

**SCHOOL DISTRICT  
OF**

# **HADDONFIELD**



**Haddonfield Board of Education  
Haddonfield, New Jersey**

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

**Annual Comprehensive  
Financial Report**

**of the**

**Haddonfield Board of Education  
Haddonfield, New Jersey**

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

**Prepared by  
Haddonfield Board of Education  
Finance Department**

# HADDONFIELD SCHOOL DISTRICT

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## **Introductory Section**



## HADDONFIELD BOARD OF EDUCATION

One Lincoln Avenue • Haddonfield, NJ 08033-1892

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**Charles Klaus**  
*Superintendent*

**Dr. Gino Priolo**  
*Assistant Superintendent*

**Michael Catalano**  
*Business Administrator/  
Board Secretary*

January 30, 2023

Honorable President and  
Members of the Board of Education  
One Lincoln Avenue  
Haddonfield, NJ 08033

Dear Board Members:

The Annual Comprehensive Financial Report (ACFR) of the Haddonfield School District for the fiscal year ended June 30, 2022, is hereby submitted. This ACFR includes the District's Basic Financial Statement prepared in accordance with Governmental Accounting Standards Board Statement 34. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Board of Education. To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds 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 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 the Title 2 U.S. Code of federal regulations, cost principals, and audit requirements for federal awards (uniform guidance): and the State of New Jersey Circular OMB15-08. Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations, are included in the single audit section of this report.

1. **REPORTING ENTITY AND ITS SERVICES:** The Haddonfield 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. The Haddonfield 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 to 12. These services include but are not limited to, Regular Instructional Programs, Technology Education, Intervention Services, Character Education, Social/Emotional Learning, and Special Education Programs for students with disabilities. The District completed the 2021-2022 fiscal year with an average daily enrollment of 2,699 students, which is a increase of 53 students from the previous year's enrollment.

Annual Financial Report

The following details the changes in student enrollment of the District over the last ten years.

**Average Daily Enrollment**

| <u>FiscalYear</u> | <u>StudentEnrollment</u> | <u>Percent Change</u> |
|-------------------|--------------------------|-----------------------|
| 2021-22           | 2,699                    | 2.0 %                 |
| 2020-21           | 2,646                    | -2.1 %                |
| 2019-20           | 2,703                    | -1.3 %                |
| 2018-19           | 2,739                    | 0.9 %                 |
| 2017-18           | 2,714                    | 0.7 %                 |
| 2016-17           | 2,690                    | 1.1 %                 |
| 2015-16           | 2,661                    | 2.0 %                 |
| 2014-15           | 2,609                    | 1.4 %                 |
| 2013-14           | 2,573                    | 1.0 %                 |
| 2012-13           | 2,547                    | 1.8 %                 |

2. **ECONOMIC CONDITION AND OUTLOOK:** Haddonfield is a small historic community located ten miles east of Philadelphia in Camden County, New Jersey. Haddonfield is 2.6 square miles in area, and its population was 11,593 in the 2010 Census Report. The town is served by a PATCO high-speed line connection which links Haddonfield to center city Philadelphia, the City of Camden, and the New Jersey shore area. Haddonfield is a town that has a central shopping thoroughfare (Kings Highway) that is lined with picturesque shops, wonderful restaurants, and many professional offices.

Many business, social, and professional organizations serve the community. Haddonfield has numerous churches of many denominations and a myriad of volunteer organizations that help to make Haddonfield a thriving community.

Haddonfield is fully developed and it remains primarily a residential community. Much of the value of the borough's real estate lies with individual homeowners. The Haddonfield School District is one of the best public school districts in New Jersey and one of the best school districts in the state and nation as acclaimed by numerous independent sources (Philadelphia Magazine, New Jersey Magazine, Newspaper Reports, U.S. News and World Report).

Haddonfield School District is governed by a nine-member Board of Education elected at large to serve three year terms. Three members are elected each November during the General Election.

There are five schools in Haddonfield School District, whose students are served by approximately 350 full and part time staff. Our five schools are:

Three elementary schools serve grades preschool through five: Central Elementary School, Elizabeth Haddon Elementary School and Tatem Elementary School.

One middle school serving grades six through eight: Haddonfield Middle School.

One comprehensive high school serving grades nine through twelve: Haddonfield Memorial High School.

- During the 2021-2022 school year, 199 members of the Class of 2022 took the SAT, which reflects approximately 87% of the class.
- The overall mean score during the 2021-2022 school year was 1229. 616 mean score for ERW, and 613 for Math.
- Class of 2022 had more than 98% of graduating seniors continue their education in college.
- Nearly 97% of students graduating in the Class of 2022 went to a 4-year college or university.

Recognition has come regularly to HMHS to its stellar academic achievement

- Niche.com ranked HMHS #11 in the state and #405 in the nation
- In 2021 *US News and World Report* ranked Haddonfield Memorial High School 31st in the state and 708th in the nation
- *New Jersey Magazine* ranked HMHS as 6th in the state in 2018
- *South Jersey Magazine's* September 2019 issue ranked HMHS #2 in SAT scores and #1 in Graduation Rates in South Jersey.
- *Philadelphia Magazine* has cited HMHS as one of the finest schools in the Philadelphia Region on multiple occasions
- 18-time winner of the ShopRite Cup, awarded to the school having the highest overall achievement among all Group II athletic programs in New Jersey. HMHS has won every year since the inception of the award
- Winner of the Colonial Conference All-Sports Award, given to the one school in the conference with the best win-loss record each year for all sports. HMHS has won this award every year since its inception over 40 years ago.

- Recognized by the National Federation of High Schools (NFHS) as a Level 1 School for outstanding commitment to professional development for the coaches.
- NPFH 2019, 2020 and 2021 Peer Bias Leaders receive three days of training by the Anti-Defamation League and develop and plan the annual Equity Summit. They plan and implement equity and social justice lessons and assemblies as needed. These lessons address implicit bias, equity and stress the power of student voice.

Student enrollment is currently 2,749 students in total with an additional 13 Special Education students sent on a tuition basis to private and public school special education programs. The total number of enrolled students includes 15 out of district students who pay tuition to Haddonfield School District to attend our excellent schools. The current demographic projections indicate a slight increase in future student enrollment.

**3. MAJOR INITIATIVES:** The major challenge currently facing Haddonfield School District is to maintain the excellent quality of its academic programs while having to finance approximately 95% of the entire budget through the primary revenue of local taxes with only minimal support from the State of New Jersey and the Federal Government. Haddonfield Memorial High School is consistently ranked in the top 1 percent of all high schools in the nation along with receiving Best in the State Athletic Honors each year. Haddonfield is the only school district in New Jersey to be awarded the prestigious ShopRite Cub award since its inception 16-years ago. In addition, Haddonfield School District has an outstanding performing arts program in which students are recognized on state and national levels for their exemplary talents and memorable performances.

While HSD has maintained the strategic goals of Cultural Responsiveness, Innovative Teaching, and Social Emotional Learning, we specifically focused upon three areas that are embedded in all three of those strategic goals: Belonging, Student Engagement, and School Climate.

1. **Belonging:** Students will feel they are valued members of the school community, improving motivational, behavioral, and academic outcomes.
2. **Engagement:** Students will be engaged in active learning through rigorous and relevant curriculum, instruction, and assessment.
3. **School Climate:** Staff perceptions of the overall social and learning climate will improve.

All schools continue to be involved in the teacher and principal evaluation programs along with Achieve New Jersey state mandated programs. Haddonfield School District continues to have an exemplary professional development program featuring numerous educational experiences for our professional staff members along with the district's support staff as well. The State of New Jersey has recognized Haddonfield School District's professional development program as one of the best in the state. During this professional development time period, Haddonfield School District teachers and administrators, along with experts in the field, develop and present professional learning opportunities on a wide variety of topics.

Due to the intense professional development, the commitment of the staff, and community support, Haddonfield students continue to excel on standardized tests that are among the highest in the state and nation. The Haddonfield students' mean scores often equal or exceed the test scores of other school-districts, both public and private, and Haddonfield has a high percentage of students who are accepted to attend prestigious colleges and universities.

Haddonfield School District continues to excel in all areas of academics, extracurricular endeavors, and arts programs. The community of Haddonfield has supported its students through community partnerships, parental involvement, volunteerism, and an overall commitment to the excellence of education. Residents of Haddonfield are extremely proud of our focus on Academia and the quality of education that Haddonfield School District provides.

**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.

As a recipient of federal and state financial assistance, albeit minimal, the District also is responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is also subject to periodic evaluation by the District management. As part of the District's single audit described earlier, tests are made to determine the adequacy of the internal control structure, including that portion related to federal and state financial assistance programs, as well as to determine that the District has complied with applicable laws and regulations.

**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 Borough. Annual appropriated budgets are adopted for the general fund, the special revenue fund, and the debt service fund. Project-length budgets are approved for the capital improvements accounted for in the capital projects fund. The final budget amount as amended for the fiscal year is reflected in the financial section.

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either canceled or are included as reappropriations of fund balances in the subsequent year. Those amounts to be reappropriated are reported as reservations of fund balance at June 30, 2021.

**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 which requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey. The law requires governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act.

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

**8. OTHER INFORMATION:**

Independent Audit - State statutes require an annual audit by independent certified public accountants or registered municipal accounts. The accounting firm of Inverso & Stewart, LLC, performs the annual statutory audit of the Haddonfield Board of Education. 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 OMB15-08. The auditor's report on the general purpose financial statements and combining and individual fund statements and schedules is in the financial section of this report. The auditor's report related specifically to the single audit is included in the single audit section of this report.

**9. ACKNOWLEDGMENTS:** We would like to express our appreciation to the members of the Haddonfield Board of Education in providing fiscal accountability to the citizens and taxpayers of the Borough of Haddonfield.

Respectfully submitted,

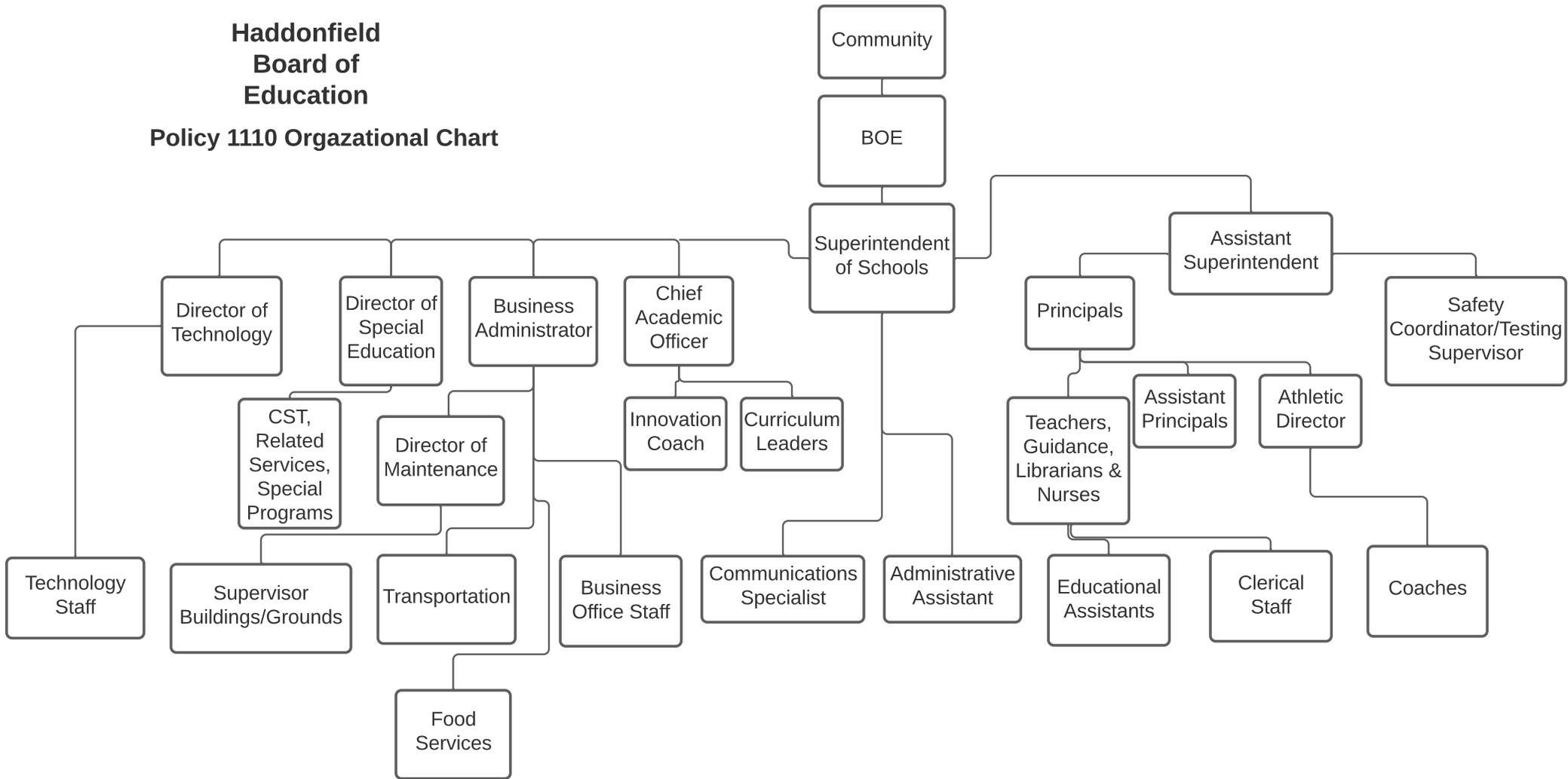
  
Charles Klaus  
Superintendent

  
Dr. Gino Priolo  
Assistant Superintendent

  
Michael Catalano  
Business Administrator/Board Secretary

**Haddonfield  
Board of  
Education**

**Policy 1110 Orgazational Chart**



**HADDONFIELD BOARD OF EDUCATION  
HADDONFIELD, NEW JERSEY  
ROSTER OF OFFICIALS  
JUNE 30, 2022**

|                                  | <u>TERM<br/>EXPIRES</u> |
|----------------------------------|-------------------------|
| Jaime Grookett, President        | 2022                    |
| Linda Hochgertel, Vice President | 2022                    |
| Stephanie Benecchi               | 2024                    |
| Rachael Brown                    | 2024                    |
| Greg Eemplare                    | 2022                    |
| Lynn Hoag                        | 2023                    |
| Megan Hollingworth               | 2024                    |
| Heather Paoli                    | 2023                    |
| David Siedell                    | 2022                    |

**OTHER OFFICIALS**

|                        |  |
|------------------------|--|
| Charles Klaus          | Superintendent                         |
| Dr. Gino Priolo        | Assistant Superintendent               |
| Michael Catalano       | Business Administrator/Board Secretary |
| Joseph F. Betley, Esq. | Solicitor                              |

**HADDONFIELD SCHOOL DISTRICT  
Consultants and Advisors**

**Audit Firm**

Inverso & Stewart, LLC  
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**Attorney**

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**Architect**

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**Official Depository**

Republic Bank  
30 Kings Highway East  
Haddonfield, NJ 08033

**Financial Section**

# ***INVERSO & STEWART, LLC***

**Certified Public Accountants**

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**-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  
Haddonfield School District  
County of Camden  
Haddonfield, 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 Haddonfield School District (the "District"), in the County of Camden, 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



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Marlton, New Jersey  
January 30, 2023

Required Supplementary Information - Part I

Management's Discussion and Analysis

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

As management of the Board of Education of the Borough of Haddonfield, 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 \$16,928,599 (*net position*).
- Governmental activities have an unrestricted net position deficit of \$5,006,450. The accounting treatments in the governmental funds for compensated absences payable, net pension liability, and the last two 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 deficit balance.
- The total net position of the School District increased by \$2,463,353, or a 17.03% increase from the prior fiscal year-end balance. The majority of this increase is attributable to the decrease in long term debt and depreciation expense.
- Fund balance of the School District's governmental funds increased by \$72,746 resulting in an ending fund balance of \$9,197,660. This increase is largely due to the results of operations in the general fund.
- Business-type activities have unrestricted net position of \$249,993 which may be used to meet the School District's ongoing obligations of the food service operations.
- The School District's long-term obligations decreased by \$4,383,838 which is the result of a decrease in serial bonds, 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 Community Education Program.

### **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 Community Education Program 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 2022. 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 2022.

The assets of the primary government activities exceeded liabilities by \$16,662,284 with an unrestricted deficit balance of \$5,006,450. The net position of the primary government does not include internal balances.

A net investment of \$15,112,201 in land, improvements, buildings, equipment and vehicles which provide the services to the School District's 2,700 public school students, represents 90.70% of the School District's net position. Net position of \$3,412,643 has been restricted to provide resources for future capital expansion and renovation projects, \$2,299,510 for maintenance projects, \$395,770 for unemployment compensation, \$421,192 for student activities, and \$27,418 is restricted for debt service.

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

**Haddonfield 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                 | \$ 9,435,852            | \$ 9,341,211         | \$ 524,415               | \$ 242,751       | \$ 9,960,267         | \$ 9,583,962         |
| Capital assets                 | <u>51,104,584</u>       | <u>52,636,758</u>    | <u>16,322</u>            | <u>18,869</u>    | <u>51,120,906</u>    | <u>52,655,627</u>    |
| Total assets                   | <u>60,540,436</u>       | <u>61,977,969</u>    | <u>540,737</u>           | <u>261,620</u>   | <u>61,081,173</u>    | <u>62,239,589</u>    |
| Deferred Outflows of Resources | <u>1,207,074</u>        | <u>1,503,341</u>     |                          |                  | <u>1,207,074</u>     | <u>1,503,341</u>     |
| Liabilities:                   |                         |                      |                          |                  |                      |                      |
| Current Liabilities            | 4,012,474               | 3,820,180            | 274,422                  | 185,904          | 4,286,896            | 4,006,084            |
| Noncurrent Liabilities         | <u>38,287,772</u>       | <u>42,661,886</u>    |                          |                  | <u>38,287,772</u>    | <u>42,661,886</u>    |
| Total liabilities              | <u>42,300,246</u>       | <u>46,482,066</u>    | <u>274,422</u>           | <u>185,904</u>   | <u>42,574,668</u>    | <u>46,667,970</u>    |
| Deferred Inflows of Resources  | <u>2,784,980</u>        | <u>2,609,714</u>     |                          |                  | <u>2,784,980</u>     | <u>2,609,714</u>     |
| Net position                   | <u>\$ 16,662,284</u>    | <u>\$ 14,389,530</u> | <u>\$ 266,315</u>        | <u>\$ 75,716</u> | <u>\$ 16,928,599</u> | <u>\$ 14,465,246</u> |
| Net position consists of:      |                         |                      |                          |                  |                      |                      |
| Net investment in              |                         |                      |                          |                  |                      |                      |
| Capital assets                 | \$ 15,112,201           | \$ 13,867,260        | \$ 16,322                | \$ 18,869        | \$ 15,128,523        | \$ 13,886,129        |
| Restricted net position        | 6,556,533               | 7,054,437            |                          |                  | 6,556,533            | 7,054,437            |
| Unrestricted net position      | <u>(5,006,450)</u>      | <u>(6,532,167)</u>   | <u>249,993</u>           | <u>56,847</u>    | <u>(4,756,457)</u>   | <u>(6,475,320)</u>   |
| Net position                   | <u>\$ 16,662,284</u>    | <u>\$ 14,389,530</u> | <u>\$ 266,315</u>        | <u>\$ 75,716</u> | <u>\$ 16,928,599</u> | <u>\$ 14,465,246</u> |

**Haddonfield 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                 |
| <b>Revenues:</b>                   |                         |                      |                          |                  |                      |                      |
| <b>Program Revenues</b>            |                         |                      |                          |                  |                      |                      |
| Charges for services               | \$                      | \$                   | \$ 75,860                | \$ 3,716         | \$ 75,860            | \$ 3,716             |
| Operating grants and Contributions | 17,886,748              | 20,509,448           | 1,056,303                | 275,258          | 18,943,051           | 20,784,706           |
| <b>General Revenues:</b>           |                         |                      |                          |                  |                      |                      |
| Property Taxes                     | 41,225,513              | 40,495,066           |                          |                  | 41,225,513           | 40,495,066           |
| Unrestricted State Aid             | 4,010,711               | 3,262,663            |                          |                  | 4,010,711            | 3,262,663            |
| Tuition                            | 376,494                 | 259,508              |                          |                  | 376,494              | 259,508              |
| Other Revenues                     | 143,675                 | 531,062              | 701                      | 387              | 144,376              | 531,449              |
| <b>Total Revenues</b>              | <b>63,643,141</b>       | <b>65,057,747</b>    | <b>1,132,864</b>         | <b>279,361</b>   | <b>64,776,005</b>    | <b>65,337,108</b>    |
| <b>Expenses:</b>                   |                         |                      |                          |                  |                      |                      |
| <b>Governmental Activities:</b>    |                         |                      |                          |                  |                      |                      |
| Instruction                        | 21,216,448              | 20,050,277           |                          |                  | 21,216,448           | 20,050,277           |
| Tuition                            | 632,995                 | 783,674              |                          |                  | 632,995              | 783,674              |
| Related Services                   | 8,503,772               | 6,916,400            |                          |                  | 8,503,772            | 6,916,400            |
| Administrative Services            | 3,217,899               | 3,240,648            |                          |                  | 3,217,899            | 3,240,648            |
| Central Services                   | 570,934                 | 599,126              |                          |                  | 570,934              | 599,126              |
| Operations and Maintenance         | 4,760,554               | 5,734,660            |                          |                  | 4,760,554            | 5,734,660            |
| Transportation                     | 495,076                 | 389,553              |                          |                  | 495,076              | 389,553              |
| Employee benefits                  | 21,139,577              | 24,641,484           |                          |                  | 21,139,577           | 24,641,484           |
| Charter School                     | 26,544                  |                      |                          |                  | 26,544               |                      |
| Interest on long-term Debt         | 768,425                 | 874,844              |                          |                  | 768,425              | 874,844              |
| Other                              | 38,163                  | 37,420               |                          |                  | 38,163               | 37,420               |
| <b>Business-Type Activities:</b>   |                         |                      |                          |                  |                      |                      |
| Food Service Operations            |                         |                      | 942,265                  | 256,342          | 942,265              | 256,342              |
| <b>Total Expenses</b>              | <b>61,370,387</b>       | <b>63,268,086</b>    | <b>942,265</b>           | <b>256,342</b>   | <b>62,312,652</b>    | <b>63,524,428</b>    |
| <b>Increase in net position</b>    |                         |                      |                          |                  |                      |                      |
| Before transfers                   | 2,272,754               | 1,789,661            | 190,599                  | 23,019           | 2,463,353            | 1,812,680            |
| Operating transfer out             |                         |                      |                          |                  |                      |                      |
| <b>Changes in net position</b>     | <b>2,272,754</b>        | <b>1,789,661</b>     | <b>190,599</b>           | <b>23,019</b>    | <b>2,463,353</b>     | <b>1,812,680</b>     |
| Net position, July 1               | 14,389,530              | 11,779,884           | 75,716                   | 52,697           | 14,465,246           | 11,832,581           |
| Prior period adjustment            |                         | 819,985              |                          |                  |                      | 819,985              |
| Net position, July 1 Restated      | 14,389,530              | 12,599,869           | 75,716                   | 52,697           | 14,465,246           | 12,652,566           |
| <b>Net position, June 30</b>       | <b>\$ 16,662,284</b>    | <b>\$ 14,389,530</b> | <b>\$ 266,315</b>        | <b>\$ 75,716</b> | <b>\$ 16,928,599</b> | <b>\$ 14,465,246</b> |

## **Governmental Activities**

Governmental activities increased the net position of the School District by \$2,272,754 during the current fiscal year. Key elements of the increase in net position for governmental activities are as follows:

- Decrease of the net pension liability increased the net position of the School District by \$1,391,047 during the current fiscal year.
- Depreciation expense reduced net position by \$1,853,217
- Repayment of bond principle increased the net position of the School District by \$2,825,000.

## **Business-type Activities**

Business-type activities increased the School District's net position by \$190,599. Key elements of the increase in net position for governmental activities are as follows:

- The Food Service Fund had a net gain of \$190,599.

## **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 \$9,197,660, an increase of \$72,746 in comparison with the prior year. This increase is primarily attributable to the results of operations in the general fund and capital projects fund.

The unassigned fund balance for the School District at the end of the fiscal year includes a combination of unassigned fund balance for the General Fund of \$1,822,991. 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 \$3,412,643, 2) as restricted for future maintenance projects of \$2,299,510, 3) restricted for unemployment compensation \$395,770, 4) restricted for student activities \$421,192, 5) restricted for debt service \$27,418, 6) restricted for encumbrances \$118,136 and 7) \$700,000 appropriated as a revenue source for the subsequent year's budget.

The general fund is the chief operating fund of the School District. As discussed earlier, the balance in the unreserved fund balance is due, primarily, to the accounting treatment of the last state aid payment as discussed in the notes to the basic financial statements, and state statutes that prohibit New Jersey school districts from maintaining more than 4% of its adopted budget as unrestricted fund balance.

## **General Fund Budgetary Highlights**

At the end of the current fiscal year, unreserved fund balance (budgetary basis) of the general fund was \$2,018,134 while total fund balance (budgetary basis) was \$8,944,193. 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 \$51,545,978. Unreserved fund balance (budgetary basis) represents 3.92% of expenditures while total fund balance (budgetary basis) represents 17.35% 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 \$51,021,528 (net of accumulated depreciation). This investment in capital assets includes land, improvements, buildings, and equipment. The net decrease in the District's investment in capital assets for the current fiscal year was \$1,634,099 or a 3.10% decrease. The decrease is due to depreciation.

### 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                                | \$ 1,898,592            | \$ 1,898,592         | -                        | -                | \$ 1,898,592         | \$ 1,898,592         |
| Construction in Progress            | -                       | -                    |                          |                  | -                    | -                    |
| Buildings and Building Improvements | 47,952,854              | 49,647,116           |                          |                  | 47,952,854           | 49,647,116           |
| Equipment                           | 1,153,760               | 1,091,050            | 16,322                   | 18,869           | 1,170,082            | 1,109,919            |
| Leases                              | 99,378                  | 184,555              |                          |                  | 99,378               | 184,555              |
| <b>Total</b>                        | <u>\$ 51,104,584</u>    | <u>\$ 52,821,313</u> | <u>\$ 16,322</u>         | <u>\$ 18,869</u> | <u>\$ 51,120,906</u> | <u>\$ 52,840,182</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 \$35,890,000 in serial bonds payable, \$1,079,825 in compensated absences and \$4,270,426 in pension liability.

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 \$98,814,445. The available amount as of June 30, 2022 is \$62,924,445.

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 \$764,430 or 2.00%. Salaries continue to increase contractually; however, the District has managed to control costs. The 2022-23 General Fund Budget is \$331,447 more than the previous year or a 0.77% increase.
- The tax rate increased from \$1.761 in 2021 to \$1.782 in 2022.

### **For the Future**

The Haddonfield School District is in very good financial condition presently. However, a major concern is maintaining aging buildings of the district with an increased reliance on local property taxes as state aid has remained stagnant. The Borough of Haddonfield is primarily a residential community, with very few large ratables; thus, the burden is focused on homeowners to share the tax burden.

In conclusion, the Haddonfield 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 challenge 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 Haddonfield School District Business Administrator, One Lincoln Avenue, Haddonfield, New Jersey, 08033.

