</u>	<u>\$ 4,265,162</u>	<u>\$ 4,285,411</u>	<u>\$ 5,726,862</u>	<u>\$ 10,108,257</u>	<u>\$ 13,268,458</u>
All Other Governmental Funds										
Reserved:										
Encumbrances	\$ 18,971	\$ 2,373,716	\$ 463,005	\$ 3,404	\$ 4,658,200	\$ 1,861,018	\$ 562,555	\$ 27,744	\$ 18,050	\$ -
Unreserved - designated for subsequent year's expenditures	-	-	-	-	13,870	35,452	39,268	12,545	-	-
Unreserved, reported in:										
Special revenue fund	-	-	-	-	-	-	-	(21,301)	694,466	634,567
Capital projects fund	23,206	2,009,314	833,121	9,878	3,093,475	782,846	216,931	54,856	25,960	60
Debt service fund	54,507	228,036	182,209	13,870	35,452	39,268	12,545	5,179	5,525	668
Total all other governmental funds	<u>\$ 96,684</u>	<u>\$ 4,611,066</u>	<u>\$ 1,478,335</u>	<u>\$ 27,152</u>	<u>\$ 7,800,997</u>	<u>\$ 2,718,584</u>	<u>\$ 831,299</u>	<u>\$ 79,023</u>	<u>\$ 744,001</u>	<u>\$ 635,295</u>

Burlington Township School District
Changes in Fund Balances, Governmental Funds,
Last Ten Fiscal Years
(modified accrual basis of accounting)

EXHIBIT J-4

	Fiscal Year Ending June 30,									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Revenues										
Tax levy	\$ 39,727,475	\$ 40,996,941	\$ 41,572,474	\$ 42,100,515	\$ 43,036,371	\$ 43,925,344	\$ 44,824,684	\$ 45,561,588	\$ 45,383,392	\$ 46,229,820
Tuition charges	403,855	551,663	338,678	492,487	187,449	114,405	245,364	279,358	467,322	329,349
Transportation charges	56,806	31,509	56,438	27,988	44,561	34,735	86,271	38,062	36,340	46,501
Interest earnings	2,248	2,654	890	2,784	43,450	53,795	12,545	26,010	7,217	-
Miscellaneous	455,082	682,342	293,340	402,384	339,160	796,665	1,054,963	1,395,217	617,517	647,570
Local sources									794,655	973,938
State sources	25,766,255	27,337,752	25,634,781	26,450,811	27,745,455	28,876,318	31,559,767	32,853,444	36,178,694	41,488,565
Federal sources	1,319,170	1,281,928	1,346,756	1,357,259	1,442,280	1,432,011	1,449,569	1,414,014	2,320,673	2,892,166
Total revenue	67,730,891	70,884,789	69,243,357	70,834,228	72,838,726	75,233,273	79,233,163	81,567,693	85,805,810	92,607,909
Expenditures										
Instruction										
Regular Instruction	16,891,831	16,803,273	16,890,650	17,543,878	18,001,937	18,807,712	18,340,402	18,648,980	19,014,760	20,044,526
Special education instruction	7,859,851	6,365,974	6,556,937	6,586,368	6,857,960	7,281,816	6,582,548	7,151,647	7,270,472	7,049,224
Other instruction	1,956,105	2,067,717	2,044,938	2,096,426	2,240,798	2,188,131	2,692,241	2,999,813	2,739,816	3,161,153
Support Services:										
Tuition	2,296,865	2,228,530	2,133,509	2,492,883	2,721,679	3,262,410	4,841,975	3,669,942	3,175,440	3,271,473
Student & instruction related services	5,994,396	7,795,640	8,006,836	8,074,909	8,402,913	8,604,348	9,453,035	10,372,015	11,429,469	12,616,626
School administrative services	1,942,336	2,024,011	2,008,566	1,998,980	2,025,825	2,018,627	2,070,749	2,235,978	2,182,460	2,196,607
General and business admin. services	1,715,221	1,806,085	1,840,134	2,136,944	2,139,713	2,294,176	2,184,175	2,488,263	2,268,423	2,688,208
Plant operations and maintenance	5,003,333	5,485,395	5,650,857	5,679,619	5,709,738	5,294,233	5,810,770	5,626,527	5,486,642	5,959,721
Pupil transportation	2,662,537	2,726,822	2,847,978	2,853,287	2,832,214	2,903,921	3,114,668	2,773,685	2,582,209	2,915,287
Unallocated Employee Benefits	14,741,082	14,460,219	14,668,754	15,404,545	16,049,868	16,949,095	18,713,357	18,801,195	21,167,385	24,790,445
Charter School	52,122	37,196	9,035	18,393	10,005	9,197	106,261	126,850	151,448	121,821
Capital outlay	985,719	2,019,066	5,405,499	2,486,655	3,446,339	6,445,262	2,338,788	1,305,093	1,445,243	1,730,893
Debt service:										
Principal	3,755,000	3,680,000	3,485,000	3,525,000	3,595,000	3,665,000	4,095,000	4,085,000	2,585,000	2,630,000
Interest and other charges	1,325,456	1,287,496	1,073,125	986,025	879,050	994,297	756,230	593,530	450,055	380,430
Total expenditures	67,181,854	68,787,424	72,621,818	71,883,912	74,913,039	80,718,225	81,100,199	80,878,518	81,948,822	89,556,414
Excess (Deficiency) of revenues over (under) expenditures	549,037	2,097,365	(3,378,461)	(1,049,684)	(2,074,313)	(5,484,952)	(1,867,036)	689,175	3,856,988	3,051,495
Other Financing sources (uses)										
Proceeds from borrowing	-	14,540,387	-	-	10,114,000	-	-	-	-	-
Accounts receivable cancelled	-	(14,403,644)	-	-	-	-	-	-	-	-
Transfers in	-	2,422,137	970,500	13,870	35,452	42,672	12,545	5,179	52,086	269,382
Transfers out	-	(2,422,137)	(970,500)	(13,870)	(35,452)	(42,672)	(12,545)	(5,179)	(52,086)	(269,382)
Total other financing sources (uses)	-	136,743	-	-	10,114,000	-	-	-	-	-
Net change in fund balances	\$ 549,037	\$ 2,234,108	\$ (3,378,461)	\$ (1,049,684)	\$ 8,039,687	\$ (5,484,952)	\$ (1,867,036)	\$ 689,175	\$ 3,856,988	\$ 3,051,495
Debt service as a percentage of noncapital expenditures	7.67%	7.44%	6.78%	6.50%	6.26%	6.27%	6.16%	5.88%	3.77%	3.43%

