

**LENAPE VALLEY REGIONAL  
HIGH SCHOOL DISTRICT**

**Lenape Valley Regional High School District  
Stanhope, New Jersey**

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

**Annual Comprehensive  
Financial Report**

**of the**

**Lenape Valley Regional  
High School District**

**Stanhope, New Jersey**

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

**Prepared by**

**Lenape Valley Regional High School  
Board of Education**

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INTRODUCTORY SECTION  
(UNAUDITED)

**LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT**  
**BOARD OF EDUCATION**  
28 SPARTA ROAD, P. O. BOX 578  
STANHOPE, NJ 07874

Richard D. Kuncken, President  
Kim Dachisen, Vice President

Gregory Brennan  
Interim School Business Administrator/  
Board Secretary  
Telephone (973) 347-7600 ext. 5104  
Fax (973) 347-2536

November 11, 2022

The Honorable President and Members  
of the Board of Education  
Lenape Valley Regional High School District  
Sussex County, New Jersey

Dear Honorable President and Board Members:

The Annual Comprehensive Financial Report of the Lenape Valley Regional High School District (the "District") for the fiscal year ended June 30, 2022 is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Board of Education (the "Board"). To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the basic financial statements and results of operations of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

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

1. **REPORTING ENTITY AND ITS SERVICES:** The Lenape Valley Regional High School District is an independent reporting entity within the criteria adopted by the Governmental Accounting Standards Board (GASB) Codification Section 2100. All funds of the District are included in this report. The Lenape Valley Regional High School District and its school constitutes the District's reporting entity.

The District provides a full range of educational services appropriate to grade levels 9 through 12. These include regular, vocational and special education for handicapped students. The District completed the 2021-2022 fiscal year with an enrollment of 649 students, which is a decrease of 23 students from the previous year's enrollment.

2. ECONOMIC CONDITION AND OUTLOOK: Lenape Valley is a regional school district serving approximately 649 students from three sending districts. Students come from Byram Township and Stanhope Borough in Sussex County, New Jersey, and the Borough of Netcong in Morris County, New Jersey. The regional high school is situated on a 57.30-acre tract of land located in the northeastern part of Stanhope Borough at 28 Sparta Road. Byram Township (the "Township") is situated in the southwesterly section of Sussex County. The Township is bordered on the north by Sparta Township, on the northwest by Green and Andover Townships, on the east and southeast by Hopatcong Borough, on the south by Stanhope Borough, on the southwest by Mt. Olive Township in Morris County and on the west by Allamuchy Township in Warren County. Route 206, which serves as an access corridor linking Interstate Route 80 with other larger towns in Sussex County.

The Borough of Stanhope is situated in the southernmost part of Sussex County. It is bordered on the north and northwest by Byram Township, on the northeast by Hopatcong Borough, on the southeast by Roxbury Township, on the south by Netcong and on the southwest by Mount Olive Township. Interstate Route 80, U.S. Route 206 and Sussex County Route 183 provide direct access into the Borough.

The Borough of Netcong is located along the western boundary of Morris County approximately in the middle of the county in the north-south direction. Netcong is bounded on the north by the Borough of Stanhope in Sussex County, on the west by the Township of Mt. Olive, and on the south and east by the Township of Roxbury. Netcong Borough is traversed by three major highways, namely Routes 206, 46 and 80.

The future outlook for the Lenape Valley Regional High School District is for a slow growth in industrial and commercial ratables and a slow growth for housing. A steady enrollment is projected over the next 2-3 years.

3. MAJOR INITIATIVES: During the 2021-2022 school year, the biggest initiative was the construction of a state-of-the-art television studio. Equipped with industry-grade equipment, the physical components complement the development of new classes such as broadcast journalism and television production. A second initiative was the purchase of two additional 54-passenger buses. These were purchased through savings when we consolidated routes and brought 'runs in-house'. We were able to accomplish this from recommendations that came from a transportation audit. A third initiative was to bring on board a full-time clinical psychotherapist. In doing so, we are able to treat mental health issues in real-time, conduct risk assessments, and approach student behavioral issues in a therapeutic rather than disciplinary approach.
4. INTERNAL ACCOUNTING CONTROLS: Management of the District is responsible for establishing and maintaining an internal control system designed to ensure that the assets of the District are protected from loss, theft or misuse, and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles (GAAP). The internal control system is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

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



5. BUDGETARY CONTROLS: In addition to internal accounting controls, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the Board of Education. Annual appropriated budgets are adopted for the general fund and the special revenue fund. Project-length budgets are approved for the capital improvements accounted for in the capital projects fund. The final budget amount as amended for the fiscal year is reflected in the financial section. An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either cancelled or are included as reappropriations of fund balance in the subsequent year. Those amounts to be reappropriated are reported as restrictions, commitments and/or assignments of fund balance at June 30, 2022.
6. ACCOUNTING SYSTEM AND REPORTS: The District's accounting records reflect generally accepted accounting principles, as promulgated by the Governmental Accounting Standards Board (GASB). The accounting system of the District is organized on the basis of funds. These funds are explained in "Notes to the Basic Financial Statements", Note 1.
7. CASH MANAGEMENT: The investment policy of the District is guided in large part by state statute as detailed in "Notes to the Basic Financial Statements", Note 3. The District has adopted a cash management plan which requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey. The law requires governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act.
8. RISK MANAGEMENT: The Board carries various forms of insurance, including but not limited to general liability, excess liability, automobile liability and comprehensive/collision, hazard and theft insurance on property, contents, and fidelity bonds. The Board oversees Risk Management for the District. A schedule of insurance coverage is found on Exhibit J-20.
9. OTHER INFORMATION: **Independent Audit** - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Nisivoccia LLP, CPAs, was selected by the Board. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and New Jersey's OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. The auditors' report on the basic financial statements and specific required supplementary information is included in the financial section of this report. The auditors' reports related specifically to the single audit are included in the single audit section of this report.

The Honorable President and Members  
of the Board of Education  
Lenape Valley Regional High School District  
Page 4  
November 11, 2022

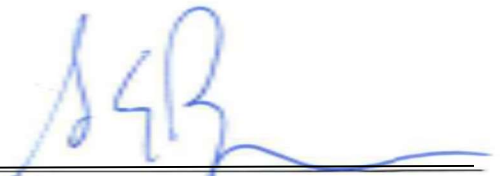
10. ACKNOWLEDGEMENTS: We would like to express our appreciation to the members of the Lenape Valley Regional High School Board of Education for their concern in providing fiscal accountability to the citizens and taxpayers of the school district and thereby contributing their full support to the development and maintenance of our financial operation.

Respectfully submitted,



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Michael A. Rossi, Jr.  
Superintendent

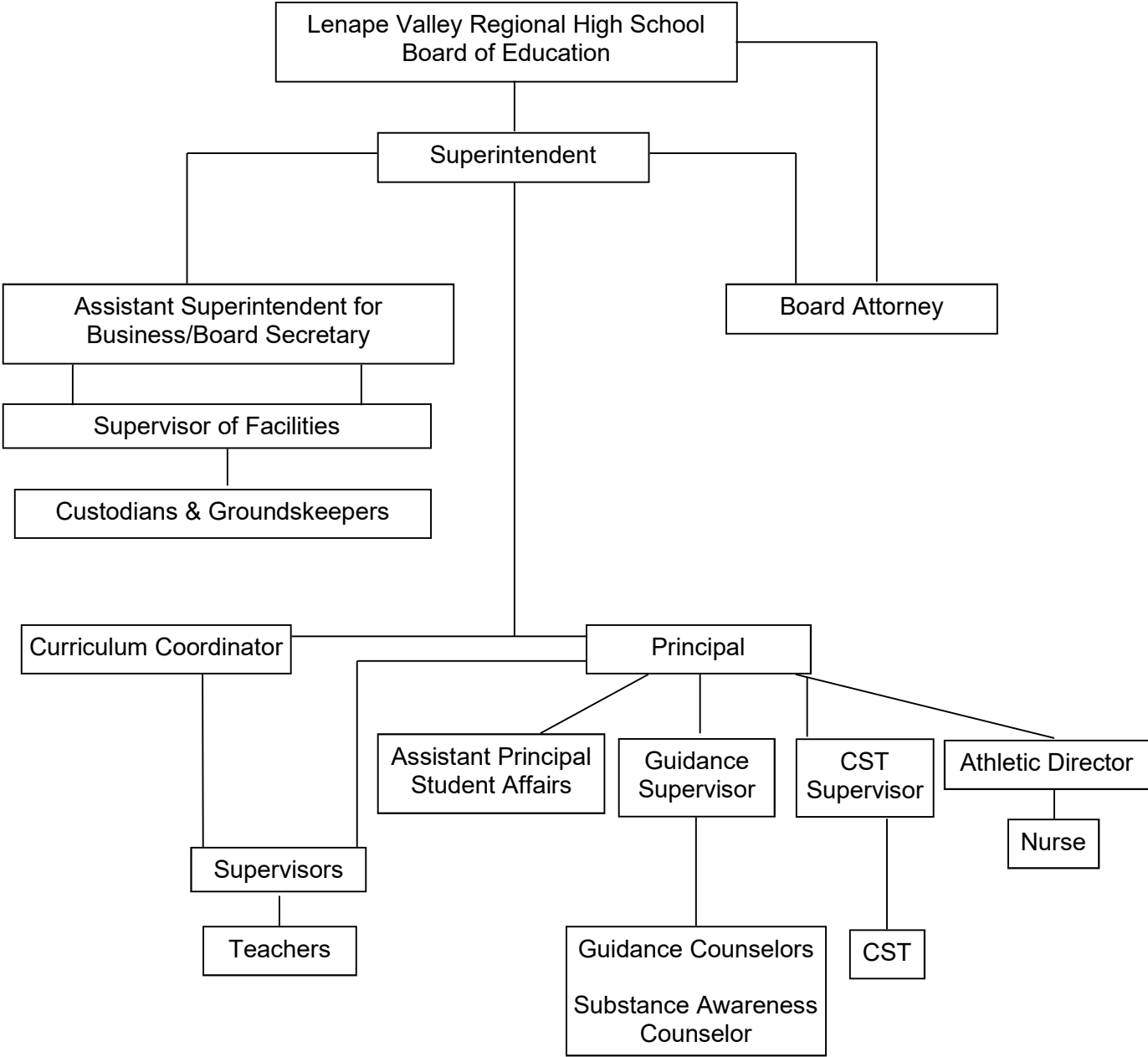


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Gregory Brennan  
Interim School Business Administrator

# LENAPE VALLEY REGIONAL BOARD OF EDUCATION

ORGANIZATIONAL CHART



**LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT**  
**Roster of Officials**  
**Year Ended June 30, 2022**

<u>Regional High School District Board Members</u>	<u>Term Expires</u>
Richard Kuncken, President Byram Township	2022
Kim Dachisen, Vice President Byram Township	2024
Michael Bohr Netcong Borough	2024
Katy Cherry Byram Township	2023
MaryLu Costanzo Netcong Borough	2022
Shelley Credidio Byram Township	2023
Sherry Fehir Stanhope Borough	2024
Saliha Iftikhar Stanhope Borough	2022
Kimberly Marcisak Byram Township	2024

Other Officials

Title

Michael A. Rossi, Jr.	Superintendent
Gregory Brennan	Interim School Business Administrator/Board Secretary
Kerry Ann Keane	Treasurer of School Monies

**LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT**  
**Consultants and Advisors**  
**Year Ended June 30, 2022**

**Audit Firm**

Nisivoccia LLP  
200 Valley Road, Suite 300  
Mount Arlington, New Jersey 07856

**Attorney**

John Comegno, Esq.  
Comegno Law Group, PC  
521 Pleasant Valley Ave  
Moorestown, NJ 08057

**Official Depository**

Lakeland Bank  
80 US Highway 206  
Stanhope, New Jersey 07874

FINANCIAL SECTION

## Independent Auditors' Report

The Honorable President and Members  
of the Board of Education  
Lenape Valley Regional High School District  
County of Sussex, New Jersey

### **Report on the Audit of the Financial Statements**

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

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Lenape Valley Regional High School District (the “District”), in the County of Sussex, as of and for the fiscal year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the District’s basic financial statements as listed in the table of contents.

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the District, as of June 30, 2022, and the respective changes in financial position, and, where applicable cash flows thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Qualified Opinion***

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

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

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

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

Management is responsible for the preparation and fair presentation of 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***

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

In performing an audit in accordance with GAAS, *Government Auditing Standards* and audit requirements prescribed by the Office, we:

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

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



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

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

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

### ***Supplementary Information***

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

The Honorable President and Members  
of the Board of Education  
Lenape Valley Regional High School District  
Page 4

***Other Information***

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

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

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated November 11, 2022 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering District's internal control over financial reporting and compliance.

November 11, 2022  
Mount Arlington, New Jersey

*Nisiroccia LLP*  
NISIVOCCIA LLP

*Valerie A. Dolan*

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Valerie A. Dolan  
Licensed Public School Accountant #2526  
Certified Public Accountant

REQUIRED SUPPLEMENTARY INFORMATION  
MANAGEMENT'S DISCUSSION AND ANALYSIS

**LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT  
MANAGEMENT DISCUSSION AND ANALYSIS  
FOR FISCAL YEAR ENDED JUNE 30, 2022**

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

**Overview of the Financial Statements**

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

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

The financial statements also include notes that explain some of the information in the statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the financial statements with a comparison of the District’s budget for the year. Figure A-1 shows how the various parts of this annual report are arranged and related to one another.

**Figure A-1  
Organization of Lenape Valley Regional High School District's Financial Report**

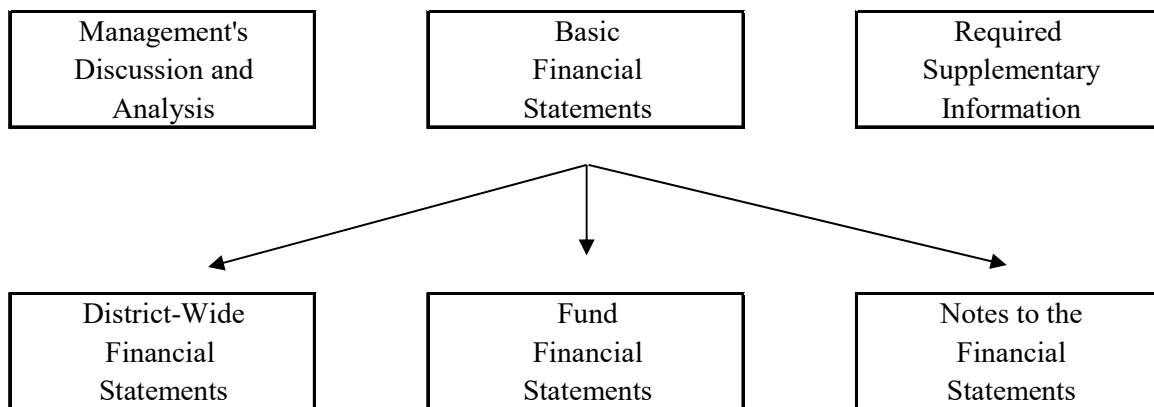


Figure A-2 summarizes the major features of the District’s financial statements, including the portion of the District’s activities they cover and the types of information they contain. The remainder of this overview section of management’s discussion and analysis highlights that structure and contents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

**LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT  
MANAGEMENT DISCUSSION AND ANALYSIS  
FOR FISCAL YEAR ENDED JUNE 30, 2022**

**Figure A-2**

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

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

# LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT MANAGEMENT DISCUSSION AND ANALYSIS FOR FISCAL YEAR ENDED JUNE 30, 2022

## District-Wide Statements

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

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

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

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

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

## Fund Financial Statements

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

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

The District has two kinds of funds:

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

**LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT  
MANAGEMENT DISCUSSION AND ANALYSIS  
FOR FISCAL YEAR ENDED JUNE 30, 2022**

**Notes to the Basic Financial Statements**

The notes provide additional information that is essential to a full understanding of the data provided in the District-wide and fund financial statements. The notes to the basic financial statements can be found immediately following the fund financial statements.

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

*Net Position.* The District's combined net position was \$8,720,711 on June 30, 2022, \$1,626,620 or 22.93% more than it was the year before (See Figure A-3). Net position from governmental activities increased \$1,536,289 and net position from business-type activities increased by \$90,331 (See Figure A-4). Net investment in capital assets increased \$1,413,565, restricted net position decreased \$755,617 and unrestricted net position increased \$968,672.

**Figure A-3**

**Condensed Statement of Net Position**

	Governmental Activities		Business-Type Activities		Total School District		Percent Change
	2022	2021	2022	2021	2022	2021	
Current and							
Other Assets	\$ 3,931,020	\$ 3,881,976	\$ 93,166	\$ 5,728	\$ 4,024,186	\$ 3,887,704	
Capital Assets, Net	8,899,250	7,477,075	10,543	8,117	8,909,793	7,485,192	
Total Assets	12,830,270	11,359,051	103,709	13,845	12,933,979	11,372,896	13.73%
Deferred Outflows of Resources	400,177	542,422			400,177	542,422	-26.22%
Other Liabilities	727,989	292,376	3,861	4,328	731,850	296,704	
Long-Term Liabilities	2,582,135	3,246,734			2,582,135	3,246,734	
Total Liabilities	3,310,124	3,539,110	3,861	4,328	3,313,985	3,543,438	-6.48%
Deferred Inflows of Resources	1,299,460	1,277,789			1,299,460	1,277,789	1.70%
Net Position:							
Net Investment in							
Capital Assets	8,618,300	7,207,161	10,543	8,117	8,628,843	7,215,278	
Restricted	2,378,629	3,134,246			2,378,629	3,134,246	
Unrestricted/(Deficit)	(2,376,066)	(3,256,833)	89,305	1,400	(2,286,761)	(3,255,433)	
Total Net Position	\$ 8,620,863	\$ 7,084,574	\$ 99,848	\$ 9,517	\$ 8,720,711	\$ 7,094,091	22.93%

**LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT  
MANAGEMENT DISCUSSION AND ANALYSIS  
FOR FISCAL YEAR ENDED JUNE 30, 2022**

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

*Changes in net position.* The District's combined net position increased by \$1,626,620 or 22.93%. Net investment in capital assets increased mainly due to capital additions offset by depreciation expense and a net change in financed purchases. Restricted net position decreased mainly due to a decrease in restricted excess surplus offset by an increase in capital reserve and student activities. Unrestricted net position increased primarily due to an increase in unassigned fund balance due to normal operations combined with a decrease in the net pension liability. (See Figure A-4).