## Basic Financial Statements

District-Wide Financial Statements

**HADDONFIELD SCHOOL DISTRICT**  
**Statement of Net Position**  
**June 30, 2022**

|  | <b>Governmental<br/>Activities</b> | <b>Business-Type<br/>Activities</b> | <b>Total</b>      |
|--|------------------------------------|-------------------------------------|-------------------|
| <b>ASSETS:</b>   |                                    |                                     |                   |
| Cash and cash equivalents                                      | \$ 2,311,597                       | \$ 431,561                          | \$ 2,743,158      |
| Accounts Receivables, net                                      | 1,412,102                          | 80,625                              | 1,492,727         |
| Inventory  |                                    | 12,229                              | 12,229            |
| Restricted assets:   |                                    |                                     |                   |
| Cash and cash equivalents                                      | 5,712,153                          |                                     | 5,712,153         |
| Capital assets, net  | 51,005,206                         | 16,322                              | 51,021,528        |
| Right-to-use lease assets, net                                 | 99,378                             |                                     | 99,378            |
| Total Assets   | 60,540,436                         | 540,737                             | 61,081,173        |
| <b>DEFERRED OUTFLOWS OF RESOURCES:</b>                         |                                    |                                     |                   |
| Deferred outflows of resources from pensions                   | 1,207,074                          | -                                   | 1,207,074         |
| <b>TOTAL ASSETS AND DEFERRED OUTFLOWS<br/>OF RESOURCES</b>     | <b>61,747,510</b>                  | <b>540,737</b>                      | <b>62,288,247</b> |
| <b>LIABILITIES:</b>  |                                    |                                     |                   |
| Accounts payable:  |                                    |                                     |                   |
| Other  | 267,199                            |                                     | 267,199           |
| Related to pensions  | 465,306                            |                                     | 465,306           |
| Intergovernmental Accounts payable:                            |                                    |                                     |                   |
| State  | 86,442                             |                                     | 86,442            |
| Internal Balances  | (207,899)                          | 207,899                             |                   |
| Accrued Liabilities:   |                                    |                                     |                   |
| Interest payable   | 254,114                            |                                     | 254,114           |
| Unearned revenue   | 92,450                             | 66,523                              | 158,973           |
| Noncurrent liabilities:  |                                    |                                     |                   |
| Due within one year  | 3,054,862                          |                                     | 3,054,862         |
| Due beyond one year  | 38,287,772                         |                                     | 38,287,772        |
| Total Liabilities  | 42,300,246                         | 274,422                             | 42,574,668        |
| <b>DEFERRED INFLOWS OF RESOURCES:</b>                          |                                    |                                     |                   |
| Deferred inflows of resources from pensions                    | 2,784,980                          | -                                   | 2,784,980         |
| <b>TOTAL LIABILITIES AND DEFERRED INFLOWS<br/>OF RESOURCES</b> | <b>45,085,226</b>                  | <b>274,422</b>                      | <b>45,359,648</b> |
| <b>NET POSITION:</b>   |                                    |                                     |                   |
| Net investment in capital assets                               | 15,112,201                         | 16,322                              | 15,128,523        |
| Restricted for:  |                                    |                                     |                   |
| Capital projects   | 3,412,643                          |                                     | 3,412,643         |
| Maintenance  | 2,299,510                          |                                     | 2,299,510         |
| Unemployment Compensation                                      | 395,770                            |                                     | 395,770           |
| Debt Service   | 27,418                             |                                     | 27,418            |
| Student Activities   | 421,192                            |                                     | 421,192           |
| Unrestricted (Deficit)   | (5,006,450)                        | 249,993                             | (4,756,457)       |
| Total Net Position   | \$ 16,662,284                      | \$ 266,315                          | \$ 16,928,599     |

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

**HADDONFIELD 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  | \$ 16,163,585        | \$ 376,494           | \$ 585,654                         | \$ -                             | \$ (15,201,437)                                   | \$ -                     | \$ (15,201,437)      |
| Special Education  | 3,746,214            |                      | 293,764                            |                                  | (3,452,450)                                       |                          | (3,452,450)          |
| Other instruction  | 1,306,649            |                      |                                    |                                  | (1,306,649)                                       |                          | (1,306,649)          |
| Support Services:  |                      |                      |                                    |                                  |   |                          |                      |
| Tuition  | 632,995              |                      |                                    |                                  | (632,995)   |                          | (632,995)            |
| Student & instruction related services                                   | 8,503,772            |                      | 1,429,989                          |                                  | (7,073,783)                                       |                          | (7,073,783)          |
| General administrative services  | 1,390,370            |                      |                                    |                                  | (1,390,370)                                       |                          | (1,390,370)          |
| School administrative services   | 1,827,529            |                      |                                    |                                  | (1,827,529)                                       |                          | (1,827,529)          |
| Central administrative services  | 570,934              |                      |                                    |                                  | (570,934)   |                          | (570,934)            |
| Plant operations and maintenance   | 4,760,554            |                      |                                    |                                  | (4,760,554)                                       |                          | (4,760,554)          |
| Pupil transportation   | 495,076              |                      |                                    |                                  | (495,076)   |                          | (495,076)            |
| Unallocated employee benefits  | 21,139,577           |                      | 15,577,341                         |                                  | (5,562,236)                                       |                          | (5,562,236)          |
| Transfer to Charter School   | 26,544               |                      |                                    |                                  | (26,544)  |                          | (26,544)             |
| Interest on long-term debt   | 768,425              |                      |                                    |                                  | (768,425)   |                          | (768,425)            |
| Unallocated depreciation and amortization                                | 38,163               |                      |                                    |                                  | (38,163)  |                          | (38,163)             |
| Total Governmental Activities  | <u>61,370,387</u>    | <u>376,494</u>       | <u>17,886,748</u>                  | <u>-</u>                         | <u>(43,107,145)</u>                               | <u>-</u>                 | <u>(43,107,145)</u>  |
| Business-Type Activities:  |                      |                      |                                    |                                  |   |                          |                      |
| Food service   | 942,265              | 75,860               | 1,056,303                          | -                                | -   | 189,898                  | 189,898              |
| Total Business-Type Activities   | <u>942,265</u>       | <u>75,860</u>        | <u>1,056,303</u>                   | <u>-</u>                         | <u>-</u>  | <u>189,898</u>           | <u>189,898</u>       |
| Total Primary Government   | <u>\$ 62,312,652</u> | <u>\$ 452,354</u>    | <u>\$ 18,943,051</u>               | <u>\$ -</u>                      | <u>(43,107,145)</u>                               | <u>189,898</u>           | <u>(42,917,247)</u>  |
| General Revenues:  |                      |                      |                                    |                                  |   |                          |                      |
| Taxes:   |                      |                      |                                    |                                  |   |                          |                      |
| Property taxes, levied for general purposes                              |                      |                      |                                    |                                  | 38,221,513  |                          | 38,221,513           |
| Taxes levied for debt service  |                      |                      |                                    |                                  | 3,004,000   |                          | 3,004,000            |
| Federal and State aid unrestricted                                       |                      |                      |                                    |                                  | 4,010,711   |                          | 4,010,711            |
| Investment and Interest earnings - restricted                            |                      |                      |                                    |                                  | 14,888  |                          | 14,888               |
| Miscellaneous  |                      |                      |                                    |                                  | 128,787   | 701                      | 129,488              |
| Special Items:   |                      |                      |                                    |                                  |   |                          |                      |
| Transfer   |                      |                      |                                    |                                  |   |                          | -                    |
| Total general revenues, special items, extraordinary items and transfers |                      |                      |                                    |                                  | <u>45,379,899</u>                                 | <u>701</u>               | <u>45,380,600</u>    |
| Change in Net Position   |                      |                      |                                    |                                  | 2,272,754   | 190,599                  | 2,463,353            |
| Net Position - July 1,   |                      |                      |                                    |                                  | <u>14,389,530</u>                                 | <u>75,716</u>            | <u>14,465,246</u>    |
| Net Position - June 30   |                      |                      |                                    |                                  | <u>\$ 16,662,284</u>                              | <u>\$ 266,315</u>        | <u>\$ 16,928,599</u> |

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

Fund Financial Statements

HADDONFIELD SCHOOL DISTRICT  
Balance Sheet  
Governmental Funds  
June 30, 2022

|  | General Fund        | Special Revenue Fund | Capital Projects Fund | Debt Service Fund | Total Governmental Funds |
|--|---------------------|----------------------|-----------------------|-------------------|--------------------------|
| <b>ASSETS</b>                                |                     |                      |                       |                   |                          |
| Cash and Cash Equivalents                    | \$ 7,536,207        | \$ 421,192           | \$ -                  | \$ 66,351         | \$ 8,023,750             |
| Interfund Accounts Receivable                |                     |                      |                       |                   |                          |
| Special Revenue Fund                         | 126,833             |                      |                       |                   | 126,833                  |
| Debt Service Fund                            | 38,933              |                      |                       |                   | 38,933                   |
| Enterprise Fund                              | 207,899             |                      |                       |                   | 207,899                  |
| Intergovernmental Accounts Receivables:      |                     |                      |                       |                   |                          |
| State  | 1,049,167           |                      |                       |                   | 1,049,167                |
| Federal                                      |                     | 343,930              |                       |                   | 343,930                  |
| Other  | 19,005              |                      |                       |                   | 19,005                   |
| <b>Total Assets</b>                          | <b>\$ 8,978,044</b> | <b>\$ 765,122</b>    | <b>\$ -</b>           | <b>\$ 66,351</b>  | <b>\$ 9,809,517</b>      |
| <b>LIABILITIES AND FUND BALANCES</b>         |                     |                      |                       |                   |                          |
| <b>Liabilities:</b>                          |                     |                      |                       |                   |                          |
| Interfund Accounts Payable                   |                     |                      |                       |                   |                          |
| General Fund                                 |                     | 126,833              |                       | 38,933            | 165,766                  |
| Intergovernmental Accounts Payable:          |                     |                      |                       |                   |                          |
| State  |                     | 86,442               |                       |                   | 86,442                   |
| Accounts Payable:                            |                     |                      |                       |                   |                          |
| Payroll Deductions and Withholdings Payable  | 18,278              |                      |                       |                   | 18,278                   |
| Unemployment Claims Payable                  | 91,915              |                      |                       |                   | 91,915                   |
| Other  | 102,674             | 54,332               |                       |                   | 157,006                  |
| Unearned Revenue                             | 16,127              | 76,323               |                       |                   | 92,450                   |
| <b>Total Liabilities</b>                     | <b>228,994</b>      | <b>343,930</b>       | <b>-</b>              | <b>38,933</b>     | <b>611,857</b>           |
| <b>Fund Balances:</b>                        |                     |                      |                       |                   |                          |
| <b>Restricted:</b>                           |                     |                      |                       |                   |                          |
| Capital Reserve                              | 3,412,643           |                      |                       |                   | 3,412,643                |
| Maintenance Reserve                          | 2,299,510           |                      |                       |                   | 2,299,510                |
| Unemployment Compensation                    | 395,770             |                      |                       |                   | 395,770                  |
| Debt Service                                 |                     |                      |                       | 1                 | 1                        |
| Student Activities                           |                     | 421,192              |                       |                   | 421,192                  |
| <b>Assigned to:</b>                          |                     |                      |                       |                   |                          |
| Other Purposes                               | 118,136             |                      |                       |                   | 118,136                  |
| Designated for subsequent years expenditures | 700,000             |                      |                       | 27,417            | 727,417                  |
| Unassigned                                   | 1,822,991           |                      |                       |                   | 1,822,991                |
| <b>Total Fund Balances</b>                   | <b>8,749,050</b>    | <b>421,192</b>       | <b>-</b>              | <b>27,418</b>     | <b>9,197,660</b>         |
| <b>Total Liabilities and Fund Balances</b>   | <b>\$ 8,978,044</b> | <b>\$ 765,122</b>    | <b>\$ -</b>           | <b>\$ 66,351</b>  |                          |

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 \$79,078,163 and the accumulated depreciation is \$28,072,957. 51,005,206

Leased assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$184,555 and the accumulated amortization is \$85,177. 99,378

Accrued interest is not due and payable in the current period and therefore is not reported as a liability in the funds. (254,114)

Accounts payable related to the April 1, 2023 required PERS contribution that is not to be liquidated with current financial resources. (465,306)

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 | \$ 1,207,074 |             |
| Net Pension Liability                        | (4,270,426)  |             |
| Deferred Inflows of resources from Pensions  | (2,784,980)  | (5,848,332) |

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.

|                              |              |              |
|------------------------------|--------------|--------------|
| General Obligation Bonds     | (35,890,000) |              |
| Leases Payable               | (102,383)    |              |
| Compensated Absences Payable | (1,079,825)  | (37,072,208) |

Net position of governmental activities **\$ 16,662,284**

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

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

|  | General<br>Fund     | Special<br>Revenue<br>Fund | Capital<br>Projects<br>Fund | Debt<br>Service<br>Fund | Total<br>Governmental<br>Funds |
|--|---------------------|----------------------------|-----------------------------|-------------------------|--------------------------------|
| <b>REVENUES:</b>   |                     |                            |                             |                         |                                |
| Local property tax levy                                      | \$ 38,221,513       | \$ -                       | \$ -                        | \$ 3,004,000            | \$ 41,225,513                  |
| Tuition charges  | 376,494             |                            |                             |                         | 376,494                        |
| Interest earned on maintenance reserve funds                 | 5,734               |                            |                             |                         | 5,734                          |
| Interest earned on capital reserve funds                     | 8,241               |                            |                             |                         | 8,241                          |
| Other restricted misc. revenues                              | 913                 |                            |                             |                         | 913                            |
| Unrestricted misc. revenues                                  | 128,787             |                            |                             |                         | 128,787                        |
| Federal sources  |                     | 1,280,035                  |                             |                         | 1,280,035                      |
| State sources  | 12,728,611          | 472,162                    |                             | 628,683                 | 13,829,456                     |
| Local sources  |                     | 602,884                    |                             |                         | 602,884                        |
| <b>Total Revenues</b>  | <b>51,470,293</b>   | <b>2,355,081</b>           | <b>-</b>                    | <b>3,632,683</b>        | <b>57,458,057</b>              |
| <b>EXPENDITURES:</b>   |                     |                            |                             |                         |                                |
| Current expense:   |                     |                            |                             |                         |                                |
| Regular instruction  | 14,247,717          | 585,654                    |                             |                         | 14,833,371                     |
| Special education instruction                                | 3,452,450           | 293,764                    |                             |                         | 3,746,214                      |
| Other instruction  | 1,306,649           |                            |                             |                         | 1,306,649                      |
| Support services and undistributed costs:                    |                     |                            |                             |                         |                                |
| Tuition  | 632,995             |                            |                             |                         | 632,995                        |
| Student & instruction related services                       | 7,127,198           | 1,458,746                  |                             |                         | 8,585,944                      |
| General administrative services                              | 1,196,530           |                            |                             |                         | 1,196,530                      |
| School administrative services                               | 1,827,529           |                            |                             |                         | 1,827,529                      |
| Central services   | 541,153             |                            |                             |                         | 541,153                        |
| Administrative Info. Technology                              | 25,522              |                            |                             |                         | 25,522                         |
| Plant operations and maintenance                             | 3,828,424           |                            |                             |                         | 3,828,424                      |
| Pupil transportation   | 495,076             |                            |                             |                         | 495,076                        |
| Unallocated employee benefits                                | 15,962,378          | 45,674                     |                             |                         | 16,008,052                     |
| Capital outlay   | 875,813             |                            |                             |                         | 875,813                        |
| Transfer of Funds to Charter School                          | 26,544              |                            |                             |                         | 26,544                         |
| Debt service:  |                     |                            |                             |                         |                                |
| Principal  |                     |                            |                             | 2,825,000               | 2,825,000                      |
| Interest and other charges                                   |                     |                            |                             | 807,682                 | 807,682                        |
| <b>Total expenditures</b>                                    | <b>51,545,978</b>   | <b>2,383,838</b>           | <b>-</b>                    | <b>3,632,682</b>        | <b>57,562,498</b>              |
| Excess (deficiency) of revenues over<br>(under) expenditures | (75,685)            | (28,757)                   | -                           | 1                       | (104,441)                      |
| Other Financing Sources (Uses):                              |                     |                            |                             |                         |                                |
| FEMA Reimbursement   | 177,187             |                            |                             |                         | 177,187                        |
| Total other financing sources (uses)                         | 177,187             | -                          | -                           | -                       | 177,187                        |
| Net change in fund balance                                   | 101,502             | (28,757)                   | -                           | 1                       | 72,746                         |
| Fund balances, July 1  | 8,647,548           | 449,949                    |                             | 27,417                  | 9,124,914                      |
| Fund balances, June 30                                       | <u>\$ 8,749,050</u> | <u>\$ 421,192</u>          | <u>\$ -</u>                 | <u>\$ 27,418</u>        | <u>\$ 9,197,660</u>            |

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

**HADDONFIELD 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)  | \$             | 72,746      |
| 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   | \$ (1,853,217) |             |
| Capital outlay   | 221,665        | (1,631,552) |
| <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   | (85,177)       |             |
| Lease Asset Additions  | 8,317          | (76,860)    |
| 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.  |                | 2,825,000   |
| 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.  |                | (8,317)     |
| 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.  |                | 82,172      |
| Governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are amortized in the statement of activities.  |                | 54,498      |
| Net differences between pension system contributions recognized in the fund statement of revenues, expenditures and changes in fund balances and the statement of activities.  |                | 876,372     |
| 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 in the reconciliation.  |                | 39,257      |
| Some expenses reported on the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds:  |                |             |
| Compensated absences   |                | 39,438      |
| Change in net position of governmental activities  | \$             | 2,272,754   |

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

**HADDONFIELD SCHOOL DISTRICT**  
**Statement of Net Position**  
**Proprietary Funds**  
**June 30, 2022**

|  | <b>Business-type<br/>Activities<br/>Enterprise Funds</b> |
|--|--|
|  | Food Service<br>Program                                  |
| <b>ASSETS</b>                                    |  |
| Current assets:                                  |  |
| Cash and cash equivalents                        | \$ 431,561   |
| Accounts receivable                              | 80,625   |
| Inventories                                      | 12,229   |
|  | 524,415  |
| Total current assets                             | 524,415  |
| Noncurrent assets:                               |  |
| Equipment  | 236,078  |
| Less accumulated depreciation                    | (219,756)  |
|  | 16,322   |
| Total noncurrent assets                          | 16,322   |
| Total assets                                     | 540,737  |
| <b>LIABILITIES</b>                               |  |
| Current liabilities:                             |  |
| Accounts payable                                 | -  |
| Interfund payable                                | 207,899  |
| Unearned revenue                                 | 66,523   |
|  | 274,422  |
| Total liabilities                                | 274,422  |
| <b>NET POSITION</b>                              |  |
| Net investment in capital assets<br>related debt | 16,322   |
| Unrestricted                                     | 249,993  |
|  | 266,315  |
| Total net position                               | \$ 266,315   |

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

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

|  | <b>Business-type<br/>Activities<br/>Enterprise Funds</b> |
|--|--|
|  | Food Service<br>Program                                  |
| <b>Operating revenues:</b>                           |  |
| Charges for services:                                |  |
| Daily sales-reimbursable programs                    | \$ 596   |
| Daily sales-non-reimbursable programs                | 75,264   |
|  | 75,860   |
| Total operating revenue                              | 75,860   |
| <b>Operating expenses:</b>                           |  |
| Salaries   | 262,218  |
| Employee benefits                                    | 60,921   |
| Supplies and materials                               | 46,351   |
| Depreciation   | 2,547  |
| Management Fee                                       | 43,000   |
| Direct expenses                                      | 17,156   |
| Cleaning and maintenance                             | 126,201  |
| Cost of sales - reimbursable programs                | 357,197  |
| Cost of sales - nonreimbursable programs             | 26,674   |
|  | 942,265  |
| Total operating expenses                             | 942,265  |
| Operating income (loss)                              | (866,405)  |
| <b>Nonoperating revenues (expenses):</b>             |  |
| State sources:                                       |  |
| State school lunch program                           | 22,329   |
| Federal sources:                                     |  |
| National school lunch program                        | 951,299  |
| School breakfast program                             | 29,445   |
| EM Schools   | 2,957  |
| PEBT 21  | 614  |
| PEBT 22  | 628  |
| U.S.D.A. commodities                                 | 49,031   |
| Local sources:                                       |  |
| Interest revenue                                     | 701  |
|  | 1,057,004  |
| Total nonoperating revenues (expenses)               | 1,057,004  |
| Net income (loss) before contributions and transfers | 190,599  |
| Operating Transfer Out                               | -  |
| Change in net position                               | 190,599  |
| Total net position - July 1                          | 75,716   |
| Total net position - June 30                         | \$ 266,315   |

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

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

|   | <b>Business-type<br/>           Activities<br/>           Enterprise Funds</b> |
|---|--|
|   | Food Service<br>Program  |
| <b>Cash flows from operating activities:</b>  |  |
| Receipts from customers   | \$ 74,815  |
| Payments to employees   | (323,138)  |
| Payments to suppliers   | (471,456)  |
| Net cash used for operating activities  | (719,779)  |
| <b>Cash flows from noncapital financing activities:</b>   |  |
| Operating transfer out  | -  |
| Interfund activity  |  |
| State sources   | 23,133   |
| Federal sources   | 933,972  |
| Net cash provided by non-capital financing activities   | 957,105  |
| <b>Cash flows from capital activities:</b>  |  |
| Purchases of fixed assets   | -  |
|   | -  |
| <b>Cash flows from investing activities:</b>  |  |
| Interest and dividends  | 701  |
| Net cash provided by investing activities   | 701  |
| Net increase in cash and cash equivalents   | 238,027  |
| Balances - beginning of year  | 193,534  |
| Balances - end of year  | \$ 431,561   |
| Reconciliation of operating loss to net cash provided   |  |
| (used) by operating activities:   |  |
| Operating income (loss)   | \$ (866,405)   |
| Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities: |  |
| Depreciation  | 2,547  |
| Federal commodities   | 49,031   |
| (Increase) decrease in inventories  | 6,530  |
| (Increase) decrease in accounts receivable  | -  |
| Increase (decrease) in accounts payable   | (36,638)   |
| Increase (decrease) in interfund payable  | 126,201  |
| Increase (decrease) in unearned revenue   | (1,045)  |
| Total adjustments   | 146,626  |
| Net cash provided by (used for) operating activities  | \$ (719,779)   |

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

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

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Reporting Entity** - The Haddonfield School District (District) is a Type II school district located in Camden County, New Jersey and covers an area of approximately 2.6 square miles. As a Type II school 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 district is to provide educational services for all of Haddonfield's students in grades K through 12. The Haddonfield School District has an approximate enrollment at June 30, 2022 of 2,700 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.

**Haddonfield 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.

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

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (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.

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 position.

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  |

**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.

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 position. The statement of cash flows provides information about how the School District finances and meets the cash flow needs of its proprietary activities. Fiduciary funds are reported using the economic resources measurement focus.

**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 unearned revenue, and in the presentation of expenses versus expenditures.

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

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

**Basis of Accounting (Continued)**

**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 unearned 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.

**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.

**Haddonfield 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 (Continued)** - 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, and all eligibility and time requirements satisfied are reflected on the balance sheet as unearned grant revenue at fiscal year-end.

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

**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.

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.

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

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

**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 Outflows/Inflows of Resources** – In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

**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.

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.

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

| <u>Description</u>         | <u>Governmental<br/>Activities<br/>Estimated Lives</u> | <u>Business-Type<br/>Activities<br/>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.

**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.

**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.

**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.

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

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

**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 assets are 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.

**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. 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.

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

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

**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. 17:9-41et 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 \$10,094,060 as of June 30, 2022, \$250,000 was insured under FDIC and the remaining balance of \$9,844,060 was collateralized under GUDPA.

**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 district’s approved Long-Range Facilities Plan (LRFP) and updated annually in the Quality Assurance Annual Report (QAAR). 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 at year end of any anticipated 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

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

**3. CAPITAL RESERVE ACCOUNT (Continued)**

of the four special elections authorized pursuant to N.J.S.A. 19:60-2.

Pursuant to N.J.A.C. 6:26-9.1(d), 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       | \$           | 3,296,525               |
| Increased by:                |              |                         |
| Transfer by Board Resolution | \$ 250,000   |                         |
| Unspent Funds                | 657,877      |                         |
| Interest Earned              | <u>8,241</u> | <u>916,118</u>          |
|                              |              | 4,212,643               |
| Decreased by:                |              |                         |
| Budgeted Withdrawal          |              | <u>800,000</u>          |
| Balance – June 30, 2022      | \$           | <u><u>3,412,643</u></u> |

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

**4. ACCOUNTS RECEIVABLES**

Accounts receivables 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:

|                           | <b>General<br/>Fund</b>    | <b>Capital<br/>Projects<br/>Fund</b> | <b>Special<br/>Revenue<br/>Funds</b> | <b>Proprietary<br/>Fund</b> | <b>Total</b>               |
|---------------------------|----------------------------|--------------------------------------|--------------------------------------|-----------------------------|----------------------------|
| State Aid                 | \$ 1,049,167               | \$ -                                 | \$ -                                 | \$ 1,738                    | \$ 1,050,905               |
| Federal Aid               | -                          | -                                    | 343,930                              | 78,887                      | 422,817                    |
| Other                     | <u>19,005</u>              | <u>-</u>                             | <u>-</u>                             | <u>-</u>                    | <u>19,005</u>              |
| Total Accounts Receivable | <u><u>\$ 1,068,172</u></u> | <u><u>\$ -</u></u>                   | <u><u>\$ 343,930</u></u>             | <u><u>\$ 80,625</u></u>     | <u><u>\$ 1,492,727</u></u> |

**Haddonfield 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</u><br><u>June 30, 2021</u> | <u>Additions/</u><br><u>Adjustments</u> | <u>Disposals</u> | <u>Balance</u><br><u>June 30, 2022</u> |
|---|--|---|------------------|--|
| <b>Governmental Activities:</b>                 |  |   |                  |  |
| <i>Capital Assets, not being depreciated:</i>   |  |   |                  |  |
| Land  | \$ 1,898,592                           | \$ -                                    | \$ -             | \$ 1,898,592                           |
| Construction in progress                        | -                                      | -                                       | -                | -                                      |
| Total capital assets, not being<br>Depreciated  | <u>1,898,592</u>                       | <u>-</u>                                | <u>-</u>         | <u>1,898,592</u>                       |
| <i>Capital Assets, being depreciated:</i>       |  |   |                  |  |
| Site Improvements                               | 1,719,590                              |   |                  | 1,719,590                              |
| Building and Building Improvements              | 71,064,868                             |   |                  | 71,064,868                             |
| Equipment                                       | <u>4,173,448</u>                       | <u>221,665</u>                          |                  | <u>4,395,113</u>                       |
| Totals at historical cost                       | <u>76,957,906</u>                      | <u>221,665</u>                          |                  | <u>77,179,571</u>                      |
| <i>Less Accumulated Depreciation:</i>           |  |   |                  |  |
| Site Improvements                               | (958,156)                              | (69,055)                                |                  | (1,027,211)                            |
| Building and Building Improvements              | (22,179,186)                           | (1,625,207)                             |                  | (23,804,393)                           |
| Equipment                                       | <u>(3,082,398)</u>                     | <u>(158,955)</u>                        |                  | <u>(3,241,353)</u>                     |
| Totals accumulated depreciation                 | <u>(26,219,740)</u>                    | <u>(1,853,217)</u>                      |                  | <u>(28,072,957)</u>                    |
| Total Capital Assets, being<br>depreciated, net | <u>50,738,166</u>                      | <u>(1,631,552)</u>                      | <u>-</u>         | <u>49,106,614</u>                      |
| Governmental Activities Capital<br>Assets, Net  | <u>\$ 52,636,758</u>                   | <u>\$ (1,631,552)</u>                   | <u>\$ -</u>      | <u>\$ 51,005,206</u>                   |
| <b><u>Business-Type Activities:</u></b>         |  |   |                  |  |
| <i>Capital Assets, being depreciated:</i>       |  |   |                  |  |
| Equipment                                       | \$ 236,078                             | \$ -                                    | \$ -             | \$ 236,078                             |
| Less accumulated depreciation                   | <u>(217,209)</u>                       | <u>(2,547)</u>                          |                  | <u>(219,756)</u>                       |
| Business-Type Activities Capital<br>Assets, Net | <u>\$ 18,869</u>                       | <u>\$ (2,547)</u>                       | <u>\$ -</u>      | <u>\$ 16,322</u>                       |

Depreciation expense in the amount of \$1,853,217 was charged to governmental functions as follows:

| <u>Function</u>                  | <u>Amount</u>       |
|----------------------------------|---------------------|
| Regular Instruction              | \$ 1,297,252        |
| Plant Operations and Maintenance | 277,982             |
| Administration                   | 185,322             |
| Unallocated                      | <u>92,661</u>       |
| Total depreciation expense       | <u>\$ 1,853,217</u> |

**Haddonfield 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:

|   | <b>(Restated)</b><br><b>Balance</b> |                    |                  | <b>Balance</b>       |
|---|-------------------------------------|--------------------|------------------|----------------------|
|   | <b>June 30, 2021</b>                | <b>Additions</b>   | <b>Deletions</b> | <b>June 30, 2022</b> |
| <b>Governmental Activities:</b>           |                                     |                    |                  |                      |
| Lease Assets, being Amortized:            |                                     |                    |                  |                      |
| Machinery and Equipment                   | \$ 176,238                          | \$ 8,317           | \$ -             | \$ 184,555           |
| Total Lease Assets Being Amortized        | <u>176,238</u>                      | <u>8,317</u>       | <u>-</u>         | <u>184,555</u>       |
| Governmental Activities Lease Assets      | <u>176,238</u>                      | <u>8,317</u>       | <u>-</u>         | <u>184,555</u>       |
| Less Accumulated Amortization for:        |                                     |                    |                  |                      |
| Machinery and Equipment                   |                                     | (85,177)           | -                | (85,177)             |
| Total Accumulated Amortization            | <u>-</u>                            | <u>(85,177)</u>    | <u>-</u>         | <u>(85,177)</u>      |
| Governmental Activities Lease Assets, Net | <u>\$ 176,238</u>                   | <u>\$ (76,860)</u> | <u>\$ -</u>      | <u>\$ 99,378</u>     |

Amortization expense in the amount of \$85,177 was charged to governmental functions as follows:

| <u>Function</u>     | <u>Amount</u>    |
|---------------------|------------------|
| Regular Instruction | \$ 72,400        |
| Administration      | 8,518            |
| Central Services    | <u>4,259</u>     |
|                     | <u>\$ 85,177</u> |

**7. INVENTORY**

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

|          |                  |
|----------|------------------|
| Food     | \$ 9,987         |
| Supplies | <u>2,242</u>     |
|          | <u>\$ 12,229</u> |

**Haddonfield 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:

| <b><u>Governmental Activities:</u></b> | <b>(Restated)<br/>Balance<br/>June 30, 2021</b> | <b><u>Additions</u></b> | <b><u>Reductions</u></b> | <b>Balance<br/>June 30, 2022</b> | <b>Amounts Due<br/>Within<br/>One Year</b> |
|--|---|-------------------------|--------------------------|----------------------------------|--|
| <b>Other Liabilities:</b>              |   |                         |                          |                                  |  |
| Compensated Absences                   | \$ 1,119,263                                    | \$ -                    | \$ 39,438                | \$ 1,079,825                     | \$ 18,000                                  |
| Leases Payable                         | 176,238   | 8,317                   | 82,172                   | 102,383                          | 86,862                                     |
| Net Pension Liability                  | 5,661,473                                       |                         | 1,391,047                | 4,270,426                        |  |
| <b>Total</b>                           | <u>6,956,974</u>                                | <u>8,317</u>            | <u>1,512,657</u>         | <u>5,452,634</u>                 | <u>104,862</u>                             |
| <b>General Obligation Bonds</b>        |   |                         |                          |                                  |  |
| Principal                              | 38,715,000                                      | -                       | 2,825,000                | 35,890,000                       | 2,950,000                                  |
| Unamortized Premiums                   | 54,498  |                         | 54,498                   | -                                | -  |
| <b>Total</b>                           | <u>38,769,498</u>                               | <u>-</u>                | <u>2,879,498</u>         | <u>35,890,000</u>                | <u>2,950,000</u>                           |
| <b>Total Governmental Activity</b>     | <u>\$ 45,726,472</u>                            | <u>\$ 8,317</u>         | <u>\$ 4,392,155</u>      | <u>\$ 41,342,634</u>             | <u>\$ 3,054,862</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:

2016 School Bonds dated August 16, 2016 in the amount of \$30,555,000 due in annual installments through September 1, 2036 bearing interest rates ranging from 2.00% - 3.00%.

2020 Refunding Bonds dated October 27, 2020 in the amount of \$5,335,000 due in annual installments through February 15, 2025 bearing interest rates ranging from .519% - 1.06%.