Source: District records

Burlington Township School District
General Fund - Other Local Revenue by Source
Last Ten Fiscal Years
(modified accrual basis of accounting)

EXHIBIT J-5

<u>Fiscal Year</u> <u>Ending June 30,</u>	<u>Interest on</u> <u>Investments</u>	<u>Transportation</u>	<u>Tuition</u>	<u>Refunds</u>	<u>Rentals</u>	<u>Shared</u> <u>Services</u>	<u>Donations</u>	<u>Preschool</u> <u>Program Fees</u>	<u>Miscellaneous</u>	<u>Total</u>
2013	\$ 8,101	\$ 56,806	\$ 403,855	\$ 31,459	\$ 70,269	\$ -	\$ -	\$ 20,300	\$ 261,059	\$ 851,849
2014	6,337	31,509	551,663	59,812	125,674	384,833	-	20,800	29,917	1,210,545
2015	20,896	56,438	338,678	63,624	105,560	25,416	-	21,435	38,054	670,101
2016	20,848	27,988	492,487	91,573	64,730	37,219	800	37,000	144,469	917,114
2017	69,155	44,561	187,449	79,380	64,820	34,093	-	26,100	87,480	593,038
2018	81,221	34,735	114,405	500,110	76,317	23,910	-	39,950	56,391	927,039
2019	100,250	86,271	245,364	484,479	102,755	17,537	-	30,655	29,955	1,097,266
2020	53,110	38,062	279,358	661,473	89,265	15,981	-	18,690	6,580	1,162,519
2021	13,362	36,340	467,322	536,467	22,085	23,725	-	19,994	1,538	1,120,833
2022	10,985	46,501	329,349	461,355	22,628	40,228	-	11,375	100,677	1,023,098
	<u>\$ 384,265</u>	<u>\$ 459,211</u>	<u>\$ 3,409,930</u>	<u>\$ 2,969,732</u>	<u>\$ 744,103</u>	<u>\$ 602,942</u>	<u>\$ 800</u>	<u>\$ 246,299</u>	<u>\$ 756,120</u>	<u>\$ 9,573,402</u>

Source: District records

Burlington Township School District
 Assessed Value and Actual Value of Taxable Property,
 Last Ten Fiscal Years

Fiscal Year Ended June 30,	Vacant Land	Residential	Farm Reg.	Qfarm	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities a	Net Valuation Taxable	Tax-Exempt Property	Total Direct School Tax Rate b	Estimated Actual (County Equalized) Value
2013	\$ 67,610,200	\$ 1,527,747,957	\$ 2,021,300	\$ 874,900	\$ 339,142,450	\$ 228,582,600	\$ 54,290,000	\$ 2,220,269,407	\$ 3,498,570	\$ 2,223,767,977	\$ 252,810,450	\$ 1.844	\$ 2,260,097,655
2014	61,935,100	1,530,989,757	1,599,800	888,400	333,579,550	224,082,200	54,065,000	2,207,139,807	2,575,429	2,209,715,236	252,409,450	1.881	2,241,817,759
2015	58,134,200	1,537,823,757	1,599,800	857,400	297,699,900	239,808,300	54,065,000	2,189,988,357	2,566,194	2,192,554,551	254,308,450	1.920	2,293,204,680
2016	56,600,700	1,559,843,767	1,591,800	785,000	300,559,900	240,522,900	54,065,000	2,213,969,067	2,238,278	2,212,207,335	256,672,750	1.946	2,521,626,938
2017	54,232,200	1,604,295,700	1,626,000	606,900	313,796,700	260,409,600	65,984,400	2,300,951,500	2,716,695	2,303,668,195	343,987,900	1.907	2,452,521,692
2018	59,912,150	1,618,966,900	897,800	593,500	309,893,500	254,350,200	65,984,400	2,310,598,450	2,708,203	2,313,306,653	347,612,150	1.938	2,381,910,897
2019	75,968,750	1,625,234,100	974,000	543,100	309,071,400	252,129,400	63,484,400	2,327,405,150	2,604,523	2,330,009,673	366,711,950	1.955	2,527,457,076
2020	72,545,750	1,633,869,100	974,000	503,400	256,454,500	334,341,700	63,484,400	2,362,172,850	2,361,476	2,364,534,326	419,930,750	1.919	2,754,628,232
2021	60,437,150	1,635,480,600	974,000	473,500	250,348,600	374,728,600	63,484,400	2,385,926,850	2,453,731	2,388,380,581	459,275,150	1.936	2,715,477,474
2022	64,304,750	1,634,445,300	976,000	454,900	237,807,200	443,343,800	63,484,400	2,444,816,350	2,420,001	2,447,236,351	441,605,750	1.909	2,874,305,531

Source: Municipal Tax Assessor

Note:

Real property is required to be assessed at some percentage of true value (fair or market value) established by each county board of taxation.

Reassessment occurs when ordered by the County Board of Taxation

a Taxable Value of Machinery, Improvements and Equipment of Telephone, Telegraph and Messenger System Companies.

b Tax rates are per \$100.

**Burlington Township School District
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years**
(rate per \$100 of assessed value)

EXHIBIT J-7

Fiscal Year Ended June 30,	Burlington School District Direct Rate			Overlapping Rates			Total Direct and Overlapping Tax Rate
	Basic Rate	General Obligation Debt Service	Total Direct	Township of Burlington	Burlington County	Fire District	
2013	\$ 1.673	\$ 0.171	\$ 1.844	\$ 0.483	\$ 0.381	\$ 0.078	\$ 2.786
2014	1.721	0.160	1.881	0.496	0.384	0.079	2.840
2015	1.769	0.151	1.920	0.514	0.431	0.083	2.948
2016	1.797	0.149	1.946	0.513	0.456	0.085	3.000
2017	1.752	0.155	1.907	0.523	0.426	0.085	2.941
2018	1.780	0.158	1.938	0.523	0.411	0.087	2.959
2019	1.803	0.152	1.955	0.528	0.432	0.089	3.004
2020	1.813	0.106	1.919	0.527	0.460	0.091	2.997
2021	1.831	0.105	1.936	0.531	0.444	0.093	3.004
2022	1.808	0.101	1.909	0.532	0.440	0.093	2.974

Source: Municipal Tax Collector

Note: NJSA 18A:7F-5d limits the amount that the district can submit for a general fund tax levy . The levy when added to other components of the district's net budget may not exceed the prebudget year net budget by more than the spending growth limitation calculated as follows: the prebudget year net budget increased by the cost of living or 2.5 percent, whichever is greater, plus any spending growth adjustments.