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

	Governmental Activities		Business-Type Activities		Total School District		Percent Change
	2022	2021	2022	2021	2022	2021	
Revenue:							
Program Revenue:							
Charges for Services	\$ 275,834	\$ 223,654	\$ 83,670	\$ 2,462	\$ 359,504	\$ 226,116	
Operating Grants & Contributions	4,505,258	4,492,072	282,331	45,928	4,787,589	4,538,000	
General Revenue:							
Property Taxes	11,238,630	11,127,356			11,238,630	11,127,356	
Unrestricted Federal & State Aid	4,318,014	4,084,532			4,318,014	4,084,532	
Other	49,416	64,981	60	18	49,476	64,999	
Total Revenue	<u>20,387,152</u>	<u>19,992,595</u>	<u>366,061</u>	<u>48,408</u>	<u>20,753,213</u>	<u>20,041,003</u>	3.55%
Expenses:							
Instruction	10,174,215	9,929,111			10,174,215	9,929,111	
Pupil & Instruction Services	4,135,935	3,804,371			4,135,935	3,804,371	
Administration and Business	1,630,258	1,998,682			1,630,258	1,998,682	
Maintenance & Operations	1,739,712	1,364,999			1,739,712	1,364,999	
Transportation	1,113,966	1,116,545			1,113,966	1,116,545	
Other	44,427		288,080	69,240	332,507	69,240	
Total Expenses	<u>18,838,513</u>	<u>18,213,708</u>	<u>288,080</u>	<u>69,240</u>	<u>19,126,593</u>	<u>18,282,948</u>	4.61%
Operating Transfer	<u>(12,350)</u>		<u>12,350</u>				
Change in Net Position	<u>\$ 1,536,289</u>	<u>\$ 1,778,887</u>	<u>\$ 90,331</u>	<u>\$ (20,832)</u>	<u>\$ 1,626,620</u>	<u>\$ 1,758,055</u>	-7.48%



**LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT  
MANAGEMENT DISCUSSION AND ANALYSIS  
FOR FISCAL YEAR ENDED JUNE 30, 2022**

**Governmental Activities**

The governmental financial position of the District increased by 21.68%. However, maintaining existing programs with expected increased regular pupil enrollment and the provision of a multitude of special programs and services for disabled pupils place great demands on the District’s resources. During the past several years, numerous veteran teachers have retired and have been replaced by teachers of less experience. Such changes have generated significant salary savings, but these have not been sufficient enough to provide for increased tuition costs for private schools for students with disabilities and increased insurance costs. As a result, the three municipalities in the regional district were subject to a tax increase in 2022.

Careful management of expenses remains essential for the District to sustain its financial health. Among the many significant cost savings actions implemented/continued during the year were:

- Participation in an insurance pool has resulted in lower costs in property, casualty, liability and workers compensation insurance.
- Shared service agreements with the Stanhope and Netcong school districts for shared positions has reduced the cost of part time positions significantly.
- A number of disabled pupils continue to be educated in programs within the District rather than being sent to private schools where the District would have to pay tuition as well as increased transportation costs.
- Participation in joint purchasing agreements for vehicle fuel with Byram Township has reduced this cost significantly.
- Participation in joint transportation agreements continues to lower the cost of special education transportation and private school transportation.

Due to the constraints placed upon the District by legislation, it is crucial that the District examine its expenses carefully. Increasing parental and student demands for new activities and programs must be evaluated thoroughly.

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

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

	<u>Total Cost of Services</u>		<u>Net Cost of Services</u>	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Instruction	\$ 10,174,215	\$ 9,929,111	\$ 6,421,660	\$ 6,416,450
Pupil & Instruction Services	4,135,935	3,804,371	3,647,348	3,160,593
Administration and Business	1,630,258	1,998,682	1,372,505	1,664,887
Maintenance & Operations	1,739,712	1,364,999	1,659,227	1,329,467
Transportation	1,113,966	1,116,545	912,254	926,585
Other	44,427		44,427	
<b>Total</b>	<b><u>\$ 18,838,513</u></b>	<b><u>\$ 18,213,708</u></b>	<b><u>\$ 14,057,421</u></b>	<b><u>\$ 13,497,982</u></b>

**LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT  
MANAGEMENT DISCUSSION AND ANALYSIS  
FOR FISCAL YEAR ENDED JUNE 30, 2022**

**Business-Type Activities**

Net position from the District’s business-type activities increased \$90,331 as a result of a great increase in non-operating revenue due to SSO Program. (Refer to Figure A-4).

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

The District’s financial position remains very positive despite changes in the student population and difficult economic times. Expenditures during the recent year increased slightly.

Difficult economic times have had a direct impact upon the District’s revenue sources. The District has had a multi-year practice of utilizing funds from the unassigned fund balance to reduce the tax levy. Ratables in the three municipalities of the Regional District show little growth; thus generating concern for the local tax levy in the future.

All of these factors are likely to continue for the next several years. To continue to maintain a stable financial position, the District must continue to practice sound fiscal management. Due to sizeable balances in the past year’s budget expenditures, the District has been able to allocate fund balance to mitigate the local tax levy increase.

**General Fund Budgetary Highlights**

Over the course of the year, the District revised its annual operating budget several times. These budget amendments consisted of changes made within budgetary line items for changes in school-based needs for programs, supplies and equipment.

**Capital Asset and Long Term Liabilities**

**Figure A-6**

**Capital Assets (Net of Depreciation)**

	Governmental Activities		Business-Type Activities		Total School District		Percent Change
	2022	2021	2022	2021	2022	2021	
Land	\$ 98,915	\$ 98,915			\$ 98,915	\$ 98,915	
Construction in Progress	288,023	25,776			288,023	25,776	
Site Improvements	710,939	4,147			710,939	4,147	
Buildings & Bldg. Imps.	6,252,936	6,035,765			6,252,936	6,035,765	
Machinery, Furniture and Equipment	1,548,437	1,312,472	\$ 10,543	\$ 8,117	1,558,980	1,320,589	
<b>Total</b>	<b>\$ 8,899,250</b>	<b>\$ 7,477,075</b>	<b>\$ 10,543</b>	<b>\$ 8,117</b>	<b>\$ 8,909,793</b>	<b>\$ 7,485,192</b>	<b>19.03%</b>

**LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT  
MANAGEMENT DISCUSSION AND ANALYSIS  
FOR FISCAL YEAR ENDED JUNE 30, 2022**

**Long-Term Liabilities**

(More detailed information about the District’s long-term liabilities is presented in Note 7 to the financial statements.)

**Figure A-7  
Outstanding Long-Term Liabilities**

	Total School District		Percent Change
	2022	2021	
Compensated Absences Payable	\$ 470,703	\$ 533,238	
Net Pension Liability	1,830,482	2,443,582	
Financed Purchases Payable	280,950	269,914	
Total	<u>\$ 2,582,135</u>	<u>\$ 3,246,734</u>	-20.47%

**Factors Bearing on the District’s Future**

At the time these financial statements were prepared and audited, the District was aware of an existing circumstance that could significantly affect its financial health in the future:

- Future State Aid may be reduced due to the State’s new criteria utilized in calculating allocations of State Aid and the possible elimination of the school choice program.

**Contacting the District’s Financial Management**

This financial report is designed to provide the District’s citizens, taxpayers, and creditors with a general overview of the District’s finances and to demonstrate the District’s accountability for the money it receives. If you have questions about this report or need additional financial information, contact Gregory Brennan, Interim School Business Administrator, Lenape Valley Regional High School District, P.O. Box 578, Stanhope, New Jersey 07874.

BASIC FINANCIAL STATEMENTS

DISTRICT-WIDE FINANCIAL STATEMENTS

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT  
STATEMENT OF NET POSITION  
JUNE 30, 2022

	Governmental Activities	Business-Type Activities	Total
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 2,449,459	\$ 81,707	\$ 2,531,166
Receivable from State Government	277,092	62	277,154
Receivable from Federal Government	197,303	4,748	202,051
Inventories		4,851	4,851
Restricted Cash and Cash Equivalents	1,008,964		1,008,964
Internal Balances	(1,798)	1,798	
Capital Assets:			
Site (Land)	386,938		386,938
Depreciable Site Improvements, Building and Building Improvements, Furniture, Machinery and Equipment	8,512,312	10,543	8,522,855
Total Assets	<u>12,830,270</u>	<u>103,709</u>	<u>12,933,979</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred Outflows Related to Pensions	400,177		400,177
Total Deferred Outflows of Resources	<u>400,177</u>		<u>400,177</u>
<b>LIABILITIES</b>			
Current Liabilities:			
Payable to Federal Government	393		393
Accounts Payable	691,313	2,694	694,007
Unearned Revenue	36,283	1,167	37,450
Noncurrent Liabilities:			
Due Within One Year	91,522		91,522
Due Beyond One Year	2,490,613		2,490,613
Total Liabilities	<u>3,310,124</u>	<u>3,861</u>	<u>3,313,985</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred Inflows Related to Pensions	1,299,460		1,299,460
Total Deferred Inflows of Resources	<u>1,299,460</u>		<u>1,299,460</u>
<b>NET POSITION</b>			
Net Investment in Capital Assets	8,618,300	10,543	8,628,843
Restricted for:			
Capital Projects	712,982		712,982
Excess Surplus	1,369,665		1,369,665
Unemployment Compensation	80,159		80,159
Student Activities	195,276		195,276
Scholarships	20,547		20,547
Unrestricted/(Deficit)	<u>(2,376,066)</u>	<u>89,305</u>	<u>(2,286,761)</u>
Total Net Position	<u>\$ 8,620,863</u>	<u>\$ 99,848</u>	<u>\$ 8,720,711</u>

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

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT  
STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Functions/Programs	Program Revenue			Net (Expense) Revenue and Changes in Net Position			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business- Type Activities	Total
Governmental Activities:							
Instruction:							
Regular	\$ 7,726,549	\$ 23,463	\$ 2,331,657		\$ (5,371,429)		\$ (5,371,429)
Special Education	1,566,393		1,279,614		(286,779)		(286,779)
Other Instruction	54,593		35		(54,558)		(54,558)
School Sponsored Instruction	826,680		117,786		(708,894)		(708,894)
Support Services:							
Tuition	1,026,972				(1,026,972)		(1,026,972)
Student & Instruction Related Services	3,108,963	252,371	236,216		(2,620,376)		(2,620,376)
General Administration Services	509,882		34,124		(475,758)		(475,758)
School Administration Services	486,320		116,972		(369,348)		(369,348)
Central Services	455,206		43,629		(411,577)		(411,577)
Administration Information Technology	178,850		63,028		(115,822)		(115,822)
Plant Operations and Maintenance	1,739,712		80,485		(1,659,227)		(1,659,227)
Pupil Transportation	1,113,966		201,712		(912,254)		(912,254)
Capital Outlay	44,427				(44,427)		(44,427)
Total Governmental Activities	18,838,513	275,834	4,505,258	\$ -0-	(14,057,421)	\$ -0-	(14,057,421)

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT  
STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Functions/Programs	Program Revenue			Net (Expense) Revenue and Changes in Net Position		
	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business- Type Activities	Total
Business-Type Activities:						
Food Service	\$ 288,080	\$ 83,670	\$ 282,331	\$	77,921	\$ 77,921
Total Primary Government	<u>\$ 19,126,593</u>	<u>\$ 359,504</u>	<u>\$ 4,787,589</u>	<u>\$ (14,057,421)</u>	<u>77,921</u>	<u>(13,979,500)</u>
General Revenues and Transfers:						
Taxes:						
Property Taxes, Levied for General Purposes, Net				11,238,630		11,238,630
Federal and State Aid not Restricted				4,318,014		4,318,014
Miscellaneous Income				49,416	60	49,476
Transfers				(12,350)	12,350	
Total General Revenue and Transfers				<u>15,593,710</u>	<u>12,410</u>	<u>15,606,120</u>
Change in Net Position				1,536,289	90,331	1,626,620
Net Position - Beginning				7,084,574	9,517	7,094,091
Net Position - Ending				<u>\$ 8,620,863</u>	<u>\$ 99,848</u>	<u>\$ 8,720,711</u>

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



FUND FINANCIAL STATEMENTS

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2022

	General Fund	Special Revenue Fund	Total Governmental Funds
	<u>          </u>	<u>          </u>	<u>          </u>
<b>ASSETS:</b>			
Cash and Cash Equivalents	\$ 2,433,301	\$ 16,158	\$ 2,449,459
Receivable from State Government	277,092		277,092
Receivable from Federal Government		197,303	197,303
Restricted Cash and Cash Equivalents	793,141	215,823	1,008,964
Total Assets	<u>\$ 3,503,534</u>	<u>\$ 429,284</u>	<u>\$ 3,932,818</u>
<b>FUND BALANCES:</b>			
Liabilities:			
Accounts Payable	\$ 333,528	\$ 176,785	\$ 510,313
Intergovernmental Payable - Federal		393	393
Interfunds Payable	1,798		1,798
Unearned Revenue		36,283	36,283
Total Liabilities	<u>335,326</u>	<u>213,461</u>	<u>548,787</u>
Fund Balances:			
Restricted:			
Excess Surplus - 2022-2023	1,369,665		1,369,665
Capital Reserve Account	712,982		712,982
Unemployment Compensation	80,159		80,159
Student Activities		195,276	195,276
Scholarships		20,547	20,547
Assigned:			
Encumbrances	359,783		359,783
Designated for Subsequent Year's Expenditures	167,997		167,997
Unassigned	477,622		477,622
Total Fund Balances	<u>3,168,208</u>	<u>215,823</u>	<u>3,384,031</u>
Total Liabilities and Fund Balances	<u>\$ 3,503,534</u>	<u>\$ 429,284</u>	

Amounts Reported for *Governmental Activities* in the Statement of Net Position (A-1) are different because:

Capital assets used in Governmental Activities are not financial resources and therefore are not reported in the Funds.	8,899,250
The Net Pension Liability for PERS is not due and payable in the current period and is not reported in the Governmental Funds.	(1,830,482)
Certain amounts related to the Net Pension Liability are deferred and amortized in the Statement of Activities and are not reported in the Governmental Funds:	
Deferred Outflows - Pensions	219,177
Deferred Inflows - Pensions	(1,299,460)
Long-term liabilities, are not due and payable in the current period and therefore are not reported as liabilities in the Funds.	<u>(751,653)</u>
Net Position of Governmental Activities	<u>\$ 8,620,863</u>

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

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT  
STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	General Fund	Special Revenue Fund	Total Governmental Funds
<b>REVENUE:</b>			
Local Sources:			
Local Tax Levy	\$ 11,238,630		\$ 11,238,630
Tuition from Other LEA's Within the State	23,463		23,463
Rents and Royalties	11,030		11,030
Interest Earned on Capital Reserve Funds	439		439
Restricted Miscellaneous	31,268	\$ 255,371	286,639
Unrestricted Miscellaneous	6,679		6,679
Total - Local Sources	11,311,509	255,371	11,566,880
State Sources	8,326,535		8,326,535
Federal Sources		882,281	882,281
Total Revenue	19,638,044	1,137,652	20,775,696
<b>EXPENDITURES:</b>			
Current:			
Regular Instruction	4,185,335	419,635	4,604,970
Special Education Instruction	779,897	177,624	957,521
Other Instruction	54,593		54,593
School Sponsored Instruction	752,427		752,427
Support Services and Undistributed Costs:			
Tuition	1,026,972		1,026,972
Student & Instruction Related Services	1,943,811	233,786	2,177,597
General Administration Services	389,294		389,294
School Administration Services	329,474		329,474
Central Services	333,228		333,228

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT  
STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	General Fund	Special Revenue Fund	Total Governmental Funds
EXPENDITURES (Cont'd):			
Support Services and Undistributed Costs: (Cont'd)			
Administrative Information Technology	\$ 127,279		\$ 127,279
Plant Operations and Maintenance	1,512,311		1,512,311
Pupil Transportation	1,091,670		1,091,670
Unallocated Benefits	6,046,407		6,046,407
Capital Outlay	1,532,588	\$ 288,022	1,820,610
Total Expenditures	20,105,286	1,119,067	21,224,353
Net Change in Fund Balances	(467,242)	18,585	(448,657)
OTHER FINANCING SOURCES:			
Financed Purchases (Non-Budgeted)	83,438		83,438
Transfers Out - Enterprise Fund	(12,350)		(12,350)
Total Other Financing Sources	71,088		71,088
Net Change in Fund Balances	(396,154)	18,585	(377,569)
Fund Balance—July 1	3,564,362	197,238	3,761,600
Fund Balance—June 30	\$ 3,168,208	\$ 215,823	\$ 3,384,031

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

LENAPE VALLEY REGIONAL HIGH 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) \$ (377,569)

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

Capital outlays are reported in Governmental Funds as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation and disposals in the period.