Principal and interest due on bonds outstanding are as follows:

| <b><u>Year ending June 30,</u></b> | <b><u>Principal</u></b> | <b><u>Interest</u></b> | <b><u>Total</u></b>  |
|------------------------------------|-------------------------|------------------------|----------------------|
| 2023                               | \$ 2,950,000            | \$ 744,255             | \$ 3,694,255         |
| 2024                               | 2,960,000               | 706,717                | 3,666,717            |
| 2025                               | 2,980,000               | 665,977                | 3,645,977            |
| 2026                               | 2,200,000               | 613,100                | 2,813,100            |
| 2027                               | 2,200,000               | 569,100                | 2,769,100            |
| 2028-2032                          | 11,050,000              | 2,171,188              | 13,221,188           |
| 2033-2037                          | <u>11,550,000</u>       | <u>838,987</u>         | <u>12,388,987</u>    |
|                                    | <u>\$ 35,890,000</u>    | <u>\$ 6,309,324</u>    | <u>\$ 42,199,324</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.

**Haddonfield 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 August 1, 2017, the School District entered a 60-month lease as lessee for the use of a postage meter. As of July 1, an initial lease liability was recorded in the amount of \$2,326. The School District is required to make quarterly payments of \$473. The lease has an interest rate of 3.00%. The value of the right to use asset as of June 30, 2022, was \$179 with accumulated amortization of \$2,147.

On August 1, 2018, the School District entered a 60-month lease as lessee for the use of copiers. As of July 1, 2021, an initial lease liability was recorded in the amount of \$164,846. The School District is required to make monthly payments of \$6,987. The lease has an interest rate of 5.41%. The value of the right to use asset as of June 30, 2022, was \$85,720 with accumulated amortization of \$79,126.

On January 1, 2019, the School District entered a 60-month lease as lessee for the use of a postage meter. As of July 1, 2021, an initial lease liability was recorded in the amount of \$9,066. The School District is required to make quarterly payments of \$945. The lease has an interest rate of 3.00%. The value of the right to use asset as of June 30, 2022, was \$5,440 with accumulated amortization of \$3,626.

On May 1, 2022, the School District entered a 60-month lease as lessee for the use of a postage meter. An initial lease liability was recorded in the amount of \$8,317. The School District is required to make quarterly payments of \$473. The lease has an interest rate of 3.00%. The value of the right to use asset as of June 30, 2022, was \$8,040 with accumulated amortization of \$277.

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> |
|----------------|--------------------------|----------------------|----------------------|--------------------|
| Postage Meter  | August 1, 2017           | July 1, 2022         | 3.00%                | \$ 472             |
| Copiers        | August 1, 2018           | July 1, 2023         | 5.41%                | 88,031             |
| Postage Meter  | January 1, 2019          | January 1, 2024      | 3.00%                | 5,521              |
| Postage Meter  | May 1, 2022              | April 1, 2027        | 3.00%                | 8,359              |
| Total          |                          |                      |                      | <u>\$ 102,383</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                        | \$ 86,863         | \$ 3,126        | \$ 89,989         |
| 2024                        | 10,537            | 230             | 10,767            |
| 2025                        | 1,765             | 125             | 1,890             |
| 2026                        | 1,818             | 72              | 1,890             |
| 2027                        | <u>1,400</u>      | <u>18</u>       | <u>1,418</u>      |
| Total                       | <u>\$ 102,383</u> | <u>\$ 3,571</u> | <u>\$ 105,954</u> |

**Haddonfield 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 1/55<sup>th</sup> of final average salary for each year of service credit is available to tiers 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60<sup>th</sup> of final average salary for each year of service credit is available to tier 4 members upon reaching age 62 and 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.

**Haddonfield 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)**

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*.

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 \$4,579,405 and was paid by April 1, 2022. School District employee contributions to the pension plan during the fiscal year ended June 30, 2022 were \$1,434,741.

*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 \$1,767,732 and revenue of \$1,767,732 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   | 75,125,327       | 100,854,997      |
| State's portion of the net pension liability that was associated with the School District as a percentage of the collective net pension liability | .1562663178%     | .1531614880%     |

*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.

**Haddonfield 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)**

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

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

Pre-retirement mortality rates were based on the Pub-2010 Teachers Above-Median Income Employee mortality 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<br/>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%   |
|                                   | 100.00%                  |   |

**Haddonfield 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)**

*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:

|  | <b>1% Decrease<br/>(6.00%)</b> | <b>Current<br/>Discount Rate<br/>(7.00%)</b> | <b>1% Increase<br/>(8.00%)</b> |
|--|--------------------------------|--|--------------------------------|
| District's proportionate share of the net pension liability                                  | \$ -                           | \$ -   | \$ -                           |
| State's proportionate share of the net pension liability associated with the School District | 88,885,811                     | 75,125,327                                   | 63,567,386                     |
|  | \$ 88,885,811                  | \$ 75,125,327                                | \$ 63,567,386                  |

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.

**Haddonfield 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 following represents the membership tiers for PERS:

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

Service retirement benefits of 1/55<sup>th</sup> of final average salary for each year of service credit is available to tiers 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60<sup>th</sup> of final average salary for each year of service credit is available to tier 4 members upon reaching age 62 and 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.

*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 \$422,164 and was paid by April 1, 2022. School District employee contributions to the pension plan during the fiscal year ended June 30, 2022 were \$193,696.

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:

| Fiscal Year | Normal Contributions | Accrued Liability | Non Contributory Life | Retro and Longterm Disability | Total Liability Paid by District |
|-------------|----------------------|-------------------|-----------------------|-------------------------------|----------------------------------|
| 2022        | \$ 51,118            | \$ 351,587        | \$ 19,459             | \$ -                          | \$ 422,164                       |
| 2021        | 43,358               | 318,074           | 18,357                | 8,351                         | 388,140                          |
| 2020        | 29,329               | 271,404           | 16,205                | 1,444                         | 318,382                          |

*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.

**Haddonfield 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)**

At June 30, 2022, the School District reported a liability of \$4,270,426 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.

For the year ended June 30, 2022, the School District recognized pension expense of (\$454,028). At June 30, 2022, the School District reported a liability of \$4,270,426 for its proportionate share of the PERS net pension liability and deferred outflows of resources related to PERS from the following sources:

|  | Deferred<br>Outflows of<br>Resources | Deferred<br>Inflows of<br>Resources |
|--|--------------------------------------|-------------------------------------|
| Differences between expected and actual experience                               | \$ 67,350                            | \$ 30,571                           |
| Changes of assumptions   | 22,240                               | 1,520,299                           |
| Net Difference between projected and actual earnings on pension plan investments |                                      | 1,124,942                           |
| Changes in proportion  | 652,178                              | 109,168                             |
| District contributions subsequent to the measurement date                        | 465,306                              |                                     |
| <b>Total</b>   | <b>\$ 1,207,074</b>                  | <b>\$ 2,784,980</b>                 |

\$465,306 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<br>ended: | Net Deferred<br>Outflows (Inflows)<br>of Resources |
|------------------------|--|
| 2023                   | \$ (695,692)                                       |
| 2024                   | (536,291)  |
| 2025                   | (326,888)  |
| 2026                   | (489,057)  |
| 2027                   | 4,716  |
| <b>Total</b>           | <b>\$ (2,043,212)</b>                              |

**Haddonfield 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:

|  | Deferred<br>Outflows of<br><u>Resources</u> | Deferred<br>Inflows of<br><u>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              | .0360480020%      | .0347172313%      |

*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.

**Haddonfield 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)**

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<br/>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%                  |   |

**Haddonfield 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:

|  | <b>1% Decrease<br/>(6.00%)</b> | <b>Current<br/>Discount Rate<br/>(7.00%)</b> | <b>1% Increase<br/>(8.00%)</b> |
|--|--------------------------------|--|--------------------------------|
| School District's proportionate share of the net pension liability | \$ 5,815,454                   | \$ 4,270,426                                 | \$ 2,959,251                   |

*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 Plan (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:

| <u>Year</u> | <u>Total<br/>Liability</u> | <u>Paid by<br/>District</u> |
|-------------|----------------------------|-----------------------------|
| 2022        | \$ 31,821                  | \$ 31,821                   |
| 2021        | 35,005                     | 35,005                      |
| 2020        | 29,801                     | 29,801                      |

**Haddonfield 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.

**Haddonfield 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            | <u>150,427</u>        |
|                     | <u><u>364,328</u></u> |

**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](http://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%                                     |   |  |
|                                  | <u>TPAF/ABP</u>                           | <u>PERS</u>                               | <u>PFRS</u>                                |
| Salary Increases<br>Through 2026 | 1.55 – 4.45%<br>based on service<br>years | 2.00 – 6.00%<br>based on service<br>years | 3.25 – 15.25%<br>based on service<br>years |
| Thereafter                       | 2.75 – 5.65%<br>based on service<br>years | 3.00 - 7.00%<br>based on service<br>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.

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

**10. OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)**

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.

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<br>Liability |
|--|-------------------------|
| Balance as of June 30, 2020                        | \$ 99,286,733           |
| Changes for the years'                             |                         |
| Service Cost                                       | 4,641,637               |
| Interest   | 2,271,636               |
| Changes of benefit terms                           | (93,207)                |
| Differences between expected and actual experience | (16,892,716)            |
| Changes in assumptions                             | 86,394                  |
| Gross Benefit Payments                             | (1,789,413)             |
| Contributions from the Non-employer                | N/A                     |
| Contributions from the Member                      | 58,075                  |
| Net Investment Income                              | N/A                     |
| Administrative Expense                             | N/A                     |
| Net Changes  | \$ (11,717,594)         |
| Balance at 06/30/2021                              | \$ 87,569,139           |

**Haddonfield 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 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:

|   | <u>1% Decrease<br/>(1.16%)</u> | <u>Current<br/>Discount Rate<br/>(2.16%)</u> | <u>1% Increase<br/>(3.16%)</u> |
|---|--------------------------------|--|--------------------------------|
| State of New Jersey's Proportionate Share of the Total Nonemployer OPEB Liability Associated with the School District | \$ 104,894,081                 | \$ 87,569,139                                | \$ 73,926,787                  |

**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:

|   | <u>1% Decrease</u> | <u>Healthcare<br/>Cost Trend<br/>Rates</u> | <u>1% Increase</u> |
|---|--------------------|--|--------------------|
| State of New Jersey's Proportionate Share of the Total Nonemployer OPEB Liability Associated with the School District | \$ 70,887,503      | \$ 87,569,139                              | \$ 109,971,344     |

**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 \$4,694,193 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<br>Outflows of<br>Resources | Deferred<br>Inflows of<br>Resources |
|--|--------------------------------------|-------------------------------------|
| Change in Proportion                               | \$ 894,136                           | \$ (1,972,523)                      |
| Differences between expected and actual experience | 13,200,659                           | (26,281,056)                        |
| Changes of assumptions                             | 14,854,994                           | (9,395,353)                         |
| <b>Total</b>                                       | <b>\$ 28,949,789</b>                 | <b>\$ (37,648,932)</b>              |

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

**10. OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)**

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                | \$ | (1,969,481) |
| 2023                |    | (1,969,481) |
| 2024                |    | (1,969,481) |
| 2025                |    | (1,969,481) |
| 2026                |    | (1,400,274) |
| Thereafter          |    | 579,055     |
| Total               | \$ | (8,699,143) |

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.

**11. ON-BEHALF PAYMENTS**

For the fiscal year ended June 30, 2021, 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 \$6,605,634, \$1,543,343 and \$3,026. In addition, \$1,371,767 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 risk to outside parties.

**Property and Liability Insurance** – The District is a member of the Burlington County School Joint Insurance Fund (BCIPJIF), a public entity risk pool currently operating as a common risk management and insurance program. The district pays an actuarial determined annual assessment to BCIPJIF for its insurance coverage. Supplemental assessments may be levied to supplement the fund. The district has not been notified of any supplemental assessments.

In addition, the district carries commercial insurance for all other risks of loss, including 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.

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

**12. RISK MANAGEMENT (Continued)**

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>Board Contributions</u> | <u>Interest Earned</u> | <u>Amount Reimbursed</u> | <u>Ending Balance</u> |
|--------------------|-------------------------------|----------------------------|------------------------|--------------------------|-----------------------|
| 2021-2022          | \$ -                          | \$ -                       | \$ 913                 | \$ -                     | \$ 395,770            |
| 2020-2021          | -                             | 10,000                     | 846                    | -                        | 394,857               |
| 2019-2020          | 36,639                        | -                          | 2,610                  | 71,555                   | 384,011               |

**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) and 457. 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 agreements with the various employee unions.

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 \$1,079,825.

**15. FLEXIBLE BENEFITS PROGRAM**

The district offers its employees a Flexible Benefits Program. The purpose of the program is to provide a tax incentive for plan participants incurring health premium expenses, dependent care expenses and other medical expenses not covered by other insurance. The district, who is the plan administrator, has contracted with a third-party administrator to act as its agent to furnish reimbursement services. The plan participants redirect a prescribed amount of their gross pay (tax-free) into a reimbursement account and then in-turn submit claims to a third-party administrator for repayment. Because of Internal Revenue Service regulations, if at the end of any plan year unexpended funds remain, these funds will be forfeited by the participants and returned to the district.

The following is a summary of district contributions, employee contributions, reimbursements to the plan participants for benefits paid and the ending balance of the district's fiduciary fund for the current and prior four years.

| <u>Fiscal Year</u> | <u>District Contributions</u> | <u>Interest Earnings</u> | <u>Employee Contributions</u> | <u>Amount Reimbursed</u> | <u>Ending Balance</u> |
|--------------------|-------------------------------|--------------------------|-------------------------------|--------------------------|-----------------------|
| 2021-2022          | \$ 105,400                    | \$ 315                   | \$ 83,129                     | \$ 185,882               | \$ 80,060             |
| 2020-2021          | 109,800                       | 330                      | 54,710                        | 170,131                  | 77,098                |
| 2019-2020          | 114,700                       | 800                      | 87,460                        | 169,936                  | 82,389                |
| 2018-2019          | 113,800                       | 1,046                    | 92,070                        | 161,138                  | 49,365                |
| 2017-2018          | 96,000                        | 122                      | 83,020                        | 197,768                  | 3,587                 |

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

**16. 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<br/>Receivable</u> | <u>Interfund<br/>Payable</u> |
|-----------------|---------------------------------|------------------------------|
| General         | \$ 373,665                      | \$ -                         |
| Special Revenue | -                               | 126,833                      |
| Debt Service    | -                               | 38,933                       |
| Proprietary     | -                               | 207,899                      |
|                 | <u>\$ 373,665</u>               | <u>\$ 373,665</u>            |

**17. 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.

**18. 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.

As of December 31, 2021, the Borough of Haddonfield had no tax abatements.

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

**19. DEFICIT UNRESTRICTED NET POSITION**

As of June 30, 2022, a deficit of \$5,006,450 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 as follows:

|   |                       |
|---|-----------------------|
| Balances June 30, 2022                                  |                       |
| Fund Balance (Deficit)                                  |                       |
| (Exclusive of Capital Projects and Debt Service Funds): |                       |
| Fund Balance – Unassigned                               | \$ 1,822,991          |
| Fund Balance – Assigned                                 | 818,136               |
| Liabilities:  |                       |
| Accrued Interest Payable                                | (254,114)             |
| Net Pension Differences                                 | (6,313,638)           |
| Compensated Absences                                    | (1,079,825)           |
| Unrestricted Net Position (Deficit)                     | <u>\$ (5,006,450)</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 \$3,412,643. Of this amount \$400,000 has been appropriated in the 2022-2023 Budget. The remaining balance is restricted for future capital outlay expenditures for capital projects in the School District’s approved Long-Range Facilities Plan.

**Maintenance Reserve Account** – As of June 30, 2022, the balance in the maintenance reserve account is \$2,299,510. Of this amount \$150,000 has been appropriated in the 2022-2023 Budget. 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** – As of June 30, 2022, the balance in unemployment compensation is \$395,770. These funds are restricted for the purpose of financing unemployment claims.

**Special Revenue Fund:**

**Student Activities** – As of June 30, 2022, the balance in student activities is \$421,192.

**Debt Service Fund** – As of June 30, 2022, the balance in the debt service fund is \$1.

*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:**

**Other Purposes** – At June 30, 2022 the School District has \$118,136 of encumbrances outstanding for purchase orders and contracts signed by the School District, but not completed, as of the close of the fiscal year.

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

**20. FUND BALANCES (Continued)**

*ASSIGNED*

**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, \$700,000 of general fund balance.

**Debt Service 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, \$27,417 of general fund balance.

*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, \$1,822,991 of general fund balance was unassigned.

**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:

|   | Balance<br>June 30, 2021<br>as Previously<br>Reported | Retroactive<br>Adjustments | Balance<br>June 30, 2021<br>as<br>Restated |
|---|---|----------------------------|--|
|   |   |                            |  |
| <u>Statement of Net Position - Governmental Activities:</u> |   |                            |  |
| Assets:   |   |                            |  |
| Right-to-Use Lease Assets, Net                              | \$ -  | \$ 176,238                 | \$ 176,238                                 |
| Total Assets  | 61,977,969  | 176,238                    | 62,154,207                                 |
| Noncurrent Liabilities:                                     |   |                            |  |
| Due Within One Year   | 2,888,348   | 82,214                     | 2,970,562                                  |
| Due Beyond One Year   | 42,661,886  | 94,024                     | 42,755,910                                 |
| Total Liabilities   | 46,482,066  | 176,238                    | 46,658,304                                 |

Required Supplementary Information - Part II

Budgetary Comparison Schedules

**HADDONFIELD SCHOOL DISTRICT**  
**Budgetary Comparison Schedule**  
**General Fund**  
**Fiscal Year Ended June 30, 2022**

|  | Original<br>Budget | Budget<br>Transfers | Final<br>Budget   | Actual            | Variance<br>Final to<br>Actual |
|--|--------------------|---------------------|-------------------|-------------------|--------------------------------|
| <b>REVENUES:</b>   |                    |                     |                   |                   |                                |
| Local sources:   |                    |                     |                   |                   |                                |
| Local tax levy   | \$ 38,221,513      | \$ -                | \$ 38,221,513     | \$ 38,221,513     | \$ -                           |
| Tuition - Individuals  | 187,000            | -                   | 187,000           | 305,947           | 118,947                        |
| Tuition - Other Leas within State                            | 65,000             | -                   | 65,000            | 70,547            | 5,547                          |
| Maintenance reserve interest                                 | 6,000              | -                   | 6,000             | 5,734             | (266)                          |
| Capital reserve interest                                     | 14,000             | -                   | 14,000            | 8,241             | (5,759)                        |
| Other restricted miscellaneous revenue                       |                    |                     |                   | 913               | 913                            |
| Unrestricted miscellaneous revenue                           | 150,000            | -                   | 150,000           | 128,787           | (21,213)                       |
| <b>Total local sources</b>                                   | <b>38,643,513</b>  | <b>-</b>            | <b>38,643,513</b> | <b>38,741,682</b> | <b>98,169</b>                  |
| State sources:   |                    |                     |                   |                   |                                |
| Extraordinary Aid  | 180,000            | -                   | 180,000           | 931,117           | 751,117                        |
| Special Education Aid  | 1,747,585          | -                   | 1,747,585         | 1,747,585         | -                              |
| Security Aid   | 200,857            | -                   | 200,857           | 200,857           | -                              |
| Adjustment Aid   | 715                | -                   | 715               | 715               | -                              |
| Transportation Aid   | 183,654            | -                   | 183,654           | 183,654           | -                              |
| School Security Grant - Alyssa's Law                         |                    | 153,017             | 153,017           | 153,017           | -                              |
| Homeless Aid   |                    |                     |                   | 23,954            | 23,954                         |
| On-behalf TPAF pension contributions (non-budgeted)          | -                  |                     |                   | 6,605,634         | 6,605,634                      |
| On-behalf TPAF post retirement medical (non-budgeted)        | -                  |                     |                   | 1,543,343         | 1,543,343                      |
| On-behalf TPAF LTDI (non-budgeted)                           | -                  |                     |                   | 3,026             | 3,026                          |
| Reimbursed TPAF social security contributions (non-budgeted) | -                  |                     |                   | 1,371,767         | 1,371,767                      |
| <b>Total state sources</b>                                   | <b>2,312,811</b>   | <b>153,017</b>      | <b>2,465,828</b>  | <b>12,764,669</b> | <b>10,298,841</b>              |
| <b>TOTAL REVENUES</b>  | <b>40,956,324</b>  | <b>153,017</b>      | <b>41,109,341</b> | <b>51,506,351</b> | <b>10,397,010</b>              |
| <b>EXPENDITURES:</b>   |                    |                     |                   |                   |                                |
| <b>CURRENT EXPENSE:</b>                                      |                    |                     |                   |                   |                                |
| Regular Programs - Instruction:                              |                    |                     |                   |                   |                                |
| Kindergarten   | 464,698            | (73,487)            | 391,211           | 391,211           | -                              |
| Grades 1-5   | 4,957,973          | (135,568)           | 4,822,405         | 4,822,405         | -                              |
| Grades 6-8   | 2,775,206          | 21,615              | 2,796,821         | 2,796,821         | -                              |
| Grades 9-12  | 4,433,148          | (14,217)            | 4,418,931         | 4,418,931         | -                              |
| <b>Total Instruction</b>                                     | <b>12,631,025</b>  | <b>(201,657)</b>    | <b>12,429,368</b> | <b>12,429,368</b> | <b>-</b>                       |
| Regular Programs - Home Instruction:                         |                    |                     |                   |                   |                                |
| Salaries of teachers   | 40,000             | (33,920)            | 6,080             | 6,080             | -                              |
| Purchased professional - educ services                       | 15,000             | (416)               | 14,584            | 14,474            | 110                            |
| <b>Total Home Instruction</b>                                | <b>55,000</b>      | <b>(34,336)</b>     | <b>20,664</b>     | <b>20,554</b>     | <b>110</b>                     |
| Regular Programs - Undistributed Instruction:                |                    |                     |                   |                   |                                |
| Salaries of teachers   |                    |                     |                   |                   |                                |
| Other salaries for instruction                               | 305,110            | (115,700)           | 189,410           | 188,765           | 645                            |
| Purchased professional - educ services                       | 393,000            | (81,685)            | 311,315           | 310,310           | 1,005                          |
| Other purchased services (400-500 series)                    | 19,100             | 733                 | 19,833            | 19,833            | -                              |
| General supplies   | 1,223,202          | 16,259              | 1,239,461         | 1,207,451         | 32,010                         |
| Textbooks  | 66,945             | 4,352               | 71,297            | 71,297            | -                              |
| Other objects  | 200                | (61)                | 139               | 139               | -                              |
| <b>Total Undistributed Instruction</b>                       | <b>2,007,557</b>   | <b>(176,102)</b>    | <b>1,831,455</b>  | <b>1,797,795</b>  | <b>33,660</b>                  |
| <b>Total - Regular Programs - Instruction</b>                | <b>14,693,582</b>  | <b>(412,095)</b>    | <b>14,281,487</b> | <b>14,247,717</b> | <b>33,770</b>                  |

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

(CONTINUED TO NEXT PAGE)

**HADDONFIELD SCHOOL DISTRICT**  
**Budgetary Comparison Schedule**  
**General Fund**  
**Fiscal Year Ended June 30, 2022**

| (Continued from prior page)   | Original<br>Budget | Budget<br>Transfers | Final<br>Budget  | Actual           | Variance<br>Final to<br>Actual |
|---|--------------------|---------------------|------------------|------------------|--------------------------------|
| Special Educ Instruction: Multiple Disabilities                       |                    |                     |                  |                  |                                |
| Salaries of teachers  | \$ 120,975         | \$ 1,894            | \$ 122,869       | \$ 122,869       | \$ -                           |
| Other Salaries for Instruction  | 28,359             | 16,000              | 44,359           | 43,671           | 688                            |
| Purchased Professional- Educational Services                          | 30,338             | 164,241             | 194,579          | 164,027          | 30,552                         |
| General supplies  | 3,000              | 115                 | 3,115            | 3,115            | -                              |
| Textbooks   | 1,000              | -                   | 1,000            | 1,000            | -                              |
| Total Multiple Disabilities   | <u>183,672</u>     | <u>182,250</u>      | <u>365,922</u>   | <u>334,682</u>   | <u>31,240</u>                  |
| Special Educ Instruction: Res. Room/Res. Center                       |                    |                     |                  |                  |                                |
| Salaries of teachers  | 2,714,304          | (174,080)           | 2,540,224        | 2,530,697        | 9,527                          |
| Other salaries for instruction  | 210,801            | (47,472)            | 163,329          | 158,508          | 4,821                          |
| General supplies  | 6,000              | (448)               | 5,552            | 5,552            | -                              |
| Textbooks   | -                  | -                   | -                | -                | -                              |
| Total Resource Room/Resource Center                                   | <u>2,931,105</u>   | <u>(222,000)</u>    | <u>2,709,105</u> | <u>2,694,757</u> | <u>14,348</u>                  |
| Special Educ Instruction: - Preschool Disabilities PT                 |                    |                     |                  |                  |                                |
| Salaries of teachers  | 246,693            | 753                 | 247,446          | 247,303          | 143                            |
| Other salaries for instruction  | 96,276             | (5,342)             | 90,934           | 90,413           | 521                            |
| Purchased Professional- Educational Services                          | 3,372              | (334)               | 3,038            | 3,038            | -                              |
| General supplies  | 2,100              | (395)               | 1,705            | 1,705            | -                              |
| Total Preschool Disabilities PT                                       | <u>348,441</u>     | <u>(5,318)</u>      | <u>343,123</u>   | <u>342,459</u>   | <u>664</u>                     |
| Special Educ Instruction: Home Instruction                            |                    |                     |                  |                  |                                |
| Purchased professional - educ services                                | 24,500             | 57,262              | 81,762           | 80,552           | 1,210                          |
| Total Home Instruction  | <u>24,500</u>      | <u>57,262</u>       | <u>81,762</u>    | <u>80,552</u>    | <u>1,210</u>                   |
| Total Special Education - Instruction                                 | <u>3,487,718</u>   | <u>12,194</u>       | <u>3,499,912</u> | <u>3,452,450</u> | <u>47,462</u>                  |
| School-Sponsored Cocurricular Act - Inst.                             |                    |                     |                  |                  |                                |
| Salaries  | 368,000            | 32,715              | 400,715          | 400,715          | -                              |
| Purchased services (300-500)  | 4,000              | (194)               | 3,806            | 3,806            | -                              |
| Supplies and materials  | 20,550             | (2,534)             | 18,016           | 18,016           | -                              |
| Total School-Sponsored Cocurr. Act. - Inst                            | <u>392,550</u>     | <u>29,987</u>       | <u>422,537</u>   | <u>422,537</u>   | <u>-</u>                       |
| School-Sponsored Athletics - Inst.                                    |                    |                     |                  |                  |                                |
| Salaries  | 462,102            | 45,038              | 507,140          | 505,424          | 1,716                          |
| Purchased services (300-500)  | 120,550            | (9,326)             | 111,224          | 111,224          | -                              |
| Supplies and materials  | 114,890            | (7,461)             | 107,429          | 107,013          | 416                            |
| Other objects   | 600                | (355)               | 245              | 245              | -                              |
| Total School-Sponsored Athletics - Inst                               | <u>698,142</u>     | <u>27,896</u>       | <u>726,038</u>   | <u>723,906</u>   | <u>2,132</u>                   |
| Summer School - Instruction   |                    |                     |                  |                  |                                |
| Salaries of Teachers  | 70,000             | 6,066               | 76,066           | 76,066           | -                              |
| Purchased Professional & Technical Services                           | -                  | 8,175               | 8,175            | 8,175            | -                              |
| Total Summer School   | <u>70,000</u>      | <u>14,241</u>       | <u>84,241</u>    | <u>84,241</u>    | <u>-</u>                       |
| Other Instructional Programs - Instruction                            |                    |                     |                  |                  |                                |
| Salaries  | 122,000            | (31,835)            | 90,165           | 75,965           | 14,200                         |
| Total Other Instructional Programs - Inst.                            | <u>122,000</u>     | <u>(31,835)</u>     | <u>90,165</u>    | <u>75,965</u>    | <u>14,200</u>                  |
| Undistributed Expenditures - Instruction                              |                    |                     |                  |                  |                                |
| Tuition to other leas w/l state reg                                   | -                  | -                   | -                | -                | -                              |
| Tuition to County Vocational School District                          | 10,045             | -                   | 10,045           | 10,045           | -                              |
| Tuition to priv. sch. for the disabled w/l state                      | 665,000            | (107,898)           | 557,102          | 557,102          | -                              |
| Tuition to priv. sch. for the disabled and other lea's - out of state | 59,500             | 6,348               | 65,848           | 65,848           | -                              |
| Tuition - Other   | -                  | -                   | -                | -                | -                              |
| Total Undistributed Expenditures - Instruction                        | <u>734,545</u>     | <u>(101,550)</u>    | <u>632,995</u>   | <u>632,995</u>   | <u>-</u>                       |