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

**Burlington Township School District
Principal Property Tax Payers,
Current Year and Nine Years Ago**

EXHIBIT J-8

Taxpayer	2022		Taxpayer	2013	
	Taxable Assessed Value	% of Total District Net Assessed Value		Taxable Assessed Value	% of Total District Net Assessed Value
LIT/MRPI River Road, LLC	\$ 42,595,400	1.74%	Whitesell Inc.	\$ 92,578,500	4.16%
Haines Center - Burl LLC	42,562,900	1.74%	1900 River Road, LLC	40,300,000	1.81%
Bustleton Investors, LLC	34,388,400	1.41%	Midmall	26,075,500	1.17%
Midmall Resources LP	30,500,500	1.25%	Burlington Coat Factory	23,000,000	1.03%
Cole BJ Burlington NJ LLC	30,129,500	1.23%	130 Holdings, LLC	18,028,000	0.81%
Lion-FGC Burlington, LLC	27,519,800	1.12%	Sunset Associates	17,200,000	0.77%
Stag Burlington, LLC	26,160,500	1.07%	Willow Point Apartments	15,400,000	0.69%
Burlington Coat Factory	25,903,400	1.06%	Burlington Mall LLC, Center	13,506,000	0.61%
LIT Burlington Mall, LLC	19,969,300	0.82%	JS Hovanian	13,400,000	0.60%
Sunset Associates	19,237,500	0.79%	Northgate Village Real	13,245,000	0.60%
Total	\$ 298,967,200	12.22%	Total	\$ 272,733,000	12.26%

Source: Municipal Tax Assessor

**Burlington Township School District
Property Tax Levies and Collections,
Last Ten Fiscal Years**

EXHIBIT J-9

Fiscal Year Ended June 30,	Taxes Levied for the Calendar Year	Collected within the Fiscal Year of the Levy ^a		Collections in Subsequent Years
		Amount	Percentage of Levy	
2013	\$ 39,727,475	\$ 39,727,475	100.00%	-
2014	40,996,941	40,996,941	100.00%	-
2015	41,572,474	41,572,474	100.00%	-
2016	42,100,515	42,100,515	100.00%	-
2017	43,036,371	43,036,371	100.00%	-
2018	43,925,344	43,925,344	100.00%	-
2019	44,824,684	44,824,684	100.00%	-
2020	45,561,588	45,561,588	100.00%	-
2021	45,383,392	45,383,392	100.00%	-
2022	46,229,820	46,229,820	100.00%	-

Source: District records including the Certificate and Report of School Taxes (A4F form)

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

Burlington Township School District
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
(dollars in thousands, except per capita)

EXHIBIT J-10

Fiscal Year Ended June 30,	Governmental Activities		Total District	Percentage of Personal Income ^a	Per Capita ^b
	General Obligation Bonds	Financed Purchase/ Leases			
2013	\$ 32,475,000	\$ 51,772	\$ 32,526,772	2.79%	1,443
2014	28,040,000	-	28,040,000	2.32%	1,243
2015	24,555,000	-	24,555,000	1.94%	1,083
2016	21,030,000	-	21,030,000	1.61%	929
2017	27,549,000	-	27,549,000	2.06%	1,220
2018	23,884,000	-	23,884,000	1.73%	1,060
2019	19,789,000	-	19,789,000	1.38%	874
2020	15,704,000	-	15,704,000	1.03%	694
2021	13,119,000	319,833	13,438,833	c	561
2022	10,489,000	215,760	10,704,760	c	c

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

- a Based on Per Capita Income for Burlington County
- b Based on School District Population as of July 1,
- c Not available

Burlington Township School District
Ratios of Net General Bonded Debt Outstanding
Last Ten Fiscal Years
(dollars in thousands, except per capita)

EXHIBIT J-11

Fiscal Year Ended June 30,	General Bonded Debt Outstanding			Percentage of Actual Taxable Value ^a of Property	Per Capita ^b
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding		
2013	\$ 32,475,000	\$ -	\$ 32,475,000	1.46%	1,441
2014	28,040,000		28,040,000	1.27%	124
2015	24,555,000		24,555,000	1.12%	1,083
2016	21,030,000		21,030,000	0.95%	929
2017	27,549,000		27,549,000	1.20%	1,220
2018	23,884,000		23,884,000	1.03%	1,060
2019	19,789,000		19,789,000	0.85%	874
2020	15,704,000		15,704,000	0.66%	694
2021	13,119,000		13,119,000	0.55%	572
2022	10,489,000		10,489,000	0.43%	c

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 Population data can be found in Exhibit J-14.

c Not available

**Burlington Township School District
Ratios of Overlapping Governmental Activities Debt
As of December 31, 2021**

EXHIBIT J-12

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable ^a</u>	<u>Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes:			
Township of Burlington	\$ 13,289,180	100.000%	\$ 13,289,180
Burlington County General Obligation Debt	182,924,161	5.435%	9,941,928
			<hr/>
Subtotal, overlapping debt			23,231,108
Burlington Township School District Direct Debt			<hr/>
			13,119,000
Total direct and overlapping debt			<hr/> <hr/>
			\$ 36,350,108

Sources: Assessed value data used to estimate applicable percentages provided by the Burlington County Board of Taxation.