Capital Outlays	\$ 1,789,183
Disposals Net of Accumulated Depreciation	(4,640)
Depreciation Expense	<u>(362,368)</u>

1,422,175

Proceeds from financed purchases are another financing source in the governmental funds. They are not revenue in the Statement of Activities; issuing debt increases long-term liabilities in the Statement of Net Position.

(83,438)

In the Statement of Activities, certain operating expenses, e.g., compensated absences (vacations) are measured by the amounts earned during the year. In the Governmental Funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is reduction in the reconciliation (-); when the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+).

62,535

Repayment of financed purchases 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.

72,402

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

Change in Net Pension Liability	613,100
Change in Deferred Outflows	(151,245)
Change in Deferred Inflows	<u>(21,671)</u>

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

\$ 1,536,289

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

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT  
STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
JUNE 30, 2022

	Business-Type Activities - Enterprise Funds <u>Food Service</u>
<u>ASSETS:</u>	
Current Assets:	
Cash and Cash Equivalents	\$ 81,707
Intergovernmental Accounts Receivable:	
State	62
Federal	4,748
Interfund Receivable - General Fund	1,798
Inventories	4,851
	93,166
Total Current Assets	93,166
Non-Current Assets:	
Capital Assets:	
Depreciable Furniture, Machinery and Equipment	72,327
Less: Accumulated Depreciation	(61,784)
	10,543
Total Non-Current Assets	10,543
Total Assets	103,709
<u>LIABILITIES:</u>	
Current Liabilities:	
Accounts Payable - Vendors	2,694
Unearned Revenue - Donated Commodities	1,167
	3,861
Total Liabilities	3,861
<u>NET POSITION:</u>	
Investment in Capital Assets	10,543
Unrestricted	89,305
	99,848
Total Net Position	\$ 99,848

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

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT  
STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN FUND NET POSITION  
PROPRIETARY FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Business-Type Activities - Enterprise Funds
	Food Service
Operating Revenue:	
Local Sources:	
Daily Sales - Non-Reimbursable Programs	\$ 83,670
Total Operating Revenue	83,670
Operating Expenses:	
Cost of Sales - Reimbursable Programs	113,745
Cost of Sales - Non-Reimbursable Programs	33,976
Salaries, Benefits & Payroll Taxes	113,823
Supplies, Insurance & Other Costs	5,191
Management Fee	9,363
Miscellaneous Expense	10,376
Depreciation Expense	1,606
Total Operating Expenses	288,080
Operating Loss	(204,410)
Non-Operating Income:	
Interest Income	60
State Sources:	
Seamless Summer Option	4,781
June Supplemental	138
Federal Sources:	
Seamless Summer Option - Breakfast	57,561
Seamless Summer Option - Lunch	202,945
Food Distribution Program	10,298
Emergency Operational Cost Program	5,366
P-EBT Administrative Cost Reimbursement	1,242
Total Non-Operating Income	282,391
Change in Net Position before Transfers	77,981
Operating Transfers In - General Fund	12,350
Change in Net Position	90,331
Net Position - Beginning of Year	9,517
Net Position - End of Year	\$ 99,848

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

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Business-Type Activities - Enterprise Funds
	Food Service
Cash Flows from Operating Activities:	
Receipts from Customers	\$ 83,670
Payments to Food Service Vendor	(269,263)
Payments for Miscellaneous Expenses	(7,990)
Net Cash Used for Operating Activities	(193,583)
Cash Flows from Investing Activities:	
Interest Income	60
Net Cash Provided by Investing Activities	60
Cash Flows from Noncapital Financing Activities:	
Local Sources	9,400
State Sources	5,016
Federal Sources	262,366
Net Cash Provided by Noncapital Financing Activities	276,782
Net Cash (Used) for Capital Financing Activities	
Purchase of Equipment	(4,032)
Net Cash (Used) for Capital Financing Activities	(4,032)
Net Increase in Cash and Cash Equivalents	79,227
Cash and Cash Equivalents, July 1	2,480
Cash and Cash Equivalents, June 30	\$ 81,707
Reconciliation of Operating Loss to Net Cash Used for Operating Activities:	
Operating Loss	\$ (204,410)
Adjustment to Reconcile Operating Loss to Cash Used for Operating Activities:	
Depreciation	1,606
Food Distribution Program	10,298
Changes in Assets and Liabilities:	
(Increase)/Decrease in Inventory	(610)
Increase/(Decrease) in Unearned Revenue	(1,368)
Increase/(Decrease) in Accounts Payable	901
Net Cash Used for Operating Activities	\$ (193,583)

Noncash Investing, Capital and Financing Activities:

The Food Service Enterprise Fund received and utilized USDA Donated Commodities through the Food Distribution Program valued at \$8,930 and \$10,298, respectively, for the fiscal year ended June 30, 2022.

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



LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity:

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

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

B. Basis of Presentation:

District-Wide Financial Statements:

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

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022  
(Continued)

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

B. Basis of Presentation: (Cont'd)

District-Wide Financial Statements: (Cont'd)

The statement of activities presents a comparison between direct expenses and program revenue for business-type activities and for each function of the District's governmental activities. Direct expenses are those that are specifically associated with and are clearly identifiable to a particular function. Indirect expenses are allocated to the functions using an appropriate allocation method or association with the specific function. Indirect expenses include health benefits, employer's share of payroll taxes, compensated absences and tuition reimbursements. Program revenue includes (a) charges paid by the recipients of goods or services offered by the programs, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenue that is not classified as program revenue, including all taxes, is presented as general revenue. The comparison of direct expenses with program revenues identifies the extent to which each government function or business segment is self-financing or draws from the general revenues of the District.

Fund Financial Statements:

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

The District reports the following governmental funds:

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

As required by NJDOE, the District includes budgeted capital outlay in this fund. GAAP, as it pertains to governmental entities, states that general fund resources may be used to directly finance capital outlays for long-lived improvements as long as the resources in such cases are derived exclusively from unrestricted revenue. Resources for budgeted capital outlay purposes are normally derived from State of New Jersey Aid, district taxes and appropriated fund balance. Expenditures are those that result in the acquisition of or additions to capital assets for land, existing buildings, improvements of grounds, construction of buildings, additions to or remodeling of buildings and the purchase of built-in equipment. These resources can be transferred from and to current expenses by board resolution.

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

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022  
(Continued)

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

B. Basis of Presentation: (Cont'd)

Fund Financial Statements: (Cont'd)

Capital Projects Fund:

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

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

The District reports the following proprietary fund:

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

C. Measurement Focus and Basis of Accounting:

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

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

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022  
(Continued)

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

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

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

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

D. Budgets/Budgetary Control:

Annual appropriated budgets are prepared in the spring of each year for the general and special revenue funds. The budget for the fiscal year ended June 30, 2022 was submitted to the County office and approved by a vote of the Board of Education. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:20-2A.2(m)1. Transfers of appropriations may be made by School Board resolution at any time during the fiscal year. All budgetary amounts presented in the accompanying supplementary information reflect the original budget and the amended budget (which have been adjusted for legally authorized revisions of the annual budget during the year).

Formal budgetary integration into the accounting system is employed as a management control device during the year. For governmental funds, there are no substantial differences between the budgetary basis of accounting and generally accepted accounting principles, with the exception of the special revenue fund as noted below. Encumbrance accounting is also employed as an extension of formal budgetary integration in the governmental fund types. Unencumbered appropriations lapse at fiscal year end.

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

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

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022  
(Continued)

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

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

	<u>General Fund</u>	<u>Special Revenue Fund</u>
Sources/Inflows of Resources:		
Actual Amounts (Budgetary Basis) "Revenue" from the Budgetary Comparison Schedule	\$ 19,632,008	\$ 1,287,763
Differences - Budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that the budgetary basis recognizes encumbrances as expenditures and revenue, whereas the GAAP Basis does not.		
Current Year Encumbrances		(150,111)
Prior Year State Aid Payments Recognized for GAAP Statements, not recognized for Budgetary Basis	471,271	
Current Year State Aid Payments recognized for Budgetary purposes, not recognized for GAAP Statements	<u>(465,235)</u>	
Total Revenues as reported on the Statement of Revenues, Expenditures & Changes in Fund Balances - Governmental Funds	<u>\$ 19,638,044</u>	<u>\$ 1,137,652</u>
Uses/Outflows of Resources:		
Actual Amounts (Budgetary Basis) "Total Outflows" from the Budgetary Comparison Schedule	\$ 20,105,286	\$ 1,269,178
Differences - Budget to GAAP:		
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.		
Current Year Encumbrances		<u>(150,111)</u>
Total Expenditures as Reported on the Statement of Revenue, Expenditures, & Changes in Fund Balances - Governmental Funds	<u>\$ 20,105,286</u>	<u>\$ 1,119,067</u>

E. Cash and Cash Equivalents, and Investments:

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

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

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022  
(Continued)

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

E. Cash and Cash Equivalents, and Investments (Cont'd):

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

F. Interfund Transactions:

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

On fund financial statements, short-term interfund loans are classified as interfund receivables/payables. These amounts are eliminated in the statement of net position, except for amounts due between governmental and business-type activities, which are presented as internal balances.

G. Allowance for Uncollectible Accounts:

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

H. Encumbrances:

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

Open encumbrances in the Special Revenue Fund for which the District has received advances are reflected in the balance sheet as unearned revenue at fiscal year end.

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

I. Short-term Interfund Receivables/Payables:

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

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022  
(Continued)

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

J. Inventories and Prepaid Expenses:

Inventories and prepaid expenses, which benefit future periods, other than those recorded in the enterprise fund, are recorded as an expenditure during the year of purchase.

Enterprise fund inventories are valued at cost, which approximates market, using the first-in, first-out (FIFO) method. Prepaid expenses in the enterprise fund represent payments made to vendors for services that will benefit periods beyond June 30, 2022.

K. Capital Assets:

During the year ended June 30, 1994, the District established a formal system of accounting for its capital assets. Capital assets acquired or constructed subsequent to June 30, 1994, are recorded at historical cost including ancillary charges necessary to place the asset into service. Capital assets acquired or constructed prior to the establishment of the formal system are valued at cost based on historical records or through estimation procedures performed by an independent appraisal company. Land has been recorded at estimated historical cost. Donated capital assets are valued at acquisition value. The cost of normal maintenance and repairs is not capitalized. The District does not possess any infrastructure. Capital assets have been reviewed for impairment.

The capitalization threshold (the dollar value above which asset acquisitions are added to the capital asset accounts) is \$2,000. The depreciation method is straight-line. The estimated useful lives of capital assets reported in the district-wide statements and proprietary funds are as follows:

	<u>Estimated Useful Life</u>
Buildings	50 Years
Buildings and Site Improvements	20 Years
Furniture, Machinery, Equipment and Vehicles	5 to 15 Years

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

L. Lease Assets:

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

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022  
(Continued)

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

M. Long Term Liabilities:

In the district-wide and enterprise fund statements of net position, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or enterprise funds. Bond premium and discounts, are reported as deferred charges and amortized over the term of the related debt using the straight-line method of amortization. In the fund financial statements, the face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses.

N. Accrued Salaries and Wages:

The District does not allow employees who provide services over the ten-month academic year the option to have their salaries evenly distributed during the entire twelve-month year, therefore, there are no accrued salaries and wages as of June 30, 2022.

O. Compensated Absences:

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

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

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

P. Lease Payable:

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

Q. Unearned Revenue:

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

R. Fund Balance Appropriated:

General Fund: Of the \$3,168,208 General Fund balance at June 30, 2022, \$712,982 is restricted in the capital reserve account; \$80,159 is restricted for unemployment compensation; \$1,369,665 is restricted as excess surplus from the prior year and has been anticipated as revenue as of June 30, 2023; \$167,997 assigned fund balance which has been included as anticipated revenue for the fiscal year ending June 30, 2023; \$359,783 assigned for encumbrances; and \$477,622 is unassigned which is \$465,235 less than the calculated budgetary unassigned fund balance due to the last two state aid payments, which are not recognized on the GAAP basis until the next fiscal year.



LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022  
(Continued)

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

R. Fund Balance Appropriated (Cont'd):

Calculation of Excess Surplus: In accordance with N.J.S.A. 18A:7F-7 as amended by P.L. 2004, c.73 (S1701), the designation for Restricted Fund Balance-Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to restrict General Fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent year's budget. The District had excess surplus as noted above.

Special Revenue Fund: Of the \$215,823 Special Revenue Fund fund balance at June 30, 2022 \$195,276 is restricted for student activities and \$20,547 is restricted for Scholarships.

P.L. 2003, C.97 provides that in the event a state school aid payment is not made until the following school budget year, districts must record the related state aid payment as revenue, for budget purposes only, in the current school budget year. The bill provides legal authority for school districts to recognize this revenue in the current budget year. For intergovernmental transactions, GASB requires that recognition (revenue, expenditure, asset, liability) should be in symmetry, i.e., if one government recognizes an asset, the other government recognizes a liability. Since the State is recording the last two state aid payments in the subsequent fiscal year, the school district cannot recognize the last two state aid payments on the GAAP financial statements until the year the State records the payable. The excess surplus calculation is calculated using the fund balance reported on the Budgetary Comparison Schedule, including the final two state aid payments and not the fund balance reported on the fund statement which excludes the last two state aid payments.

S. Net Position:

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

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

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

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

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

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

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022  
(Continued)

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

T. Deficit Net Position:

There is a deficit in unrestricted governmental activities net position in the amount of \$2,376,066. The deficit is primarily due to compensated absences payable and the net pension liability.

This deficit does not indicate that the District is in financial difficulties and is a permitted practice under generally accepted accounting principles.

U. Fund Balance Restrictions, Commitments and Assignments:

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

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

The District Board of Education has the responsibility to formally commit resources for specific purposes through a motion or a resolution passed by a majority of the Members of the Board of Education at a public meeting of that governing body. The Board of Education must also utilize a formal motion or a resolution passed by a majority of the Members of the Board of Education at a public meeting of that governing body in order to remove or change the commitment of resources. The District did not have any committed resources at June 30, 2022.

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

V. Revenue - 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 the modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the District, available means within sixty days of fiscal year end.

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022  
(Continued)

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

V. Revenue - Exchange and Non-exchange Transactions: (Cont'd)

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

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

W. Operating Revenue and Expenses:

Operating revenue are those revenues that are generated directly from the primary activity of the Enterprise Fund. For the School District, these revenues are sales for food service. Operating expenses are necessary costs incurred to provide the service that is the primary activity of the Enterprise Fund.

X. Management Estimates:

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

Y. Pensions

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

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

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

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022  
(Continued)

NOTE 3. CASH AND CASH EQUIVALENTS AND INVESTMENTS

Cash and cash equivalents include petty cash, change funds, amounts in deposits, and short-term investments with original maturities of three months or less.

The Board classifies certificates of deposit which have original maturity dates of more than three months but less than twelve months from the date of purchase, as investments.

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

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

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

Custodial Credit Risk – The District's policy with respect to custodial credit risk requires that the District ensures that District funds are only deposited in financial institutions in which NJ school districts are permitted to invest their funds.

Deposits:

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

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

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

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

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

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022  
(Continued)

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

Investments:

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

- (1) Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America;
- (2) Government money market mutual funds;
- (3) Any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligation bears a fixed rate of interest not dependent on any index or other external factor;
- (4) Bonds or other obligations of the school district or bonds or other obligations of the local unit or units within which the school district is located.
- (5) Bonds or other obligations, having a maturity date not more than 397 days from the date of purchase, issued by New Jersey school districts, municipalities, counties, and entities subject to the "Local Authorities Fiscal Control Law", P.L. 1983, c.313 (C.40A:5A-1 et seq.). Other bonds or obligations having a maturity date not more than 397 days from the date of purchase may be approved by the Division of Investment in the Department of the Treasury for investment by local units;
- (6) Local government investment pools;
- (7) Deposits with the State of New Jersey Cash Management Fund established pursuant to section 1 of P.L. 1977, c.281 (C.52:18A-90.4); or
- (8) Agreements for the repurchase of fully collateralized securities if:
  - (a) the underlying securities are permitted investments pursuant to paragraphs (1) and (3) of this subsection a. or are bonds or other obligations, having a maturity date of not more than 397 days from the date of purchase, issued by New Jersey school districts, municipalities, counties, and entities subject to the requirements of the "Local Authorities Fiscal Control Law," P.L. 1983, c. 313 (C.40A:5A-1 et seq.);
  - (b) the custody of collateral is transferred to a third party;
  - (c) the maturity of the agreement is not more than 30 days;
  - (d) the underlying securities are purchased through a public depository as defined in section 1 of P.L. 1970, c.236 (C.17:9-41); and
  - (e) a master repurchase agreement providing for the custody and security of collateral is executed; or

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022  
(Continued)

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

Investments: (Cont'd)

- (9) Deposit of funds in accordance with the following conditions:
  - (a) The funds are initially invested through a public depository as defined in section 1 of P.L. 1970, c. 236 (C.17:9-41) designated by the school district;
  - (b) The designated public depository arranges for the deposit of the funds in deposit accounts in one or more federally insured banks, savings banks or savings and loan associations or credit unions for the account of the school district;
  - (c) 100 percent of the principal and accrued interest of each deposit is insured by the Federal Deposit Insurance Corporation or the National Credit Union Share Insurance Fund;
  - (d) The designated public depository acts as custodian for the school district with respect to these deposits; and
  - (e) On the same date that the school district's funds are deposited pursuant to subparagraph (b) of this paragraph, the designated public depository receives an amount of deposits from customers of other financial institutions, wherever located, equal to the amounts of funds initially invested by the school district through the designated public depository.