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

**HADDONFIELD SCHOOL DISTRICT**  
**Budgetary Comparison Schedule**  
**General Fund**  
**Fiscal Year Ended June 30, 2022**

| (Continued from prior page)                                   | Original<br>Budget | Budget<br>Transfers | Final<br>Budget  | Actual           | Variance<br>Final to<br>Actual |
|---|--------------------|---------------------|------------------|------------------|--------------------------------|
| Undistributed Expenditures - Attend. and Social Work          |                    |                     |                  |                  |                                |
| Salaries  | \$ 86,269          | \$ 914              | \$ 87,183        | \$ 87,183        | \$ -                           |
| Purchased prof. and technical services                        | -                  | -                   | -                | -                | -                              |
| Total Undistributed Expenditures - Attendance                 | <u>86,269</u>      | <u>914</u>          | <u>87,183</u>    | <u>87,183</u>    | <u>-</u>                       |
| Undistributed Expenditures - Health Services                  |                    |                     |                  |                  |                                |
| Salaries  | 291,751            | 78,404              | 370,155          | 370,155          | -                              |
| Purchased prof. and technical services                        | 10,000             | 17,909              | 27,909           | 27,909           | -                              |
| Supplies and materials  | 24,500             | (5,698)             | 18,802           | 18,700           | 102                            |
| Other objects   | -                  | 340                 | 340              | 340              | -                              |
| Total Undistributed Expenditures - Health Svcs.               | <u>326,251</u>     | <u>90,955</u>       | <u>417,206</u>   | <u>417,104</u>   | <u>102</u>                     |
| Undist. Expend. - Speech, OT, PT & Rel. Serv.                 |                    |                     |                  |                  |                                |
| Salaries  | 765,903            | (150,811)           | 615,092          | 615,092          | -                              |
| Purchased prof. and educational services                      | 80,000             | 128,396             | 208,396          | 203,913          | 4,483                          |
| Supplies and materials  | 4,600              | 3                   | 4,603            | 4,603            | -                              |
| Total Undst. Expend. - Speech, OT, PT & Rel. Serv.            | <u>850,503</u>     | <u>(22,412)</u>     | <u>828,091</u>   | <u>823,608</u>   | <u>4,483</u>                   |
| Undist. Expend. - Other Supp. Serv. Stud. - Extra. Serv.      |                    |                     |                  |                  |                                |
| Salaries  | 152,842            | (47,471)            | 105,371          | 105,371          | -                              |
| Purchased prof. and educational services                      | 1,312,000          | 1,365,746           | 2,677,746        | 2,677,746        | -                              |
| Total Undst. Expend. - Other Supp. Serv. Stud. - Extra. Serv. | <u>1,464,842</u>   | <u>1,318,275</u>    | <u>2,783,117</u> | <u>2,783,117</u> | <u>-</u>                       |
| Undist. Expenditures - Guidance                               |                    |                     |                  |                  |                                |
| Salaries of other professional staff                          | 847,719            | (77,242)            | 770,477          | 770,477          | -                              |
| Salaries of secretarial and clerical assistants               | 56,942             | 600                 | 57,542           | 57,542           | -                              |
| Supplies and materials  | 21,000             | (13,022)            | 7,978            | 7,978            | -                              |
| Other objects   | 300                | (300)               | -                | -                | -                              |
| Total Undst. Expenditures - Guidance                          | <u>925,961</u>     | <u>(89,964)</u>     | <u>835,997</u>   | <u>835,997</u>   | <u>-</u>                       |
| Undist. Expend. - Child Study Teams                           |                    |                     |                  |                  |                                |
| Salaries of other professional staff                          | 751,496            | 98,258              | 849,754          | 849,754          | -                              |
| Salaries of secretarial and clerical assistants               | 119,404            | (1,148)             | 118,256          | 118,256          | -                              |
| Purchased prof. and educational services                      | 84,500             | (14,501)            | 69,999           | 69,999           | -                              |
| Other Purchased Services (400-500 Series)                     | 46,400             | (12,310)            | 34,090           | 34,090           | -                              |
| Supplies and materials  | 13,200             | (14)                | 13,186           | 13,186           | -                              |
| Other objects   | 1,270              | 1,524               | 2,794            | 2,794            | -                              |
| Total Undst. Expenditures - Child Study Teams                 | <u>1,016,270</u>   | <u>71,809</u>       | <u>1,088,079</u> | <u>1,088,079</u> | <u>-</u>                       |
| Undist. Expend. - Improvement of Instr. Services              |                    |                     |                  |                  |                                |
| Salaries of supervisors of instruction                        | 148,520            | (429)               | 148,091          | 148,091          | -                              |
| Purchased Professional- Educational Services                  | 180,000            | (9,652)             | 170,348          | 170,348          | -                              |
| Other purchased services (400-500)                            | 86,410             | (7,022)             | 79,388           | 79,388           | -                              |
| Supplies and materials  | -                  | 1,776               | 1,776            | 1,776            | -                              |
| Other objects   | 4,000              | 2,670               | 6,670            | 6,670            | -                              |
| Total Undst. Expend. - Improvement of Instr. Services         | <u>418,930</u>     | <u>(12,657)</u>     | <u>406,273</u>   | <u>406,273</u>   | <u>-</u>                       |
| Undist. Expend. - Educ. Media Serv./Sch. Library              |                    |                     |                  |                  |                                |
| Salaries  | 442,502            | 874                 | 443,376          | 443,110          | 266                            |
| Salaries of Technology Coordinators                           | 146,345            | 35,948              | 182,293          | 182,293          | -                              |
| Other purchased services (400-500)                            | 690                | (690)               | -                | -                | -                              |
| Supplies and materials  | 50,218             | (8,268)             | 41,950           | 41,950           | -                              |
| Other objects   | -                  | -                   | -                | -                | -                              |
| Total Undst. Expend. - Educ. Media Serv./Sch. Library         | <u>639,755</u>     | <u>27,864</u>       | <u>667,619</u>   | <u>667,353</u>   | <u>266</u>                     |

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

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**HADDONFIELD SCHOOL DISTRICT**  
**Budgetary Comparison Schedule**  
**General Fund**  
**Fiscal Year Ended June 30, 2022**

| (Continued from prior page)                             | Original<br>Budget | Budget<br>Transfers | Final<br>Budget  | Actual           | Variance<br>Final to<br>Actual |
|---|--------------------|---------------------|------------------|------------------|--------------------------------|
| Undist. Expend. - Instructional Staff Training Services |                    |                     |                  |                  |                                |
| Other purchased services                                | \$ 40,500          | \$ (22,016)         | \$ 18,484        | \$ 18,484        | \$ -                           |
| Total Undst. Expend. - Instr. Staff Training Services   | <u>40,500</u>      | <u>(22,016)</u>     | <u>18,484</u>    | <u>18,484</u>    | <u>-</u>                       |
| Undist. Expend. - Supp. Serv. General Admin.            |                    |                     |                  |                  |                                |
| Salaries  | 513,774            | (25,624)            | 488,150          | 488,150          | -                              |
| Unused Vacation Pay to Terminated/Retired Staff         | -                  | -                   | -                | -                | -                              |
| Legal services  | 230,000            | 73,359              | 303,359          | 303,359          | -                              |
| Audit fees  | 30,000             | (500)               | 29,500           | 29,500           | -                              |
| Architectural/Engineering                               | 146,967            | (8,607)             | 138,360          | 122,354          | 16,006                         |
| Other purchased professional services                   | 16,250             | 460                 | 16,710           | 16,710           | -                              |
| Purchased technical services                            | 2,000              | (750)               | 1,250            | 1,250            | -                              |
| Communications / telephone                              | 98,372             | (16,566)            | 81,806           | 81,806           | -                              |
| BOE Other Purchased Services                            | 13,900             | 3,989               | 17,889           | 17,889           | -                              |
| Misc Purchased Services (400-500)                       | 32,810             | (1,664)             | 31,146           | 31,146           | -                              |
| General Supplies  | 6,500              | (4,763)             | 1,737            | 1,737            | -                              |
| BOE In-House Training/Meeting Supplies                  | -                  | -                   | -                | -                | -                              |
| Judgements against the School District                  | 175,000            | (88,395)            | 86,605           | 80,311           | 6,294                          |
| Miscellaneous expenditures                              | -                  | 6,424               | 6,424            | 6,424            | -                              |
| BOE Memberships/dues                                    | 26,200             | (10,306)            | 15,894           | 15,894           | -                              |
| Total Undst. Expend. - Supp. Serv. General Admin.       | <u>1,291,773</u>   | <u>(72,943)</u>     | <u>1,218,830</u> | <u>1,196,530</u> | <u>22,300</u>                  |
| Undist. Expend. - Supp. Serv. School Admin.             |                    |                     |                  |                  |                                |
| Salaries of principals/assist. principals               | 892,815            | 11,373              | 904,188          | 900,067          | 4,121                          |
| Salaries of other professional staff                    | 202,104            | -                   | 202,104          | 201,519          | 585                            |
| Salaries of secretarial and clerical assistants         | 483,071            | 9,862               | 492,933          | 491,630          | 1,303                          |
| Other purchased services                                | 170,080            | (37,341)            | 132,739          | 131,886          | 853                            |
| Supplies and materials                                  | 92,010             | 3,005               | 95,015           | 92,805           | 2,210                          |
| Other objects   | 9,714              | (92)                | 9,622            | 9,622            | -                              |
| Total Undst. Expend. - Supp. Serv. School Admin.        | <u>1,849,794</u>   | <u>(13,193)</u>     | <u>1,836,601</u> | <u>1,827,529</u> | <u>9,072</u>                   |
| Undist. Expend. - Central Services                      |                    |                     |                  |                  |                                |
| Salaries  | 466,890            | (156)               | 466,734          | 441,070          | 25,664                         |
| Purchased professional services                         | 64,700             | 14,847              | 79,547           | 72,143           | 7,404                          |
| Purchased technical services                            | 38,100             | (24,108)            | 13,992           | 13,992           | -                              |
| Misc. Purch. Services (400-500 series)                  | 5,000              | (3,225)             | 1,775            | 1,465            | 310                            |
| Supplies and materials                                  | 11,000             | -                   | 11,000           | 8,594            | 2,406                          |
| Miscellaneous expenditures                              | 3,900              | (11)                | 3,889            | 3,889            | -                              |
| Total Undst. Expend. - Central Services                 | <u>589,590</u>     | <u>(12,653)</u>     | <u>576,937</u>   | <u>541,153</u>   | <u>35,784</u>                  |
| Undist. Expend. - Admin. Info. Technology               |                    |                     |                  |                  |                                |
| Purchased technical services                            | 18,500             | (993)               | 17,507           | 17,452           | 55                             |
| Other Purch. Services (400-500 series)                  | 1,000              | (1,000)             | -                | -                | -                              |
| Supplies and materials                                  | 9,400              | -                   | 9,400            | 8,070            | 1,330                          |
| Other objects   | 900                | (900)               | -                | -                | -                              |
| Total Undst. Expend. - Admin. Info. Technology          | <u>29,800</u>      | <u>(2,893)</u>      | <u>26,907</u>    | <u>25,522</u>    | <u>1,385</u>                   |
| Undist. Expend. - Required Maint. Sch. Facilities       |                    |                     |                  |                  |                                |
| Salaries  | 541,202            | 3,511               | 544,713          | 544,713          | -                              |
| Cleaning, repair, and maintenance services              | 329,002            | (78,362)            | 250,640          | 250,640          | -                              |
| Lead testing and drinking water                         | 8,500              | -                   | 8,500            | 6,034            | 2,466                          |
| General supplies  | 296,071            | (97,696)            | 198,375          | 190,016          | 8,359                          |
| Other objects   | 6,200              | (5,430)             | 770              | 770              | -                              |
| Total Undst. Expend. - Required Maint. Sch. Facilities  | <u>1,180,975</u>   | <u>(177,977)</u>    | <u>1,002,998</u> | <u>992,173</u>   | <u>10,825</u>                  |

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

(CONTINUED TO NEXT PAGE)

**HADDONFIELD SCHOOL DISTRICT**  
**Budgetary Comparison Schedule**  
**General Fund**  
**Fiscal Year Ended June 30, 2022**

| (Continued from prior page)  | Original<br>Budget | Budget<br>Transfers | Final<br>Budget   | Actual            | Variance<br>Final to<br>Actual |
|--|--------------------|---------------------|-------------------|-------------------|--------------------------------|
| Undist. Expend. - Custodial Services                               |                    |                     |                   |                   |                                |
| Purchased professional & tech. services                            | \$ 15,000          | \$ (15,000)         | \$ -              | \$ -              | \$ -                           |
| Cleaning, repair, and maintenance services                         | 1,351,176          | (15,018)            | 1,336,158         | 1,263,485         | 72,673                         |
| Other purchased property services                                  | 180,000            | (55,989)            | 124,011           | 120,535           | 3,476                          |
| Insurance  | 168,060            | 9,350               | 177,410           | 177,410           | -                              |
| Misc. purchased services   | 5,200              | (4,505)             | 695               | 695               | -                              |
| General supplies   | 155,753            | (60,254)            | 95,499            | 95,499            | -                              |
| Energy (Natural Gas)   | 250,000            | (10,000)            | 240,000           | 213,552           | 26,448                         |
| Energy (Electricity)   | 580,000            | (87,132)            | 492,868           | 477,065           | 15,803                         |
| Energy (Gasoline)  | 26,000             | 7,361               | 33,361            | 33,361            | -                              |
| <b>Total Undst. Expend. - Custodial Services</b>                   | <b>2,731,189</b>   | <b>(231,187)</b>    | <b>2,500,002</b>  | <b>2,381,602</b>  | <b>118,400</b>                 |
| Undist. Expend. - Care and Upkeep of Grounds                       |                    |                     |                   |                   |                                |
| Salaries   | 236,690            | (3,210)             | 233,480           | 214,611           | 18,869                         |
| Cleaning, repair, and maintenance services                         | 60,000             | (40,482)            | 19,518            | 19,518            | -                              |
| General supplies   | 65,000             | (7,041)             | 57,959            | 57,381            | 578                            |
| <b>Total Undst. Expend. - Care and Upkeep of Grounds</b>           | <b>361,690</b>     | <b>(50,733)</b>     | <b>310,957</b>    | <b>291,510</b>    | <b>19,447</b>                  |
| Undist. Expend. - Security   |                    |                     |                   |                   |                                |
| Salaries   | 63,635             | -                   | 63,635            | 63,451            | 184                            |
| Purchased professional & tech. services                            | 71,000             | (64,512)            | 6,488             | 6,488             | -                              |
| General supplies   | 80,491             | 50,163              | 130,654           | 93,200            | 37,454                         |
| <b>Total Undst. Expend. - Security</b>                             | <b>215,126</b>     | <b>(14,349)</b>     | <b>200,777</b>    | <b>163,139</b>    | <b>37,638</b>                  |
| <b>Total Undst. Expend. - Oper. &amp; Maint. of Plant Services</b> | <b>4,488,980</b>   | <b>(474,246)</b>    | <b>4,014,734</b>  | <b>3,828,424</b>  | <b>186,310</b>                 |
| Undist. Expend. - Student Trans. Services                          |                    |                     |                   |                   |                                |
| Salaries of Non-Instructional Aides                                | 43,824             | (32,388)            | 11,436            | 10,126            | 1,310                          |
| Salaries for pupil trans (bet home & sch) - regular                | 31,764             | -                   | 31,764            | 31,673            | 91                             |
| Salaries for pupil trans (bet home & sch) - special                | 175,850            | (57,041)            | 118,809           | 116,590           | 2,219                          |
| Salaries for pupil trans (other than bet home & sch)               | 85,000             | 8,069               | 93,069            | 91,404            | 1,665                          |
| Management Fee - ESC & CTSA Trans. Program                         | 12,000             | -                   | 12,000            | 11,067            | 933                            |
| Other purchased professional and technical services                | 2,000              | (1,350)             | 650               | 650               | -                              |
| Cleaning, repair, and maintenance services                         | 60,000             | (16,553)            | 43,447            | 34,432            | 9,015                          |
| Contr. serv. (other than bet. home & sch.) - vendors               | 25,800             | (10,559)            | 15,241            | 14,266            | 975                            |
| Contr. serv. (sp ed stds) - ESC's & CTSA's                         | 250,000            | (65,237)            | 184,763           | 184,763           | -                              |
| General Supplies   | 2,000              | (2,000)             | -                 | -                 | -                              |
| Other objects  | 2,000              | (1,895)             | 105               | 105               | -                              |
| <b>Total Undst. Expend. - Student Trans. Services</b>              | <b>690,238</b>     | <b>(178,954)</b>    | <b>511,284</b>    | <b>495,076</b>    | <b>16,208</b>                  |
| Unallocated Benefits - Employee Benefits                           |                    |                     |                   |                   |                                |
| Social security contributions                                      | 410,000            | (8,097)             | 401,903           | 400,996           | 907                            |
| Other retirement contributions - PERS                              | 374,479            | 47,685              | 422,164           | 422,164           | -                              |
| Other retirement contributions - Regular                           | 32,000             | -                   | 32,000            | 31,821            | 179                            |
| Unemployment Compensation  | -                  | -                   | -                 | -                 | -                              |
| Workmen's compensation   | 211,400            | 11,960              | 223,360           | 223,360           | -                              |
| Health benefits  | 5,333,252          | (168,660)           | 5,164,592         | 5,161,730         | 2,862                          |
| Tuition reimbursement  | 50,000             | 3,000               | 53,000            | 48,189            | 4,811                          |
| Other employee benefits  | 160,000            | (25,492)            | 134,508           | 134,508           | -                              |
| Unused sick pay to term/retiree staff                              | 100,000            | (70,000)            | 30,000            | 15,840            | 14,160                         |
| <b>Total Unallocated Benefits - Employee Benefits</b>              | <b>6,671,131</b>   | <b>(209,604)</b>    | <b>6,461,527</b>  | <b>6,438,608</b>  | <b>22,919</b>                  |
| On-behalf TPAF pension contributions (non-budgeted)                | -                  | -                   | -                 | 6,605,634         | (6,605,634)                    |
| On-behalf TPAF post retirement medical (non-budgeted)              | -                  | -                   | -                 | 1,543,343         | (1,543,343)                    |
| On-behalf TPAF LTDI (non-budgeted)                                 | -                  | -                   | -                 | 3,026             | (3,026)                        |
| Reimbursed TPAF social security contributions (non-budgeted)       | -                  | -                   | -                 | 1,371,767         | (1,371,767)                    |
| <b>Total Undistributed Expenditures - TPAF</b>                     | <b>-</b>           | <b>-</b>            | <b>-</b>          | <b>9,523,770</b>  | <b>(9,523,770)</b>             |
| <b>Total Undistributed Expenditures</b>                            | <b>22,115,132</b>  | <b>296,732</b>      | <b>22,411,864</b> | <b>31,636,805</b> | <b>(9,224,941)</b>             |
| <b>Total General Current Expense</b>                               | <b>41,579,124</b>  | <b>(62,880)</b>     | <b>41,516,244</b> | <b>50,643,621</b> | <b>(9,127,377)</b>             |

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

**HADDONFIELD SCHOOL DISTRICT**  
**Budgetary Comparison Schedule**  
**General Fund**  
**Fiscal Year Ended June 30, 2022**

| (Continued from prior page)   | Original<br>Budget | Budget<br>Transfers | Final<br>Budget   | Actual            | Variance<br>Final to<br>Actual |
|---|--------------------|---------------------|-------------------|-------------------|--------------------------------|
| <b>EXPENDITURES:</b>  |                    |                     |                   |                   |                                |
| <b>CAPITAL OUTLAY</b>   |                    |                     |                   |                   |                                |
| Equipment:  |                    |                     |                   |                   |                                |
| Grades 1-5  | \$ 70,200          | \$ 13,460           | \$ 83,660         | \$ 83,633         | \$ 27                          |
| Grades 6-8  | -                  | 6,306               | 6,306             | 6,306             | -                              |
| Multiple Disabilities   | -                  | -                   | -                 | -                 | -                              |
| Support Services  | -                  | -                   | -                 | -                 | -                              |
| School Administration   | -                  | 3,095               | 3,095             | 3,095             | -                              |
| Admin. Info. Technology   | 21,500             | 5,039               | 26,539            | 26,539            | -                              |
| Required maintenance for school facilities  | 31,825             | 3,298               | 35,123            | 35,123            | -                              |
| Care and upkeep of grounds  | -                  | 42,619              | 42,619            | 42,619            | -                              |
| School Buses - Regular  | -                  | -                   | -                 | -                 | -                              |
| <b>Total Equipment</b>  | <b>123,525</b>     | <b>73,817</b>       | <b>197,342</b>    | <b>197,315</b>    | <b>27</b>                      |
| Facilities Acquisition and Construction Services  |                    |                     |                   |                   |                                |
| Architectural/Engineering Services  | -                  | -                   | -                 | -                 | -                              |
| Other purchased professional & tech. services   | 342,000            | -                   | 342,000           | 342,000           | -                              |
| Construction services   | 475,000            | -                   | 475,000           | 25,716            | 449,284                        |
| Supplies & Materials  | 325,000            | -                   | 325,000           | 42,384            | 282,616                        |
| Land and Improvements   | -                  | 153,017             | 153,017           | 153,017           | -                              |
| Assessment for Debt Service on SDA Funding  | 115,381            | -                   | 115,381           | 115,381           | -                              |
| <b>Total Facilities Acquisition and Construction Services</b>   | <b>1,257,381</b>   | <b>153,017</b>      | <b>1,410,398</b>  | <b>678,498</b>    | <b>731,900</b>                 |
| <b>Total Capital Outlay</b>   | <b>1,380,906</b>   | <b>226,834</b>      | <b>1,607,740</b>  | <b>875,813</b>    | <b>731,927</b>                 |
| Transfer of Funds to Charter Schools  | 37,481             | (10,937)            | 26,544            | 26,544            | -                              |
| <b>Total Expenditures</b>   | <b>42,997,511</b>  | <b>153,017</b>      | <b>43,150,528</b> | <b>51,545,978</b> | <b>(8,395,450)</b>             |
| Excess (Deficiency) of Revenues<br>Over (Under) Expenditures:   | (2,041,187)        | -                   | (2,041,187)       | (39,627)          | 2,001,560                      |
| Other Financing Sources (Uses):   |                    |                     |                   |                   |                                |
| FEMA Reimbursement  | -                  | -                   | -                 | 177,187           | 177,187                        |
| <b>Total Other Financing Sources</b>  | -                  | -                   | -                 | 177,187           | 177,187                        |
| Excess (Deficiency) of Revenues and Other<br>Financing Sources Over (Under) Expenditures<br>and Other Financing Sources (Uses): | (2,041,187)        | -                   | (2,041,187)       | 137,560           | 2,178,747                      |
| Fund Balance, July 1  | 8,806,633          | -                   | 8,806,633         | 8,806,633         | -                              |
| Fund Balance, June 30   | \$ 6,765,446       | \$ -                | \$ 6,765,446      | \$ 8,944,193      | \$ 2,178,747                   |
| Recapitulation of Fund Balance:   |                    |                     |                   |                   |                                |
| Restricted:   |                    |                     |                   |                   |                                |
| Capital Reserve:  |                    |                     |                   |                   |                                |
| Designated for Subsequent Year's Expenditures   |                    |                     |                   | \$ 400,000        |                                |
| Capital Reserve   |                    |                     |                   | 3,012,643         |                                |
| Maintenance Reserve:  |                    |                     |                   |                   |                                |
| Designated for Subsequent Year's Expenditures   |                    |                     |                   | 150,000           |                                |
| Maintenance Reserve   |                    |                     |                   | 2,149,510         |                                |
| Excess Surplus:   |                    |                     |                   |                   |                                |
| Current Year  |                    |                     |                   | -                 |                                |
| Unemployment Compensation   |                    |                     |                   | 395,770           |                                |
| Assigned:   |                    |                     |                   |                   |                                |
| Year-end encumbrances   |                    |                     |                   | 118,136           |                                |
| Designated for Subsequent Year's Expenditures   |                    |                     |                   | 700,000           |                                |
| Unassigned  |                    |                     |                   | 2,018,134         |                                |
|   |                    |                     |                   | 8,944,193         |                                |
| Reconciliation on Governmental Fund Statements (GAAP):  |                    |                     |                   |                   |                                |
| Less: State Aid Payment not Recognized on GAAP Basis  |                    |                     |                   | (195,143)         |                                |
| Fund Balance per Government Fund (GAAP)   |                    |                     |                   | \$ 8,749,050      |                                |

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

**HADDONFIELD SCHOOL DISTRICT  
Budgetary Comparison Schedule  
Special Revenue Fund  
Fiscal Year Ended June 30, 2022**

|  | Original<br>Budget | Budget<br>Transfers | Final<br>Budget  | Actual            | Variance<br>Final to<br>Actual |
|--|--------------------|---------------------|------------------|-------------------|--------------------------------|
| <b>REVENUES:</b>   |                    |                     |                  |                   |                                |
| Local sources  | \$ -               | \$ 14,864           | \$ 14,864        | \$ 602,884        | \$ 588,020                     |
| State sources  | -                  | 558,604             | 558,604          | 472,162           | (86,442)                       |
| Federal sources  | 723,675            | 2,364,005           | 3,087,680        | 1,185,230         | (1,902,450)                    |
| Total revenues   | <u>723,675</u>     | <u>2,937,473</u>    | <u>3,661,148</u> | <u>2,260,276</u>  | <u>(1,400,872)</u>             |
| <b>EXPENDITURES:</b>   |                    |                     |                  |                   |                                |
| Instruction:   |                    |                     |                  |                   |                                |
| Salaries of teachers   |                    | 287,840             | 287,840          | 67,124            | 220,716                        |
| Purchased professional - educ. services  |                    | 378,488             | 378,488          | 297,066           | 81,422                         |
| Purchased professional - tech. services  | 118,767            | (6,408)             | 112,359          | 91,156            | 21,203                         |
| Tuition  | 562,976            | (263,022)           | 299,954          | 288,438           | 11,516                         |
| General supplies   | 15,806             | 199,072             | 214,878          | 109,353           | 105,525                        |
| Textbooks  |                    | 27,789              | 27,789           | 26,281            | 1,508                          |
| Total instruction  | <u>697,549</u>     | <u>623,759</u>      | <u>1,321,308</u> | <u>879,418</u>    | <u>441,890</u>                 |
| Support services:  |                    |                     |                  |                   |                                |
| Salaries   |                    | 102,277             | 102,277          | 71,732            | 30,545                         |
| Personal services - employee benefits  |                    | 58,133              | 58,133           | 45,674            | 12,459                         |
| Purchased professional and technical services  | 26,126             | 1,662,880           | 1,689,006        | 485,248           | 1,203,758                      |
| Other purchased services   |                    | 91,725              | 91,725           | 86,117            | 5,608                          |
| Supplies and materials   |                    | 398,699             | 398,699          | 100,165           | 298,534                        |
| Student Activities   |                    |                     |                  | 620,679           | (620,679)                      |
| Total support services   | <u>26,126</u>      | <u>2,313,714</u>    | <u>2,339,840</u> | <u>1,409,615</u>  | <u>930,225</u>                 |
| Facilities acquisition and construction services:  |                    |                     |                  |                   |                                |
| Instructional equipment  |                    |                     |                  |                   | -                              |
| Total facilities acq. and const. services  | <u>-</u>           | <u>-</u>            | <u>-</u>         | <u>-</u>          | <u>-</u>                       |
| Total expenditures   | <u>723,675</u>     | <u>2,937,473</u>    | <u>3,661,148</u> | <u>2,289,033</u>  | <u>1,372,115</u>               |
| Total outflows   | <u>723,675</u>     | <u>2,937,473</u>    | <u>3,661,148</u> | <u>2,289,033</u>  | <u>1,372,115</u>               |
| Excess (Deficiency) of revenues over (under) expenditures and other financing sources (uses) | <u>-</u>           | <u>-</u>            | <u>-</u>         | <u>(28,757)</u>   | <u>(28,757)</u>                |
| Fund Balance, July 1   |                    |                     |                  | <u>449,949</u>    |                                |
| Fund Balance, June 30  |                    |                     |                  | <u>\$ 421,192</u> |                                |
| Recapitulation:  |                    |                     |                  |                   |                                |
| Restricted:  |                    |                     |                  |                   |                                |
| Student Activities   |                    |                     |                  | <u>\$ 421,192</u> |                                |
| Total Fund Balance   |                    |                     |                  | <u>\$ 421,192</u> |                                |

**Haddonfield 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**

|  | <u>General<br/>Fund</u> | <u>Special<br/>Revenue<br/>Fund</u> |
|--|-------------------------|-------------------------------------|
| <b>Sources/inflows of resources</b>  |                         |                                     |
| Actual amounts (budgetary basis) "revenue"<br>from the budgetary comparison schedules  | \$ 51,506,351           | \$ 2,260,276                        |
| Difference - budget to GAAP:   |                         |                                     |
| Differences - budget to GAAP   |                         |                                     |
| Grant accounting budgetary basis differs from GAAP in that<br>encumbrances are recognized as expenditures, and the<br>related revenue is recognized.   |                         | 94,805                              |
| State aid payment recognized for GAAP statements in<br>the current year, previously recognized for budgetary<br>purposes.  | 159,085                 |                                     |
| State aid payment recognized for budgetary purposes,<br>not recognized for GAAP statements until the subsequent<br>year.   | <u>(195,143)</u>        |                                     |
| Total revenues as reported on the statement of revenues,<br>expenditures, and changes in fund balances -<br>governmental funds.  | <u>\$ 51,470,293</u>    | <u>\$ 2,355,081</u>                 |
| <b>Uses/outflows of resources</b>  |                         |                                     |
| Actual amounts (budgetary basis) "total expenditures" from<br>the budgetary comparison schedule  | \$ 51,545,978           | \$ 2,289,033                        |
| Differences - budget to GAAP   |                         |                                     |
| Encumbrances for goods and services ordered but not<br>received are reported in the year the order is placed for<br>budgetary purposes, but in the year the supplies are received<br>for financial reporting purposes. |                         | <u>94,805</u>                       |
| Total expenditures as reported on the statement of revenues,<br>expenditures, and changes in fund balances - governmental funds  | <u>\$ 51,545,978</u>    | <u>\$ 2,383,838</u>                 |

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

**HADDONFIELD 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,<br>2022 | June 30,<br>2021 | June 30,<br>2020 | June 30,<br>2019 | June 30,<br>2018 | June 30,<br>2017 | June 30,<br>2016 | June 30,<br>2015 | June 30,<br>2014 |
|---|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| District's proportion of the net pension liability (asset)  | 0.0360480020%    | 0.0347172313%    | 0.0325830399%    | 0.0312897579%    | 0.0325130840%    | 0.0340464726%    | 0.0324206920%    | 0.0336319567%    | 0.0368307263%    |
| District's proportionate share of the net pension liability (asset)   | \$ 4,270,426     | \$ 5,661,473     | \$ 5,870,969     | \$ 6,160,797     | \$ 7,568,526     | \$ 10,083,589    | \$ 7,277,796     | \$ 6,296,822     | \$ 7,039,084     |
| District's covered-employee payroll   | \$ 2,524,963     | \$ 2,574,311     | \$ 2,478,927     | \$ 2,430,050     | \$ 2,227,451     | \$ 2,278,255     | \$ 2,430,165     | \$ 2,249,833     | \$ 2,220,741     |
| District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll | 169.13%          | 219.92%          | 236.84%          | 253.53%          | 339.78%          | 442.60%          | 299.48%          | 279.88%          | 316.97%          |
| Plan fiduciary net position as a percentage of the total pension liability  | 51.51%           | 42.90%           | 42.04%           | 40.95%           | 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.