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

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

**Burlington Township School District
Legal Debt Margin Information,
Last Ten Fiscal Years**
(dollars in thousands)

Legal Debt Margin Calculation for Fiscal Year 2022

	Equalized valuation basis	
	2018	\$ 2,661,108,107
	2019	2,633,121,001
	2020	<u>2,733,020,447</u>
	[A]	<u><u>\$ 8,027,249,555</u></u>
Average equalized valuation of taxable property	[A/3]	\$ 2,675,749,852
Debt limit (4% of average equalized valuation)	[B]	107,029,994 ^a
Net bonded school debt	[C]	<u>10,489,000</u>
Legal debt margin	[B-C]	<u><u>\$ 96,540,994</u></u>

	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Debt limit	\$ 98,190,690	\$ 92,645,635	\$ 90,450,087	\$ 93,533,058	\$ 95,556,527	\$ 95,904,302	\$ 95,437,906	\$ 99,029,462	\$ 103,173,518	\$ 107,029,994
Total net debt applicable to limit	<u>32,475,000</u>	<u>28,040,000</u>	<u>24,555,000</u>	<u>21,030,000</u>	<u>27,549,000</u>	<u>23,884,000</u>	<u>19,789,000</u>	<u>15,704,000</u>	<u>13,119,000</u>	<u>10,489,000</u>
Legal debt margin	<u><u>\$ 65,715,690</u></u>	<u><u>\$ 64,605,635</u></u>	<u><u>\$ 65,895,087</u></u>	<u><u>\$ 72,503,058</u></u>	<u><u>\$ 68,007,527</u></u>	<u><u>\$ 72,020,302</u></u>	<u><u>\$ 75,648,906</u></u>	<u><u>\$ 83,325,462</u></u>	<u><u>\$ 90,054,518</u></u>	<u><u>\$ 96,540,994</u></u>
Total net debt applicable to the limit as a percentage of debt limit	33.07%	30.27%	27.15%	22.48%	28.83%	24.90%	20.73%	15.86%	12.72%	9.80%

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

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

**Burlington Township School District
Demographic and Economic Statistics
Last Ten Fiscal Years**

Exhibit J-14

<u>Year</u>	<u>Population ^a</u>	<u>Personal Income ^b</u>	<u>Per Capita Personal Income ^c</u>	<u>Unemployment Rate ^d</u>
2013	22,542	\$ 1,164,136,506	\$ 51,643	9.5%
2014	22,551	1,208,102,172	53,572	6.2%
2015	22,680	1,268,379,000	55,925	5.2%
2016	22,640	1,303,679,120	57,583	5.2%
2017	22,576	1,338,102,096	59,271	3.7%
2018	22,524	1,377,117,360	61,140	3.4%
2019	22,631	1,437,702,168	63,528	3.1%
2020	22,632	1,519,829,328	67,154	7.5%
2021	23,952	e	e	4.9%
2022	e	e	e	e

Source:

- a Population information provided by the NJ Dept of Labor and Workforce Development.
- b Personal income for Burlington County.
- c Per Capita for Burlington County.
- d Unemployment data provided by the NJ Dept of Labor and Workforce Development.
- e Not available.

**Burlington Township School District
Full-time Equivalent District Employees by Function/Program,
Last Ten Fiscal Years**

Exhibit J-16

<u>Function/Program</u>	<u>Fiscal Year Ending June 30,</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	237	236	239	236	240	231	231	229	229	251
Special education	127	115	110	111	102	102	98	109	104	94
Other special education										
Vocational										
Other instruction										
Nonpublic school programs										
Adult/continuing education programs										
Support Services:										
Student & instruction related services	97	97	79	75	75	71	70	68	68	62
School administrative services	27	27	27	27	27	27	30	30	28	21
General and business administrative services	3	3	3	3	3	3	3	3	3	3
Plant operations and maintenance	5	5	5	5	6	6	6	6	6	6
Pupil transportation	11	11	11	11	11	12	12	12	12	28
Business and other support services	8	8	7	6	8	8	7	7	8	9
Special Schools										
Food Service										
Child Care										
Total	<u>515</u>	<u>502</u>	<u>481</u>	<u>474</u>	<u>472</u>	<u>460</u>	<u>457</u>	<u>464</u>	<u>458</u>	<u>474</u>

Source: District Personnel Records

Burlington Township School District
 Operating Statistics,
 Last Ten Fiscal Years

EXHIBIT J-17

Fiscal Year	Enrollment	Operating Expenditures ^a	Cost Per Pupil	Percentage Change	Teaching Staff ^b	Pupil/Teacher Ratio			Average Daily Enrollment (ADE) ^c	Average Daily Attendance (ADA) ^c	% Change in Average Daily Enrollment	Student Attendance Percentage
						Elementary	Middle School	Senior High School				
2013	4,027	\$ 61,115,679	\$ 15,176	3.91%	364	18:1	13:1	13:1	4,021	3,835	-0.98%	95.37%
2014	4,032	61,800,862	15,328	1.00%	351	18:1	13:1	13:1	4,043	3,857	0.54%	95.40%
2015	3,985	62,658,194	15,724	2.58%	349	18:1	13:1	13:1	3,994	3,804	-1.21%	95.26%
2016	3,930	64,886,232	16,510	5.01%	347	18:1	13:1	13:1	3,931	3,768	-1.58%	95.85%
2017	3,878	66,992,650	17,275	4.63%	347	18:1	13:1	13:1	3,869	3,700	-1.58%	95.63%
2018	3,797	69,613,666	18,334	6.13%	333	18:1	13:1	13:1	3,819	3,636	-1.29%	95.21%
2019	3,698	73,910,181	19,987	9.01%	329	18:1	13:1	13:1	3,697	3,540	-3.19%	95.75%
2020	3,690	74,894,895	20,297	1.55%	338	18:1	13:1	13:1	3,690	3,590	-0.18%	97.29%
2021	3,590	77,468,524	21,579	6.32%	333	18:1	13:1	13:1	3,583	3,412	-2.90%	95.23%
2022	3,588	84,815,091	23,639	9.54%	345	18:1	13:1	13:1	3,583	3,344	0.00%	93.33%

Sources: District records

Note: Enrollment based on annual October district count.

- a Operating expenditures equal total expenditures less debt service and capital outlay.
- b Teaching staff includes only full-time equivalents of certificated staff.
- c Average daily enrollment and average daily attendance are obtained from the School Register Summary (SRS).