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

	Cash and Cash Equivalents	Restricted Cash and Cash Equivalents	Total
Checking Accounts	\$ 2,531,166	\$ 1,008,964	\$ 3,540,130

During the period ended June 30, 2022, the District did not hold any investments. The carrying amount of the Board's cash and cash equivalents at June 30, 2022, was \$3,540,130 and the bank balance was \$3,723,353.

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022  
(Continued)

NOTE 4. CAPITAL ASSETS

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

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases/ Adjustments</u>	<u>Ending Balance</u>
Governmental Activities:				
Capital Assets not being Depreciated:				
Sites (Land)	\$ 98,915			\$ 98,915
Construction in Progress	<u>25,776</u>	\$ 970,698	\$ (708,451)	<u>288,023</u>
Total Capital Assets not being Depreciated	<u>124,691</u>	<u>970,698</u>	<u>(708,451)</u>	<u>386,938</u>
Capital Assets being Depreciated:				
Site Improvements	82,940		708,451	791,391
Buildings and Building Improvements	13,271,211	438,977		13,710,188
Furniture, Machinery and Equipment	<u>3,931,829</u>	<u>379,508</u>	<u>(6,750)</u>	<u>4,304,587</u>
Total Capital Assets being Depreciated	<u>17,285,980</u>	<u>818,485</u>	<u>701,701</u>	<u>18,806,166</u>
Governmental Activities Capital Assets	<u>17,410,671</u>	<u>1,789,183</u>	<u>(6,750)</u>	<u>19,193,104</u>
Less Accumulated Depreciation for:				
Site Improvements	(78,793)	(1,659)		(80,452)
Buildings and Building Improvements	(7,235,446)	(221,806)		(7,457,252)
Furniture, Machinery and Equipment	<u>(2,619,357)</u>	<u>(138,903)</u>	<u>2,110</u>	<u>(2,756,150)</u>
Total Accumulated Depreciation	<u>(9,933,596)</u>	<u>(362,368)</u>	<u>2,110</u>	<u>(10,293,854)</u>
Governmental Activities Capital Assets, Net of Accumulated Depreciation	<u>\$ 7,477,075</u>	<u>\$ 1,426,815</u>	<u>\$ (4,640)</u>	<u>\$ 8,899,250</u>
	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases/ Adjustments</u>	<u>Ending Balance</u>
Business Type Activities:				
Capital Assets Being Depreciated:				
Furniture and Equipment	\$ 68,295	\$ 4,032		\$ 72,327
Less Accumulated Depreciation	<u>(60,178)</u>	<u>(1,606)</u>		<u>(61,784)</u>
Business Type Activities Capital Assets, Net of Accumulated Depreciation	<u>\$ 8,117</u>	<u>\$ 2,426</u>	<u>\$ - 0 -</u>	<u>\$ 10,543</u>
Total Governmental and Business-Type Activities	<u>\$ 7,485,192</u>	<u>\$ 1,429,241</u>	<u>\$ (4,640)</u>	<u>\$ 8,909,793</u>

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022  
(Continued)

NOTE 4. CAPITAL ASSETS (Cont'd)

The District expended \$1,789,183 on capitalized expenditures during the fiscal year, which included \$970,698 of construction projects in progress. The District has \$288,023 in active construction projects, of which \$-0- represents open encumbrances as of June 30, 2022.

Depreciation expense was charged to governmental functions as follows:

Regular Instruction	\$	120,957
Special Education Instruction		22,539
Other Instruction		23,680
Student and Instruction Related Services		85,856
General Administrative Services		11,251
School Administrative Services		9,522
Central Services		9,630
Administrative Information Technology		3,678
Plant Operations and Maintenance		43,706
Pupil Transportation		<u>31,549</u>
Total Depreciation	<u>\$</u>	<u>362,368</u>

NOTE 5. TRANSFERS TO CAPITAL OUTLAY

During the year ended June 30, 2022, the District had transfers to the capital outlay accounts. The transfers were for equipment which do not require County Superintendent approval.

NOTE 6. CAPITAL RESERVE ACCOUNT

A capital reserve account was established by the Lenape Valley Regional High School District by inclusion of \$5,000 on August 13, 2000 for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund and its activity is included in the General Fund annual budget.

Funds placed in the capital reserve account are restricted to capital projects in the District's approved Long Range Facilities Plan (LRFP). Upon submission of the LRFP to the NJ Department of Education, a district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes or by transfer by board resolution at year end of any unanticipated revenue or unexpended line item appropriation amounts or both. A district may also appropriate additional amounts when the express approval of the voters has been obtained either by a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to N.J.S.A. 19:60-2. Pursuant to N.J.A.C. 6:23A-5.1(d)7, the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.



LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022  
(Continued)

NOTE 6. CAPITAL RESERVE ACCOUNT (Cont'd)

The activity of the capital reserve for fiscal year ending June 30, 2022 is as follows:

Beginning Balance at July 1, 2021	\$ 248,274
Interest Earnings	439
Increase by Resolution - June 21, 2022	364,269
Increase by Budget	100,000
Ending Balance at June 30, 2022	\$ 712,982

The balance in the capital reserve account did not exceed the balance of local support costs of uncompleted capital projects in the District's approved LRFP.

NOTE 7. LONG-TERM LIABILITIES

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

	Balance 6/30/2021	Issued/ Accrued	Matured/ Retired	Balance 6/30/2022
Financed Purchases Payable	\$ 269,914	\$ 83,438	\$ 72,402	\$ 280,950
Net Pension Liability	2,443,582		613,100	1,830,482
Compensated Absences Payable	533,238	44,415	106,950	470,703
	\$ 3,246,734	\$ 127,853	\$ 792,452	\$ 2,582,135

A. Bonds Payable:

The District had no bonds outstanding as of June 30, 2022.

B. Bonds Authorized But Not Issued:

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

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022  
(Continued)

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

C. Financed Purchases Payable:

The District has financed purchases agreements for buses totaling \$454,240 at June 30, 2022. The financed purchases agreements are for terms of five years. The District has entered into a finance purchase agreement totaling \$454,240 of which \$173,290 has been liquidated as of June 30, 2022. The General Fund will be used to liquidate financed purchases payable. The following is a schedule of the future minimum financed purchases agreements, and the present value of the net minimum financed purchases payments at June 30, 2022:

Year Ending June 30,	Amount
2023	\$ 95,060
2024	80,902
2025	80,402
2026	17,751
2027	17,751
	291,866
Less: Amount representing interest	(10,916)
Present Value of Net Minimum Financed Purchases	\$ 280,950

The current portion is \$91,522 and the long-term portion is \$189,428.

D. Compensated Absences Payable:

The liability for compensated absences of the governmental fund types is recorded as a current and long-term liability and will be liquidated through the General Fund. The current portion of the liability is \$-0- and the long-term portion is \$470,703.

The District had no liability at June 30, 2022 for compensated absences associated with its Food Service Enterprise Fund.

E. Net Pension Liability:

The Public Employees' Retirement System's (PERS) net pension liability of the governmental fund types is recorded in the current and long-term liabilities and will be liquidated by the General Fund. The current portion of the net pension liability at June 30, 2022 is \$-0- and the long-term portion is \$1,830,482. See Note 8 for further information on the PERS.

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022  
(Continued)

NOTE 8. PENSION PLANS

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

A. Public Employees’ Retirement System (PERS)

Plan Description

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

Benefits Provided

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

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

Service retirement benefits of 1/55th of final average salary for each year of service credit is available to Tiers 1 and 2 members upon reaching age 60 and to Tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to Tier 4 members upon reaching age 62 and to Tier 5 members upon reaching age 65. Early retirement benefits are available to Tiers 1 and 2 members before reaching age 60, to Tiers 3 and 4 with 25 or more years of service credit before age 62 with 25 or more years of service credit 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 members 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 50 to age 60 if they have at least 25 years of service. Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for the respective tier.

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022  
(Continued)

NOTE 8. PENSION PLANS (Cont'd)

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

Contributions

The contribution policy for PERS is set by N.J.S.A. 43:15A and requires contributions by active members and contributing members. The local employers' contribution amounts are based on an actuarially determined rate which includes the normal cost and unfunded accrued liability. Chapter 19, P.L. 2009 provided an option for local employers of PERS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in State fiscal year 2009. Such employers will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded liability of those retirement systems, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual payments over a period of 15 years, beginning with the payments due in the fiscal year ended June 30, 2012 and will be adjusted by the rate of return on the actuarial value of assets. District contributions to PERS amounted to \$181,731 for 2022.

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

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

At June 30, 2022, the District reported a liability of \$1,830,482 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2020 which was rolled forward to June 30, 2021. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At June 30, 2021, the District's proportion was 0.01545%, which was an increase of 0.00047% from its proportion measured as of June 30, 2020.

For the fiscal year ended June 30, 2022, the District recognized an actual pension benefit in the amount of \$259,227. At June 30, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022  
(Continued)

NOTE 8. PENSION PLANS (Cont'd)

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

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

	Deferral Year	Amortization Period in Years	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in Assumptions	2017	5.48		\$ (77,356)
	2018	5.63		(145,027)
	2019	5.21		(127,939)
	2020	5.16		(301,341)
	2021	5.13	\$ 9,533	(651,663)
Changes in Proportion	2017	5.48		(24,475)
	2018	5.63	98,751	
	2019	5.21		(14,741)
	2020	5.16		(113,280)
	2021	5.13	82,024	(152,496)
Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	2018	5.00		(14,299)
	2019	5.00		4,614
	2020	5.00		103,979
	2021	5.00		(576,491)
Difference Between Expected and Actual Experience	2017	5.48	2,301	
	2018	5.63		(5,524)
	2019	5.21	9,780	
	2020	5.16	16,788	
	2021	5.13		(7,580)
District Contribution Subsequent to the Measurement Date	2021	1.00	181,000	
			\$ 400,177	\$ (1,299,460)

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022  
(Continued)

NOTE 8. PENSION PLANS (Cont'd)

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

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

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

Fiscal Year Ending June 30,	Total
2022	\$ (431,914)
2023	(308,386)
2024	(210,266)
2025	(158,058)
2026	62
	\$ (1,108,562)

Actuarial Assumptions

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

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

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

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

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022  
(Continued)

NOTE 8. PENSION PLANS (Cont'd)

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

Long Term Expected Rate of Return

In accordance with State statute, the long-term expected rate of return on pension plan investments (7.00% at June 30, 2021) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the Board of Trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected\_returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in PERS' target asset allocation as of June 30, 2021 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Equity	27.00%	8.09%
Non-U.S. Developed Market Equity	13.50%	8.71%
Emerging Markets Equity	5.50%	10.96%
Private Equity	13.00%	11.30%
Real Assets	3.00%	7.40%
Real Estate	8.00%	9.15%
High Yield	2.00%	3.75%
Private Credit	8.00%	7.60%
Investment Grade Credit	8.00%	1.68%
Cash Equivalents	4.00%	0.50%
U.S. Treasuries	5.00%	95.00%
Risk Management Strategies	3.00%	3.35%

Discount Rate

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

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022  
(Continued)

NOTE 8. PENSION PLANS (Cont'd)

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

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

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

	June 30, 2021		
	At 1% Decrease (6.00%)	At Current Discount Rate (7.00%)	At 1% Increase (8.00%)
District's proportionate share of the Net Pension Liability	\$ 2,494,125	\$ 1,830,482	\$ 1,269,160

Pension Plan Fiduciary Net Position

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

B. Teachers' Pension and Annuity Fund (TPAF)

Plan Description

The State of New Jersey, Teachers' Pension and Annuity Fund (TPAF), is a cost-sharing multiple-employer defined benefit pension plan with a special funding situation, by which the State of New Jersey (the State) is responsible to fund 100% of the employer contributions, excluding any local employer early retirement incentive (ERI) contributions. The TPAF is administered by the State of New Jersey Division of Pensions and Benefits (the Division).

For additional information about the TPAF, please refer to the Division's annual financial statements which can be found at [www.state.nj.us/treasury/pensions/annual-reports.shtml](http://www.state.nj.us/treasury/pensions/annual-reports.shtml).

Benefits Provided

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



LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022  
(Continued)

NOTE 8. PENSION PLANS (Cont'd)

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

Benefits Provided (Cont'd)

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

Contributions

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

Special Funding Situation

The employer contributions for local participating employers are legally required to be funded by the State in accordance with N.J.S.A. 18:66-33. Therefore, these local participating employers are considered to be in a special funding situation as defined by GASB Statement No. 68 and the State is treated as a nonemployer contributing entity. Since the local participating employers do not contribute directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to report in the financial statements of the local participating employers. However, the notes to the financial statements of the local participating employers must disclose the portion of the nonemployer contributing entities' total proportionate share of the net pension liability that is associated with the local participating employer. In addition, each local participating employer must recognize pension expense associated with the employer as well as revenue in an amount equal to the nonemployer contributing entities' total proportionate share of the collective pension expense associated with the local participating employer. During the fiscal year ended 2022, the State of New Jersey contributed \$2,301,999 to the TPAF for normal pension benefits on behalf of the District, which is more than the contractually required contribution of \$673,099.

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

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022  
(Continued)

NOTE 8. PENSION PLANS (Cont'd)

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

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

At June 30, 2022, the State's proportionate share of the net pension liability associated with the District was \$28,605,468. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2020 which was rolled forward to June 30, 2021. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At June 30, 2021, the District's proportion was 0.0595%, which was an increase of 0.0010% from its proportion measured as of June 30, 2020.

District's Proportionate Share of the Net Pension Liability	\$ -0-
State's Proportionate Share of the Net Pension Liability Associated with the District	<u>28,605,468</u>
Total	<u>\$ 28,605,468</u>

For the fiscal year ended June 30, 2021, the State recognized pension expense on behalf of the District in the amount of \$673,099 and the District recognized pension expense and revenue for that same amount in the fiscal year ended June 30, 2022 financial statements.

The State reported collective deferred outflows of resources and deferred inflows of resources (excluding employer specific amounts) related to pensions from the following sources:

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
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(Continued)

NOTE 8. PENSION PLANS (Cont'd)

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

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

	<u>Year of Deferral</u>	<u>Amortization Period in Years</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Changes in Assumptions	2014	8.50	\$ 153,774,925	
	2015	8.30	926,219,611	
	2016	8.30	3,000,278,784	
	2017	8.30		\$ 5,282,196,290
	2018	8.29		3,527,661,165
	2019	8.04		2,510,940,613
	2020	7.99	1,209,286,241	
	2021	7.93		12,903,483,645
			<u>5,289,559,561</u>	<u>24,224,281,713</u>
Difference Between Expected and Actual Experience	2014	8.50		1,464,605
	2015	8.30	57,204,429	
	2016	8.30		37,311,034
	2017	8.30	93,981,436	
	2018	8.29	618,845,893	
	2019	8.04		97,553,990
	2020	7.99		6,444,940
	2021	7.93	171,234,070	
			<u>941,265,828</u>	<u>142,774,569</u>
Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	2018	5.00		96,030,373
	2019	5.00		(72,441,385)
	2020	5.00		(724,186,621)
	2021	5.00		3,554,633,811
				<u>2,854,036,178</u>
			<u>\$ 6,230,825,389</u>	<u>\$ 27,221,092,460</u>

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022  
(Continued)

NOTE 8. PENSION PLANS (Cont'd)

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

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

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

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

Actuarial Assumptions

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

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

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

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

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022  
(Continued)

NOTE 8. PENSION PLANS (Cont'd)

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

Long Term Expected Rate of Return

In accordance with State statute, the long-term expected rate of return on pension plan investments (7.00% at June 30, 2021) is determined by the State Treasurer, after consultation with the Directors of the Division of Investment and Division of Pensions and Benefits, the Board of Trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected\_returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in TPAF's target asset allocation as of June 30, 2021 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Equity	27.00%	8.09%
Non-U.S. Developed Market Equity	13.50%	8.71%
Emerging Markets Equity	5.50%	10.96%
Private Equity	13.00%	11.30%
Real Estate	8.00%	9.15%
Real Assets	3.00%	7.40%
High Yield	2.00%	3.75%
Private Credit	8.00%	7.60%
Investment Grade Credit	8.00%	1.68%
Cash Equivalents	4.00%	0.50%
U.S. Treasuries	5.00%	0.95%
Risk Management Strategies	3.00%	3.35%

Discount Rate – TPAF

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

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
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(Continued)

NOTE 8. PENSION PLANS (Cont'd)

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

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

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

	June 30, 2021		
	At 1% Decrease (6.00%)	At Current Discount Rate (7.00%)	At 1% Increase (8.00%)
State's Proportionate Share of the Net Pension Liability Associated with the District	\$ 33,845,053	\$ 28,605,468	\$ 24,204,551

Pension Plan Fiduciary Net Position - TPAF

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

C. Defined Contribution Retirement Program (DCRP)

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

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

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

For DCRP, the District recognized pension expense of \$3,800 for the fiscal year ended June 30, 2022. Employee contributions to DCRP amounted to \$2,799 for the fiscal year ended June 30, 2022.