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

|   | June 30,<br>2022 | June 30,<br>2021 | June 30,<br>2020 | June 30,<br>2019 | June 30,<br>2018 | June 30,<br>2017 | June 30,<br>2016 | June 30,<br>2015 | June 30,<br>2014 |
|---|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| Contractually required contribution                                   | \$ 465,306       | \$ 422,164       | \$ 379,789       | \$ 318,382       | \$ 311,232       | \$ 301,199       | \$ 302,464       | \$ 278,731       | \$ 277,257       |
| Contributions in relation to the contractually required contributions | <u>(465,306)</u> | <u>(422,164)</u> | <u>(379,789)</u> | <u>(318,382)</u> | <u>(311,232)</u> | <u>(301,199)</u> | <u>(302,464)</u> | <u>(278,731)</u> | <u>(277,257)</u> |
| Contribution deficiency (excess)                                      | <u>\$ -</u>      |
| District's covered-employee payroll                                   | \$ 2,524,963     | \$ 2,574,311     | \$ 2,478,927     | \$ 2,430,050     | \$ 2,227,451     | \$ 2,278,255     | \$ 2,430,165     | \$ 2,249,833     | \$ 2,220,741     |
| Contributions as a percentage of covered-employee payroll             | 18.43%           | 16.40%           | 15.32%           | 13.10%           | 13.97%           | 13.22%           | 12.45%           | 12.39%           | 12.48%           |

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

**HADDONFIELD 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,<br>2022            | June 30,<br>2021             | June 30,<br>2020            | June 30,<br>2019            | June 30,<br>2018             | June 30,<br>2017             | June 30,<br>2016            | June 30,<br>2015            | June 30,<br>2014            |
|---|-----------------------------|------------------------------|-----------------------------|-----------------------------|------------------------------|------------------------------|-----------------------------|-----------------------------|-----------------------------|
| District's proportion of the net pension liability (asset)  | 0.1562663178%               | 0.1531614880%                | 0.1518179109%               | 0.1565056224%               | 0.1551240827%                | 0.1577739868%                | 0.1555910196%               | 0.1538329676%               | 0.1587675235%               |
| 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>75,125,327</u>           | <u>100,854,997</u>           | <u>93,172,085</u>           | <u>99,565,515</u>           | <u>104,590,250</u>           | <u>124,115,064</u>           | <u>98,340,169</u>           | <u>82,218,714</u>           | <u>80,239,858</u>           |
| <b>Total</b>  | <b><u>\$ 75,125,327</u></b> | <b><u>\$ 100,854,997</u></b> | <b><u>\$ 93,172,085</u></b> | <b><u>\$ 99,565,515</u></b> | <b><u>\$ 104,590,250</u></b> | <b><u>\$ 124,115,064</u></b> | <b><u>\$ 98,340,169</u></b> | <b><u>\$ 82,218,714</u></b> | <b><u>\$ 80,239,858</u></b> |
| District's covered-employee payroll   | \$ 18,917,602               | \$ 17,699,831                | \$ 17,646,754               | \$ 17,086,197               | \$ 15,731,551                | \$ 15,957,509                | \$ 16,105,639               | \$ 15,578,525               | \$ 15,377,085               |
| 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.

**HADDONFIELD 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,<br>2022     | June 30,<br>2021     | June 30,<br>2020     | June 30,<br>2019     | June 30,<br>2018     |
|--|----------------------|----------------------|----------------------|----------------------|----------------------|
| State's proportion of the net OPEB liability (asset) associated with the District        | 0.15%                | 0.15%                | 0.15%                | 0.14%                | 0.15%                |
| District's proportionate share of the net OPEB liability                                 | \$ -                 | \$ -                 | \$ -                 | \$ -                 | \$ -                 |
| State's proportionate share of the net OPEB liability associated with the District       | <u>87,569,139</u>    | <u>99,286,733</u>    | <u>60,539,487</u>    | <u>66,611,223</u>    | <u>79,965,632</u>    |
| Total proportionate share of the net OPEB liability (asset) associated with the District | <u>\$ 87,569,139</u> | <u>\$ 99,286,733</u> | <u>\$ 60,539,487</u> | <u>\$ 66,611,223</u> | <u>\$ 79,965,632</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,<br>2022     | June 30,<br>2021     | June 30,<br>2020     | June 30,<br>2019     | June 30,<br>2018     |
| <b>Total OPEB Liability</b>  |                      |                      |                      |                      |                      |
| Service Cost   | \$ 4,641,637         | \$ 2,587,050         | \$ 2,372,668         | \$ 2,704,882         | \$ 3,267,188         |
| Interest   | 2,271,636            | 2,180,349            | 2,635,114            | 2,929,094            | 2,531,281            |
| Changes in benefit terms   | (93,207)             |                      |                      |                      |                      |
| Difference between expected and actual experiences                                       | (16,892,716)         | 17,519,682           | (10,178,873)         | (9,624,814)          |                      |
| Changes of assumptions   | 86,394               | 18,136,274           | 902,649              | (7,643,971)          | (10,484,288)         |
| Member Contributions   | 58,075               | 52,391               | 55,088               | 61,560               | 68,202               |
| Benefit payments   | <u>(1,789,413)</u>   | <u>(1,728,500)</u>   | <u>(1,858,382)</u>   | <u>(1,781,160)</u>   | <u>(1,852,174)</u>   |
| <b>Net Change in total OPEB Liability</b>  | (11,717,594)         | 38,747,246           | (6,071,736)          | (13,354,409)         | (6,469,791)          |
| <b>Total OPEB Liability - beginning</b>  | <u>99,286,733</u>    | <u>60,539,487</u>    | <u>66,611,223</u>    | <u>79,965,632</u>    | <u>86,435,423</u>    |
| <b>Total OPEB Liability - ending</b>   | <u>\$ 87,569,139</u> | <u>\$ 99,286,733</u> | <u>\$ 60,539,487</u> | <u>\$ 66,611,223</u> | <u>\$ 79,965,632</u> |
| District's covered-employee payroll  | \$ 21,442,565        | \$ 20,274,142        | \$ 20,125,681        | \$ 19,516,247        | \$ 17,959,002        |
| Total OPEB Liability as a percentage of covered-employee payroll                         | 408.39%              | 489.72%              | 300.81%              | 341.31%              | 445.27%              |

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

**Haddonfield 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

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

|   | Brought<br>Forward<br>(Exh. E-1B) | Brought<br>Forward<br>(Exh. E-1C) | Brought<br>Forward<br>(Exh. E-1D) | Total            |
|---|-----------------------------------|-----------------------------------|-----------------------------------|------------------|
| <b>REVENUES:</b>  |                                   |                                   |                                   |                  |
| Local sources   | \$ -                              | \$ -                              | \$ 602,884                        | \$ 602,884       |
| State sources   | 375,458                           | 96,704                            | -                                 | 472,162          |
| Federal sources   |                                   | 883,202                           | 302,028                           | 1,185,230        |
| Total revenues  | <u>375,458</u>                    | <u>979,906</u>                    | <u>904,912</u>                    | <u>2,260,276</u> |
| <b>EXPENDITURES:</b>  |                                   |                                   |                                   |                  |
| <i>Instruction:</i>   |                                   |                                   |                                   |                  |
| Salaries of Teachers  | -                                 | -                                 | 67,124                            | 67,124           |
| Purchased professional educational services   | 297,066                           | -                                 | -                                 | 297,066          |
| Purchased professional and technical services   | -                                 | 51,337                            | 39,819                            | 91,156           |
| Tuition   | -                                 | 288,438                           | -                                 | 288,438          |
| General supplies  | -                                 | 55,732                            | 53,621                            | 109,353          |
| Textbooks   |                                   | 26,281                            | -                                 | 26,281           |
| Total instruction   | <u>297,066</u>                    | <u>421,788</u>                    | <u>160,564</u>                    | <u>879,418</u>   |
| <i>Support services:</i>  |                                   |                                   |                                   |                  |
| Salaries  |                                   | 63,765                            | 7,967                             | 71,732           |
| Employee Benefits   |                                   | 28,984                            | 16,690                            | 45,674           |
| Purchased professional and technical services   |                                   | 458,368                           | 26,880                            | 485,248          |
| Other purchased services  | 78,392                            | -                                 | 7,725                             | 86,117           |
| General Supplies  |                                   | 7,001                             | 93,164                            | 100,165          |
| Student Activities  |                                   |                                   | 620,679                           | 620,679          |
| Total support services  | <u>78,392</u>                     | <u>558,118</u>                    | <u>773,105</u>                    | <u>1,409,615</u> |
| <i>Facilities acquisition &amp; construction services</i>                                       |                                   |                                   |                                   |                  |
| Instructional equipment   |                                   | -                                 |                                   | -                |
| Total facilities acquisition & construction services  | <u>-</u>                          | <u>-</u>                          | <u>-</u>                          | <u>-</u>         |
| Total expenditures  | <u>375,458</u>                    | <u>979,906</u>                    | <u>933,669</u>                    | <u>2,289,033</u> |
| Excess (Deficiency) of revenues over (under)<br>expenditures and other financing sources (uses) | <u>-</u>                          | <u>-</u>                          | <u>(28,757)</u>                   | <u>(28,757)</u>  |
| Fund Balance, July 1  | <u>-</u>                          | <u>-</u>                          | <u>449,949</u>                    | <u>449,949</u>   |
| Fund Balance, June 30   | <u>\$ -</u>                       | <u>\$ -</u>                       | <u>\$ 421,192</u>                 | <u>421,192</u>   |

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

|  | Nonpublic Auxiliary Services |             |                | Nonpublic Handicapped Services |                    |                        | Nonpublic Security | Carried Forward<br>(Exh. E-1A) |
|--|------------------------------|-------------|----------------|--------------------------------|--------------------|------------------------|--------------------|--------------------------------|
|  | Compensatory Education       | ESL         | Transportation | Corrective Speech              | Suppl. Instruction | Exam, & Classification |                    |                                |
| <b>REVENUES:</b>   |                              |             |                |                                |                    |                        |                    |                                |
| State sources  | \$ 158,288                   | \$ 913      | \$ 8,655       | \$ 30,504                      | \$ 52,616          | \$ 46,090              | \$ 78,392          | \$ 375,458                     |
| Total revenues   | <u>158,288</u>               | <u>913</u>  | <u>8,655</u>   | <u>30,504</u>                  | <u>52,616</u>      | <u>46,090</u>          | <u>78,392</u>      | <u>375,458</u>                 |
| <b>EXPENDITURES:</b>   |                              |             |                |                                |                    |                        |                    |                                |
| <u>Instruction:</u>  |                              |             |                |                                |                    |                        |                    |                                |
| Salaries of Teachers   | -                            | -           | -              | -                              | -                  | -                      | -                  | -                              |
| Purchased professional educational services  | 158,288                      | 913         | 8,655          | 30,504                         | 52,616             | 46,090                 | -                  | 297,066                        |
| Total instruction  | <u>158,288</u>               | <u>913</u>  | <u>8,655</u>   | <u>30,504</u>                  | <u>52,616</u>      | <u>46,090</u>          | <u>-</u>           | <u>297,066</u>                 |
| <u>Support services:</u>   |                              |             |                |                                |                    |                        |                    |                                |
| Other purchased services   | -                            | -           | -              | -                              | -                  | -                      | 78,392             | 78,392                         |
| Total support services   | <u>-</u>                     | <u>-</u>    | <u>-</u>       | <u>-</u>                       | <u>-</u>           | <u>-</u>               | <u>78,392</u>      | <u>78,392</u>                  |
| <u>Facilities acquisition &amp; construction services</u>                                    |                              |             |                |                                |                    |                        |                    |                                |
| Instructional equipment  | -                            | -           | -              | -                              | -                  | -                      | -                  | -                              |
| Total facilities acquisition & construction services   | <u>-</u>                     | <u>-</u>    | <u>-</u>       | <u>-</u>                       | <u>-</u>           | <u>-</u>               | <u>-</u>           | <u>-</u>                       |
| Total expenditures   | <u>158,288</u>               | <u>913</u>  | <u>8,655</u>   | <u>30,504</u>                  | <u>52,616</u>      | <u>46,090</u>          | <u>78,392</u>      | <u>375,458</u>                 |
| Excess (Deficiency) of revenues over (under) expenditures and other financing sources (uses) | <u>-</u>                     | <u>-</u>    | <u>-</u>       | <u>-</u>                       | <u>-</u>           | <u>-</u>               | <u>-</u>           | <u>-</u>                       |
| Fund Balance, July 1   | <u>-</u>                     | <u>-</u>    | <u>-</u>       | <u>-</u>                       | <u>-</u>           | <u>-</u>               | <u>-</u>           | <u>-</u>                       |
| Fund Balance, June 30  | <u>\$ -</u>                  | <u>\$ -</u> | <u>\$ -</u>    | <u>\$ -</u>                    | <u>\$ -</u>        | <u>\$ -</u>            | <u>\$ -</u>        | <u>\$ -</u>                    |

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

|  | IDEA           |                |               | Title I<br>Current Year | Title II - Part A<br>Current Year | Title IV - Part A<br>Current Year | Nonpublic<br>Textbooks | Nonpublic<br>Technology | Nonpublic<br>Nursing | Carried<br>Forward<br>(Exh. E-1A) |
|--|----------------|----------------|---------------|-------------------------|-----------------------------------|-----------------------------------|------------------------|-------------------------|----------------------|-----------------------------------|
|  | Basic          | ARP Basic      | Preschool     |                         |                                   |                                   |                        |                         |                      |                                   |
|  | Current Yr.    | Current Yr.    | Current Yr.   |                         |                                   |                                   |                        |                         |                      |                                   |
| <b>REVENUES:</b>   |                |                |               |                         |                                   |                                   |                        |                         |                      |                                   |
| State sources  | \$ -           | \$ -           | \$ -          | \$ -                    | \$ -                              | \$ -                              | \$ 26,281              | \$ 19,086               | \$ 51,337            | \$ 96,704                         |
| Federal sources  | 694,263        | 112,676        | 42,944        | 4,625                   | 21,154                            | 7,540                             |                        |                         |                      | 883,202                           |
| <b>Total revenues</b>  | <u>694,263</u> | <u>112,676</u> | <u>42,944</u> | <u>4,625</u>            | <u>21,154</u>                     | <u>7,540</u>                      | <u>26,281</u>          | <u>19,086</u>           | <u>51,337</u>        | <u>979,906</u>                    |
| <b>EXPENDITURES:</b>   |                |                |               |                         |                                   |                                   |                        |                         |                      |                                   |
| <u>Instruction:</u>  |                |                |               |                         |                                   |                                   |                        |                         |                      |                                   |
| Salaries of teachers   | -              | -              | -             | -                       | -                                 | -                                 | -                      | -                       | -                    | -                                 |
| Purchased professional and technical services  |                |                |               |                         |                                   |                                   |                        |                         | 51,337               | 51,337                            |
| Tuition  | 288,438        |                |               | 4,625                   | 19,155                            | 7,540                             |                        |                         |                      | 288,438                           |
| General supplies   | 2,275          |                | 3,051         |                         |                                   |                                   |                        | 19,086                  |                      | 55,732                            |
| Textbooks  |                |                |               |                         |                                   |                                   | 26,281                 |                         |                      | 26,281                            |
|  | <u>290,713</u> | <u>-</u>       | <u>3,051</u>  | <u>4,625</u>            | <u>19,155</u>                     | <u>7,540</u>                      | <u>26,281</u>          | <u>19,086</u>           | <u>51,337</u>        | <u>421,788</u>                    |
| <u>Support services:</u>   |                |                |               |                         |                                   |                                   |                        |                         |                      |                                   |
| Salaries   | 63,765         |                |               |                         |                                   |                                   |                        |                         |                      | 63,765                            |
| Employee benefits  | 28,984         |                |               |                         |                                   |                                   |                        |                         |                      | 28,984                            |
| Purchased professional and technical services  | 303,800        | 112,676        | 39,893        |                         | 1,999                             |                                   |                        |                         |                      | 458,368                           |
| Other purchased services   |                |                |               |                         |                                   |                                   |                        |                         |                      | -                                 |
| General supplies   | 7,001          |                |               |                         |                                   |                                   |                        |                         |                      | 7,001                             |
| <b>Total support services</b>  | <u>403,550</u> | <u>112,676</u> | <u>39,893</u> | <u>-</u>                | <u>1,999</u>                      | <u>-</u>                          | <u>-</u>               | <u>-</u>                | <u>-</u>             | <u>558,118</u>                    |
| <u>Facilities acquisition &amp; construction services</u>                                    |                |                |               |                         |                                   |                                   |                        |                         |                      |                                   |
| Instructional equipment  |                |                |               |                         |                                   |                                   |                        |                         |                      | -                                 |
| <b>Total facilities acquisition &amp; construction services</b>                              | <u>-</u>       | <u>-</u>       | <u>-</u>      | <u>-</u>                | <u>-</u>                          | <u>-</u>                          | <u>-</u>               | <u>-</u>                | <u>-</u>             | <u>-</u>                          |
| <b>Total expenditures</b>  | <u>694,263</u> | <u>112,676</u> | <u>42,944</u> | <u>4,625</u>            | <u>21,154</u>                     | <u>7,540</u>                      | <u>26,281</u>          | <u>19,086</u>           | <u>51,337</u>        | <u>979,906</u>                    |
| Excess (Deficiency) of revenues over (under) expenditures and other financing sources (uses) | -              | -              | -             | -                       | -                                 | -                                 | -                      | -                       | -                    | -                                 |
| Fund Balance, July 1   | -              | -              | -             | -                       | -                                 | -                                 | -                      | -                       | -                    | -                                 |
| Fund Balance, June 30  | <u>\$ -</u>    | <u>\$ -</u>    | <u>\$ -</u>   | <u>\$ -</u>             | <u>\$ -</u>                       | <u>\$ -</u>                       | <u>\$ -</u>            | <u>\$ -</u>             | <u>\$ -</u>          | <u>\$ -</u>                       |

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

|  | HET<br>High School | HET<br>Grant School | Student<br>Act./Ath.<br>Fund | CARES Act<br>ESSER | CRRSA<br>Accelerated<br>Learning | CRRSA<br>Mental<br>Health | COPS<br>School Violence<br>Prevention | ARP<br>Learning<br>Acceleration | CRRSA<br>ESSER II | Carried<br>Forward<br>(Exh. E-1A) |
|--|--------------------|---------------------|------------------------------|--------------------|----------------------------------|---------------------------|---------------------------------------|---------------------------------|-------------------|-----------------------------------|
| <b>REVENUES:</b>   |                    |                     |                              |                    |                                  |                           |                                       |                                 |                   |                                   |
| Local Sources  | \$ 10,712          | \$ 250              | \$ 591,922                   |                    | \$ -                             | \$ -                      | \$ -                                  | \$ -                            | \$ -              | \$ 602,884                        |
| State sources  |                    |                     |                              | 52,811             | 13,147                           | 12,725                    | 93,164                                | 21,880                          | 108,301           | -                                 |
| Federal sources  |                    |                     |                              |                    |                                  |                           |                                       |                                 |                   | 302,028                           |
| <b>Total revenues</b>  | <b>10,712</b>      | <b>250</b>          | <b>591,922</b>               | <b>52,811</b>      | <b>13,147</b>                    | <b>12,725</b>             | <b>93,164</b>                         | <b>21,880</b>                   | <b>108,301</b>    | <b>904,912</b>                    |
| <b>EXPENDITURES:</b>   |                    |                     |                              |                    |                                  |                           |                                       |                                 |                   |                                   |
| <i>Instruction:</i>  |                    |                     |                              |                    |                                  |                           |                                       |                                 |                   |                                   |
| Salaries of teachers   | -                  | -                   | -                            | 48,680             | 4,750                            | -                         | -                                     | -                               | 13,694            | 67,124                            |
| Purchased professional educational services  |                    |                     |                              |                    | 2,761                            |                           |                                       |                                 | 37,058            | -                                 |
| Purchased professional and technical services  |                    |                     |                              |                    |                                  |                           |                                       |                                 |                   | 39,819                            |
| Other purchased services   |                    |                     |                              |                    |                                  |                           |                                       |                                 |                   | -                                 |
| Tuition  |                    |                     |                              |                    |                                  |                           |                                       |                                 |                   | -                                 |
| General supplies   | 10,712             | 250                 |                              |                    | 4,589                            |                           |                                       |                                 | 38,070            | 53,621                            |
|  | 10,712             | 250                 | -                            | 48,680             | 12,100                           | -                         | -                                     | -                               | 88,822            | 160,564                           |
| <i>Support services:</i>   |                    |                     |                              |                    |                                  |                           |                                       |                                 |                   |                                   |
| Salaries   |                    |                     |                              |                    |                                  |                           |                                       |                                 | 7,967             | 7,967                             |
| Employee benefits  |                    |                     |                              | 4,131              | 1,047                            |                           |                                       |                                 | 11,512            | 16,690                            |
| Purchased professional educational services  |                    |                     |                              |                    |                                  |                           |                                       |                                 |                   | -                                 |
| Purchased professional and technical services  |                    |                     |                              |                    |                                  | 5,000                     |                                       | 21,880                          |                   | 26,880                            |
| Other purchased services   |                    |                     |                              |                    |                                  | 7,725                     |                                       |                                 |                   | 7,725                             |
| General supplies   |                    |                     |                              |                    |                                  |                           | 93,164                                |                                 |                   | 93,164                            |
| Student Activities   |                    |                     | 620,679                      |                    |                                  |                           |                                       |                                 |                   | 620,679                           |
| <b>Total support services</b>  | <b>-</b>           | <b>-</b>            | <b>620,679</b>               | <b>4,131</b>       | <b>1,047</b>                     | <b>12,725</b>             | <b>93,164</b>                         | <b>21,880</b>                   | <b>19,479</b>     | <b>773,105</b>                    |
| <i>Facilities acquisition &amp; construction services</i>                                    |                    |                     |                              |                    |                                  |                           |                                       |                                 |                   |                                   |
| Instructional equipment  |                    |                     |                              |                    |                                  |                           |                                       |                                 |                   | -                                 |
| <b>Total facilities acquisition &amp; construction services</b>                              | <b>-</b>           | <b>-</b>            | <b>-</b>                     | <b>-</b>           | <b>-</b>                         | <b>-</b>                  | <b>-</b>                              | <b>-</b>                        | <b>-</b>          | <b>-</b>                          |
| <b>Total expenditures</b>  | <b>10,712</b>      | <b>250</b>          | <b>620,679</b>               | <b>52,811</b>      | <b>13,147</b>                    | <b>12,725</b>             | <b>93,164</b>                         | <b>21,880</b>                   | <b>108,301</b>    | <b>933,669</b>                    |
| Excess (Deficiency) of revenues over (under) expenditures and other financing sources (uses) | -                  | -                   | (28,757)                     | -                  | -                                | -                         | -                                     | -                               | -                 | (28,757)                          |
| Fund Balance, July 1   | -                  | -                   | 449,949                      | -                  | -                                | -                         | -                                     | -                               | -                 | 449,949                           |
| Fund Balance, June 30  | \$ -               | \$ -                | \$ 421,192                   | \$ -               | \$ -                             | \$ -                      | \$ -                                  | \$ -                            | \$ -              | \$ 421,192                        |

Proprietary Funds

**HADDONFIELD SCHOOL DISTRICT**  
**Enterprise Funds**  
Statement of Net Position  
as of June 30, 2022

|                                  | Food<br>Service | Total      |
|----------------------------------|-----------------|------------|
| <b>ASSETS:</b>                   |                 |            |
| Current assets:                  |                 |            |
| Cash and cash equivalents        | \$ 431,561      | \$ 431,561 |
| Accounts receivable:             |                 |            |
| State                            | 1,738           | 1,738      |
| Federal                          | 78,887          | 78,887     |
| Other                            | -               | -          |
| Inventories                      | 12,229          | 12,229     |
| Total current assets             | 524,415         | 524,415    |
| Fixed assets:                    |                 |            |
| Equipment                        | 236,078         | 236,078    |
| Less Accumulated depreciation    | (219,756)       | (219,756)  |
| Total fixed assets               | 16,322          | 16,322     |
| Total assets                     | 540,737         | 540,737    |
| <b>LIABILITIES</b>               |                 |            |
| Current liabilities:             |                 |            |
| Accounts payable                 | -               | -          |
| Interfund payable                | 207,899         | 207,899    |
| Unearned revenue                 | 66,523          | 66,523     |
| Total current liabilities        | 274,422         | 274,422    |
| <b>NET POSITION</b>              |                 |            |
| Net investment in capital assets | 16,322          | 16,322     |
| Unrestricted                     | 249,993         | 249,993    |
| Total net position               | \$ 266,315      | \$ 266,315 |

**HADDONFIELD SCHOOL DISTRICT**  
**Enterprise Funds**

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

|  | Food<br>Service | Total      |
|--|-----------------|------------|
| <b>OPERATING REVENUES:</b>                           |                 |            |
| Local sources:                                       |                 |            |
| Daily sales-reimbursable programs:                   |                 |            |
| School lunch program                                 | \$ 596          | \$ 596     |
| Total-daily sales-reimbursable programs              | 596             | 596        |
| Daily sales non-reimbursable programs                | 75,264          | 75,264     |
| Total operating revenue                              | 75,860          | 75,860     |
| <b>OPERATING EXPENSES:</b>                           |                 |            |
| Salaries   | 262,218         | 262,218    |
| Employee benefits                                    | 60,921          | 60,921     |
| Supplies and materials                               | 46,351          | 46,351     |
| Depreciation   | 2,547           | 2,547      |
| Management fee                                       | 43,000          | 43,000     |
| Cost of sales - reimbursable programs                | 357,197         | 357,197    |
| Cost of sales - nonreimbursable programs             | 26,674          | 26,674     |
| Cleaning and maintenance                             | 126,201         | 126,201    |
| Direct Expenses                                      | 17,156          | 17,156     |
| Total operating expenses                             | 942,265         | 942,265    |
| Operating income (loss)                              | (866,405)       | (866,405)  |
| Non-operating revenues:                              |                 |            |
| State sources:                                       |                 |            |
| State school lunch program                           | 22,329          | 22,329     |
| Federal sources:                                     |                 |            |
| National school lunch program                        | 951,299         | 951,299    |
| School breakfast program                             | 29,445          | 29,445     |
| EM schools   | 2,957           | 2,957      |
| PEBT   | 1,242           | 1,242      |
| U.S.D.A. commodities                                 | 49,031          | 49,031     |
| Interest revenue                                     | 701             | 701        |
| Total non-operating revenues                         | 1,057,004       | 1,057,004  |
| Net income (loss) before contributions and transfers | 190,599         | 190,599    |
| Operating Transfer Out                               | -               | -          |
| Change in net position                               | 190,599         | 190,599    |
| Net position - July 1                                | 75,716          | 75,716     |
| Net position - June 30                               | \$ 266,315      | \$ 266,315 |

**HADDONFIELD SCHOOL DISTRICT**  
**Enterprise Funds**  
Statement of Cash Flows  
for the Fiscal Years ended June 30, 2022

|  | <u>Food<br/>Service</u> | <u>Total</u>        |
|--|-------------------------|---------------------|
| Cash flows from operating activities:  |                         |                     |
| Cash receipts from customers   | \$ 74,815               | \$ 74,815           |
| Cash payments to employees for services  | (323,138)               | (323,138)           |
| Cash payments to suppliers for goods and services  | <u>(471,456)</u>        | <u>(471,456)</u>    |
| Net cash used by operating activities  | <u>(719,779)</u>        | <u>(719,779)</u>    |
| Cash flows from noncapital financing activities:   |                         |                     |
| Cash received from state and federal reimbursements  | <u>957,105</u>          | <u>957,105</u>      |
| Net cash provided/(used) by noncapital financing activities  | <u>957,105</u>          | <u>957,105</u>      |
| Cash flows from capital financing activities:  |                         |                     |
| Purchases of fixed assets  | <u>-</u>                | <u>-</u>            |
| Net cash used by capital financing activities  | <u>-</u>                | <u>-</u>            |
| Cash flows from investing activities:  |                         |                     |
| Interest on investments  | <u>701</u>              | <u>701</u>          |
| Net cash provided by investing activities  | <u>701</u>              | <u>701</u>          |
| Net increase (decrease) in cash and cash equivalents   | 238,027                 | 238,027             |
| Cash and cash equivalents, July 1  | <u>193,534</u>          | <u>193,534</u>      |
| Cash and cash equivalents, June 30   | <u>\$ 431,561</u>       | <u>\$ 431,561</u>   |
| Reconciliation of operating income (loss) to net cash provided<br>(used) by operating activities:    |                         |                     |
| Operating income (loss)  | \$ (866,405)            | \$ (866,405)        |
| Adjustments to reconcile operating income (loss)<br>to cash provided (used) by operating activities: |                         |                     |
| Depreciation   | 2,547                   | 2,547               |
| Federal commodities  | 49,031                  | 49,031              |
| Change in assets and liabilities:  |                         |                     |
| (Increase)/decrease in inventory   | 6,530                   | 6,530               |
| (Increase)/decrease in accounts receivable   | -                       | -                   |
| Increase/(decrease) in accounts payable  | (36,638)                | (36,638)            |
| Increase/(decrease) in interfund payable   | 126,201                 | 126,201             |
| Increase/(decrease) in unearned revenue  | <u>(1,045)</u>          | <u>(1,045)</u>      |
| Net cash used by operating activities  | <u>\$ (719,779)</u>     | <u>\$ (719,779)</u> |

Long-Term Debt Schedules

**HADDONFIELD 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 | 02/01/12      | \$ 8,000,000    |                   |              |                  | \$ 425,000           | \$ -        | \$ 425,000          | \$ -                  |
| Refunding Bonds | 05/29/15      | 6,115,000       |                   |              |                  | 1,100,000            |             | 1,100,000           | -                     |
| School Bonds    | 09/14/16      | 35,251,000      | 09/01/22          | \$ 1,185,000 | 2.000%           | 31,740,000           |             | 1,185,000           | 30,555,000            |
|                 |               |                 | 09/01/23          | 1,185,000    | 2.000%           |                      |             |                     |                       |
|                 |               |                 | 09/01/24          | 1,185,000    | 2.000%           |                      |             |                     |                       |
|                 |               |                 | 09/01/25          | 2,200,000    | 2.000%           |                      |             |                     |                       |
|                 |               |                 | 09/01/26          | 2,200,000    | 2.000%           |                      |             |                     |                       |
|                 |               |                 | 09/01/27          | 2,200,000    | 2.000%           |                      |             |                     |                       |
|                 |               |                 | 09/01/28          | 2,200,000    | 2.000%           |                      |             |                     |                       |
|                 |               |                 | 09/01/29          | 2,200,000    | 2.125%           |                      |             |                     |                       |
|                 |               |                 | 09/01/30          | 2,200,000    | 2.125%           |                      |             |                     |                       |
|                 |               |                 | 09/01/31          | 2,250,000    | 2.250%           |                      |             |                     |                       |
|                 |               |                 | 09/01/32          | 2,270,000    | 2.250%           |                      |             |                     |                       |
|                 |               |                 | 09/01/33          | 2,320,000    | 2.375%           |                      |             |                     |                       |
|                 |               |                 | 09/01/34          | 2,320,000    | 3.000%           |                      |             |                     |                       |
|                 |               |                 | 09/01/35          | 2,320,000    | 3.000%           |                      |             |                     |                       |
|                 |               |                 | 09/01/36          | 2,320,000    | 3.000%           |                      |             |                     |                       |
| Refunding Bonds | 10/27/20      | 5,510,000       | 09/01/22          | 1,765,000    | 0.784%           |                      | 5,450,000   |                     |                       |
|                 |               |                 | 09/01/23          | 1,775,000    | 0.960%           |                      |             |                     |                       |
|                 |               |                 | 09/01/24          | 1,795,000    | 1.600%           |                      |             |                     |                       |
| <b>Total</b>    |               |                 |                   |              |                  | <u>\$ 38,715,000</u> | <u>\$ -</u> | <u>\$ 2,825,000</u> | <u>\$ 35,890,000</u>  |