**Burlington Township School District
School Building Information
Last Ten Fiscal Years**

EXHIBIT J-18

	Fiscal Year Ending June 30,									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
District Building										
<u>Elementary</u>										
Bernice Young Elementary (1962)										
Square Feet	108,071	108,071	108,071	108,071	108,071	108,071	108,071	108,071	108,071	108,071
Capacity (students)	1,280	1,280	1,280	1,280	1,280	1,280	1,280	1,280	1,280	1,280
Enrollment	886	910	896	845	802	835	792	793	779	762
Fountain Woods Elementary (1999)										
Square Feet	120,648	120,648	120,648	120,648	120,648	120,648	120,648	120,648	120,648	120,648
Capacity (students)	1,278	1,278	1,278	1,278	1,278	1,278	1,278	1,278	1,278	1,278
Enrollment	900	868	881	887	891	850	784	777	783	787
Burlington Township Middle School (2008)										
Square Feet	181,700	181,700	181,700	181,700	181,700	181,700	181,700	181,700	181,700	181,700
Capacity (students)	1,058	1,058	1,058	1,058	1,058	1,058	1,058	1,058	1,058	1,058
Enrollment	951	979	912	949	894	893	931	931	901	840
Thomas O. Hopkins High School Building #2 (1970)										
Square Feet	80,116	80,116	80,116	80,116	80,116	80,116	80,116	80,116	80,116	80,116
Capacity (students)	597	597	597	597	597	597	597	597	597	597
Enrollment	315	328	323	280	325	255	303	293	262	308
Burlington High School (1964)										
Square Feet	169,125	169,125	169,125	169,125	169,125	169,125	169,125	169,125	169,125	169,125
Capacity (students)	1,003	1,003	1,003	1,003	1,003	1,003	1,003	1,003	1,003	1,003
Enrollment	975	958	982	971	957	945	887	896	858	886
Number of Schools at June 30, 2022										
Elementary = 2										
Middle School = 1										
Senior High School = 2										

Source: District Facilities Office

Note: Year of original construction is shown in parentheses. Increases in square footage and capacity are the result of any additions. Enrollment is based on the annual October district count.

**Burlington Township School District
Schedule of Required Maintenance
Last Ten Fiscal Years**

EXHIBIT J-19

UNDISTRIBUTED EXPENDITURES - REQUIRED
MAINTENANCE FOR SCHOOL FACILITIES
11-000-261-xxx

	Fiscal Year Ending June 30,										Total	
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022		
* School Facilities												
Fountain Woods School	\$ 156,914	\$ 167,604	\$ 180,250	\$ 184,774	\$ 187,276	\$ 175,737	\$ 192,691	\$ 168,940	\$ 172,205	\$ 194,024	\$ 1,780,415	
Young School	130,762	139,670	150,209	153,978	166,468	156,211	171,281	150,169	153,071	172,465	1,544,284	
Hopkins School	104,609	111,736	120,167	123,183	124,851	117,158	128,461	112,626	114,804	129,349	1,186,944	
Middle School	235,371	251,406	270,375	277,160	280,914	263,606	289,036	253,409	258,308	291,035	2,670,620	
High School	244,088	260,717	280,389	287,426	280,913	263,606	289,036	253,410	258,308	291,036	2,708,929	
Total School Facilities	<u>\$ 871,744</u>	<u>\$ 931,133</u>	<u>\$ 1,001,390</u>	<u>\$ 1,026,521</u>	<u>\$ 1,040,422</u>	<u>\$ 976,318</u>	<u>\$ 1,070,505</u>	<u>\$ 938,554</u>	<u>\$ 956,696</u>	<u>\$ 1,077,909</u>	<u>\$ 9,891,192</u>	

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

Source: District records

**Burlington Township School District
Insurance Schedule
June 30, 2022**

EXHIBIT J-20

	<u>Coverage</u>	<u>Deductible</u>
School Package Policy (1)		
Building and Contents (All Locations)	\$ 204,881,565	\$ 1,000
General Liability	3,000,000	
Employee Dishonesty	400,000	250
Abuse or Molestation Liability	1,000,000/3,000,000	
Legal Liability	1,000,000/2,000,000	5,000
Flood Coverage	1,015,000	25,000
Business Auto	1,000,000	7,500
Cyber Suite Coverage	1,000,000	7,500
Employment Practice Liability	1,000,000	10,000
 Umbrella (2)	 15,000,000	 -
 Workers' Compensation (3)	 3,000,000	 -
 Student Accident Insurance CAT (4)	 5,000,000	 -
NJ Accident Policy (5)	500,000	-
 Surety Bonds (6)		
Board Secretary/Business Administrator	300,000	-

- (1) Utica National/Republic Franklin Insurance Company
- (2) Utica National Insurance Company
- (3) NJ Schools Insurance Group
- (4) United State Fire Insurance Company
- (5) Arch Insurance Company
- (6) RLI Insurance Company

Source: District records

Single Audit Section

INVERSO & STEWART, LLC
Certified Public Accountants

651 Route 73 North, Suite 402
 Marlton, New Jersey 08053
 (856) 983-2244
 Fax (856) 983-6674
 E-Mail: rinverso@inversocpa.com

-Member of-
 American Institute of CPAs
 New Jersey Society of CPAs

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

INDEPENDENT AUDITOR'S REPORT

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

I have audited, in accordance with the auditing standards generally accepted in the United States of America, the standards applicable to financial statement audits contained in the *Government Auditing Standards*, issued by the Comptroller General of the United States, and the audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Burlington Township School District (the "District"), in the County of Burlington, State of New Jersey, as of and for the fiscal year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued my report thereon dated January 30, 2023.

Report on Internal Control Over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or 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.

My 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 my audit I did not identify any deficiencies in internal control that I consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, I 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 my audit and, accordingly, I do not express such an opinion. The results of my 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 my testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, and federal and state awarding agencies and pass-through entities, in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

INVERSO & STEWART, LLC
Certified Public Accountants



Robert P. Inverso
Certified Public Accountant
Public School Accountant No. CS001095

Marlton, New Jersey
January 30, 2023

INVERSO & STEWART, LLC

Certified Public Accountants

651 Route 73 North, Suite 402
 Marlton, New Jersey 08053
 (856) 983-2244
 Fax (856) 983-6674
 E-Mail: rinverso@inversocpa.com

-Member of-
 American Institute of CPAs
 New Jersey Society of CPAs

**REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND REPORT
 ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE
 UNIFORM GUIDANCE AND STATE OF NEW JERSEY CIRCULAR 15-08-OMB**

INDEPENDENT AUDITOR'S REPORT

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

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

I have audited Burlington Township School District's (the "District"), in the County of Burlington, State of New Jersey, compliance with the types of compliance requirements identified as subject to audit in the OMB Compliance Supplement and the New Jersey State Grant Compliance Supplement that could have a direct and material effect on the District's major federal and state programs for the year ended June 30, 2022. The 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 my opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended June 30, 2022.