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022  
(Continued)

NOTE 9. RISK MANAGEMENT

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

Property, Liability and Health Benefits

The District maintains commercial insurance coverage for student accident and surety bonds. A complete schedule of insurance coverage can be found in the statistical section of this Annual Comprehensive Financial Report.

The Board is a member of the School Alliance Insurance Fund (“SAIF). The SAIF provides its members with Workers’ Compensation, Comprehensive General Liability and Automobile Liability, Property, Boiler and Machinery, and School Board Legal Liability Insurance. The SAIF is a risk-sharing fund that is both an insured and self-administered group of school districts established for the purpose of providing low-cost insurance coverage for their members in order to keep local property taxes at a minimum. Each member appoints an official to represent their respective district for the purpose of creating a governing body from which officers for the SAIF are elected.

As a member of the SAIF, the District could be subject to supplemental assessments in the event of deficiencies. If the assets of the SAIF were to be exhausted, members would become responsible for their respective shares of the SAIF’s liabilities.

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

The financial information for the fiscal year ending June 30, 2022 was not available as of the date of the audit. Selected financial information for the SAIF as of June 30, 2021 is as follows:

Total Assets	<u>\$ 52,863,732</u>
Net Position	<u>\$ 20,991,515</u>
Total Revenue	<u>\$ 42,696,854</u>
Total Expenses	<u>\$ 42,245,248</u>
Change in Net Position	<u>\$ 451,606</u>
Members Dividends	<u>\$ -0-</u>

Financial statements for the Fund are available at the Fund’s Executive Director’s Office:

Public Entity Group Administrative Services  
51 Everett Drive Suite B-40  
West Windsor, NJ 08550  
(609) 275-1155

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022  
(Continued)

NOTE 9. RISK MANAGEMENT (Cont'd)

New Jersey Unemployment Compensation Insurance

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

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

Fiscal Year	Employee and District Contributions and Interest	Amount Reimbursed	Ending Balance
2021-2022	\$ 31,529	\$ 261	\$ 80,159
2020-2021	18,523	5,097	48,891
2019-2020	13,075	5,482	35,465

Health Benefits

The Board is a member of the Schools Health Insurance Fund ("HIF"). The HIF provides its members with Health Benefit coverage. The HIF is a risk-sharing pool that is both an insured and self-administered group of school districts established for the purpose of providing low-cost insurance coverage for their members in order to keep local property taxes at a minimum. Each member appoints an official to represent their respective district for the purpose of creating a governing body from which officers for the HIF are elected.

As a member of HIF, the District could be subject to supplemental assessments in the event of deficiencies. If the assets of HIF were to be exhausted, members would become responsible for their respective shares of the HIF's liabilities.

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

The June 30, 2022 audit report is not available as of the date of this report. Selected summarized financial information for HIF as of June 30, 2021 is as follows:



LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
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(Continued)

NOTE 9. RISK MANAGEMENT (Cont'd)

Health Benefits (Cont'd)

Total Assets	\$ 169,411,417
Net Position	\$ 115,748,222
Total Revenue	\$ 350,712,938
Total Expenses	\$ 336,487,290
Change in Net Position	\$ 14,225,648
Members Dividends	\$ 9,878,926

Financial Statements for HIF are available at PERMA's Executive Director's Office:

PERMA Risk Management Services  
9 Campus Drive  
Suite 216  
Parsippany, NJ 07054

NOTE 10. ECONOMIC DEPENDENCY

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

NOTE 11. INTERFUND RECEIVABLES AND PAYABLES

The District had the following interfund receivable and payable at June 30, 2022.

Fund	Interfund Receivable	Interfund Payable
General Fund		\$ 1,798
Enterprise Fund	\$ 1,798	
	\$ 1,798	\$ 1,798

The interfund payable in the General Fund is for 2022 grant receipts that were not sent to the Enterprise Fund from the General Fund.

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
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(Continued)

NOTE 12. DEFERRED COMPENSATION

The Board offers its employees a choice of the following deferred compensation plans created in accordance with Internal Revenue Code Section 403(b). The plans, which are administered by the entities listed below, permit participants to defer a portion of their salary until future years. Amounts deferred under the plans are not available to employees until termination, retirement, death or unforeseeable emergency.

The plan administrators are as follows:

Equitable Life Assurance	Lincoln Investment
Metropolitan Life Insurance Company	Variable Annuity Life Insurance Company

NOTE 13. TAX CALENDAR

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

Taxes are collected by the constituent municipalities and are remitted to the regional school district on predetermined, agreed-upon schedules.

NOTE 14. CONTINGENT LIABILITIES

Grant Programs

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

Litigation

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

Encumbrances

At June 30, 2022 there were encumbrances as detailed below in the governmental funds.

General Fund	Special Revenue Fund	Total Governmental Funds
\$ 359,783	\$ 150,111	\$ 509,894

On the District's Governmental Funds Balance Sheet as of June 30, 2022, \$0- is assigned for year-end encumbrances in the Special Revenue Fund, which is \$150,111 less than the actual year-end encumbrances on a budgetary basis. Encumbrances are not recognized on a GAAP basis and are reflected as either a reduction in grants receivable or an increase in unearned revenue in the Special Revenue Fund.

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
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(Continued)

NOTE 15. ACCOUNTS PAYABLE

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>District Contribution Subsequent to the Measurement Date</u>	<u>Total Governmental Activities</u>
Payroll Deductions and Withholdings	\$ 52,798			\$ 52,798
Due to State of New Jersey			\$ 181,000	181,000
Vendors	<u>280,728</u>	<u>\$ 176,785</u>		<u>457,513</u>
	<u>\$ 333,526</u>	<u>\$ 176,785</u>	<u>\$ 181,000</u>	<u>\$ 691,311</u>

NOTE 16. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

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

General Information about the OPEB Plan

Plan Description and Benefits Provided

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

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

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

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

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

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022  
(Continued)

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

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

Employees Covered by Benefit Terms

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

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

Total Nonemployer OPEB Liability

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

Actuarial Assumptions and Other Inputs

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

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

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

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022  
(Continued)

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

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

Mortality Rates

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

Health Care Trend Assumptions

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

Discount Rate

The discount rate for June 30, 2020 was 2.21%. This represents the municipal bond rate as chosen by the State of New Jersey Division of Pensions and Benefits. The source is the Bond Buyer Go 20-Bond Municipal bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. As the long-term rate of return is less than the municipal bond rate, it is not considered in the calculation of the discount rate, rather the discount rate is set at the municipal bond rate.

Changes in the State’s Proportionate Share of the Total OPEB Liability Associated with the District

	Total OPEB Liability
Balance at June 30, 2019	\$ 24,792,617
Changes for Year:	
Service Cost	910,880
Interest on the Total OPEB Liability	887,948
Changes of Assumptions	7,281,052
Differences between Expected and Actual Experience	6,660,396
Gross Benefit Payments by the State	(693,930)
Contributions from Members	21,033
Net Changes	15,067,379
Balance at June 30, 2020	\$ 39,859,996

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022  
(Continued)

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

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

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

The following presents the total nonemployer OPEB Liability attributable to the District as of June 30, 2020, calculated using the discount rate as disclosed in this note, as well as what the total nonemployer OPEB liability attributable to the District would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	June 30, 2020		
	At 1%	At	At 1%
	Decrease (1.21%)	Discount Rate (2.21%)	Increase (3.21%)
Total OPEB Liability Attributable to the District	\$ 48,053,283	\$ 39,859,996	\$ 33,453,635

The following presents the total nonemployer OPEB Liability attributable to the District as of June 30, 2020, calculated using the healthcare trend rate as disclosed in this note, as well as what the total nonemployer OPEB liability attributable to the District would be if it were calculated using a healthcare trend rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	June 30, 2020		
	1%	Healthcare	1%
	Decrease	Cost Trend Rate	Increase
Total OPEB Liability Attributable to the District	\$ 32,176,333	\$ 39,859,996	\$ 49,009,531

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

For the fiscal year ended June 30, 2022 the District recognized OPEB expense of \$1,785,784 as determined by the State of New Jersey Division of Pensions and Benefits. This expense and the related offsetting revenue are for benefits provided by the State through a defined benefit OPEB plan that meets the criteria in GASB Codification Section P50, in which there is a special funding situation.

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

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022  
(Continued)

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

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

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

	<u>Deferral</u> <u>Year</u>	<u>Period</u> <u>in Years</u>	<u>Deferred</u> <u>Outflows of</u> <u>Resources</u>	<u>Deferred</u> <u>Inflows of</u> <u>Resources</u>
Changes in Assumption	2017	9.54		\$ 18,307,795
	2018	9.51		16,114,315
	2019	9.29	\$ 2,172,038	
	2020	9.24	49,140,818	
			<u>51,312,856</u>	<u>34,422,110</u>
Differences Between Expected and Actual Experience	2018	9.51		15,233,042
	2019	9.29		25,565,011
	2020	9.24	45,801,171	
			<u>45,801,171</u>	<u>40,798,053</u>
Changes in Proportion	N/A	N/A	<u>6,124,523</u>	
			<u>\$ 103,238,550</u>	<u>\$ 75,220,163</u>

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

<u>Fiscal Year</u> <u>Ending June 30,</u>	<u>Total</u>
2021	\$ (25,535)
2022	(25,535)
2023	(25,535)
2024	(25,535)
2025	(25,535)
Thereafter	<u>(2,765,199)</u>
	<u>\$ (2,892,874)</u>

SCHEDULES OF REQUIRED  
SUPPLEMENTARY INFORMATION



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

	Fiscal Year Ending June 30,							
	2015	2016	2017	2018	2019	2020	2021	2022
District's proportion of the net pension liability	0.0150859020%	0.0155418236%	0.0157287536%	0.0144473211%	0.0159595540%	0.0158061212%	0.0149845117%	0.0154516688%
District's proportionate share of the Net Pension Liability	\$ 2,824,493	\$ 3,488,828	\$ 4,658,406	\$ 3,363,105	\$ 3,142,357	\$ 2,848,023	\$ 1,830,482	\$ 1,830,482
District's covered employee payroll	\$ 1,057,741	\$ 1,052,588	\$ 968,707	\$ 977,515	\$ 1,017,216	\$ 1,026,740	\$ 1,050,529	\$ 1,102,006
District's proportionate share of the net pension liability as a percentage of its covered employee payroll	267.03%	331.45%	480.89%	344.05%	308.92%	277.39%	174.24%	166.10%
Plan fiduciary net position as a percentage of the total pension liability	52.08%	47.93%	40.14%	48.10%	53.60%	56.27%	58.32%	70.33%

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

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES  
SCHEDULE OF DISTRICT CONTRIBUTIONS  
PUBLIC EMPLOYEES RETIREMENT SYSTEM  
LAST EIGHT FISCAL YEARS

	Fiscal Year Ending June 30,							
	2015	2016	2017	2018	2019	2020	2021	2022
Contractually Required Contribution	\$ 124,366	\$ 133,618	\$ 140,624	\$ 135,229	\$ 160,487	\$ 154,381	\$ 163,923	\$ 181,731
Contributions in relation to the contractually Required Contribution	(124,366)	(133,618)	(140,624)	(135,229)	(160,487)	(154,381)	(163,923)	(181,731)
Contribution deficiency/(excess)	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-
District's covered employee payroll	\$ 1,052,588	\$ 968,707	\$ 977,515	\$ 1,017,216	\$ 1,026,740	\$ 1,050,529	\$ 1,102,006	\$ 1,228,179
Contributions as a percentage of covered employee payroll	11.82%	13.79%	14.39%	13.29%	15.63%	14.70%	14.87%	14.80%

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

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES  
SCHEDULE OF STATE'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
ATTRIBUTABLE TO THE DISTRICT  
TEACHERS' PENSION AND ANNUITY FUND  
LAST EIGHT FISCAL YEARS

	Fiscal Year Ending June 30,							
	2015	2016	2017	2018	2019	2020	2021	2022
State's proportion of the net pension liability attributable to the District	0.0675761920%	0.0627055215%	0.0606394365%	0.0596031525%	0.0568644889%	0.0609122201%	0.0584700262%	0.0595015190%
State's proportionate share of the net pension liability attributable to the District	\$ 36,117,275	\$ 39,632,567	\$ 39,632,530	\$ 40,186,595	\$ 37,843,505	\$ 37,382,404	\$ 38,501,809	\$ 28,605,468
District's covered employee payroll	\$ 6,172,786	\$ 5,962,659	\$ 6,080,949	\$ 6,280,801	\$ 6,208,185	\$ 6,450,603	\$ 6,158,596	\$ 6,309,837
State's proportionate share of the net pension liability attributable to the district as a percentage of its covered employee payroll	585.10%	664.68%	651.75%	639.83%	609.57%	579.52%	625.17%	453.35%
Plan fiduciary net position as a percentage of the total pension liability	33.64%	28.71%	22.33%	25.41%	26.49%	26.95%	24.60%	35.52%

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

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES  
SCHEDULE OF STATE'S CONTRIBUTION'S  
ATTRIBUTABLE TO THE DISTRICT  
TEACHERS' PENSION AND ANNUITY FUND  
LAST EIGHT FISCAL YEARS

	Fiscal Year Ending June 30,							
	2015	2016	2017	2018	2019	2020	2021	2022
Contractually required contributions	\$ 1,943,449	\$ 2,419,925	\$ 3,584,206	\$ 2,783,924	\$ 2,206,144	\$ 2,204,914	\$ 2,394,206	\$ 673,099
Contributions in relation to the contractually required contribution	(339,009)	(336,996)	(646,977)	(876,014)	(1,197,997)	(1,282,472)	(1,729,637)	(2,301,999)
Contribution deficiency/(excess)	\$ 1,604,440	\$ 2,082,929	\$ 2,937,229	\$ 1,907,910	\$ 1,008,147	\$ 922,442	\$ 664,569	\$ (1,628,900)
District's covered employee payroll	\$ 5,962,659	\$ 6,080,949	\$ 6,280,801	\$ 6,208,185	\$ 6,450,603	\$ 6,158,596	\$ 6,309,837	\$ 6,309,837
Contributions as a percentage of covered employee payroll	26.91%	34.25%	46.77%	30.73%	15.63%	14.98%	10.53%	-25.82%

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

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES  
SCHEDULE OF CHANGES IN THE STATE'S PROPORTIONATE SHARE OF THE TOTAL OPEB  
LIABILITY ASSOCIATED WITH THE DISTRICT AND RELATED RATIOS  
LAST FOUR FISCAL YEARS

	Fiscal Year Ending June 30,			
	2017	2018	2019	2020
Service Cost	\$ 1,174,373	\$ 976,163	\$ 866,324	\$ 910,880
Interest Cost	1,001,716	1,159,701	1,066,313	887,948
Differences between Expected and Actual Experience		(3,044,167)	(3,823,899)	6,660,396
Changes in Assumptions	(4,028,993)	(3,104,435)	369,660	7,281,052
Member Contributions	27,091	25,001	22,560	21,033
Gross Benefit Payments	(735,718)	(723,380)	(761,059)	(693,930)
Net Change in Total OPEB Liability	(2,591,531)	(4,711,117)	(2,260,101)	15,067,379
Total OPEB Liability - Beginning	34,325,366	31,763,835	27,052,718	24,792,617
Total OPEB Liability - Ending	<u>\$ 31,763,835</u>	<u>\$ 27,052,718</u>	<u>\$ 24,792,617</u>	<u>\$ 39,859,996</u>
State's Covered Employee Payroll *	\$ 7,049,656	\$ 7,258,316	\$ 7,225,401	\$ 7,477,343
Total OPEB Liability as a Percentage of Covered Employee Payroll	453%	384%	343%	533%

\* - Covered payroll for the fiscal years ending June 30, 2017, June 30, 2018, June 30, 2019 and June 30, 2020 are based on the payroll on the June 30, 2016, June 30, 2017, June 30, 2018 and June 30, 2019 census data.

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

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

A. PUBLIC EMPLOYEES' RETIREMENT SYSTEM

Benefit Changes

There were none.

Changes of Actuarial Assumptions

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

B. TEACHERS' PENSION AND ANNUITY FUND

Benefit Changes

There were none.

Changes of Actuarial Assumptions

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

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

C. STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES OPEN PLAN

Benefit Changes

There were none.