**HADDONFIELD SCHOOL DISTRICT**  
**General Long-Term Debt Account Group**  
 Schedule of Obligations Under Leases  
 June 30, 2022

| Purpose       | Interest Rate | Original Issue | (Restated)<br>Balance<br>6/30/2021 | Issued          | Retired          | Amount<br>Balance<br>6/30/2022 |
|---------------|---------------|----------------|------------------------------------|-----------------|------------------|--------------------------------|
| Postage Meter | 3.00%         | \$ 2,326       | \$ 2,326                           | \$ -            | \$ 1,854         | \$ 472                         |
| Copiers       | 5.41%         | 164,846        | 164,846                            | -               | 76,815           | 88,031                         |
| Postage Meter | 3.00%         | 9,066          | 9,066                              |                 | 3,545            | 5,521                          |
| Postage Meter | 3.00%         | 8,317          | <u>          </u>                  | <u>8,317</u>    | <u>(42)</u>      | <u>8,359</u>                   |
|               |               |                | <u>\$ 176,238</u>                  | <u>\$ 8,317</u> | <u>\$ 82,172</u> | <u>\$ 102,383</u>              |

**HADDONFIELD SCHOOL DISTRICT  
 Budgetary Comparison Schedule  
 Debt Service Fund  
 Fiscal Year Ended June 30, 2022**

|  | <u>Original<br/>Budget</u> | <u>Budget<br/>Transfers</u> | <u>Final<br/>Budget</u> | <u>Actual</u>    | <u>Variance<br/>Final to<br/>Actual</u> |
|--|----------------------------|-----------------------------|-------------------------|------------------|---|
| <b>REVENUES:</b>   |                            |                             |                         |                  |   |
| Local sources:   |                            |                             |                         |                  |   |
| Local tax levy   | \$ 3,004,000               | \$ -                        | \$ 3,004,000            | \$ 3,004,000     | \$ -                                    |
| Miscellaneous  | -                          | -                           | -                       |                  |   |
| Total revenues - local sources                               | <u>3,004,000</u>           | <u>-</u>                    | <u>3,004,000</u>        | <u>3,004,000</u> |   |
| State sources:   |                            |                             |                         |                  |   |
| Debt service aid type II                                     | <u>628,683</u>             | -                           | <u>628,683</u>          | <u>628,683</u>   |   |
| Total revenues - state sources                               | <u>628,683</u>             | <u>-</u>                    | <u>628,683</u>          | <u>628,683</u>   | <u>-</u>                                |
| Total Revenues   | <u>3,632,683</u>           | <u>-</u>                    | <u>3,632,683</u>        | <u>3,632,683</u> |   |
| <b>EXPENDITURES:</b>   |                            |                             |                         |                  |   |
| Regular debt service:  |                            |                             |                         |                  |   |
| Interest   | 807,683                    | -                           | 807,683                 | 807,682          | 1                                       |
| Redemption of principal                                      | 2,825,000                  | -                           | 2,825,000               | 2,825,000        |   |
| Total Expenditures   | <u>3,632,683</u>           | <u>-</u>                    | <u>3,632,683</u>        | <u>3,632,682</u> | <u>1</u>                                |
| Excess (Deficiency) of revenues over<br>(under) expenditures | -                          | -                           | -                       | 1                | 1                                       |
| Other Financing Sources (Uses):                              |                            |                             |                         |                  |   |
| Total Other Financing Sources (Uses)                         | <u>-</u>                   | <u>-</u>                    | <u>-</u>                | <u>-</u>         | <u>-</u>                                |
| Net change in fund balance                                   | -                          | -                           | -                       | 1                | 1                                       |
| Fund Balances, July 1  | <u>27,417</u>              |                             | <u>27,417</u>           | <u>27,417</u>    |   |
| Fund Balances, June 30                                       | <u>\$ 27,417</u>           | <u>\$ -</u>                 | <u>\$ 27,417</u>        | <u>\$ 27,418</u> | <u>\$ 1</u>                             |

**Statistical Section**

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

**EXHIBIT J-1**

|  | <b>Fiscal Year Ending June 30,</b> |                      |                     |                     |                     |                     |                     |                      |                      |                      |
|--|------------------------------------|----------------------|---------------------|---------------------|---------------------|---------------------|---------------------|----------------------|----------------------|----------------------|
|  | <u>2013</u>                        | <u>2014</u>          | <u>2015</u>         | <u>2016</u>         | <u>2017</u>         | <u>2018</u>         | <u>2019</u>         | <u>2020</u>          | <u>2021</u>          | <u>2022</u>          |
| <b>Governmental activities:</b>                    |                                    |                      |                     |                     |                     |                     |                     |                      |                      |                      |
| Net investment in capital assets                   | \$ 9,804,747                       | \$ 11,914,814        | \$ 11,838,419       | \$ 12,153,719       | \$ (22,807,300)     | \$ (1,555,726)      | \$ 11,388,167       | \$ 12,553,282        | \$ 13,867,260        | \$ 15,112,201        |
| Restricted for:                                    |                                    |                      |                     |                     |                     |                     |                     |                      |                      |                      |
| Special revenue                                    | -                                  | -                    | -                   | -                   | -                   | -                   | -                   | -                    | 449,949              | 421,192              |
| Capital projects                                   | 1,087,116                          | 1,765,034            | 2,038,646           | 1,153,874           | 35,398,343          | 14,057,596          | 3,698,157           | 4,073,391            | 3,296,525            | 3,412,643            |
| Debt service                                       | 13,813                             | 3,987                | 1,788               | 185,588             | 255,067             | 157,619             | 126,419             | 38,933               | 27,417               | 27,418               |
| Other purposes                                     | 1,473,472                          | 1,683,474            | 1,777,482           | 1,428,749           | 1,409,679           | 2,319,682           | 2,278,048           | 3,442,419            | 3,280,546            | 2,695,280            |
| Unrestricted                                       | (686,329)                          | (979,589)            | (7,612,744)         | (7,492,346)         | (8,853,533)         | (8,791,484)         | (8,463,167)         | (8,328,141)          | (6,532,167)          | (5,006,450)          |
| <b>Total governmental activities net position</b>  | <u>\$ 11,692,819</u>               | <u>\$ 14,387,720</u> | <u>\$ 8,043,591</u> | <u>\$ 7,429,584</u> | <u>\$ 5,402,256</u> | <u>\$ 6,187,687</u> | <u>\$ 9,027,624</u> | <u>\$ 11,779,884</u> | <u>\$ 14,389,530</u> | <u>\$ 16,662,284</u> |
| <b>Business-type activities:</b>                   |                                    |                      |                     |                     |                     |                     |                     |                      |                      |                      |
| Net investment in capital assets                   | \$ -                               | \$ 66,787            | \$ 49,012           | \$ 31,236           | \$ 13,464           | \$ 4,049            | \$ 9,169            | \$ 21,845            | \$ 18,869            | \$ 16,322            |
| Unrestricted                                       | 109,723                            | 136,462              | 143,264             | 72,580              | 69,774              | 74,157              | 129,844             | 30,852               | 56,847               | 249,993              |
| <b>Total business-type activities net position</b> | <u>\$ 109,723</u>                  | <u>\$ 203,249</u>    | <u>\$ 192,276</u>   | <u>\$ 103,816</u>   | <u>\$ 83,238</u>    | <u>\$ 78,206</u>    | <u>\$ 139,013</u>   | <u>\$ 52,697</u>     | <u>\$ 75,716</u>     | <u>\$ 266,315</u>    |
| <b>District-wide:</b>                              |                                    |                      |                     |                     |                     |                     |                     |                      |                      |                      |
| Net investment in capital assets                   | \$ 9,804,747                       | \$ 11,981,601        | \$ 11,887,431       | \$ 12,184,955       | \$ (22,793,836)     | \$ (1,551,677)      | \$ 11,397,336       | \$ 12,575,127        | \$ 13,886,129        | \$ 15,128,523        |
| Restricted:  |                                    |                      |                     |                     |                     |                     |                     |                      |                      |                      |
| Special revenue                                    | -                                  | -                    | -                   | -                   | -                   | -                   | -                   | -                    | 449,949              | 421,192              |
| Capital projects                                   | 1,087,116                          | 1,765,034            | 2,038,646           | 1,153,874           | 35,398,343          | 14,057,596          | 3,698,157           | 4,073,391            | 3,296,525            | 3,412,643            |
| Debt service                                       | 13,813                             | 3,987                | 1,788               | 185,588             | 255,067             | 157,619             | 126,419             | 38,933               | 27,417               | 27,418               |
| Other purposes                                     | 1,473,472                          | 1,683,474            | 1,777,482           | 1,428,749           | 1,409,679           | 2,319,682           | 2,278,048           | 3,442,419            | 3,280,546            | 2,695,280            |
| Unrestricted                                       | (576,606)                          | (843,127)            | (7,469,480)         | (7,419,766)         | (8,783,759)         | (8,717,327)         | (8,333,323)         | (8,297,289)          | (6,475,320)          | (4,756,457)          |
| <b>Total district net position</b>                 | <u>\$ 11,802,542</u>               | <u>\$ 14,590,969</u> | <u>\$ 8,235,867</u> | <u>\$ 7,533,400</u> | <u>\$ 5,485,494</u> | <u>\$ 6,265,893</u> | <u>\$ 9,166,637</u> | <u>\$ 11,832,581</u> | <u>\$ 14,465,246</u> | <u>\$ 16,928,599</u> |

Haddonfield 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                 |
| <b>Expenses:</b>                               |                             |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| Governmental activities:                       |                             |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| Instruction:                                   |                             |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| Regular  | \$ 11,960,804               | \$ 12,674,897        | \$ 12,867,646        | \$ 12,942,732        | \$ 13,213,069        | \$ 13,408,270        | \$ 14,202,775        | \$ 15,001,834        | \$ 15,275,460        | \$ 16,163,585        |
| Special education                              | 4,028,326                   | 4,369,579            | 3,399,199            | 4,685,393            | 3,663,913            | 3,633,508            | 3,623,326            | 3,844,395            | 3,601,992            | 3,746,214            |
| Other instruction                              | 1,163,390                   | 1,225,945            | 1,141,735            | 1,223,191            | 1,005,895            | 1,015,807            | 1,091,663            | 1,179,156            | 1,172,825            | 1,306,649            |
| Support Services:                              |                             |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| Tuition  | 1,300,539                   | 1,147,065            | 1,363,042            | 1,025,530            | 670,140              | 504,587              | 583,585              | 590,303              | 783,674              | 632,995              |
| Student & instruction related services         | 3,288,219                   | 3,425,536            | 4,130,270            | 3,675,280            | 4,309,090            | 4,974,480            | 5,248,289            | 5,245,822            | 6,916,400            | 8,503,772            |
| School administrative services                 | 1,555,713                   | 1,364,581            | 1,418,403            | 1,469,020            | 1,543,320            | 1,615,372            | 1,936,960            | 1,882,135            | 1,784,712            | 1,827,529            |
| General and business administrative services   | 950,767                     | 1,222,927            | 1,490,246            | 1,463,484            | 1,652,213            | 1,935,445            | 1,768,908            | 1,785,829            | 2,055,062            | 1,961,304            |
| Plant operations and maintenance               | 4,475,539                   | 4,069,678            | 3,996,237            | 5,236,458            | 6,182,702            | 5,246,291            | 4,028,611            | 4,501,881            | 5,734,660            | 4,760,554            |
| Pupil transportation                           | 299,965                     | 468,815              | 544,335              | 498,304              | 509,109              | 548,993              | 548,607              | 454,038              | 389,553              | 495,076              |
| Unallocated employee benefits                  | 8,287,559                   | 7,541,020            | 8,337,424            | 9,510,343            | 10,953,773           | 23,011,313           | 19,709,942           | 18,411,161           | 24,641,484           | 21,139,577           |
| Special schools                                | 136,209                     | 112,057              | 141,616              | 115,363              | 131,437              | 43,602               | 65,291               | -                    | -                    | -                    |
| Charter schools                                | -                           | -                    | -                    | -                    | -                    | -                    | -                    | -                    | -                    | 26,544               |
| Interest on long-term debt                     | 741,106                     | 701,745              | 732,852              | 459,660              | 925,848              | 1,295,356            | 1,107,655            | 1,036,062            | 874,844              | 768,425              |
| Unallocated depreciation                       | 30,936                      | 62,112               | 56,507               | 56,188               | 52,726               | 49,258               | 56,738               | 88,927               | 37,420               | 38,163               |
| Total governmental activities expenses         | <u>38,219,072</u>           | <u>38,385,957</u>    | <u>39,619,512</u>    | <u>42,360,946</u>    | <u>44,813,235</u>    | <u>57,282,282</u>    | <u>53,972,350</u>    | <u>54,021,543</u>    | <u>63,268,086</u>    | <u>61,370,387</u>    |
| Business-type activities:                      |                             |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| Community Education                            | 82,722                      | 109,036              | 91,026               | 134,587              | 110,644              | 92,449               | 85,629               | -                    | -                    | -                    |
| Food service                                   | 559,954                     | 519,642              | 522,126              | 592,657              | 609,298              | 602,426              | 652,980              | 547,162              | 256,342              | 942,265              |
| Total business-type activities expense         | <u>642,676</u>              | <u>628,678</u>       | <u>613,152</u>       | <u>727,244</u>       | <u>719,942</u>       | <u>694,875</u>       | <u>738,609</u>       | <u>547,162</u>       | <u>256,342</u>       | <u>942,265</u>       |
| Total district expenses                        | <u>\$ 38,861,748</u>        | <u>\$ 39,014,635</u> | <u>\$ 40,232,664</u> | <u>\$ 43,088,190</u> | <u>\$ 45,533,177</u> | <u>\$ 57,977,157</u> | <u>\$ 54,710,959</u> | <u>\$ 54,568,705</u> | <u>\$ 63,524,428</u> | <u>\$ 62,312,652</u> |
| <b>Program Revenues:</b>                       |                             |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| Governmental activities:                       |                             |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| Operating grants and contributions             | \$ 4,314,447                | \$ 3,763,353         | \$ 4,246,118         | \$ 5,081,523         | \$ 5,501,059         | \$ 19,022,458        | \$ 15,486,781        | \$ 13,879,016        | \$ 20,509,448        | \$ 17,886,748        |
| Charges for services                           | -                           | -                    | -                    | -                    | -                    | -                    | -                    | -                    | 259,508              | 376,494              |
| Total governmental activities program revenues | <u>4,314,447</u>            | <u>3,763,353</u>     | <u>4,246,118</u>     | <u>5,081,523</u>     | <u>5,501,059</u>     | <u>19,022,458</u>    | <u>15,486,781</u>    | <u>13,879,016</u>    | <u>20,768,956</u>    | <u>18,263,242</u>    |

(Continued)

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

EXHIBIT J-2

|  | <b>Fiscal Year Ending June 30,</b> |                        |                        |                        |                        |                        |                        |                        |                        |                        |
|--|------------------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|
|  | 2013                               | 2014                   | 2015                   | 2016                   | 2017                   | 2018                   | 2019                   | 2020                   | 2021                   | 2022                   |
| <b>Business-type activities:</b>                           |                                    |                        |                        |                        |                        |                        |                        |                        |                        |                        |
| Charges for services:                                      |                                    |                        |                        |                        |                        |                        |                        |                        |                        |                        |
| Community Education  | \$ 94,488                          | \$ 101,176             | \$ 106,360             | \$ 113,989             | \$ 103,672             | \$ 79,086              | \$ 111,356             | \$ -                   | \$ -                   | \$ -                   |
| Food service   | 464,331                            | 464,667                | 458,200                | 489,045                | 559,154                | 572,950                | 644,753                | 480,083                | 3,716                  | 75,860                 |
| Operating grants and contributions                         | 66,799                             | 71,159                 | 35,708                 | 34,596                 | 36,199                 | 37,170                 | 39,930                 | 42,035                 | 275,258                | 1,056,303              |
| Total business type activities program revenues            | <u>625,618</u>                     | <u>637,002</u>         | <u>600,268</u>         | <u>637,630</u>         | <u>699,025</u>         | <u>689,206</u>         | <u>796,039</u>         | <u>522,118</u>         | <u>278,974</u>         | <u>1,132,163</u>       |
| Total district program revenues                            | <u>\$ 4,940,065</u>                | <u>\$ 4,400,355</u>    | <u>\$ 4,846,386</u>    | <u>\$ 5,719,153</u>    | <u>\$ 6,200,084</u>    | <u>\$ 19,711,664</u>   | <u>\$ 16,282,820</u>   | <u>\$ 14,401,134</u>   | <u>\$ 21,047,930</u>   | <u>\$ 19,395,405</u>   |
| <b>Net (Expense)/Revenue:</b>                              |                                    |                        |                        |                        |                        |                        |                        |                        |                        |                        |
| Governmental activities                                    | \$ (33,904,625)                    | \$ (34,622,604)        | \$ (35,373,394)        | \$ (37,279,423)        | \$ (39,312,176)        | \$ (38,259,824)        | \$ (38,485,569)        | \$ (40,142,527)        | \$ (42,499,130)        | \$ (43,107,145)        |
| Business-type activities                                   | (17,058)                           | 8,324                  | (12,884)               | (89,614)               | (20,917)               | (5,669)                | 57,430                 | (25,044)               | 22,632                 | 189,898                |
| Total district-wide net expense                            | <u>\$ (33,921,683)</u>             | <u>\$ (34,614,280)</u> | <u>\$ (35,386,278)</u> | <u>\$ (37,369,037)</u> | <u>\$ (39,333,093)</u> | <u>\$ (38,265,493)</u> | <u>\$ (38,428,139)</u> | <u>\$ (40,167,571)</u> | <u>\$ (42,476,498)</u> | <u>\$ (42,917,247)</u> |
| <b>General Revenues and Other Changes in Net Position:</b> |                                    |                        |                        |                        |                        |                        |                        |                        |                        |                        |
| Governmental activities:                                   |                                    |                        |                        |                        |                        |                        |                        |                        |                        |                        |
| Property taxes levied for general purposes, net            | \$ 30,785,248                      | \$ 31,394,796          | \$ 32,022,692          | \$ 32,663,145          | \$ 33,729,632          | \$ 34,594,360          | \$ 35,450,126          | \$ 36,737,325          | \$ 37,472,072          | \$ 38,221,513          |
| Taxes levied for debt service                              | 1,865,209                          | 1,858,955              | 1,849,040              | 1,834,373              | 1,767,384              | 2,367,875              | 2,999,148              | 2,978,679              | 3,022,994              | 3,004,000              |
| Unrestricted grants and contributions                      | 1,033,493                          | 1,081,752              | 1,132,245              | 1,158,069              | 1,173,632              | 1,263,204              | 2,275,309              | 2,583,813              | 3,262,663              | 4,010,711              |
| Tuition  | 492,118                            | 526,947                | 505,276                | 511,500                | 290,603                | 365,162                | 240,194                | 274,835                | -                      | -                      |
| Miscellaneous income                                       | 359,417                            | 361,473                | 281,584                | 498,329                | 323,597                | 454,654                | 360,729                | 320,135                | 531,062                | 128,787                |
| Interest   | -                                  | -                      | -                      | -                      | -                      | -                      | -                      | -                      | -                      | 14,888                 |
| Total governmental activities                              | <u>34,535,485</u>                  | <u>35,223,923</u>      | <u>35,790,837</u>      | <u>36,665,416</u>      | <u>37,284,848</u>      | <u>39,045,255</u>      | <u>41,325,506</u>      | <u>42,894,787</u>      | <u>44,288,791</u>      | <u>45,379,899</u>      |
| Business-type activities:                                  |                                    |                        |                        |                        |                        |                        |                        |                        |                        |                        |
| Investment earnings  | 1,331                              | 649                    | 369                    | 339                    | 339                    | 637                    | 3,377                  | 2,202                  | 387                    | 701                    |
| Miscellaneous income                                       | -                                  | -                      | 1,542                  | 815                    | -                      | -                      | -                      | -                      | -                      | -                      |
| Transfers  | -                                  | -                      | -                      | -                      | -                      | -                      | -                      | (63,474)               | -                      | -                      |
| Total business-type activities                             | <u>1,331</u>                       | <u>649</u>             | <u>1,911</u>           | <u>1,154</u>           | <u>339</u>             | <u>637</u>             | <u>3,377</u>           | <u>(61,272)</u>        | <u>387</u>             | <u>701</u>             |
| Total district-wide  | <u>\$ 34,536,816</u>               | <u>\$ 35,224,572</u>   | <u>\$ 35,792,748</u>   | <u>\$ 36,666,570</u>   | <u>\$ 37,285,187</u>   | <u>\$ 39,045,892</u>   | <u>\$ 41,328,883</u>   | <u>\$ 42,833,515</u>   | <u>\$ 44,289,178</u>   | <u>\$ 45,380,600</u>   |
| <b>Change in Net Position:</b>                             |                                    |                        |                        |                        |                        |                        |                        |                        |                        |                        |
| Governmental activities                                    | \$ 630,860                         | \$ 601,319             | \$ 417,443             | \$ (614,007)           | \$ (2,027,328)         | \$ 785,431             | \$ 2,839,937           | \$ 2,752,260           | \$ 1,789,661           | \$ 2,272,754           |
| Business-type activities                                   | (15,727)                           | 8,973                  | (10,973)               | (88,460)               | (20,578)               | (5,032)                | 60,807                 | (86,316)               | 23,019                 | 190,599                |
| Total district-wide  | <u>\$ 615,133</u>                  | <u>\$ 610,292</u>      | <u>\$ 406,470</u>      | <u>\$ (702,467)</u>    | <u>\$ (2,047,906)</u>  | <u>\$ 780,399</u>      | <u>\$ 2,900,744</u>    | <u>\$ 2,665,944</u>    | <u>\$ 1,812,680</u>    | <u>\$ 2,463,353</u>    |

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

|   | <b>Fiscal Year Ending June 30,</b> |                     |                     |                     |                      |                      |                     |                     |                     |                     |
|---|------------------------------------|---------------------|---------------------|---------------------|----------------------|----------------------|---------------------|---------------------|---------------------|---------------------|
|   | 2013                               | 2014                | 2015                | 2016                | 2017                 | 2018                 | 2019                | 2020                | 2021                | 2022                |
| General Fund:                             |                                    |                     |                     |                     |                      |                      |                     |                     |                     |                     |
| Restricted for:                           |                                    |                     |                     |                     |                      |                      |                     |                     |                     |                     |
| Capital reserve                           | \$ 766,951                         | \$ 1,444,869        | \$ 1,718,481        | \$ 1,339,992        | \$ 2,893,341         | \$ 3,906,868         | \$ 3,958,829        | \$ 4,073,391        | \$ 3,296,525        | \$ 3,412,643        |
| Maintenance reserve                       | 200,000                            | 200,000             | 200,000             | 400,000             | 401,000              | 902,875              | 914,883             | 1,770,282           | 2,293,776           | 2,299,510           |
| Unemployment compensation                 | -                                  | -                   | -                   | -                   | -                    | -                    | -                   | -                   | 394,857             | 395,770             |
| Excess surplus                            | 639,307                            | 639,455             | 515,396             | 464,848             | 428,535              | 663,937              | 687,434             | 591,913             | -                   | -                   |
| Excess surplus - designated for next year | 634,165                            | 639,307             | 639,455             | 515,396             | 464,848              | 428,535              | 663,937             | 687,434             | 591,913             | -                   |
| Assigned                                  |                                    |                     |                     |                     |                      |                      |                     |                     |                     |                     |
| Reserve for encumbrances                  | -                                  | 204,712             | 422,631             | 48,505              | 27,572               | 324,335              | 11,794              | 356,944             | 669,274             | 118,136             |
| Designated for subsequent year's budget   | -                                  | -                   | -                   | -                   | 87,724               | -                    | -                   | 35,846              | -                   | 700,000             |
| Unassigned                                | 593,100                            | 596,116             | 621,022             | 650,447             | 606,964              | 614,268              | 710,894             | 705,290             | 1,401,203           | 1,822,991           |
| Total general fund                        | <u>\$ 2,833,523</u>                | <u>\$ 3,724,459</u> | <u>\$ 4,116,985</u> | <u>\$ 3,419,188</u> | <u>\$ 4,909,984</u>  | <u>\$ 6,840,818</u>  | <u>\$ 6,947,771</u> | <u>\$ 8,221,100</u> | <u>\$ 8,647,548</u> | <u>\$ 8,749,050</u> |
| All Other Governmental Funds              |                                    |                     |                     |                     |                      |                      |                     |                     |                     |                     |
| Reserved:                                 |                                    |                     |                     |                     |                      |                      |                     |                     |                     |                     |
| Encumbrances                              | \$ -                               | \$ -                | \$ -                | \$ 809              | \$ -                 | \$ -                 | \$ -                | \$ -                | \$ -                | \$ -                |
| Other Purposes                            | -                                  | -                   | -                   | -                   | -                    | 10,284,161           | 223,902             | -                   | -                   | -                   |
| Unreserved, reported in:                  |                                    |                     |                     |                     |                      |                      |                     |                     |                     |                     |
| Special revenue fund                      | -                                  | -                   | -                   | -                   | -                    | -                    | -                   | -                   | 449,949             | 421,192             |
| Capital projects fund                     | 320,165                            | 320,165             | 320,165             | (186,927)           | 32,505,002           | (133,433)            | (484,574)           | -                   | -                   | -                   |
| Debt service fund                         | 13,813                             | 3,987               | 1,788               | 185,588             | 255,067              | 157,619              | 126,419             | 38,933              | 27,417              | 27,418              |
| Total all other governmental funds        | <u>\$ 333,978</u>                  | <u>\$ 324,152</u>   | <u>\$ 321,953</u>   | <u>\$ (530)</u>     | <u>\$ 32,760,069</u> | <u>\$ 10,308,347</u> | <u>\$ (134,253)</u> | <u>\$ 38,933</u>    | <u>\$ 477,366</u>   | <u>\$ 448,610</u>   |