Basis for Opinion on Each Major Federal and State Program

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

My objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the District's compliance based on my 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, the Uniform Guidance, and the N.J. Circular 15-08-OMB will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, would influence the judgment made by a reasonable user of the report on compliance about the District's compliance with the requirements of each major federal and state program as a whole.

In performing an audit in accordance with generally accepted auditing standards, Government Auditing Standards, the Uniform Guidance, and N.J. Circular 15-08-OMB, I:

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

I am 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 I identified during the audit.

Report on Internal Control over Compliance

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

My 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 my audit I did not identify any deficiencies in internal control over compliance that I 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.

My 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.

Purpose of this Report

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

INVERSO & STEWART, LLC
Certified Public Accountants



Robert P. Inverso
Certified Public Accountant
Public School Accountant No. CS001095

Marlton, New Jersey
January 30, 2023

BURLINGTON TOWNSHIP SCHOOL DISTRICT
Schedule of Expenditures of Federal Awards
for the Fiscal Year ended June 30, 2022

Federal Grantor/Pass-Through Grantor/ Program Title	Assistance Listing Number	Federal FAIN Number	Grant or State Project Number	Program or Award Amount	Grant Period	June 30, 2021			Carryover (Walkover) Amount	Cash Received	Budgetary Expenditures	Adjustment	June 30, 2022		
						Accounts Receivable	Deferred Revenue	Due to Grantor at					Accounts Receivable	Deferred Revenue	Due to Grantor at
U.S. Department of Health & Human Services															
Passed-through State Department of Education:															
<u>General Fund:</u>															
Medical Assistance Program (SEMI)	93.778	2005NJ5MAP	N/A	\$ 98,820	7/1/21 - 6/30/22	\$ -	\$ -	\$ -	\$ -	\$ 64,894	\$ (98,820)	\$ -	\$ (33,926)	\$ -	\$ -
Total General Fund										64,894	(98,820)		(33,926)		
U.S. Department of Education															
Passed-through State Department of Education:															
<u>Special Revenue Fund:</u>															
<u>Every Student Succeeds Act (ESSA)</u>															
Title I	84.010	S010A210030	ESSA-0620-22	338,566	7/1/21 - 9/30/22					240,822	(318,126)		(77,304)		
Title I - Prior Year	84.010	S010A200030	ESSA-0620-21	325,301	7/1/20 - 9/30/21	(107,352)				107,352					
Title I - SIA	84.010	S010A210030	ESSA-0620-22	18,465	7/1/21 - 9/30/22					808	(808)				
Title I - SIA - Prior Year	84.010	S010A200030	ESSA-0620-21	50,118	7/1/20 - 9/30/21	(3,395)				3,395					
Title I - Reallocation - Prior Year	84.010	S010A200030	ESSA-0620-21	48,479	7/1/20 - 9/30/21	(15,723)				15,723					
Title IIA	84.367A	S367A210029	ESSA-0620-22	79,195	7/1/21 - 9/30/22					47,095	(71,571)		(24,476)		
Title IIA - Prior Year	84.367A	S367A200029	ESSA-0620-21	74,311	7/1/20 - 9/30/21	(34,146)				34,146					
Title III	84.365	S365A210030	ESSA-0620-22	40,556	7/1/21 - 9/30/22					26,538	(31,900)		(5,362)		
Title III - Prior Year	84.365	S365A200030	ESSA-0620-21	17,669	7/1/20 - 9/30/21	(5,134)				5,134					
Title III - Immigrant	84.365	S365A210030	ESSA-0620-22	212	7/1/21 - 9/30/22										
Title III - Immigrant - Prior Year	84.365	S365A200030	ESSA-0620-21	27,120	7/1/20 - 9/30/21	(5,488)				5,488					
Title IV	84.424	S424A210030	ESSA-0620-22	7,187	7/1/21 - 9/30/22					5,104	(6,702)		(1,598)		
Title IV	84.424	S424A200030	ESSA-0620-21	28,912	7/1/20 - 9/30/21	(14,003)				14,003					
<u>Individuals With Disabilities Act (I.D.E.A.)</u>															
Part B - Basic	84.027A	H027A210100	IDEA-0620-22	845,227	7/1/21 - 9/30/22					845,227	(845,227)				
Part B - Preschool	84.173A	H173A210114	IDEA-0620-22	29,983	7/1/21 - 9/30/22					29,983	(29,983)				
ARP Part B - Basic	84.027X	H027A210100	IDEA-0620-22	175,249	7/1/21 - 9/30/22					131,485	(175,249)		(43,764)		
ARP Part B - Preschool	84.173X	H173A210114	IDEA-0620-22	14,921	7/1/21 - 9/30/22					14,921	(14,921)				
CARES Act - ESSER	84.425D	S425D210027	N/A	270,206	3/13/20 - 9/30/22	(14,053)				202,458	(225,148)		(36,743)		
<u>American Rescue Plan:</u>															
ARP - Summer Learning	84.425U	S425U210027	N/A	320,853	3/13/20 - 9/30/24						(6,000)		(6,000)		
ARP - ESSER III	84.425U	S425U210027	N/A	2,306,616	3/13/20 - 9/30/24					450,296	(476,914)		(26,618)		
<u>Coronavirus Response and Relief Supplemental Act:</u>															
CRRSA - ESSER II	84.425D	S425D200027	N/A	1,026,333	3/13/20 - 9/30/22	(281,600)				305,672	(425,017)	30,000	(370,945)		
CRRSA - Learning Acceleration	84.425D	S425D210027	N/A	45,000	3/13/20 - 9/30/22					9,385	(20,643)		(11,258)		
CRRSA - Mental Health	84.425D	S425D210027	N/A	45,000	3/13/20 - 9/30/22					45,000	(45,000)				
U.S. Department of Treasury															
Passed-through State Department of Education:															
Additional or Compensatory Special Education - ACSERS	21.027	SLFRFDOE1SES	N/A	100,137	7/1/22 - 6/30/22					54,552	(100,137)		(45,585)		
Total Special Revenue Fund						(480,894)				2,594,587	(2,793,346)	30,000	(649,853)		
U.S. Department of Agriculture															
Passed-through State Department of Education:															
<u>Enterprise Fund:</u>															
Food Distribution Program	10.555	211NJ304N1099	N/A	81,948	7/1/21 - 6/30/22					81,948	(81,948)				
National School Lunch Program	10.555	221NJ304N1099	N/A	1,498,950	7/1/21 - 6/30/22					1,396,157	(1,498,950)		(102,793)		
National School Lunch Program	10.555	211NJ304N1099	N/A	195,597	7/1/20 - 6/30/21	(15,863)				15,863					
School Breakfast Program	10.553	221NJ304N1099	N/A	256,593	7/1/21 - 6/30/22					233,083	(256,593)		(23,510)		
School Breakfast Program	10.553	211NJ304N1099	N/A	126,982	7/1/20 - 6/30/21	(13,372)				13,372					
Emergency Operational Cost Program - Schools	10.555	202121H170341	N/A	59,539	7/1/21 - 6/30/22					59,539	(59,539)				
P-EBT Administrative Cost	10.649	2022225900941	N/A	3,063	7/1/21 - 6/30/22					3,063	(3,063)				
Total Enterprise Fund						(29,235)				1,803,025	(1,900,093)		(126,303)		
Total Federal Awards						\$ (510,129)	\$ -	\$ -	\$ -	\$ 4,462,506	\$ (4,792,259)	\$ 30,000	\$ (809,882)	\$ -	\$ -