Changes in Actuarial Assumptions

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

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

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

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022  
(Continued)

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

Changes in Actuarial Assumptions (Cont'd)

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

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

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

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

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

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

BUDGETARY COMPARISON SCHEDULES



LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>REVENUES:</b>					
Local Sources:					
Local Tax Levy	\$ 11,238,630		\$ 11,238,630	\$ 11,238,630	\$ 23,463
Tuition from Other LEAs Within the State				23,463	\$ 23,463
Rents and Royalties	9,135		9,135	11,030	1,895
Interest Earned on Capital Reserve Funds	1,000		1,000	439	(561)
Restricted Miscellaneous Revenues				31,268	31,268
Unrestricted Miscellaneous Revenues	30,000		30,000	6,679	(23,321)
<b>Total - Local Sources</b>	<b>11,278,765</b>		<b>11,278,765</b>	<b>11,311,509</b>	<b>32,744</b>
State Sources:					
Categorical Special Education Aid	464,408		464,408	464,408	
Equalization Aid	3,317,998		3,317,998	3,317,998	
Categorical Security Aid	20,481		20,481	20,481	
Categorical Transportation Aid	177,329		177,329	177,329	
School Choice Aid	685,477		685,477	685,477	
Securing Our Children's Future Bond Act				44,427	44,427
Additional Non-Public Transportation Aid				6,402	6,402
Extraordinary Aid				270,690	270,690
On-Behalf TPAF Pension Contributions (Non-Budgeted)				2,301,999	2,301,999
On-Behalf NCGI Premium (Non-Budgeted)				32,478	32,478
On-Behalf TPAF Post Retirement Medical Benefits (Non-Budgeted)				545,428	545,428
On-Behalf TPAF Long Term Disability Insurance (Non-Budgeted)				741	741
Reimbursed TPAF Social Security Contributions (Non-Budgeted)				452,641	452,641
<b>Total State Sources</b>	<b>4,665,693</b>		<b>4,665,693</b>	<b>8,320,499</b>	<b>3,654,806</b>
<b>TOTAL REVENUES</b>	<b>15,944,458</b>		<b>15,944,458</b>	<b>19,632,008</b>	<b>3,687,550</b>

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>EXPENDITURES:</b>					
<b>CURRENT EXPENSE</b>					
Regular Programs:					
Grades 9-12 - Salaries of Teachers	\$ 3,799,658	\$ (46,233)	\$ 3,753,425	\$ 3,751,857	\$ 1,568
Regular Programs - Home Instruction:					
Salaries of Teachers	45,000	(4,549)	40,451	32,544	7,907
Purchased Professional - Educational Services	1,000	19,000	20,000	19,595	405
Regular Programs - Undistributed Instruction:					
Purchased Professional - Educational Services	18,000	5,724	23,724	23,724	
Purchased Technical Services	1,500		1,500	1,400	100
Other Purchased Services (400-500 Series)	79,100	(41,637)	37,463	27,277	10,186
Communications/Telephone		39,640	39,640	38,814	826
General Supplies	265,700	4,073	269,773	246,799	22,974
Textbooks	72,300	(24,428)	47,872	41,955	5,917
Other Objects	1,500		1,500	1,370	130
Total Regular Programs - Instruction	4,283,758	(48,410)	4,235,348	4,185,335	50,013
Special Education - Instruction:					
Cognitive - Mild:					
Salaries of Teachers	57,448		57,448	57,448	
Other Salaries for Instruction	55,191	(3,426)	51,765	49,104	2,661
General Supplies	1,300		1,300	852	448
Total Cognitive - Mild	113,939	(3,426)	110,513	107,404	3,109
Cognitive - Moderate:					
Salaries of Teachers	58,500		58,500		58,500
Other Salaries for Instruction	40,704	1,050	41,754	41,754	
General Supplies	1,200		1,200	639	561
Total Cognitive - Moderate	100,404	1,050	101,454	42,393	59,061

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>EXPENDITURES:</b>					
<b>CURRENT EXPENSE</b>					
Multiple Disabilities:					
Salaries of Teachers	\$ 62,765	\$ 6,500	\$ 69,265	\$ 69,265	\$ 870
General Supplies	1,000		1,000	130	
Total Multiple Disabilities	63,765	6,500	70,265	69,395	870
Resource Room/Resource Center:					
Salaries of Teachers	449,198	111,312	560,510	560,510	
General Supplies	1,000		1,000	195	805
Total Resource Room/Resource Center	450,198	111,312	561,510	560,705	805
Total Special Education Instruction	728,306	115,436	843,742	779,897	63,845
Basic Skills/Remedial - Instruction:					
Salaries of Teachers	36,406		36,406	34,913	1,493
Total Basic Skills/Remedial - Instruction	36,406		36,406	34,913	1,493
Bilingual Education - Instruction:					
Salaries of Teachers	14,455		14,455	14,455	
General Supplies	200		200		200
Total Bilingual Education - Instruction	14,655		14,655	14,455	200
School-Sponsored Cocurricular Activities - Instruction:					
Salaries	154,291	425	154,716	154,716	
Purchased Services (300-500 Series)	30,000	(17,863)	12,137	12,137	
Travel/Workshops		5,650	5,650	5,650	
Supplies and Materials	20,000	(1,981)	18,019	18,019	
Other Objects	3,000	(2,900)	100	100	
Total School-Sponsored Cocurricular Activities - Instruction	207,291	(16,669)	190,622	190,622	

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>EXPENDITURES:</b>					
<b>CURRENT EXPENSE</b>					
School-Sponsored Athletics - Instruction:					
Salaries	\$ 404,437	\$ 11,515	\$ 415,952	\$ 414,012	\$ 1,940
Purchased Services (300-500 Series)	36,000	1,183	37,183	35,343	1,840
Supplies and Materials	63,500	(3,683)	59,817	55,006	4,811
Other Objects	7,500		7,500	7,444	56
Transfer to Cover Deficit (Agency Funds)	50,000		50,000	50,000	
Total School-Sponsored Athletics - Instruction	<u>561,437</u>	<u>9,015</u>	<u>570,452</u>	<u>561,805</u>	<u>8,647</u>
Other Instructional Programs - Instruction:					
Salaries	5,500		5,500	5,225	275
Total Other Instructional Programs - Instruction	<u>5,500</u>		<u>5,500</u>	<u>5,225</u>	<u>275</u>
Total Instruction	<u>5,837,353</u>	<u>59,372</u>	<u>5,896,725</u>	<u>5,772,252</u>	<u>124,473</u>
Undistributed Expenditures:					
Instruction:					
Tuition to Other LEAs Within State - Regular	22,000	(21,513)	487		487
Tuition to Other LEAs Within State - Special	82,874	(28,681)	54,193	54,193	
Tuition to County Vocational School District - Regular	197,565	32,807	230,372	230,372	
Tuition to County Vocational School District - Special	47,477	(11,563)	35,914	20,844	15,070
Tuition to Private Schools for the Handicapped - Within State	818,477	(87,963)	730,514	721,563	8,951
Total Undistributed Expenditures - Instruction:	<u>1,168,393</u>	<u>(116,913)</u>	<u>1,051,480</u>	<u>1,026,972</u>	<u>24,508</u>
Attendance and Social Work:					
Salaries	29,440	588	30,028	30,028	
Total Attendance and Social Work	<u>29,440</u>	<u>588</u>	<u>30,028</u>	<u>30,028</u>	

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>EXPENDITURES:</b>					
<b>CURRENT EXPENSE</b>					
Health Services:					
Salaries	\$ 105,800	\$ (1,050)	\$ 104,750	\$ 90,020	\$ 14,730
Purchased Professional and Technical Services	4,200	(2,520)	1,680	1,580	100
Supplies and Materials	7,500	(1,835)	5,665	4,825	840
Total Health Services	117,500	(5,405)	112,095	96,425	15,670
Other Support Services - Speech, OT, PT and Related Services:					
Salaries		500	500	500	
Purchased Professional - Educational Services	140,000	(7,090)	132,910	123,409	9,501
Supplies and Materials	1,200		1,200	478	722
Total Other Support Services - Speech, OT, PT and Related Services	141,200	(6,590)	134,610	124,387	10,223
Other Support Services - Students - Extraordinary Services:					
Salaries	207,211	41,607	248,818	248,818	
Total Other Support Services - Students - Extraordinary Services	207,211	41,607	248,818	248,818	
Other Support Services - Guidance:					
Salaries of Other Professional Staff	482,142		482,142	455,187	26,955
Salaries of Secretarial and Clerical Assistants	66,322		66,322	66,322	
Other Purchased Professional and Technical Services	36,050	(352)	35,698	35,698	
Other Purchased Services (400-500 Series)	9,000	1,020	10,020	9,842	178
Supplies and Materials	4,000	(172)	3,828	3,828	
Other Objects	900	(496)	404	339	65
Total Other Support Services - Guidance	598,414		598,414	571,216	27,198

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>EXPENDITURES:</b>					
<b>CURRENT EXPENSE</b>					
Other Support Services - Child Study Team:					
Salaries of Other Professional Staff	\$ 260,130	\$	\$ 260,130	\$ 258,963	\$ 1,167
Salaries of Secretarial and Clerical Assistants	41,250		41,250	41,250	
Other Purchased Professional and Technical Services	35,000	(1,676)	33,324	28,564	4,760
Miscellaneous Purchased Services (400-500 series)	1,700		1,700	1,573	127
Supplies and Materials	2,500		2,500	2,407	93
Total Other Support Services - Child Study Team	340,580	(1,676)	338,904	332,757	6,147
Improvement of Instructional Services:					
Salaries of Supervisor of Instruction	250,443	(12,496)	237,947	236,448	1,499
Salaries of Other Professional Staff	5,000	(5,000)			
Salaries of Secretarial and Clerical Assistants	56,333	3,037	59,370	59,370	
Salaries of Facilitators, Math & AMP; Literacy Coaches	45,375	38,625	84,000	48,000	36,000
Other Objects	5,100		5,100	4,225	875
Total Improvement of Instructional Services	362,251	24,166	386,417	348,043	38,374
Educational Media Services/School Library:					
Salaries	81,450		81,450	81,450	
Supplies and Materials	118,750	(3,000)	115,750	109,687	6,063
Other Objects	100		100		100
Total Educational Media Services/School Library	200,300	(3,000)	197,300	191,137	6,163
Instructional Staff Training Services:					
Purchased Professional - Educational Services	4,000		4,000	1,000	3,000
Total Instructional Staff Training Services	4,000		4,000	1,000	3,000

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>EXPENDITURES:</b>					
<b>CURRENT EXPENSE</b>					
Support Services - General Administration:					
Salaries	\$ 218,500	\$ 15,000	\$ 233,500	\$ 233,500	
Unused Vacation Payment to Terminated/Retired Staff	31,355	(31,355)			
Legal Services	25,000	73,100	98,100	98,074	\$ 26
Audit Fees	21,000	2,250	23,250	23,250	
Other Purchased Professional Services	4,000	(6)	3,994	3,275	719
Communications/Telephone	13,000	(4,000)	9,000	6,978	2,022
BOE Other Purchased Services	3,000		3,000	900	2,100
Miscellaneous Purchased Services (400-500 Series)	27,500	(17,395)	10,105	8,887	1,218
General Supplies	2,000	(520)	1,480	1,314	166
BOE Membership Dues and Fees	9,400	3,716	13,116	13,116	
<b>Total Support Services - General Administration</b>	<b>354,755</b>	<b>40,790</b>	<b>395,545</b>	<b>389,294</b>	<b>6,251</b>
Support Services - School Administration:					
Salaries of Principals/Assistant Principals	225,320		225,320	225,320	
Salaries of Other Professional Staff	53,099	(1,037)	52,062	42,941	9,121
Salaries of Secretarial and Clerical Assistants	39,035	1,037	40,072	40,072	
Other Purchased Services (400-500 Series)	14,200	2,659	16,859	12,858	4,001
Supplies and Materials	9,000	(2,877)	6,123	6,123	
Other Objects	2,000	160	2,160	2,160	
<b>Total Support Services - School Administration</b>	<b>342,654</b>	<b>(58)</b>	<b>342,596</b>	<b>329,474</b>	<b>13,122</b>

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>EXPENDITURES:</b>					
<b>CURRENT EXPENSE</b>					
Central Services:					
Salaries	\$ 341,500	\$ (163)	\$ 341,337	\$ 298,542	\$ 42,795
Purchased Professional Services	15,000	(9,971)	5,029	4,944	85
Purchased Technical Services	17,000	340	17,340	17,340	
Miscellaneous Purchased Services (400-500 Series)	9,500	(2,197)	7,303	6,905	398
Supplies and Materials	3,000	1,857	4,857	4,857	
Miscellaneous Expenditures	1,500		1,500	640	860
Total Central Services	387,500	(10,134)	377,366	333,228	44,138
Administrative Information Technology:					
Salaries	141,423	(2,400)	139,023	127,279	11,744
Total Administrative Information Technology	141,423	(2,400)	139,023	127,279	11,744
Required Maintenance of School Facilities:					
Salaries	90,500		90,500	90,500	
Cleaning, Repair and Maintenance Services	229,386	(22,705)	206,681	178,965	27,716
General Supplies	30,000	(4,823)	25,177	25,177	
Total Required Maintenance of School Facilities	349,886	(27,528)	322,358	294,642	27,716



LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>EXPENDITURES:</b>					
<b>CURRENT EXPENSE</b>					
Custodial Services:					
Salaries	\$ 280,500	\$ 8,167	\$ 288,667	\$ 284,138	\$ 4,529
Purchased Professional and Technical Services	6,000	(2,275)	3,725	3,075	650
Cleaning, Repair and Maintenance Services	20,000		20,000	20,000	
Other Purchased Property Services	18,000	(2,449)	15,551	15,551	
Insurance	210,000	(16,877)	193,123	193,123	
Miscellaneous Purchased Services	1,000		1,000	320	680
General Supplies	100,000	(15,442)	84,558	78,682	5,876
Energy (Electricity)	200,000	13,009	213,009	213,009	
Energy (Oil)	140,000	13,845	153,845	153,845	
Other Objects	2,000		2,000	1,665	335
<b>Total Custodial Services</b>	<b>977,500</b>	<b>(2,022)</b>	<b>975,478</b>	<b>963,408</b>	<b>12,070</b>
Care and Upkeep of Grounds:					
Salaries	134,500	(37,312)	97,188	92,500	4,688
Purchased Professional and Technical Services	4,000		4,000	3,642	358
Cleaning, Repair and Maintenance Services	60,000	(8,641)	51,359	50,764	595
General Supplies	30,000	(2,562)	27,438	23,760	3,678
<b>Total Care and Upkeep of Grounds</b>	<b>228,500</b>	<b>(48,515)</b>	<b>179,985</b>	<b>170,666</b>	<b>9,319</b>
Security:					
Salaries	73,600	9,995	83,595	83,595	
Supplies		500	500		500
<b>Total Security</b>	<b>73,600</b>	<b>10,495</b>	<b>84,095</b>	<b>83,595</b>	<b>500</b>

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>EXPENDITURES:</b>					
<b>CURRENT EXPENSE</b>					
Student Transportation Services:					
Salary for Pupil Transportation (Between Home & School) - Non-Public Schools	\$ 123,000	\$ 43,843	\$ 166,843	166,843	
Management Fee - ESC & CTSA Transportation Program	23,000	(3,000)	20,000	19,712	\$ 288
Cleaning, Repair and Maintenance Services	13,000	5,095	18,095	18,095	
Lease Purchase Payments - School Buses	77,500	(13,789)	63,711	63,520	191
Contracted Services:					
Between Home and School - Vendors	580,000		580,000	578,668	1,332
Other than Between Home and School - Vendors	7,000	(7,000)			
Special Education Students - Vendors	174,000	28,000	202,000	201,750	250
Aid in Lieu Payments - Nonpublic School	12,000	(3,000)	9,000	9,000	
Miscellaneous Purchased Services - Transportation	1,500	5,150	6,650	6,579	71
General Supplies	25,000	2,659	27,659	27,503	156
<b>Total Student Transportation Services</b>	<b>1,036,000</b>	<b>57,958</b>	<b>1,093,958</b>	<b>1,091,670</b>	<b>2,288</b>
<b>Unallocated Benefits:</b>					
Social Security Contributions	181,000	97,442	278,442	278,442	
Other Retirement Contribution - PERS	172,000	9,731	181,731	181,731	
Other Retirement Contribution - Regular	3,800		3,800	3,800	
Unemployment Compensation	20,000	(20,000)			
Workmen's Compensation	112,200		112,200	112,200	
Health Benefits	2,133,517	(110,665)	2,022,852	1,964,041	58,811
Tuition Reimbursement	30,000	8,621	38,621	30,621	8,000
Other Employee Benefits	90,000	250	90,250	90,250	
Unused Sick Payment to Terminated/Retired Staff	45,000	7,035	52,035	52,035	
<b>Total Unallocated Benefits</b>	<b>2,787,517</b>	<b>(7,586)</b>	<b>2,779,931</b>	<b>2,713,120</b>	<b>66,811</b>

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>EXPENDITURES:</b>					
<b>CURRENT EXPENSE</b>					
On-Behalf TPAF Pension Contributions (Non-Budgeted)			\$ 2,301,999	\$ 2,301,999	\$ (2,301,999)
On-Behalf NCGI Premium (Non-Budgeted)				32,478	(32,478)
On-Behalf TPAF Post Retirement Medical Benefits (Non-Budgeted)				545,428	(545,428)
On-Behalf TPAF Long Term Disability Insurance (Non-Budgeted)				741	(741)
Reimbursed TPAF Social Security Contributions (Non-Budgeted)				452,641	(452,641)
Total On-Behalf and Reimbursed Contributions				3,333,287	(3,333,287)
Total Undistributed Expenses	\$ 9,848,624	\$ (56,223)	\$ 9,792,401	12,800,446	(3,008,045)
<b>TOTAL GENERAL CURRENT EXPENSE</b>	15,685,977	3,149	15,689,126	18,572,698	(2,883,572)
<b>CAPITAL OUTLAY:</b>					
Equipment:					
Grades 9-12	6,000	18,000	24,000	5,000	19,000
Administrative Information Technology	164,000	88,780	252,780	231,530	21,250
Required Maintenance for School Facilities	93,000	620	93,620	93,620	
Total Equipment	263,000	107,400	370,400	330,150	40,250
Facilities Acquisition and Construction Services:					
Construction Services	1,650,000	(313,899)	1,336,101	1,066,215	269,886
Architectural/Engineering Services	140,000	(63,000)	77,000	50,446	26,554
Assessment for Debt Service on SDA Funding	2,339		2,339	2,339	
Total Facilities Acquisition and Construction Services	1,792,339	(376,899)	1,415,440	1,119,000	296,440