**Source: District records**

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

**EXHIBIT J-4**

|  | <b>Fiscal Year Ending June 30,</b> |                   |                   |                       |                      |                        |                        |                     |                   |                   |
|--|------------------------------------|-------------------|-------------------|-----------------------|----------------------|------------------------|------------------------|---------------------|-------------------|-------------------|
|  | 2013                               | 2014              | 2015              | 2016                  | 2017                 | 2018                   | 2019                   | 2020                | 2021              | 2022              |
| <b>Revenues</b>  |                                    |                   |                   |                       |                      |                        |                        |                     |                   |                   |
| Tax levy   | \$ 32,650,457                      | \$ 33,253,751     | \$ 33,871,732     | \$ 34,497,518         | \$ 35,497,016        | \$ 36,962,235          | \$ 38,449,274          | \$ 39,716,004       | \$ 40,495,066     | \$ 41,225,513     |
| Tuition charges  | 492,118                            | 526,947           | 505,276           | 511,500               | 290,603              | 365,162                | 240,194                | 274,835             | 259,508           | 376,494           |
| Interest   |                                    |                   |                   |                       |                      |                        |                        |                     |                   | 13,975            |
| Miscellaneous  | 359,417                            | 361,473           | 281,584           | 560,021               | 334,267              | 493,111                | 360,729                | 344,986             | 531,062           | 129,700           |
| Local sources  |                                    |                   |                   |                       |                      |                        |                        |                     | 443,897           | 602,884           |
| State sources  | 4,743,016                          | 4,291,989         | 4,830,943         | 5,402,096             | 5,877,227            | 7,106,632              | 8,430,888              | 8,941,935           | 11,171,137        | 13,829,456        |
| Federal sources  | 604,924                            | 553,116           | 547,420           | 775,804               | 786,794              | 810,573                | 770,509                | 801,114             | 1,047,413         | 1,280,035         |
| <b>Total revenue</b>   | <b>38,849,932</b>                  | <b>38,987,276</b> | <b>40,036,955</b> | <b>41,746,939</b>     | <b>42,785,907</b>    | <b>45,737,713</b>      | <b>48,251,594</b>      | <b>50,078,874</b>   | <b>53,948,083</b> | <b>57,458,057</b> |
| <b>Expenditures</b>  |                                    |                   |                   |                       |                      |                        |                        |                     |                   |                   |
| Instruction  |                                    |                   |                   |                       |                      |                        |                        |                     |                   |                   |
| Regular Instruction  | 11,599,918                         | 11,510,189        | 11,988,396        | 12,343,900            | 12,544,513           | 12,614,491             | 13,456,860             | 13,693,631          | 14,119,902        | 14,833,371        |
| Special education instruction                                | 4,028,326                          | 4,369,579         | 3,399,199         | 4,685,393             | 3,663,913            | 3,633,508              | 3,623,326              | 3,844,395           | 3,601,992         | 3,746,214         |
| Other instruction  | 1,163,390                          | 1,225,945         | 1,141,735         | 1,223,191             | 1,005,895            | 1,015,807              | 1,091,663              | 1,179,156           | 1,172,825         | 1,306,649         |
| Support Services:  |                                    |                   |                   |                       |                      |                        |                        |                     |                   |                   |
| Tuition  | 1,300,539                          | 1,147,065         | 1,363,042         | 1,025,530             | 670,140              | 504,587                | 583,585                | 590,303             | 783,674           | 632,995           |
| Student & instruction related services                       | 3,288,219                          | 3,425,536         | 4,130,270         | 3,675,280             | 4,309,090            | 4,974,480              | 5,248,289              | 5,245,822           | 6,916,400         | 8,585,944         |
| School administrative services                               | 1,555,713                          | 1,364,581         | 1,418,403         | 1,356,643             | 1,543,320            | 1,615,372              | 1,823,483              | 1,704,282           | 1,784,712         | 1,827,529         |
| General and business admin. services                         | 851,565                            | 1,098,703         | 1,377,232         | 1,463,484             | 1,546,761            | 1,836,929              | 1,768,908              | 1,785,829           | 1,871,227         | 1,763,205         |
| Plant operations and maintenance                             | 3,140,940                          | 3,334,402         | 3,190,543         | 3,221,762             | 3,303,168            | 3,244,811              | 3,583,157              | 3,634,445           | 3,858,249         | 3,828,424         |
| Pupil transportation   | 299,965                            | 468,815           | 544,335           | 498,304               | 509,109              | 548,993                | 548,607                | 454,038             | 389,553           | 495,076           |
| Employee benefits  | 8,287,559                          | 7,541,020         | 8,385,762         | 9,472,540             | 10,068,771           | 10,575,329             | 11,306,686             | 11,892,484          | 13,750,144        | 16,008,052        |
| Charter schools  | 136,209                            | 112,057           | 141,616           | 115,363               | 131,437              | 43,602                 | 65,291                 | -                   | -                 | 26,544            |
| Capital outlay   | 1,194,331                          | 557,665           | 636,172           | 1,850,701             | 2,721,357            | 22,710,943             | 11,774,403             | 903,807             | 1,983,488         | 875,813           |
| Debt service:  |                                    |                   |                   |                       |                      |                        |                        |                     |                   |                   |
| Principal  | 1,210,000                          | 1,250,000         | 1,286,000         | 1,380,000             | 1,290,000            | 1,325,000              | 2,525,000              | 2,586,000           | 2,715,000         | 2,825,000         |
| Interest and other charges                                   | 741,106                            | 700,609           | 643,923           | 455,128               | 478,038              | 1,614,749              | 1,187,983              | 1,118,167           | 1,031,223         | 807,682           |
| <b>Total expenditures</b>                                    | <b>38,797,780</b>                  | <b>38,106,166</b> | <b>39,646,628</b> | <b>42,767,219</b>     | <b>43,785,512</b>    | <b>66,258,601</b>      | <b>58,587,241</b>      | <b>48,632,359</b>   | <b>53,978,389</b> | <b>57,562,498</b> |
| Excess (Deficiency) of revenues<br>over (under) expenditures | 52,152                             | 881,110           | 390,327           | (1,020,280)           | (999,605)            | (20,520,888)           | (10,335,647)           | 1,446,515           | (30,306)          | (104,441)         |
| <b>Other Financing sources (uses)</b>                        |                                    |                   |                   |                       |                      |                        |                        |                     |                   |                   |
| Proceeds from borrowing                                      | -                                  | -                 | -                 | -                     | 35,251,000           | -                      | -                      | -                   | 5,510,000         | -                 |
| Payment to bond payment agent                                | -                                  | -                 | -                 | -                     | -                    | -                      | -                      | -                   | (5,434,798)       | -                 |
| FEMA Reimbursement   | -                                  | -                 | -                 | -                     | -                    | -                      | -                      | -                   | -                 | 177,187           |
| Transfers in   | 87,602                             | 1,134             | 654               | 184,555               | 70,133               | 87,486                 | 1,038,932              | 686,742             | -                 | -                 |
| Transfers out  | (87,602)                           | (1,134)           | (654)             | (184,555)             | (70,133)             | (87,486)               | (1,038,932)            | (686,742)           | -                 | -                 |
| <b>Total other financing sources (uses)</b>                  | <b>-</b>                           | <b>-</b>          | <b>-</b>          | <b>-</b>              | <b>35,251,000</b>    | <b>-</b>               | <b>-</b>               | <b>-</b>            | <b>75,202</b>     | <b>177,187</b>    |
| <b>Net change in fund balances</b>                           | <b>\$ 52,152</b>                   | <b>\$ 881,110</b> | <b>\$ 390,327</b> | <b>\$ (1,020,280)</b> | <b>\$ 34,251,395</b> | <b>\$ (20,520,888)</b> | <b>\$ (10,335,647)</b> | <b>\$ 1,446,515</b> | <b>\$ 44,896</b>  | <b>\$ 72,746</b>  |
| Debt service as a percentage of<br>noncapital expenditures   | 5.19%                              | 5.19%             | 4.95%             | 4.49%                 | 4.31%                | 6.75%                  | 7.93%                  | 7.76%               | 7.20%             | 6.41%             |

**Source: District records**

Note: Noncapital expenditures are total expenditures less capital outlay.

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

**EXHIBIT J-5**

| Fiscal Year<br>Ending June 30, | Interest on<br>Investments | Tuition             | Other<br>Refunds | Preschool<br>Program Fees | Prior Year<br>Refunds | Facility<br>Usage | Summer<br>Enrichment | Student<br>Activity<br>Fee | Chromebook<br>Fees | Donations        | Miscellaneous       | Total               |
|--------------------------------|----------------------------|---------------------|------------------|---------------------------|-----------------------|-------------------|----------------------|----------------------------|--------------------|------------------|---------------------|---------------------|
| 2013                           | \$ 68,505                  | \$ 367,920          | \$ -             | \$ 84,478                 | \$ 125,168            | \$ 39,715         | \$ 39,720            | \$ 60,000                  | \$ -               | \$ -             | \$ 63,177           | \$ 848,683          |
| 2014                           | 28,210                     | 382,845             | -                | 95,107                    | 188,705               | 52,217            | 48,995               | 56,950                     | -                  | -                | 34,257              | 887,286             |
| 2015                           | 16,968                     | 414,863             | -                | 90,413                    | 70,094                | 21,868            | 61,606               | 49,600                     | -                  | -                | 60,794              | 786,206             |
| 2016                           | 15,724                     | 426,569             | -                | 84,931                    | 32,691                | 16,640            | 51,331               | -                          | -                  | -                | 381,821             | 1,009,707           |
| 2017                           | 86,464                     | 290,603             | -                | -                         | 26,729                | 7,600             | 51,199               | -                          | -                  | -                | 151,605             | 614,200             |
| 2018                           | 123,437                    | 365,162             | -                | -                         | -                     | -                 | -                    | 78,950                     | -                  | -                | 252,267             | 819,816             |
| 2019                           | 110,743                    | 240,194             | -                | -                         | 43,729                | 6,655             | -                    | 20,000                     | -                  | -                | 79,056              | 500,377             |
| 2020                           | 26,769                     | 274,835             | 41,965           | -                         | 87,597                | 10,415            | -                    | 15,000                     | 44,535             | 39,100           | 23,322              | 563,538             |
| 2021                           | 23,380                     | 259,508             | 22,531           | -                         | 357,693               | 18,137            | -                    | 30,000                     | 61,303             | -                | 18,018              | 790,570             |
| 2022                           | 26,619                     | 376,494             | -                | -                         | -                     | 53,169            | -                    | -                          | 50,536             | -                | 13,351              | 520,169             |
|                                | <u>\$ 526,819</u>          | <u>\$ 3,398,993</u> | <u>\$ 64,496</u> | <u>\$ 354,929</u>         | <u>\$ 932,406</u>     | <u>\$ 226,416</u> | <u>\$ 252,851</u>    | <u>\$ 310,500</u>          | <u>\$ 156,374</u>  | <u>\$ 39,100</u> | <u>\$ 1,077,668</u> | <u>\$ 7,340,552</u> |

Source: District records

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

EXHIBIT J-6

| Fiscal Year Ended June 30, | Vacant Land  | Residential      | Commercial     | 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                       | \$ 7,566,000 | \$ 1,998,319,100 | \$ 210,260,800 | \$ 13,735,900 | \$ 2,229,881,800     | \$ 5,899,042       | \$ 2,235,780,842      | \$ 249,037,500      | \$ 1.488                       | \$ 2,186,783,204                          |
| 2014                       | 7,137,600    | 1,995,842,100    | 207,793,100    | 13,735,900    | 2,224,508,700        | 5,350,221          | 2,229,858,921         | 249,351,100         | 1.519                          | 2,128,836,807                             |
| 2015                       | 6,041,600    | 1,998,716,500    | 203,780,200    | 14,000,500    | 2,222,538,800        | 5,072,498          | 2,227,611,298         | 250,702,200         | 1.549                          | 2,155,798,632                             |
| 2016                       | 5,828,300    | 2,006,189,500    | 209,345,300    | 14,000,500    | 2,235,363,600        | 5,653,649          | 2,241,017,249         | 248,882,400         | 1.584                          | 2,251,696,382                             |
| 2017                       | 6,280,300    | 2,019,795,400    | 207,910,400    | 14,000,500    | 2,247,986,600        | 5,663,400          | 2,253,650,000         | 250,266,300         | 1.641                          | 2,282,646,641                             |
| 2018                       | 8,370,100    | 2,035,179,200    | 206,476,900    | 13,906,800    | 2,263,933,000        | 5,680,150          | 2,269,613,150         | 697,165,900         | 1.695                          | 2,315,524,757                             |
| 2019                       | 8,123,100    | 2,052,646,600    | 206,145,700    | 13,906,800    | 2,280,822,200        | 5,752,562          | 2,286,574,762         | 248,557,200         | 1.737                          | 2,339,384,928                             |
| 2020                       | 5,677,600    | 2,082,781,100    | 207,012,900    | 13,906,800    | 2,309,378,400        | 5,754,587          | 2,315,132,987         | 251,927,100         | 1.748                          | 2,444,137,850                             |
| 2021                       | 5,168,300    | 2,107,882,800    | 207,001,300    | 14,511,800    | 2,334,564,200        | 5,102,875          | 2,339,667,075         | 246,729,800         | 1.761                          | 2,482,644,607                             |
| 2022                       | 5,392,100    | 2,125,545,000    | 206,653,900    | 14,631,800    | 2,352,222,800        | 5,036,689          | 2,357,259,489         | 249,379,000         | 1.782                          | 2,587,355,945                             |

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

c Information not available.

R Revaluation.

**Haddonfield 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, | Haddonfield School District Direct Rate |                                 |                   | Overlapping Rates      |               |          |          | Total Direct and Overlapping Tax Rate |
|----------------------------|---|---------------------------------|-------------------|------------------------|---------------|----------|----------|---------------------------------------|
|                            | Basic Rate                              | General Obligation Debt Service |                   | Borough of Haddonfield | Municipal     |          |          |                                       |
|                            |   | Open Space                      | Municipal Library |                        | Camden County |          |          |                                       |
| 2013                       | \$ 1.405                                | \$ 0.083                        | \$ 1.488          | \$ 0.454               | \$ 0.005      | \$ 0.032 | \$ 0.768 | \$ 2.747                              |
| 2014                       | 1.436                                   | 0.083                           | 1.519             | 0.455                  | 0.005         | 0.031    | 0.769    | 2.779                                 |
| 2015                       | 1.466                                   | 0.083                           | 1.549             | 0.454                  | 0.005         | 0.032    | 0.802    | 2.842                                 |
| 2016                       | 1.505                                   | 0.079                           | 1.584             | 0.461                  | 0.005         | 0.033    | 0.840    | 2.923                                 |
| 2017                       | 1.536                                   | 0.105                           | 1.641             | 0.460                  | 0.005         | 0.033    | 0.851    | 2.990                                 |
| 2018                       | 1.563                                   | 0.132                           | 1.695             | 0.470                  | 0.005         | 0.033    | 0.860    | 3.063                                 |
| 2019                       | 1.607                                   | 0.130                           | 1.737             | 0.490                  | 0.005         | 0.034    | 0.834    | 3.100                                 |
| 2020                       | 1.618                                   | 0.130                           | 1.748             | 0.494                  | 0.005         | 0.035    | 0.843    | 3.125                                 |
| 2021                       | 1.641                                   | 0.120                           | 1.761             | 0.504                  | 0.005         | 0.035    | 0.842    | 3.147                                 |
| 2022                       | 1.653                                   | 0.129                           | 1.782             | 0.526                  | 0.010         | 0.037    | 0.808    | 3.163                                 |

**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.

**Haddonfield 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 |
| Haddonfield Partners LP      | \$ 10,247,000          | 0.43%                                  | One Centennial Square            | \$ 9,550,000           | 0.43%                                  |
| Centennial Office, LLA       | 8,300,000              | 0.35%                                  | Verizon                          | 9,410,242              | 0.42%                                  |
| 132 Warwick Rd, LLC          | 8,250,000              | 0.35%                                  | 95 Grove Street Partnership      | 7,989,400              | 0.36%                                  |
| Verizon                      | 7,847,889              | 0.33%                                  | Gerald & Erica Levin             | 5,540,000              | 0.25%                                  |
| Haddonfield Partners II, LLC | 4,965,000              | 0.21%                                  | Tommar LLC                       | 4,150,000              | 0.19%                                  |
| 110 Kings Highway East       | 4,124,900              | 0.17%                                  | 110 Kings Highway East           | 4,124,900              | 0.18%                                  |
| ACME                         | 4,069,800              | 0.17%                                  | 807 Haddon Properties            | 3,530,000              | 0.16%                                  |
| Tommar, LLC                  | 3,750,000              | 0.16%                                  | Laurie Industries (ACME Markets) | 3,220,000              | 0.14%                                  |
| 35 Kings Highway East, LP    | 3,000,000              | 0.13%                                  | Thirty-Five Kings Highway East   | 3,000,000              | 0.13%                                  |
| Individual #1                | 2,785,000              | 0.12%                                  | Thirty Washington LLC            | 2,870,000              | 0.13%                                  |
| <b>Total</b>                 | <b>\$ 57,339,589</b>   | <b>2.41%</b>                           | <b>Total</b>                     | <b>\$ 53,384,542</b>   | <b>2.39%</b>                           |

**Source:** Municipal Tax Collector

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

**EXHIBIT J-9**

| Fiscal Year<br>Ended June<br>30, | Taxes Levied for<br>the Calendar<br>Year | Collected within the Fiscal Year<br>of the Levy <sup>a</sup> |                       | Collections in<br>Subsequent<br>Years |
|----------------------------------|--|--|-----------------------|---------------------------------------|
|                                  |  | Amount   | Percentage<br>of Levy |                                       |
| 2013                             | \$ 32,745,739                            | \$ 32,745,739  | 100.00%               | -                                     |
| 2014                             | 32,650,457                               | 32,650,457   | 100.00%               | -                                     |
| 2015                             | 33,253,751                               | 33,253,751   | 100.00%               | -                                     |
| 2016                             | 33,871,732                               | 33,871,732   | 100.00%               | -                                     |
| 2017                             | 35,497,016                               | 35,497,016   | 100.00%               | -                                     |
| 2018                             | 36,962,235                               | 36,962,235   | 100.00%               | -                                     |
| 2019                             | 38,449,274                               | 38,449,274   | 100.00%               | -                                     |
| 2020                             | 39,716,004                               | 39,716,004   | 100.00%               | -                                     |
| 2021                             | 40,495,066                               | 40,495,066   | 100.00%               | -                                     |
| 2022                             | 41,225,513                               | 41,225,513   | 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.

**Haddonfield 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 <sup>a</sup> | Per Capita <sup>b</sup> |
|----------------------------|--------------------------|---------------------------|----------------|----------------|--|-------------------------|
|                            | General Obligation Bonds | Financed Purchases/Leases | Capital Leases |                |  |                         |
| 2013                       | \$ 17,591,000            | \$ -                      | \$ 17,523      | \$ 17,608,523  | 3.46%                                      | \$ 1,537                |
| 2014                       | 16,341,000               | -                         | 8,709          | 16,349,709     | 3.11%                                      | 1,434                   |
| 2015                       | 14,910,000               | -                         | 4,570          | 14,914,570     | 2.73%                                      | 1,313                   |
| 2016                       | 13,530,000               | -                         | -              | 13,530,000     | 2.41%                                      | 1,189                   |
| 2017                       | 47,491,000               | -                         | -              | 47,491,000     | 8.18%                                      | 4,180                   |
| 2018                       | 46,166,000               | -                         | -              | 46,166,000     | 7.68%                                      | 4,073                   |
| 2019                       | 43,641,000               | -                         | -              | 43,641,000     | 7.02%                                      | 3,856                   |
| 2020                       | 41,055,000               | -                         | -              | 41,055,000     | 6.16%                                      | 3,626                   |
| 2021                       | 38,715,000               | 176,238                   | -              | 38,891,238     | c  | 3,113                   |
| 2022                       | 35,890,000               | 102,383                   | -              | 35,992,383     | 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 Camden County
- b Based on School District Population as of July 1,
- c Not available

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

**EXHIBIT J-11**

| Fiscal<br>Year<br>Ended<br>June 30, | General Bonded Debt Outstanding |            |   | Percentage of<br>Actual Taxable<br>Value <sup>a</sup> of<br>Property | Per Capita <sup>b</sup> |
|-------------------------------------|---------------------------------|------------|---|--|-------------------------|
|                                     | General<br>Obligation<br>Bonds  | Deductions | Net General<br>Bonded Debt<br>Outstanding |  |                         |
| 2013                                | \$ 17,591,000                   | \$ -       | \$ 17,591,000                             | 0.79%  | \$ 1,536                |
| 2014                                | 16,341,000                      | -          | 16,341,000                                | 0.73%  | 1,434                   |
| 2015                                | 14,910,000                      | -          | 14,910,000                                | 0.67%  | 1,312                   |
| 2016                                | 13,530,000                      | -          | 13,530,000                                | 0.60%  | 1,189                   |
| 2017                                | 47,491,000                      | -          | 47,491,000                                | 2.11%  | 4,180                   |
| 2018                                | 46,166,000                      | -          | 46,166,000                                | 2.03%  | 4,073                   |
| 2019                                | 43,641,000                      | -          | 43,641,000                                | 1.91%  | 3,856                   |
| 2020                                | 41,055,000                      | -          | 41,055,000                                | 1.77%  | 3,626                   |
| 2021                                | 38,715,000                      | -          | 38,715,000                                | 1.65%  | 3,099                   |
| 2022                                | 35,890,000                      | -          | 35,890,000                                | 1.52%  | 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.

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

| <u>Governmental Unit</u>                       | <u>Debt<br/>Outstanding</u> | <u>Estimated<br/>Percentage<br/>Applicable <sup>a</sup></u> | <u>Estimated<br/>Share of<br/>Overlapping<br/>Debt</u> |
|--|-----------------------------|---|--|
| Debt repaid with property taxes:               |                             |   |  |
| Borough of Haddonfield                         | \$ 30,823,769               | 100.000%  | \$ 29,132,019  |
| Camden County General Obligation Debt          | 492,918,930                 | 6.091%  | 30,023,692   |
|  |                             |   | <hr/>  |
| Subtotal, overlapping debt                     |                             |   | 59,155,711   |
| <b>Haddonfield School District Direct Debt</b> |                             |   | <hr/> <b>38,400,000</b>                                |
| <b>Total direct and overlapping debt</b>       |                             |   | <hr/> <b>\$ 97,555,711</b> <hr/>                       |

**Sources:** Assessed value data used to estimate applicable percentages provided by the Camden 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 Haddonfield. 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.

**Legal Debt Margin Calculation for Fiscal Year 2022**

|   |                           |                         |
|---|---------------------------|-------------------------|
|   | Equalized valuation basis |                         |
|   | 2019                      | \$ 2,404,662,309        |
|   | 2020                      | 2,447,153,121           |
|   | 2021                      | 2,559,267,924           |
|   | <b>[A]</b>                | <u>\$ 7,411,083,354</u> |
| Average equalized valuation of taxable property | <b>[A/3]</b>              | \$ 2,470,361,118        |
| Debt limit (4% of average equalized valuation)  | <b>[B]</b>                | 98,814,445 <sup>a</sup> |
| Net bonded school debt                          | <b>[C]</b>                | <u>35,890,000</u>       |
| Legal debt margin                               | <b>[B-C]</b>              | <u>\$ 62,924,445</u>    |

|   | Fiscal Year          |                      |                      |                      |                      |                      |                      |                      |                      |                      |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
|   | 2013                 | 2014                 | 2015                 | 2016                 | 2017                 | 2018                 | 2019                 | 2020                 | 2021                 | 2022                 |
|   | \$ 89,401,281        | \$ 87,392,554        | \$ 86,239,545        | \$ 86,707,031        | \$ 88,516,977        | \$ 90,397,285        | \$ 91,507,705        | \$ 93,430,474        | \$ 95,527,294        | \$ 98,814,445        |
| Total net debt applicable to limit                                      | <u>17,591,000</u>    | <u>16,341,000</u>    | <u>14,910,000</u>    | <u>13,530,000</u>    | <u>47,491,000</u>    | <u>46,166,000</u>    | <u>43,641,000</u>    | <u>41,055,000</u>    | <u>38,715,000</u>    | <u>35,890,000</u>    |
| Legal debt margin   | <u>\$ 71,810,281</u> | <u>\$ 71,051,554</u> | <u>\$ 71,329,545</u> | <u>\$ 73,177,031</u> | <u>\$ 41,025,977</u> | <u>\$ 44,231,285</u> | <u>\$ 47,866,705</u> | <u>\$ 52,375,474</u> | <u>\$ 56,812,294</u> | <u>\$ 62,924,445</u> |
| Total net debt applicable to the limit<br>as a percentage of debt limit | 19.68%               | 18.70%               | 17.29%               | 15.60%               | 53.65%               | 51.07%               | 47.69%               | 43.94%               | 40.53%               | 36.32%               |

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

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

**Haddonfield School District  
Demographic and Economic Statistics  
Last Ten Fiscal Years**

**EXHIBIT J-14**

| <u>Year</u> | <u>Population <sup>a</sup></u> | <u>Personal<br/>Income <sup>b</sup></u> | <u>Per Capita<br/>Personal<br/>Income <sup>c</sup></u> | <u>Unemployment<br/>Rate <sup>d</sup></u> |
|-------------|--------------------------------|---|--|---|
| 2013        | 11,454                         | \$ 509,210,478                          | \$ 44,457  | 4.1%                                      |
| 2014        | 11,399                         | 526,554,007                             | 46,193   | 3.8%                                      |
| 2015        | 11,362                         | 545,398,724                             | 48,002   | 3.5%                                      |
| 2016        | 11,379                         | 562,031,568                             | 49,392   | 3.5%                                      |
| 2017        | 11,362                         | 580,552,752                             | 51,096   | 2.6%                                      |
| 2018        | 11,334                         | 600,996,684                             | 53,026   | 2.5%                                      |
| 2019        | 11,318                         | 622,014,644                             | 54,958   | 2.0%                                      |
| 2020        | 11,322                         | 666,073,260                             | 58,830   | 5.1%                                      |
| 2021        | 12,492                         | e                                       | e  | 3.4%                                      |
| 2022        | e                              | e                                       | e  | e   |

**Source:**

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

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

EXHIBIT J-16

| Function/Program                             | Fiscal Year Ending June 30, |            |            |            |            |            |            |            |            |            |
|--|-----------------------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
|  | 2013                        | 2014       | 2015       | 2016       | 2017       | 2018       | 2019       | 2020       | 2021       | 2022       |
| Instruction                                  |                             |            |            |            |            |            |            |            |            |            |
| Regular                                      | 170                         | 170        | 173        | 169        | 162        | 166        | 169        | 169        | 170        | 170        |
| Special education                            | 43                          | 47         | 47         | 32         | 39         | 37         | 38         | 38         | 39         | 39         |
| Other special education                      | 58                          | 58         | 58         | 49         | 72         | 12         | 12         | 12         | 12         | 12         |
| Vocational                                   | -                           | -          | -          | -          | -          | -          | -          | -          | -          | -          |
| Other instruction                            | 25                          | 13         | 13         | 2          | -          | 19         | 19         | 19         | 20         | 20         |
| Support Services:                            |                             |            |            |            |            |            |            |            |            |            |
| Student & instruction related services       | 12                          | 14         | 14         | 21         | 25         | 39         | 41         | 41         | 41         | 42         |
| School administrative services               | 18                          | 21         | 21         | 18         | 19         | 21         | 22         | 22         | 22         | 22         |
| General and business administrative services | 6                           | 10         | 10         | 19         | 7          | 12         | 12         | 13         | 13         | 13         |
| Plant operations and maintenance             | 8                           | 8          | 8          | 6          | 9          | 10         | 10         | 11         | 11         | 11         |
| Pupil transportation                         | 12                          | 12         | 12         | 10         | 10         | 5          | 4          | 4          | 4          | 4          |
| Business and other support services          | -                           | -          | -          | 4          | 4          | 5          | 5          | 6          | 6          | 6          |
| Total  | <u>352</u>                  | <u>353</u> | <u>356</u> | <u>330</u> | <u>347</u> | <u>326</u> | <u>332</u> | <u>335</u> | <u>338</u> | <u>339</u> |

Source: District Personnel Records

| Fiscal Year | Enrollment | Operating Expenditures <sup>a</sup> | Cost Per Pupil | Percentage Change | Teaching Staff <sup>b</sup> | Pupil/Teacher Ratio |               |                    | Average Daily Enrollment (ADE) <sup>c</sup> | Average Daily Attendance (ADA) <sup>c</sup> | % Change in Average Daily Enrollment | Student Attendance Percentage |
|-------------|------------|-------------------------------------|----------------|-------------------|-----------------------------|---------------------|---------------|--------------------|---|---|--------------------------------------|-------------------------------|
|             |            |                                     |                |                   |                             | Elementary          | Middle School | Senior High School |   |   |                                      |                               |
| 2013        | 2,547      | \$ 35,652,343                       | \$ 13,998      | 1.43%             | 213                         | 1:20                | 1:21          | 1:20               | 2,547                                       | 2,460                                       | 1.76%                                | 96.58%                        |
| 2014        | 2,560      | 35,597,906                          | 13,905         | -0.66%            | 217                         | 1:20                | 1:21          | 1:20               | 2,573                                       | 2,481                                       | 1.02%                                | 96.42%                        |
| 2015        | 2,602      | 37,080,521                          | 14,251         | 2.48%             | 220                         | 1:20                | 1:21          | 1:20               | 2,609                                       | 2,512                                       | 1.40%                                | 96.28%                        |
| 2016        | 2,665      | 39,081,390                          | 14,665         | 2.90%             | 201                         | 1:20                | 1:21          | 1:20               | 2,661                                       | 2,567                                       | 1.99%                                | 96.47%                        |
| 2017        | 2,689      | 39,296,117                          | 14,614         | -0.35%            | 201                         | 1:20                | 1:21          | 1:20               | 2,690                                       | 2,585                                       | 1.09%                                | 96.10%                        |
| 2018        | 2,710      | 40,607,909                          | 14,984         | 2.54%             | 234                         | 1:16                | 1:13          | 1:12               | 2,714                                       | 2,597                                       | 0.89%                                | 95.69%                        |
| 2019        | 2,759      | 43,099,855                          | 15,622         | 4.25%             | 238                         | 1:16                | 1:13          | 1:12               | 2,739                                       | 2,634                                       | 0.92%                                | 96.17%                        |
| 2020        | 2,710      | 44,024,385                          | 16,245         | 3.99%             | 238                         | 1:16                | 1:13          | 1:12               | 2,703                                       | 2,630                                       | -1.31%                               | 97.30%                        |
| 2021        | 2,616      | 48,248,678                          | 18,444         | 13.53%            | 241                         | 1:16                | 1:13          | 1:12               | 2,646                                       | 2,594                                       | -2.11%                               | 98.03%                        |
| 2022        | 2,688      | 53,054,003                          | 19,737         | 7.01%             | 241                         | 1:16                | 1:13          | 1:12               | 2,700                                       | 2,561                                       | 2.04%                                | 94.85%                        |

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).