The accompanying Notes to Schedules of Expenditures of Awards and Financial Assistance are an integral part of this schedule.

BURLINGTON TOWNSHIP 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	Program Award Amount	Grant Period	June 30, 2021			Cash Received	Budgetary Expenditures	Repayment of Prior Year Grant	Adjustment	June 30, 2022		
				(Accounts Receivable)	Deferred Revenue	Due to Grantor					Accounts Receivable	Deferred Revenue	Due to Grantor at
State Department of Education													
General Fund:													
Special Education Categorical Aid	22-495-034-5120-089	\$ 2,355,238	7/1/21 - 6/30/22	\$ -	\$ -	\$ -	\$ 2,139,699	\$ (2,355,238)	\$ -	\$ -	\$ (215,539)	\$ -	\$ -
Special Education Categorical Aid	21-495-034-5120-089	2,355,238	7/1/20 - 6/30/21	(217,000)			217,000						
Equalization Aid	22-495-034-5120-078	18,610,889	7/1/21 - 6/30/22				16,907,721	(18,610,889)			(1,703,168)		
Equalization Aid	21-495-034-5120-078	16,713,146	7/1/20 - 6/30/21	(1,539,869)			1,539,869						
Security Aid	22-495-034-5120-084	533,760	7/1/21 - 6/30/22				484,913	(533,760)			(48,847)		
Security Aid	21-495-034-5120-084	533,760	7/1/20 - 6/30/21	(49,178)			49,178						
Transportation Aid	22-495-034-5120-014	1,741,167	7/1/21 - 6/30/22				1,581,825	(1,741,167)			(159,342)		
Transportation Aid	21-495-034-5120-014	1,741,167	7/1/20 - 6/30/21	(160,423)			160,423						
Reimbursement of Nonpublic Transportation	22-103190	35,960	7/1/21 - 6/30/22					(35,960)			(35,960)		
Reimbursement of Nonpublic Transportation	21-103190	28,714	7/1/20 - 6/30/21	(28,714)			28,714						
Extraordinary Aid	22-495-034-5120-044	1,466,468	7/1/21 - 6/30/22					(1,466,468)			(1,466,468)		
Extraordinary Aid	21-495-034-5120-044	1,301,986	7/1/20 - 6/30/21	(1,301,986)			1,301,986						
Homeless Tuition Aid	22-495-034-5120-005	4,341	7/1/21 - 6/30/22					(4,341)			(4,341)		
Homeless Tuition Aid	21-495-034-5120-005	28,199	7/1/20 - 6/30/21	(28,199)			28,199						
School Security Grant	20E00395	208,877	7/1/21 - 6/30/22					(208,877)			(208,877)		
On Behalf TPAF Pension	22-495-034-5094-002	10,566,364	7/1/21 - 6/30/22				10,566,364	(10,566,364)					
On Behalf TPAF Post Retirement Medical	22-495-034-5094-001	2,468,730	7/1/21 - 6/30/22				2,468,730	(2,468,730)					
On Behalf TPAF LTDI	22-495-034-5094-004	2,541	7/1/21 - 6/30/22				2,541	(2,541)					
Reimbursed TPAF Social Security Contributions	22-495-034-5094-003	2,168,335	7/1/21 - 6/30/22				2,062,573	(2,168,335)			(105,762)		
Reimbursed TPAF Social Security Contributions	21-495-034-5094-003	2,098,219	7/1/20 - 6/30/21	(103,221)			103,221						
Total General Fund				(3,428,590)			39,642,956	(40,162,670)			(3,948,304)		
Special Revenue Fund													
Preschool Education Aid	22-495-034-5120-086	1,260,840	7/1/21 - 6/30/22				1,161,662	(1,228,199)			(99,178)	32,641	
Preschool Education Aid - Prior Year	21-495-034-5120-086	975,300	7/1/20 - 6/30/21	(97,530)	72,024		97,530					72,024	
NJ Nonpublic Aid:													
Textbook Aid	22-100-034-5120-064	4,682	7/1/21 - 6/30/22				4,682	(4,682)					-
Nursing Aid	22-100-034-5120-070	9,856	7/1/21 - 6/30/22				9,856	(9,856)					
Technology Aid	22-100-034-5120-373	3,276	7/1/21 - 6/30/22				3,276	(3,276)					
Security Aid	22-100-034-5120-509	15,400	7/1/20 - 6/30/21				15,400	(15,400)					
Emergent Needs	EG-0107-D02	89,431	7/1/21 - 6/30/22				89,431	(89,431)					
Total Special Revenue Fund				(97,530)	72,024		1,381,837	(1,350,844)			(99,178)	104,665	
Debt Service Fund													
Debt Service Aid Type II	22-495-034-5120-017	503,442	7/1/21 - 6/30/22				503,442	(503,442)					
State Department of Agriculture													
Enterprise Fund:													
State School Lunch Program	22-100-010-3350-023	35,278	7/1/21 - 6/30/22				32,912	(35,278)			(2,366)		
State School Lunch Program	21-100-010-3350-023	10,098	7/1/20 - 6/30/21	(2,261)			2,261						
Total Enterprise Fund				(2,261)			35,173	(35,278)			(2,366)		
Total State Financial Assistance				\$ (3,528,381)	\$ 72,024	\$ -	\$ 41,563,408	\$ (42,052,234)	\$ -	\$ -	\$ (4,049,848)	\$ 104,665	\$ -
Less: State Financial Assistance Not Subject to Major Program Determination													
On-Behalf TPAF Contribution - Pension (Non-Budgeted)								10,566,364					
On-Behalf TPAF Contribution - Post-Retirement Medical (Non-Budgeted)								2,468,730					
On-Behalf TPAF Contribution - LTDI (Non-Budgeted)								2,541					
Total State Financial Assistance Subject to Major Program Determination								\$ (29,014,599)					