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>CAPITAL OUTLAY: (CONT'D)</b>					
Assets Acquired Under Financed Purchases (Non-Budgeted):					
Transportation - School Buses - Regular				\$ 83,438	\$ (83,438)
Total Assets Acquired Under Financed Purchases (Non-Budgeted)				83,438	(83,438)
<b>TOTAL CAPITAL OUTLAY</b>	\$ 2,055,339	\$ (269,499)	\$ 1,785,840	1,532,588	253,252
<b>TOTAL EXPENDITURES</b>	17,741,316	(266,350)	17,474,966	20,105,286	(2,630,320)
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	(1,796,858)	266,350	(1,530,508)	(473,278)	1,057,230
<b>Other Financing Sources/(Uses):</b>					
Financed Purchases (Non-Budgeted)				83,438	83,438
Transfers to Food Service Fund		(12,350)	(12,350)	(12,350)	
<b>Total Other Financing Sources/(Uses)</b>		(12,350)	(12,350)	71,088	83,438
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(1,796,858)	\$ 254,000	(1,542,858)	(402,190)	1,140,668
Fund Balance, July 1	4,035,633		4,035,633	4,035,633	
Fund Balance, June 30	\$ 2,238,775	\$ 254,000	\$ 2,492,775	\$ 3,633,443	\$ 1,140,668

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
<u>Recapitulation:</u>					
<u>Restricted:</u>					
Excess Surplus - 2022-2023				\$ 1,369,665	
Capital Reserve				712,982	
Unemployment Compensation				80,159	
<u>Assigned:</u>					
Year-End Encumbrance				359,783	
Designated for Subsequent Year's Expenditures				167,997	
Unassigned Fund Balance				942,857	
				<u>3,633,443</u>	
Reconciliation to Governmental Funds Statements (GAAP):					
Last Two State Aid Payments not Recognized on GAAP Basis				(465,235)	
Fund Balance per Governmental Funds (GAAP)				<u>\$ 3,168,208</u>	

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
SPECIAL REVENUE FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>REVENUES:</b>					
Local Sources		\$ 242,786	\$ 242,786	\$ 255,371	\$ 12,585
State Sources		19,021	19,021	19,021	
Federal Sources	\$ 197,840	1,023,606	1,221,446	1,013,371	(208,075)
<b>Total Revenues</b>	<b>197,840</b>	<b>1,285,413</b>	<b>1,483,253</b>	<b>1,287,763</b>	<b>(195,490)</b>
<b>EXPENDITURES:</b>					
Instruction:					
Salaries of Teachers	171,026	140,283	311,309	304,877	6,432
Purchased Professional Educational Services		11,400	11,400	11,400	
Other Purchased Services		32,535	32,535	29,785	2,750
General Supplies		5,300	5,300	5,300	
Textbooks	8,500	(3,400)	5,100	5,100	
<b>Total Instruction</b>	<b>179,526</b>	<b>186,118</b>	<b>365,644</b>	<b>351,162</b>	<b>14,482</b>
Support Services:					
Personal Services - Employee Benefits		177,402	177,402	177,402	
Purchased Professional and Technical Services		102,386	102,386	39,720	62,666
Other Purchased Services		11,200	11,200	10,400	800
Travel/Workshops	12,662	6,911	19,573	11,218	13,943
Supplies and Materials	5,652	21,348	27,000	13,057	
Scholarships Awarded		10,199	10,199	10,199	
Student Activities		223,587	223,587	223,587	
<b>Total Support Services</b>	<b>18,314</b>	<b>553,033</b>	<b>571,347</b>	<b>485,583</b>	<b>77,409</b>

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
SPECIAL REVENUE FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Facilities Acquisition and Construction Services:					
Construction Services	\$ 454,261		\$ 454,261	\$ 414,261	\$ 40,000
Instructional Equipment	90,000		90,000	18,172	71,828
Non-Instructional Equipment	2,001		2,001		2,001
Total Facilities Acquisition and Construction Services		546,262	546,262	432,433	113,829
Total Expenditures	\$ 197,840	1,285,413	1,483,253	1,269,178	205,720
Excess (Deficiency) of Revenue Over (Under) Expenditures	\$ -0-	\$ -0-	\$ -0-	\$ 18,585	\$ 18,585

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION  
BUDGETARY COMPARISON SCHEDULE  
NOTE TO RSI  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

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

	General Fund	Special Revenue Fund
Sources/Inflows of Resources		
Actual Amounts (Budgetary Basis) "Revenue" from the Budgetary Comparison Schedule	\$ 19,632,008	\$ 1,287,763
Difference - Budget to GAAP:		
Grant Accounting Budgetary Basis Differs from GAAP in that the Budgetary Basis Recognizes Encumbrances as Expenditures and Revenue While the GAAP Basis Does Not		
Current Year Encumbrances:		
Federal Grants		(131,090)
State Grants		(19,021)
Prior Year State Aid Payments Recognized for GAAP Purposes, not Recognized for Budgetary Statements	471,271	
Current Year State Aid Payments Recognized for Budgetary Purposes, not Recognized for GAAP Statements	(465,235)	
Total Revenues as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	\$ 19,638,044	\$ 1,137,652
Uses/Outflows of Resources:		
Actual Amounts (Budgetary Basis) "Total Outflows" from the Budgetary Comparison Schedule	\$ 20,105,286	\$ 1,269,178
Differences - Budget to GAAP		
Encumbrances for Supplies and Equipment Ordered but Not Received are Reported in the Year the Order is Placed for Budgetary Purposes, but in the Year the Supplies are Received for Financial Reporting Purposes:		
Current Year Encumbrances		(150,111)
Total Expenditures as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	\$ 20,105,286	\$ 1,119,067

Annual appropriated budgets are prepared in the spring of each year for the general and special revenue. The budget for the fiscal year ended June 30, 2022 was submitted to the County office and was approved by a vote by the Board of Education. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:20-2A.2(m)1. Transfers of appropriations may be made by School Board resolution at any time during the fiscal year. All budgetary amounts presented in the accompanying supplementary information reflect the original budget and the amended budget (which have been adjusted for legally authorized revisions of the annual budgets during the year).



LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION  
BUDGETARY COMPARISON SCHEDULE  
NOTE TO RSI  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022  
(Continued)

Formal budgetary integration into the accounting system is employed as a management control device during the year. For governmental funds, there are no substantial differences between the budgetary basis of accounting and generally accepted accounting principles, with the exception of the special revenue fund as noted below. Encumbrance accounting is also employed as an extension of formal budgetary integration in the governmental fund types. Unencumbered appropriations lapse at fiscal year end.

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

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

SCHOOL LEVEL SCHEDULES  
(NOT APPLICABLE)

SPECIAL REVENUE FUND

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF REVENUE AND EXPENDITURES - BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	I.D.E.A. Part B,		ARP I.D.E.A. Part B,		CRRSA Learning Acceleration		ARP	
	Basic	ESSER II	Basic	ESSER III	Mental Health	ESSER III	Accelerated Learning	
<b>REVENUE:</b>								
Local Sources								
State Sources								
Federal Sources	\$ 148,489	\$ 204,081	\$ 29,135	\$ 458,659	\$ 29,756	\$ 458,659	\$ 34,421	
Total Revenue	148,489	204,081	29,135	458,659	29,756	458,659	34,421	
<b>EXPENDITURES:</b>								
Instruction:								
Salaries of Teachers	95,974			150,000				
Purchased Professional Educational Services			29,135		11,400			
Other Purchased Services								
Textbooks								
Total Instruction	95,974		29,135	150,000	11,400	150,000		
Support Services:								
Personal Services - Employee Benefits	52,515			99,328			34,421	
Purchased Professional and Technical Services					5,299			
Other Purchased Services					3,000			
Travel/Workshops								
Supplies and Materials					10,057			
Scholarships Awarded								
Student Activities								
Total Support Services	52,515			99,328	18,356	99,328	34,421	
Facilities Acquisition:								
Construction Services		204,081		191,159				
Instructional Equipment				18,172				
Total Facilities Acquisition		204,081		209,331				
Total Expenditures	\$ 148,489	\$ 204,081	\$ 29,135	\$ 458,659	\$ 29,756	\$ 458,659	\$ 34,421	

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF REVENUE AND EXPENDITURES - BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Elementary and Secondary Education Act		SDA Emergent and Needs Capital Maintenance		Student Activities	Scholarships	Local Grants	Totals
	Title I	Title II, Part A	Title IV					
<b>REVENUE:</b>								
Local Sources					\$ 247,013	\$ 5,358	\$ 3,000	\$ 255,371
State Sources	\$ 74,033	\$ 9,647	\$ 5,750	\$ 19,021				19,021
Federal Sources								1,013,371
<b>Total Revenue</b>	<b>74,033</b>	<b>9,647</b>	<b>5,750</b>	<b>19,021</b>	<b>247,013</b>	<b>5,358</b>	<b>3,000</b>	<b>1,287,763</b>
<b>EXPENDITURES:</b>								
Instruction:								
Salaries of Teachers	46,903							304,877
Purchased Professional Educational Services			650					11,400
Other Purchased Services			5,100					29,785
Textbooks								5,100
<b>Total Instruction</b>	<b>46,903</b>		<b>5,750</b>					<b>351,162</b>
Support Services:								
Personal Services - Employee Benefits	25,559							177,402
Purchased Professional and Technical Services								39,720
Other Purchased Services								10,400
Travel/Workshops	1,571	9,647						11,218
Supplies and Materials							3,000	13,057
Scholarships Awarded						10,199		10,199
Student Activities					223,587			223,587
<b>Total Support Services</b>	<b>27,130</b>	<b>9,647</b>			<b>223,587</b>	<b>10,199</b>	<b>3,000</b>	<b>485,583</b>
Facilities Acquisition:								
Construction Services				19,021				414,261
Instructional Equipment								18,172
<b>Total Facilities Acquisition</b>				<b>19,021</b>				<b>432,433</b>
<b>Total Expenditures</b>	<b>74,033</b>	<b>9,647</b>	<b>5,750</b>	<b>19,021</b>	<b>223,587</b>	<b>10,199</b>	<b>3,000</b>	<b>1,269,178</b>

CAPITAL PROJECTS FUND  
(NOT APPLICABLE)

PROPRIETARY FUNDS

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT  
FOOD SERVICE ENTERPRISE FUND  
STATEMENT OF NET POSITION  
JUNE 30, 2022

ASSETS:

Current Assets:

Cash and Cash Equivalents	\$	81,707
Intergovernmental Accounts Receivable:		
State		62
Federal		4,748
Interfund Receivable - General Fund		1,798
Inventories		4,851
		4,851
 Total Current Assets		 93,166

Non-Current Assets:

Capital Assets:

Depreciable Furniture, Machinery & Equipment		72,327
Less: Accumulated Depreciation		(61,784)
		(61,784)

Total Non-Current Assets		10,543
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Total Assets		103,709
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LIABILITIES:

Current Liabilities:

Accounts Payable - Vendors		2,694
Unearned Revenue - Donated Commodities		1,167
		1,167

Total Liabilities		3,861
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NET POSITION:

Investment in Capital Assets		10,543
Unrestricted		89,305
		89,305

Total Net Position	\$	99,848
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LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT  
FOOD SERVICE ENTERPRISE FUND  
STATEMENT OF REVENUE, EXPENSES  
AND CHANGES IN FUND NET POSITION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Operating Revenue:	
Local Sources:	
Daily Sales - Non-Reimbursable Programs	\$ 83,670
	<hr/>
Total Operating Revenue	83,670
	<hr/>
Operating Expenses:	
Cost of Sales - Reimbursable Programs	113,745
Cost of Sales - Non-Reimbursable Programs	33,976
Salaries, Benefits & Payroll Taxes	113,823
Supplies, Insurance & Other Costs	5,191
Management Fee	9,363
Miscellaneous Expense	10,376
Depreciation Expense	1,606
	<hr/>
Total Operating Expenses	288,080
	<hr/>
Operating Loss	(204,410)
Non-Operating Income:	
Interest Income	60
State Sources:	
Seamless Summer Option	4,781
June Supplemental	138
Federal Sources:	
Seamless Summer Option - Breakfast	57,561
Seamless Summer Option - Lunch	202,945
Food Distribution Program	10,298
Emergency Operational Cost Program	5,366
P-EBT Administrative Cost Reimbursement	1,242
	<hr/>
Total Non-Operating Income	282,391
	<hr/>
Change in Net Position before Transfers	77,981
Operating Transfers In - General Fund	12,350
	<hr/>
Change in Net Position	90,331
Net Position - Beginning of Year	9,517
	<hr/>
Net Position - End of Year	\$ 99,848
	<hr/> <hr/>

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT  
FOOD SERVICE ENTERPRISE FUND  
STATEMENT OF CASH FLOWS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Cash Flows from Operating Activities:	
Receipts from Customers	\$ 83,670
Payments to Food Service Vendor	(269,263)
Payments for Miscellaneous Expenses	(7,990)
Net Cash Used for Operating Activities	<u>(193,583)</u>
Cash Flows from Investing Activities:	
Interest Income	60
Net Cash Provided by Investing Activities	<u>60</u>
Cash Flows from Noncapital Financing Activities:	
Local Sources	9,400
State Sources	5,016
Federal Sources	262,366
Net Cash Provided by Noncapital Financing Activities	<u>276,782</u>
Net Cash (Used) for Capital Financing Activities	
Purchase of Equipment	(4,032)
Net Cash (Used) for Capital Financing Activities	<u>(4,032)</u>
Net Increase in Cash and Cash Equivalents	79,227
Cash and Cash Equivalents, July 1	<u>2,480</u>
Cash and Cash Equivalents, June 30	<u>\$ 81,707</u>
Reconciliation of Operating Loss to Net Cash Used for Operating Activities:	
Operating Loss	\$ (204,410)
Adjustment to Reconcile Operating Loss to Cash	
Used for Operating Activities:	
Depreciation	1,606
Food Distribution Program	10,298
Changes in Assets and Liabilities:	
(Increase)/Decrease in Inventory	(610)
Increase/(Decrease) in Unearned Revenue	(1,368)
Increase/(Decrease) in Accounts Payable	901
Net Cash Used for Operating Activities	<u>\$ (193,583)</u>

Noncash Investing, Capital and Financing Activities:

The Food Service Enterprise Fund received and utilized USDA Donated Commodities through the Food Distribution Program valued at \$8,930 and \$10,298, respectively, for the fiscal year ended June 30, 2022.

FIDUCIARY ACTIVITIES  
(NOT APPLICABLE)

LONG-TERM DEBT

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT  
LONG-TERM DEBT  
SCHEDULE OF OBLIGATIONS UNDER FINANCED PURCHASES

<u>Item</u>	<u>Interest Rate</u>	<u>Original Issue</u>	<u>Balance June 30, 2021</u>	<u>Issued</u>	<u>Matured</u>	<u>Balance June 30, 2022</u>
Passenger Bus	5.11%	\$ 64,232	\$ 26,283		\$ 12,814	\$ 13,469
Student Buses	1.46%	306,570	243,631		59,588	184,043
Student Buses	3.09%	83,438	<u>                    </u>	<u>\$ 83,438</u>	<u>                    </u>	<u>83,438</u>
			<u>\$ 269,914</u>	<u>\$ 83,438</u>	<u>\$ 72,402</u>	<u>\$ 280,950</u>

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

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

**Contents**

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

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

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT

NET POSITION BY COMPONENT

LAST TEN FISCAL YEARS

UNAUDITED

*(accrual basis of accounting)*

	June 30,				
	2013	2014	2015	2016	2017
Governmental Activities:					
Net Investment in Capital Assets	\$ 1,579,751	\$ 2,148,755	\$ 3,427,112	\$ 4,314,882	\$ 4,609,226
Restricted	1,215,441	2,025,335	1,901,747	1,655,810	1,673,010
Unrestricted/(Deficit)	(223,777)	(3,182,305)	(3,370,580)	(3,470,212)	(3,757,426)
Total Governmental Activities Net Position	<u>\$ 2,571,415</u>	<u>\$ 991,785</u>	<u>\$ 1,958,279</u>	<u>\$ 2,500,480</u>	<u>\$ 2,524,810</u>
Business-Type Activities:					
Investment in Capital Assets	\$ 6,517	\$ 5,460	\$ 17,769	\$ 15,791	\$ 14,059
Unrestricted	3,456	22,607	33,618	34,485	30,195
Total Business-Type Activities Net Position	<u>\$ 9,973</u>	<u>\$ 28,067</u>	<u>\$ 51,387</u>	<u>\$ 50,276</u>	<u>\$ 44,254</u>
District-Wide:					
Net Investment in Capital Assets	\$ 1,586,268	\$ 2,154,215	\$ 3,444,881	\$ 4,330,673	\$ 4,623,285
Restricted	1,215,441	2,025,335	1,901,747	1,655,810	1,673,010
Unrestricted/(Deficit)	(220,321)	(3,159,698)	(3,336,962)	(3,435,727)	(3,727,231)
Total District Net Position	<u>\$ 2,581,388</u>	<u>\$ 1,019,852</u>	<u>\$ 2,009,666</u>	<u>\$ 2,550,756</u>	<u>\$ 2,569,064</u>