**Haddonfield School District  
School Building Information  
Last Ten Fiscal Years**

**EXHIBIT J-18**

|   | Fiscal Year Ending June 30, |             |             |             |             |             |             |             |             |             |
|---|-----------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| <b>District Building</b>                  | <b>2013</b>                 | <b>2014</b> | <b>2015</b> | <b>2016</b> | <b>2017</b> | <b>2018</b> | <b>2019</b> | <b>2020</b> | <b>2021</b> | <b>2022</b> |
| Elizabeth Haddon Elementary School (1965) |                             |             |             |             |             |             |             |             |             |             |
| Square Feet                               | 47,000                      | 47,000      | 47,000      | 47,000      | 47,000      | 47,000      | 47,000      | 47,000      | 47,000      | 47,000      |
| Capacity (students)                       | 450                         | 450         | 450         | 450         | 450         | 450         | 450         | 450         | 450         | 450         |
| Enrollment                                | 336                         | 361         | 343         | 355         | 374         | 386         | 354         | 362         | 361         | 362         |
| JF Tatem Elementary School (1923)         |                             |             |             |             |             |             |             |             |             |             |
| Square Feet                               | 46,000                      | 46,000      | 46,000      | 46,000      | 46,000      | 46,000      | 46,000      | 46,000      | 46,000      | 46,000      |
| Capacity (students)                       | 490                         | 490         | 490         | 490         | 490         | 490         | 490         | 490         | 490         | 490         |
| Enrollment                                | 515                         | 440         | 458         | 447         | 441         | 426         | 409         | 414         | 396         | 401         |
| Central Elementary School (1947)          |                             |             |             |             |             |             |             |             |             |             |
| Square Feet                               | 40,000                      | 40,000      | 40,000      | 40,000      | 40,000      | 40,000      | 40,000      | 40,000      | 40,000      | 40,000      |
| Capacity (students)                       | 450                         | 450         | 450         | 450         | 450         | 450         | 450         | 450         | 450         | 450         |
| Enrollment                                | 363                         | 396         | 404         | 409         | 397         | 411         | 400         | 402         | 391         | 434         |
| Haddonfield Middle School (1965)          |                             |             |             |             |             |             |             |             |             |             |
| Square Feet                               | 90,000                      | 90,000      | 90,000      | 90,000      | 90,000      | 90,000      | 90,000      | 90,000      | 90,000      | 90,000      |
| Capacity (students)                       | 700                         | 700         | 700         | 700         | 700         | 700         | 700         | 700         | 700         | 700         |
| Enrollment                                | 573                         | 596         | 621         | 653         | 652         | 656         | 634         | 606         | 624         | 604         |
| Memorial High School (1926)               |                             |             |             |             |             |             |             |             |             |             |
| Square Feet                               | 190,000                     | 190,000     | 190,000     | 190,000     | 190,000     | 190,000     | 190,000     | 190,000     | 190,000     | 190,000     |
| Capacity (students)                       | 975                         | 975         | 975         | 975         | 975         | 975         | 975         | 975         | 975         | 975         |
| Enrollment                                | 760                         | 780         | 783         | 797         | 826         | 835         | 837         | 845         | 874         | 898         |

Number of Schools at June 30, 2022  
 Elementary = 3  
 Middle School = 1  
 Senior High School = 1

**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.

Haddonfield 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,

|                                    | Project # (s) | 2013              | 2014              | 2015              | 2016              | 2017              | 2018              | 2019              | 2020                | 2021                | 2022              | Total               |
|------------------------------------|---------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|---------------------|---------------------|-------------------|---------------------|
| * School Facilities                |               |                   |                   |                   |                   |                   |                   |                   |                     |                     |                   |                     |
| High School                        | SP#201155     | \$ 422,494        | \$ 442,142        | \$ 344,092        | \$ 270,561        | \$ 283,102        | \$ 312,049        | \$ 411,694        | \$ 492,415          | \$ 504,608          | \$ 456,400        | \$ 3,939,557        |
| Middle School                      | SP#201156     | 202,063           | 211,459           | 164,566           | 129,399           | 135,397           | 149,241           | 196,898           | 235,503             | 241,334             | 218,278           | 1,884,138           |
| J. Fithian Tatem Elementary School | SP#201154     | 101,031           | 105,730           | 82,283            | 64,699            | 67,698            | 74,620            | 98,449            | 117,751             | 120,667             | 109,139           | 942,067             |
| Elizabeth Haddon Elementary School | SP#201157     | 101,031           | 105,730           | 82,283            | 64,700            | 67,699            | 74,620            | 98,448            | 117,751             | 120,667             | 109,139           | 942,068             |
| Central Elementary School          | SP#201158     | 91,847            | 96,118            | 74,803            | 58,818            | 61,544            | 67,837            | 89,499            | 107,047             | 109,697             | 99,217            | 856,427             |
| Total School Facilities            |               | <u>\$ 918,466</u> | <u>\$ 961,179</u> | <u>\$ 748,027</u> | <u>\$ 588,177</u> | <u>\$ 615,440</u> | <u>\$ 678,367</u> | <u>\$ 894,988</u> | <u>\$ 1,070,467</u> | <u>\$ 1,096,973</u> | <u>\$ 992,173</u> | <u>\$ 8,564,257</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

**Haddonfield School District  
Insurance Schedule  
June 30, 2022**

**EXHIBIT J-20**

|  | <u>Coverage</u> | <u>Self Insured<br/>Retention</u> | <u>Deductible</u> |
|--|-----------------|-----------------------------------|-------------------|
| School Package Policy (1)                        |                 |                                   |                   |
| Building and Contents (All Locations)            |                 |                                   |                   |
| Limits of liability Per Occurrence               | \$ 175,000,000  | \$ 250,000                        | \$ 500            |
| General and Automobile Liability                 | 20,000,000      | 250,000                           |                   |
| Workers' Compensation                            | Statutory       | 250,000                           |                   |
| Employee Liability                               | 10,000,000      |                                   |                   |
| Crime Coverage - Blanket Surety Coverage         | 500,000         | 250,000                           | 500               |
| Educator's Legal Liability                       | 20,000,000      | 250,000                           |                   |
| Pollution Legal Liability                        | 3,000,000       |                                   | 25,000-250,000    |
| Cyber Liability                                  | 2,000,000       |                                   | 50,000-100,000    |
| Boiler and Machinery                             | 125,000,000     |                                   | 1,000             |
| Crisis Protection                                | 1,000,000       |                                   | 10,000            |
| Disaster Management Services                     | 1,000,000       |                                   | 10,000            |
| Terrorism & Sabotage                             | 75,000          |                                   | 10,000            |
| Commercial and Umbrella                          | 50,000,000      |                                   |                   |
| Student Accident (2)                             |                 |                                   |                   |
| Students & Student Athletes                      | 1,000,000       |                                   |                   |
| Surety Bonds (3)                                 |                 |                                   |                   |
| Board Secretary/Assistant Business Administrator | 100,000         |                                   |                   |

- (1) Burlington County Insurance Pool (JIF)
- (2) Caitlin Insurance Company
- (3) Selective Insurance Company

Source: District records

**Single Audit Section**

***INVERSO & STEWART, LLC***  
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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  
Haddonfield School District  
County of Camden  
Haddonfield, 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 Haddonfield School District (the "District"), in the County of Camden, 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

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**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  
 Haddonfield School District  
 County of Camden  
 Haddonfield, New Jersey

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

I have audited Haddonfield School District's (the "District"), in the County of Camden, State of New Jersey, compliance with the types of compliance requirements identified as subject to audit in the OMB Compliance Supplement and the New Jersey State Grant Compliance Supplement that could have a direct and material effect on 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

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

| Federal Grantor/Pass-Through Grantor/<br>Program Title   | Assistance<br>Listing<br>Number | Federal<br>FAIN<br>Number | Grant or State<br>Project Number | Program or<br>Award<br>Amount | Grant<br>Period   | June 30, 2021          |                     |                      | Carryover<br>(Walkover)<br>Amount | Cash<br>Received | Budgetary<br>Expenditures | Adjustment | Repayment<br>of Prior Years'<br>Balances | June 30, 2022          |                     |                      |
|--|---------------------------------|---------------------------|----------------------------------|-------------------------------|-------------------|------------------------|---------------------|----------------------|-----------------------------------|------------------|---------------------------|------------|--|------------------------|---------------------|----------------------|
|  |                                 |                           |                                  |                               |                   | Accounts<br>Receivable | Deferred<br>Revenue | Due to<br>Grantor at |                                   |                  |                           |            |  | Accounts<br>Receivable | Deferred<br>Revenue | Due to<br>Grantor at |
| <b>U.S. Department of Education</b>                      |                                 |                           |                                  |                               |                   |                        |                     |                      |                                   |                  |                           |            |  |                        |                     |                      |
| <b>Passed-through State Department of Education:</b>     |                                 |                           |                                  |                               |                   |                        |                     |                      |                                   |                  |                           |            |  |                        |                     |                      |
| <u>Special Revenue Fund:</u>                             |                                 |                           |                                  |                               |                   |                        |                     |                      |                                   |                  |                           |            |  |                        |                     |                      |
| <u>Every Student Succeeds Act (ESSA)</u>                 |                                 |                           |                                  |                               |                   |                        |                     |                      |                                   |                  |                           |            |  |                        |                     |                      |
| Title I  | 84.010                          | S010A210030               | ESSA-1900-22                     | \$ 4,625                      | 7/1/21 - 9/30/22  | \$ -                   | \$ -                | \$ -                 | \$ -                              | \$ -             | \$ (4,625)                | \$ -       | \$ -                                     | \$ (4,625)             | \$ -                | \$ -                 |
| Title II - Part A  | 84.367A                         | S367A210029               | ESSA-1900-22                     | 24,786                        | 7/1/21 - 9/30/22  |                        |                     |                      |                                   | 21,154           | (21,154)                  |            |  |                        |                     |                      |
| Title IV   | 84.424                          | S424A210031               | ESSA-1900-22                     | 12,165                        | 7/1/21 - 9/30/22  |                        |                     |                      |                                   | 7,540            | (7,540)                   |            |  |                        |                     |                      |
| Title IV   | 84.424                          | S424A200031               | ESSA-1900-21                     | 18,595                        | 7/1/20 - 9/30/21  | (6,250)                |                     |                      |                                   | 6,250            |                           |            |  |                        |                     |                      |
| <u>Individuals With Disabilities Act (I.D.E.I.A.)</u>    |                                 |                           |                                  |                               |                   |                        |                     |                      |                                   |                  |                           |            |  |                        |                     |                      |
| Part B - Basic   | 84.027A                         | H027A210100               | IDEA-1900-22                     | 790,259                       | 7/1/21 - 9/30/22  |                        |                     |                      |                                   | 636,893          | (694,263)                 |            |  | (57,370)               |                     |                      |
| Part B - Basic   | 84.027A                         | H027A200100               | IDEA-1900-21                     | 632,172                       | 7/1/20 - 9/30/21  | (25,114)               |                     |                      |                                   | 25,114           |                           |            |  | -                      |                     |                      |
| ARP Part B - Basic                                       | 84.027X                         | H027X210100               | IDEA-1900-22                     | 134,403                       | 7/1/21 - 9/30/22  |                        |                     |                      |                                   |                  | (112,676)                 |            |  | (112,676)              |                     |                      |
| Part B - Preschool                                       | 84.173A                         | H173A210114               | IDEA-1900-22                     | 52,962                        | 7/1/21 - 9/30/22  |                        |                     |                      |                                   | 42,225           | (42,944)                  |            |  | (719)                  |                     |                      |
| CARES Act  | 84.425D                         | S425D210027               | N/A                              | 52,811                        | 3/13/20 - 9/30/22 | (81,559)               |                     |                      |                                   | 134,370          | (52,811)                  |            |  | -                      |                     |                      |
| <u>American Rescue Plan:</u>                             |                                 |                           |                                  |                               |                   |                        |                     |                      |                                   |                  |                           |            |  |                        |                     |                      |
| ARP - Accelerated Learning                               | 84.425U                         | S425U210027               | N/A                              | 205,980                       | 3/13/20 - 9/30/24 |                        |                     |                      |                                   |                  | (21,880)                  |            |  | (21,880)               |                     |                      |
| <u>Coronavirus Response and Relief Supplemental Act:</u> |                                 |                           |                                  |                               |                   |                        |                     |                      |                                   |                  |                           |            |  |                        |                     |                      |
| CRRSA - Learning Acceleration                            | 84.425D                         | S425D210027               | N/A                              | 28,102                        | 3/13/20 - 9/30/23 | (1,290)                |                     |                      |                                   | 11,631           | (13,147)                  |            |  | (2,806)                |                     |                      |
| CRRSA - Mental Health                                    | 84.425D                         | S425D210027               | N/A                              | 38,100                        | 3/13/20 - 9/30/23 | (6,900)                |                     |                      |                                   | 19,625           | (12,725)                  |            |  | -                      |                     |                      |
| CRRSA - ESSER II   | 84.425D                         | S425D210027               | N/A                              | 457,995                       | 3/13/20 - 9/30/23 |                        |                     |                      |                                   | 101,158          | (108,301)                 |            |  | (7,143)                |                     |                      |
| <b>U.S. Department of Justice:</b>                       |                                 |                           |                                  |                               |                   |                        |                     |                      |                                   |                  |                           |            |  |                        |                     |                      |
| <b>Passed-through State Department of Education:</b>     |                                 |                           |                                  |                               |                   |                        |                     |                      |                                   |                  |                           |            |  |                        |                     |                      |
| COPS School Violence Prevention (SVPP)                   | 16.710                          | 2020SVWX0114              | N/A                              | 119,699                       | 9/1/20 - 8/31/23  | (168,211)              |                     |                      |                                   | 113,427          | (93,164)                  | 11,236     |  | (136,712)              |                     |                      |
| Total Special Revenue Fund                               |                                 |                           |                                  |                               |                   | (289,324)              | -                   | -                    | -                                 | 1,119,387        | (1,185,230)               | 11,236     | -  | (343,931)              | -                   | -                    |
| <b>U.S. Department of Agriculture</b>                    |                                 |                           |                                  |                               |                   |                        |                     |                      |                                   |                  |                           |            |  |                        |                     |                      |
| <b>Passed-through State Department of Education:</b>     |                                 |                           |                                  |                               |                   |                        |                     |                      |                                   |                  |                           |            |  |                        |                     |                      |
| <u>Enterprise Fund:</u>                                  |                                 |                           |                                  |                               |                   |                        |                     |                      |                                   |                  |                           |            |  |                        |                     |                      |
| Food Distribution Program                                | 10.555                          | 221NJ304N1099             | N/A                              | 49,031                        | 7/1/21 - 6/30/22  |                        |                     |                      |                                   | 49,031           | (49,031)                  |            |  |                        |                     |                      |
| School Breakfast Program                                 | 10.553                          | 221NJ304N1099             | N/A                              | 29,445                        | 7/1/21 - 6/30/22  |                        |                     |                      |                                   | 26,053           | (29,445)                  |            |  | (3,392)                |                     |                      |
| National School Lunch Program                            | 10.555                          | 221NJ304N1099             | N/A                              | 951,299                       | 7/1/21 - 6/30/22  |                        |                     |                      |                                   | 875,804          | (951,299)                 |            |  | (75,495)               |                     |                      |
| National School Lunch Program                            | 10.555                          | 211NJ304N1099             | N/A                              | 239,370                       | 7/1/20 - 6/30/21  | (27,916)               |                     |                      |                                   | 27,916           |                           |            |  | -                      |                     |                      |
| Emergency Operational Cost Program - Schools             | 10.555                          | 202121H170341             | N/A                              | 2,957                         | 7/1/21 - 6/30/22  |                        |                     |                      |                                   | 2,957            | (2,957)                   |            |  |                        |                     |                      |
| P-EBT Administrative Cost - 2021                         | 10.649                          | 2021228900941             | N/A                              | 614                           | 7/1/21 - 6/30/22  |                        |                     |                      |                                   | 614              | (614)                     |            |  |                        |                     |                      |
| P-EBT Administrative Cost - 2022                         | 10.649                          | 2022228900941             | N/A                              | 628                           | 7/1/21 - 6/30/22  |                        |                     |                      |                                   | 628              | (628)                     |            |  |                        |                     |                      |
| Total Enterprise Fund                                    |                                 |                           |                                  |                               |                   | (27,916)               | -                   | -                    | -                                 | 983,003          | (1,033,974)               | -          | -  | (78,887)               | -                   | -                    |
| Total Federal Awards                                     |                                 |                           |                                  |                               |                   | \$ (317,240)           | \$ -                | \$ -                 | \$ -                              | \$ 2,102,390     | \$ (2,219,204)            | \$ 11,236  | \$ -                                     | \$ (422,818)           | \$ -                | \$ -                 |

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

HADDONFIELD 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       |                  |                   | Carryover (Walkover) Amount | Cash Received | Budgetary Expenditures | Adjustment | Repayment of Prior Years' Balances | June 30, 2022         |                  |                   |
|---|-------------------------------|----------------------|------------------|---------------------|------------------|-------------------|-----------------------------|---------------|------------------------|------------|------------------------------------|-----------------------|------------------|-------------------|
|   |                               |                      |                  | Accounts Receivable | Deferred Revenue | Due to Grantor at |                             |               |                        |            |                                    | (Accounts Receivable) | Deferred Revenue | Due to Grantor at |
| <b>State Department of Education</b>          |                               |                      |                  |                     |                  |                   |                             |               |                        |            |                                    |                       |                  |                   |
| <b>General Fund:</b>                          |                               |                      |                  |                     |                  |                   |                             |               |                        |            |                                    |                       |                  |                   |
| Extraordinary Aid                             | 22-495-034-5120-044           | \$ 931,117           | 7/1/21 - 6/30/22 | \$ -                | \$ -             | \$ -              | \$ -                        | \$ -          | \$ (931,117)           | \$ -       | \$ -                               | \$ (931,117)          | \$ -             | \$ -              |
| Extraordinary Aid                             | 21-495-034-5120-044           | 869,246              | 7/1/20 - 6/30/21 | (869,246)           |                  |                   |                             | 869,246       |                        |            |                                    |                       |                  |                   |
| Special Education Categorical Aid             | 22-495-034-5120-089           | 1,747,585            | 7/1/21 - 6/30/22 |                     |                  |                   |                             | 1,587,689     | (1,747,585)            |            |                                    | (159,896)             |                  |                   |
| Special Education Categorical Aid             | 21-495-034-5120-089           | 1,383,510            | 7/1/20 - 6/30/21 | (124,401)           |                  |                   |                             | 124,401       |                        |            |                                    |                       |                  |                   |
| Security Aid                                  | 22-495-034-5120-084           | 200,857              | 7/1/21 - 6/30/22 |                     |                  |                   |                             | 182,479       | (200,857)              |            |                                    | (18,378)              |                  |                   |
| Security Aid                                  | 21-495-034-5120-084           | 200,857              | 7/1/20 - 6/30/21 | (18,060)            |                  |                   |                             | 18,060        |                        |            |                                    |                       |                  |                   |
| Transportation Aid                            | 22-495-034-5120-014           | 183,654              | 7/1/21 - 6/30/22 |                     |                  |                   |                             | 166,850       | (183,654)              |            |                                    | (16,804)              |                  |                   |
| Transportation Aid                            | 21-495-034-5120-014           | 183,654              | 7/1/20 - 6/30/21 | (16,514)            |                  |                   |                             | 16,514        |                        |            |                                    |                       |                  |                   |
| Adjustment Aid                                | 22-495-034-5120-085           | 715                  | 7/1/21 - 6/30/22 |                     |                  |                   |                             | 650           | (715)                  |            |                                    | (65)                  |                  |                   |
| Adjustment Aid                                | 21-495-034-5120-085           | 1,624                | 7/1/20 - 6/30/21 | (110)               |                  |                   |                             | 110           |                        |            |                                    |                       |                  |                   |
| School Security Aid - Alyssa's Law            | N/A                           | 153,017              | 7/1/21 - 6/30/22 |                     |                  |                   |                             | 124,871       | (153,017)              |            |                                    | (28,146)              |                  |                   |
| Homeless Aid                                  | 22-495-034-5120-005           | 23,954               | 7/1/21 - 6/30/22 |                     |                  |                   |                             |               | (23,954)               |            |                                    | (23,954)              |                  |                   |
| On Behalf TPAF Pension                        | 22-495-034-5094-001           | 6,605,634            | 7/1/21 - 6/30/22 |                     |                  |                   |                             | 6,605,634     | (6,605,634)            |            |                                    | -                     |                  |                   |
| On Behalf TPAF Post Retirement Medical        | 22-495-034-5094-002           | 1,543,343            | 7/1/21 - 6/30/22 |                     |                  |                   |                             | 1,543,343     | (1,543,343)            |            |                                    | -                     |                  |                   |
| On Behalf TPAF LTDI                           | 22-495-034-5094-004           | 3,026                | 7/1/21 - 6/30/22 |                     |                  |                   |                             | 3,026         | (3,026)                |            |                                    | -                     |                  |                   |
| Reimbursed TPAF Social Security Contributions | 22-495-034-5094-003           | 1,371,767            | 7/1/21 - 6/30/22 |                     |                  |                   |                             | 1,305,817     | (1,371,767)            |            |                                    | (65,950)              |                  |                   |
| Reimbursed TPAF Social Security Contributions | 21-495-034-5094-003           | 1,285,820            | 7/1/20 - 6/30/21 | (63,499)            |                  |                   |                             | 63,499        |                        |            |                                    | -                     |                  |                   |
| Total General Fund                            |                               |                      |                  | (1,091,830)         | -                | -                 | -                           | 12,612,189    | (12,764,669)           | -          | -                                  | (1,244,310)           | -                | -                 |
| <b>Special Revenue Fund</b>                   |                               |                      |                  |                     |                  |                   |                             |               |                        |            |                                    |                       |                  |                   |
| <b>N.J. Nonpublic Aid:</b>                    |                               |                      |                  |                     |                  |                   |                             |               |                        |            |                                    |                       |                  |                   |
| Textbook Aid                                  | 22-100-034-5120-064           | 27,789               | 7/1/21 - 6/30/22 |                     |                  |                   |                             | 27,789        | (26,281)               |            |                                    |                       |                  | 1,508             |
| Textbook Aid                                  | 21-100-034-5120-064           | 26,452               | 7/1/20 - 6/30/21 |                     |                  | 421               |                             |               |                        |            | 421                                |                       |                  | -                 |
| Nursing Aid                                   | 22-100-034-5120-070           | 51,856               | 7/1/21 - 6/30/22 |                     |                  |                   |                             | 51,856        | (51,337)               |            |                                    |                       |                  | 519               |
| Nursing Aid                                   | 21-100-034-5120-070           | 44,370               | 7/1/20 - 6/30/21 |                     |                  | 444               |                             |               |                        |            | 444                                |                       |                  | -                 |
| Technology Aid                                | 22-100-034-5120-373           | 19,446               | 7/1/21 - 6/30/22 |                     |                  |                   |                             | 19,446        | (19,086)               |            |                                    |                       |                  | 360               |
| Security Aid                                  | 22-100-034-5120-509           | 81,025               | 7/1/21 - 6/30/22 |                     |                  |                   |                             | 81,025        | (78,392)               |            |                                    |                       |                  | 2,633             |
| Security Aid                                  | 21-100-034-5120-509           | 76,125               | 7/1/20 - 6/30/21 |                     |                  | 34                |                             |               |                        |            | 34                                 |                       |                  | -                 |
| <b>Auxiliary Services:</b>                    |                               |                      |                  |                     |                  |                   |                             |               |                        |            |                                    |                       |                  |                   |
| Compensatory Education                        | 22-100-034-5120-067           | 169,753              | 7/1/21 - 6/30/22 |                     |                  |                   |                             | 169,753       | (158,288)              |            |                                    |                       |                  | 11,465            |
| Compensatory Education                        | 21-100-034-5120-067           | 157,635              | 7/1/20 - 6/30/21 |                     |                  | 17,768            |                             |               |                        |            | 17,768                             |                       |                  | -                 |
| ESL   | 22-100-034-5120-067           | 6,852                | 7/1/21 - 6/30/22 |                     |                  |                   |                             | 6,852         | (914)                  |            |                                    |                       |                  | 5,938             |
| ESL   | 21-100-034-5120-067           | 7,550                | 7/1/20 - 6/30/21 |                     |                  | 4,886             |                             |               |                        |            | 4,886                              |                       |                  | -                 |
| Transportation                                | 22-100-034-5120-068           | 16,618               | 7/1/21 - 6/30/22 |                     |                  |                   |                             | 16,618        | (8,654)                |            |                                    |                       |                  | 7,964             |
| Transportation                                | 21-100-034-5120-068           | 102,017              | 7/1/20 - 6/30/21 |                     |                  | 14,070            |                             |               |                        |            | 14,070                             |                       |                  | -                 |
| Home Instruction                              | 21-100-034-5120-067           | 381                  | 7/1/20 - 6/30/21 | (381)               |                  |                   |                             | 381           |                        |            |                                    |                       |                  | -                 |
| <b>Handicapped Services:</b>                  |                               |                      |                  |                     |                  |                   |                             |               |                        |            |                                    |                       |                  |                   |
| Examination & Classification                  | 22-100-034-5120-066           | 68,448               | 7/1/21 - 6/30/22 |                     |                  |                   |                             | 68,448        | (46,090)               |            |                                    |                       |                  | 22,358            |
| Examination & Classification                  | 21-100-034-5120-066           | 83,237               | 7/1/20 - 6/30/21 |                     |                  | 17,275            |                             |               |                        |            | 17,275                             |                       |                  | -                 |
| Corrective Speech                             | 22-100-034-5120-066           | 51,150               | 7/1/21 - 6/30/22 |                     |                  |                   |                             | 51,150        | (30,504)               |            |                                    |                       |                  | 20,646            |
| Corrective Speech                             | 21-100-034-5120-066           | 58,329               | 7/1/20 - 6/30/21 |                     |                  | 15,037            |                             |               |                        |            | 15,037                             |                       |                  | -                 |
| Supplemental Instruction                      | 22-100-034-5120-066           | 65,667               | 7/1/21 - 6/30/22 |                     |                  |                   |                             | 65,667        | (52,616)               |            |                                    |                       |                  | 13,051            |
| Supplemental Instruction                      | 21-100-034-5120-066           | 65,568               | 7/1/20 - 6/30/21 |                     |                  | 11,736            |                             |               |                        |            | 11,736                             |                       |                  | -                 |
| Emergent Needs                                | EG-0159-D02                   | 65,514               | 7/1/21 - 6/30/22 |                     |                  |                   |                             | 65,514        |                        |            |                                    |                       | 65,514           |                   |
| Total Special Revenue Fund                    |                               |                      |                  | (381)               | -                | 81,671            | -                           | 624,499       | (472,162)              | -          | 81,671                             | -                     | 65,514           | 86,442            |

(Continued)

HADDONFIELD 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       |                  |                   | Carryover (Walkover) Amount | Cash Received | Budgetary Expenditures | Adjustment | Repayment of Prior Years' Balances | June 30, 2022         |                  |                   |  |
|---|-------------------------------|----------------------|------------------|---------------------|------------------|-------------------|-----------------------------|---------------|------------------------|------------|------------------------------------|-----------------------|------------------|-------------------|--|
|   |                               |                      |                  | Accounts Receivable | Deferred Revenue | Due to Grantor at |                             |               |                        |            |                                    | (Accounts Receivable) | Deferred Revenue | Due to Grantor at |  |
| <b>State Department of Education</b>  |                               |                      |                  |                     |                  |                   |                             |               |                        |            |                                    |                       |                  |                   |  |
| <u>Debt Service Fund</u>  |                               |                      |                  |                     |                  |                   |                             |               |                        |            |                                    |                       |                  |                   |  |
| Debt Service Aid Type II  | 22-495-034-5120-017           | \$ 628,683           | 7/1/21 - 6/30/22 |                     |                  |                   |                             | \$ 628,683    | \$ (628,683)           |            |                                    |                       |                  |                   |  |
| Total Debt Service Fund Fund  |                               |                      |                  | -                   | -                | -                 | -                           | 628,683       | (628,683)              | -          | -                                  | -                     | -                | -                 |  |
| <b>State Department of Agriculture</b>                                      |                               |                      |                  |                     |                  |                   |                             |               |                        |            |                                    |                       |                  |                   |  |
| <u>Enterprise Fund:</u>   |                               |                      |                  |                     |                  |                   |                             |               |                        |            |                                    |                       |                  |                   |  |
| State School Lunch Program  | 22-100-010-3350-023           | 22,330               | 7/1/21 - 6/30/22 |                     |                  |                   |                             | 20,591        | (22,329)               |            |                                    | (1,738)               |                  |                   |  |
| State School Lunch Program  | 21-100-010-3350-023           | 10,435               | 7/1/20 - 6/30/21 | (2,541)             |                  |                   |                             | 2,541         |                        |            |                                    |                       |                  |                   |  |
| Total Enterprise Fund   |                               |                      |                  | (2,541)             |                  |                   |                             | 23,132        | (22,329)               |            |                                    | (1,738)               |                  |                   |  |
| Total State Financial Assistance  |                               |                      |                  | \$ (1,094,752)      | \$ -             | \$ 81,671         | \$ -                        | \$ 13,888,503 | (13,887,843)           | \$ -       | \$ 81,671                          | \$ (1,246,048)        | \$ 65,514        | \$ 86,442         |  |
| Less: State Financial Assistance Not Subject to Major Program Determination |                               |                      |                  |                     |                  |                   |                             |               |                        |            |                                    |                       |                  |                   |  |
| On-Behalf TPAF Contribution - Pension (Non-Budgeted)                        |                               |                      |                  |                     |                  |                   |                             |               |                        |            |                                    | 6,605,634             |                  |                   |  |
| On-Behalf TPAF Contribution - Post-Retirement Medical (Non-Budgeted)        |                               |                      |                  |                     |                  |                   |                             |               |                        |            |                                    | 1,543,343             |                  |                   |  |
| On-Behalf TPAF Contribution - LTDI (Non-Budgeted)                           |                               |                      |                  |                     |                  |                   |                             |               |                        |            |                                    | 3,026                 |                  |                   |  |
| Total State Financial Assistance Subject to Major Program Determination     |                               |                      |                  |                     |                  |                   |                             |               |                        |            |                                    | \$ (5,735,840)        |                  |                   |  |

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

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

**I. GENERAL**

The accompanying schedules of expenditures of federal awards and state financial assistance present the activity of all federal awards and state financial assistance programs of the Board of Education, Borough of Haddonfield School District. The Board of Education is defined in Note 1 to the School District's basic financial statements. All federal awards and state financial assistance 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 expenditures from the budgetary basis to the GAAP basis is (\$36,058) in the general fund and \$94,805 in 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 expenditures are reported in the School District's basic financial statements on a GAAP basis as presented as follows:

| <u>Fund</u>            | <u>Federal</u>      | <u>State</u>         | <u>Total</u>         |
|------------------------|---------------------|----------------------|----------------------|
| <b>General</b>         | \$ -                | \$ 12,728,611        | \$ 12,728,611        |
| <b>Special Revenue</b> | 1,280,035           | 472,162              | 1,752,197            |
| <b>Debt Service</b>    | -                   | 628,683              | 628,683              |
| <b>Food Service</b>    | 1,033,974           | 22,329               | 1,056,303            |
|                        | <u>\$ 2,314,009</u> | <u>\$ 13,851,785</u> | <u>\$ 16,165,794</u> |

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

**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 School District for the year ended June 30, 2022. TPAF Social Security Contributions represents the amount reimbursed by the State for the School District'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:

|  | <b>Federal</b> |
|--|----------------|
| Cancellation of<br>Accounts Receivable | \$ 11,236      |
| Total                                  | \$ 11,236      |

**HADDONFIELD 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?            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?            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>  | <b>Child Nutrition Cluster:</b><br><u>Food Distribution Program</u> |
| <u>10.555</u>       | <u>221NJ304N1099</u>  | <u>National School Lunch Program</u>                                |
| <u>10.553</u>       | <u>221NJ304N1099</u>  | <u>School Breakfast 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?            yes   X   no

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

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

State Awards Section

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

Auditee qualified as low-risk auditee?  X  yes   no

Internal Control over major programs:

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

2) Significant deficiencies identified that are not considered to be material weakness?   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 NJOMB Circular Letter 15-08 as applicable?   yes  X  no

Identification of major programs:

| <u>State Grant/Project Number(s)</u> | <u>Name of State Program</u>   |
|--------------------------------------|--|
| <u>22-495-034-5120-089</u>           | <u>State Aid Public Cluster:<br/>Special Education Categorical Aid</u> |
| <u>22-495-034-5120-084</u>           | <u>Security Aid</u>  |
| <u>22-495-034-5120-085</u>           | <u>Adjustment Aid</u>  |
| <u>22-495-034-5094-003</u>           | <u>Reimbursed TPAF Social Security Contributions</u>                   |
| <u> </u>                             | <u> </u>   |

**HADDONFIELD 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.

**HADDONFIELD 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.

**HADDONFIELD 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.