The accompanying Notes to Schedules of Expenditures of Awards and Financial Assistance are an integral part of this schedule.

**Burlington Township School District
Notes to the Schedules of Expenditures
of Federal Awards and State Financial Assistance
For the Fiscal Year Ended June 30, 2022**

1. GENERAL

The accompanying schedules of expenditures of federal awards and state financial assistance include federal and state award activity of the Burlington Township School District (“School District”). The School District is defined in Note 1 to the School District's basic financial statements. All federal and state awards received directly from federal and state agencies, as well as federal awards and state financial assistance passed through other government agencies, are included on the schedules of expenditures of federal awards and state financial assistance.

2. BASIS OF ACCOUNTING

The accompanying schedules of expenditures of federal awards and state financial assistance are 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 bases of accounting are described in Note 1 to the School District's basic financial statements. The information in this schedule 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*, and State of New Jersey Circular 15-08-OMB, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements. The school district has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

3. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

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

The general fund is presented in the accompanying schedules on the modified accrual basis with the exception of the revenue recognition of the one or more deferred June state aid payments in the current budget year, which is mandated pursuant to *N.J.S.A. 18A:22-44.2*. For GAAP purposes, payments are not recognized until the subsequent budget year due to the state deferral and recording of the one or more of the June 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, whereas the GAAP basis does not. The special revenue fund also recognizes the one or two June 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 (\$160,426) for the general fund and (\$367,965) for the special revenue fund. See Exhibit C-3, Notes to Required Supplementary Information for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board's basic financial statements on a GAAP basis as follows:

<u>Fund</u>	<u>Federal</u>	<u>State</u>	<u>Total</u>
General	\$ 98,820	\$ 40,002,244	\$ 40,101,064
Special Revenue	2,793,346	982,879	3,776,225
Debt Service		503,442	503,442
Food Service	1,900,093	35,278	1,935,371
Total	<u>\$ 4,792,259</u>	<u>\$ 41,523,843</u>	<u>\$ 46,316,102</u>

**Burlington Township School District
Notes to the Schedules of Expenditures
of Federal Awards and State Financial Assistance
For the Fiscal Year Ended June 30, 2022
(Continued)**

4. RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

5. OTHER

Revenues and expenditures reported under the Food Distribution Program represent current year value received and current year distributions respectively. The amount reported as TPAF Pension Contributions represents the amount paid by the state on behalf of the District for the year ended June 30, 2022. TPAF Social Security Contributions represents the amount reimbursed by the state for the employer's share of social security contributions for TPAF members for the year ended June 30, 2022.

6. MAJOR PROGRAMS

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

7. ADJUSTMENTS

Amounts reported in the column entitled "Adjustments" represent the following:

	Federal
Cancellation of Accounts Receivable	\$ 30,000
Total	\$ 30,000

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

Section I --Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

1) Material weaknesses identified? yes X no

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

Noncompliance material to basic financial statements noted? yes X no

Federal Awards

Internal Control over major programs:

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

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

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

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200 section .516 of the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)? yes X no

Identification of major programs:

<u>AL Number(s)</u>	<u>FAIN Number(s)</u>	<u>Name of Federal Program or Cluster</u>
<u>10.555</u>	<u>221NJ304N1099</u>	<u>Child Nutrition Cluster: Food Distribution Program</u>
<u>10.553</u>	<u>221NJ304N1099</u>	<u>School Breakfast Program</u>
<u>10.555</u>	<u>221NJ304N1099</u>	<u>National School Lunch Program</u>
<u>10.555</u>	<u>202121H170341</u>	<u>Emergency Operational Cost Program - Schools</u>
<u> </u>	<u> </u>	<u> </u>
<u> </u>	<u> </u>	<u> </u>
<u> </u>	<u> </u>	<u> </u>

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

Auditee qualified as low-risk auditee? X yes no

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

Section 2 -- Schedule of Financial Statement Findings

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance related to the financial statements that are required to be reported in accordance with *Government Auditing Standards* and with audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey.

No findings and/or questioned costs identified.

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

**Section 3 -- Schedule of Federal Awards and State Financial Assistance
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 Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and New Jersey Circular 15-08-OMB.

FEDERAL AWARDS:

No findings and/or questioned costs identified.

STATE AWARDS:

No findings and/or questioned costs identified.

**BURLINGTON TOWNSHIP SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR-YEAR AUDIT FINDINGS
AND QUESTIONED COSTS AS PREPARED BY MANAGEMENT**

This section identifies the status of prior year findings related to the financial statements and federal and state awards that are required to be reported in accordance with Chapter 6.12 of *Government Auditing Standards*, Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and New Jersey Circular 15-08-OMB.

FINANCIAL STATEMENT FINDINGS

There were no prior year audit findings.

FEDERAL AWARDS

There were no prior year audit findings.

STATE AWARDS

There were no prior year audit findings.