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT

NET POSITION BY COMPONENT

LAST TEN FISCAL YEARS

UNAUDITED

*(accrual basis of accounting)*

	June 30,			
	2018	2019	2020	2021
Governmental Activities:				
Net Investment in Capital Assets	\$ 5,240,633	\$ 5,360,602	\$ 6,407,145	\$ 7,207,161
Restricted	1,614,139	1,740,680	2,471,190	3,134,246
Unrestricted/(Deficit)	(3,848,720)	(3,309,673)	(3,572,648)	(3,256,833)
Total Governmental Activities Net Position	<u>\$ 3,006,052</u>	<u>\$ 3,791,609</u>	<u>\$ 5,305,687</u>	<u>\$ 7,084,574</u>
Business-Type Activities:				
Investment in Capital Assets	\$ 12,574	\$ 11,088	\$ 9,603	\$ 8,117
Unrestricted	32,263	28,689	20,746	1,400
Total Business-Type Activities Net Position	<u>\$ 44,837</u>	<u>\$ 39,777</u>	<u>\$ 30,349</u>	<u>\$ 9,517</u>
District-Wide:				
Net Investment in Capital Assets	\$ 5,253,207	\$ 5,371,690	\$ 6,416,748	\$ 7,215,278
Restricted	1,614,139	1,740,680	2,471,190	3,134,246
Unrestricted/(Deficit)	(3,816,457)	(3,280,984)	(3,551,902)	(3,255,433)
Total District Net Position	<u>\$ 3,050,889</u>	<u>\$ 3,831,386</u>	<u>\$ 5,336,036</u>	<u>\$ 7,094,091</u>

Source: School District Financial Reports



LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT

CHANGES IN NET POSITION

LAST TEN FISCAL YEARS

UNAUDITED

(accrual basis of accounting)

	Fiscal Year Ending June 30,				
	2013	2014	2015	2016	2017
Expenses:					
Governmental Activities					
Instruction:					
Regular	\$ 6,616,121	\$ 6,364,383	\$ 7,303,831	\$ 7,898,802	\$ 8,223,052
Special Education	915,750	920,325	1,137,479	1,238,435	1,416,490
Other Instruction	75,631	76,425	75,022	77,462	78,675
School Sponsored	804,205	816,811	972,892	1,021,180	1,161,457
Support Services:					
Tuition	932,752	713,086	710,774	1,012,087	1,123,175
Student & Instruction Related Services	2,218,585	1,910,234	2,242,065	2,503,986	2,846,494
General and Business Administrative Services	342,376	408,332	427,695	563,419	546,225
School Administrative Services	524,301	626,763	749,867	605,788	793,596
Central Services	460,763	491,918	610,300	661,028	759,214
Administrative Information Technology	153,482	178,077	66,587	99,443	140,084
Plant Operations and Maintenance	1,570,504	1,379,793	1,890,693	1,500,744	1,539,453
Pupil Transportation	722,234	767,308	755,781	880,591	1,021,008
Capital Outlay		12,394			
Total Governmental Activities Expenses	15,336,704	14,665,849	16,942,986	18,062,965	19,648,923
Business-Type Activities:					
Food Service	202,811	203,048	220,248	215,798	200,629
Total Business-type Activities Expense	202,811	203,048	220,248	215,798	200,629
Total District Expenses	\$ 15,539,515	\$ 14,868,897	\$ 17,163,234	\$ 18,278,763	\$ 19,849,552
Program Revenues					
Charges for Services - Tuition	\$ 21,554	\$ 51,689	\$ 107,316	\$ 61,909	\$ 48,180
Operating Grants and Contributions and Charges for Services	2,214,468	2,018,267	2,118,337	2,320,307	2,513,816
Total Governmental Activities Program Revenues	2,236,022	2,069,956	2,225,653	2,382,216	2,561,996
Business-Type Activities:					
Charges for Services:					
Food Service	155,957	178,311	175,520	167,462	148,583
Operating Grants and Contributions	46,232	42,782	54,130	47,131	45,936
Total Business-type Activities Program Revenues	202,189	221,093	229,650	214,593	194,519

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT  
CHANGES IN NET POSITION  
LAST TEN FISCAL YEARS  
UNAUDITED  
*(accrual basis of accounting)*

	Fiscal Year Ending June 30,				
	2013	2014	2015	2016	2017
Total District Program Revenues	\$ 2,438,211	\$ 2,291,049	\$ 2,455,303	\$ 2,596,809	\$ 2,756,515
Net (Expense)/Revenue					
Governmental Activities	\$ (13,100,682)	\$ (12,595,893)	\$ (14,717,333)	\$ (15,680,749)	\$ (17,086,927)
Business-type Activities	(622)	18,045	9,402	(1,205)	(6,110)
Total District-wide Net Expense	\$ (13,101,304)	\$ (12,577,848)	\$ (14,707,931)	\$ (15,681,954)	\$ (17,093,037)
Governmental Activities:					
Property Taxes Levied for General Purposes, net	\$ 9,591,124	\$ 9,782,946	\$ 9,978,605	\$ 10,078,391	\$ 10,279,958
Federal and State Aid not Restricted	3,689,290	4,011,027	5,679,418	6,125,987	7,144,624
Investment Earnings	538	4,996	4,997	5,160	5,157
Miscellaneous Income	10,859	32,826	34,635	13,412	3,929
Transfer	356,281		(13,828)		
Total Governmental Activities	13,648,092	13,831,795	15,683,827	16,222,950	17,433,668
Business-Type Activities:					
Transfer In			13,828		
Investment Earnings	33	49	90	94	88
Special Item - Reappraisal of Capital Assets	864				
Total Business-Type Activities	897	49	13,918	94	88
Total District-Wide	\$ 13,648,989	\$ 13,831,844	\$ 15,697,745	\$ 16,223,044	\$ 17,433,756
Change in Net Position:					
Governmental Activities	\$ 547,410	\$ 1,235,902	\$ 966,494	\$ 542,201	\$ 346,741
Business-type Activities	275	18,094	23,320	(1,111)	(6,022)
Total District	\$ 547,685	\$ 1,253,996	\$ 989,814	\$ 541,090	\$ 340,719

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT  
CHANGES IN NET POSITION  
LAST TEN FISCAL YEARS  
UNAUDITED  
*(accrual basis of accounting)*

	Fiscal Year Ending June 30,				
	2018	2019	2020	2021	2022
Expenses:					
Governmental Activities					
Instruction:					
Regular	\$ 8,504,067	\$ 7,821,307	\$ 7,069,901	\$ 7,450,753	\$ 7,726,549
Special Education	1,409,482	1,278,590	1,302,441	1,335,553	1,566,393
Other Instruction	58,124	32,915	27,703	11,245	54,593
School Sponsored	1,207,361	1,177,811	1,129,589	1,131,560	826,680
Support Services:					
Tuition	1,047,932	1,052,761	648,534	861,662	1,026,972
Student & Instruction Related Services	3,033,163	2,958,125	2,851,974	2,942,709	3,108,963
General and Business Administrative Services	552,215	538,761	532,104	564,380	509,882
School Administrative Services	766,194	660,913	587,118	599,201	486,320
Central Services	667,325	525,843	618,705	631,092	455,206
Administrative Information Technology	246,268	241,579	217,422	204,009	178,850
Plant Operations and Maintenance	1,755,539	1,730,159	1,696,402	1,364,999	1,739,712
Pupil Transportation	872,895	994,046	877,504	1,116,545	1,113,966
Capital Outlay					44,427
Total Governmental Activities Expenses	<u>20,120,565</u>	<u>19,012,810</u>	<u>17,559,397</u>	<u>18,213,708</u>	<u>18,838,513</u>
Business-Type Activities:					
Food Service	184,603	189,310	158,758	69,240	288,080
Total Business-type Activities Expense	<u>184,603</u>	<u>189,310</u>	<u>158,758</u>	<u>69,240</u>	<u>288,080</u>
Total District Expenses	<u>\$ 20,305,168</u>	<u>\$ 19,202,120</u>	<u>\$ 17,718,155</u>	<u>\$ 18,282,948</u>	<u>\$ 19,126,593</u>
Program Revenues					
Charges for Services - Tuition	\$ 3,269	\$ 38,122	\$ 15,211	\$ 223,654	\$ 275,834
Operating Grants and Contributions and Charges for Services	5,832,185	4,698,165	4,069,263	4,492,072	4,505,258
Total Governmental Activities Program Revenues	<u>5,835,454</u>	<u>4,736,287</u>	<u>4,084,474</u>	<u>4,715,726</u>	<u>4,781,092</u>
Business-Type Activities:					
Charges for Services:					
Food Service	137,130	134,609	104,764	2,462	83,670
Operating Grants and Contributions	47,981	49,566	44,502	45,928	282,331
Total Business-type Activities Program Revenues	<u>185,111</u>	<u>184,175</u>	<u>149,266</u>	<u>48,390</u>	<u>366,001</u>

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT

CHANGES IN NET POSITION

LAST TEN FISCAL YEARS

UNAUDITED

(accrual basis of accounting)

	Fiscal Year Ending June 30,		
	2018	2019	2020
Total District Program Revenues	\$ 6,020,565	\$ 4,920,462	\$ 4,233,740
Net (Expense)/Revenue			
Governmental Activities	\$ (14,285,111)	\$ (14,276,523)	\$ (13,474,923)
Business-type Activities	508	(5,135)	(9,492)
Total District-wide Net Expense	\$ (14,284,603)	\$ (14,281,658)	\$ (13,484,415)
General Revenues and Other Changes in Net Position			
Governmental Activities:			
Property Taxes Levied for General Purposes, net	\$ 10,485,557	\$ 10,695,268	\$ 10,909,173
Federal and State Aid not Restricted	4,272,042	4,285,240	4,195,809
Investment Earnings	5,158		
Miscellaneous Income	3,496	81,572	49,794
Transfer			64,981
Total Governmental Activities	14,766,253	15,062,080	15,154,776
Business-Type Activities:			
Transfer In			12,350
Investment Earnings	75	75	64
Special Item - Reappraisal of Capital Assets			18
Total Business-Type Activities	75	75	64
Total District-Wide	\$ 14,766,328	\$ 15,062,155	\$ 15,154,840
Change in Net Position:			
Governmental Activities	\$ 481,142	\$ 785,557	\$ 1,679,853
Business-type Activities	583	(5,060)	(9,428)
Total District	\$ 481,725	\$ 780,497	\$ 1,670,425
			\$ 4,764,116
			\$ (13,497,982)
			(20,850)
			\$ (13,518,832)
			\$ 5,147,093
			\$ (14,057,421)
			77,921
			\$ (13,979,500)
			\$ 11,127,356
			4,084,532
			64,981
			49,416
			(12,350)
			15,593,710
			15,276,869
			18
			18
			\$ 1,778,887
			(20,832)
			\$ 1,536,289
			90,331
			\$ 1,758,055
			\$ 1,626,620



LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT  
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS

UNAUDITED

(modified accrual basis of accounting)

	Fiscal Year Ending June 30,				
	2013	2014	2015	2016	2017
Revenues:					
Tax Levy	\$ 9,591,124	\$ 9,782,946	\$ 9,978,605	\$ 10,078,391	\$ 10,279,958
Tuition from Individuals					
Tuition from Other LEA's Within the State	21,554	51,689	107,316	61,909	48,180
Rents and Royalties					
Sale of Capital Assets					
Interest Earnings	538	537	538	545	542
Miscellaneous	10,859	37,285	39,094	18,027	8,544
State Sources	5,656,942	5,831,377	5,987,231	6,296,700	6,516,128
Federal Sources	246,816	197,917	206,084	215,172	205,084
<b>Total Revenue</b>	<b>15,527,833</b>	<b>15,901,751</b>	<b>16,318,868</b>	<b>16,670,744</b>	<b>17,058,436</b>
Expenditures					
Instruction:					
Regular Instruction	4,741,761	4,589,627	4,584,166	4,867,079	4,336,141
Special Education Instruction	664,101	672,064	725,867	734,628	762,737
Other Instruction	75,631	76,425	75,022	77,462	78,675
School Sponsored Instruction	592,099	603,849	648,906	644,529	675,145
Support Services:					
Tuition	932,752	713,086	710,774	1,012,087	1,123,175
Student & Instruction Related Services	1,691,602	1,468,356	1,523,384	1,652,685	1,735,429
General Administrative Services	271,339	324,270	305,428	398,332	335,394
School Administrative Services	355,023	445,273	458,080	312,169	405,750
Central Services and	348,062	341,552	370,205	381,885	393,190
Administrative Information Technology	109,109	126,199	118,312	123,955	125,167
Plant Operations and Maintenance	1,282,834	1,243,141	1,369,647	1,205,019	1,250,991
Student Transportation	739,677	670,586	756,633	821,311	896,039
Unallocated Benefits	3,212,226	3,082,303	3,197,475	3,488,283	3,932,919

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT  
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS  
LAST TEN FISCAL YEARS

UNAUDITED

*(modified accrual basis of accounting)*

	Fiscal Year Ending June 30,				
	2013	2014	2015	2016	2017
Expenditures					
Capital Outlay	\$ 384,453	\$ 900,827	\$ 1,797,220	\$ 1,195,830	\$ 1,005,972
Total Expenditures	15,400,669	15,257,558	16,641,119	16,915,254	17,056,724
Excess/(Deficiency) of Revenue Over/(Under) Expenditures	127,164	644,193	(322,251)	(244,510)	1,712
Other Financing Sources/(Uses):					
Financed Purchases (Non-Budgeted)		206,298	96,967		30,634
Insurance Reimbursements for Losses due to Hurricane Sandy	356,281		(13,828)		
Transfers Out					
Total Other Financing Sources/(Uses)	356,281	206,298	83,139		30,634
Net Change in Fund Balances	\$ 483,445	\$ 850,491	\$ (239,112)	\$ (244,510)	\$ 32,346
Debt Service as a Percentage of Noncapital Expenditures	0.00%	0.00%	0.00%	0.00%	0.00%





LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT  
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS  
LAST TEN FISCAL YEARS

UNAUDITED

*(modified accrual basis of accounting)*

	Fiscal Year Ending June 30,				
	2018	2019	2020	2021	2022
Expenditures					
Capital Outlay	\$ 1,042,416	\$ 542,387	\$ 1,834,557	\$ 1,519,222	\$ 1,820,610
Total Expenditures	17,598,897	17,722,776	18,051,652	18,833,882	21,224,353
Excess/(Deficiency) of Revenue Over/(Under) Expenditures	(58,992)	602,876	303,235	600,275	(448,657)
Other Financing Sources/(Uses):					
Financed Purchases (Non-Budgeted)		64,232		306,570	83,438
Insurance Reimbursements for Losses due to Hurricane Sandy					(12,350)
Transfers Out					71,088
Total Other Financing Sources/(Uses)		64,232		306,570	151,176
Net Change in Fund Balances	\$ (58,992)	\$ 667,108	\$ 303,235	\$ 906,845	\$ (377,569)
Debt Service as a Percentage of Noncapital Expenditures	0.00%	0.00%	0.00%	0.00%	0.00%

Source: School District Financial Reports

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT  
GENERAL FUND - OTHER LOCAL REVENUE BY SOURCE  
LAST TEN FISCAL YEARS  
UNAUDITED  
*(modified accrual basis of accounting)*

<u>Fiscal Year</u> <u>Ending June 30,</u>	<u>Interest on</u> <u>Investments</u>	<u>Tuition</u>	<u>Other</u> <u>Miscellaneous</u>	<u>Rents and</u> <u>Royalties</u>	<u>Total</u>
2013	\$ 538	\$ 21,554	\$ 10,859		\$ 32,951
2014	4,996	51,689	32,826		89,511
2015	5,384	107,316	34,248		146,948
2016	5,160	61,909	13,412		80,481
2017	4,339	48,180	4,747		57,266
2018	4,633	3,369	4,021		12,023
2019	6,423	38,122	56,879	\$ 18,270	119,694
2020	5,789	15,211	34,457	9,548	65,005
2021	7,046	60,700	48,800	9,135	125,681
2022	5,929	23,463	32,457	11,030	72,879

Source: School District Financial Reports

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT  
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY  
LAST TEN FISCAL YEARS  
UNAUDITED

**Byram Township**

Year Ended Dec. 31,	Vacant Land	Residential	Farm Reg.	Qfarm	Commercial	Industrial	Apartment	Total Assessed Value	Tax-Exempt Property	Public Utilities <sup>a</sup>	Net Valuation Taxable	Total Direct School Tax Rate <sup>b</sup>	Actual (County Equalized Value)
2012	* \$18,175,900	\$814,978,400	\$14,256,700	\$725,300	\$79,756,200	\$1,881,100	\$1,115,600	\$930,889,200	\$67,197,300	\$1,367,521	\$932,256,721	0.63	\$1,022,304,686
2013	17,057,400	814,021,000	14,850,300	729,900	80,556,400	1,881,100	1,115,600	930,211,700	65,555,900	169,287	930,380,987	0.65	1,014,784,450
2014	15,872,700	815,375,600	15,346,800	738,600	79,509,100	1,881,100	1,115,600	929,839,500	65,358,100	170,951	930,010,451	0.67	983,104,528
2015	16,159,100	812,932,400	15,834,200	740,800	77,996,100	1,881,100	1,115,600	926,659,300	66,725,200		926,659,300	0.67	961,176,097
2016	15,654,400	813,991,600	14,976,800	723,400	77,065,800	1,881,100	1,115,600	925,408,700	67,800,200		925,408,700	0.67	965,576,690
2017	15,300,000	814,380,700	15,020,200	722,000	78,079,400	1,881,100	1,115,600	926,499,000	67,931,100		926,499,000	0.69	967,681,544
2018	15,247,700	812,600,000	16,201,300	670,800	77,322,400	1,881,100	1,115,600	925,038,900	68,355,600		925,038,900	0.70	990,189,256
2019	15,425,100	812,944,700	16,437,900	679,400	77,727,200	1,881,100	1,115,600	926,211,000	68,777,800		926,211,000	0.70	997,309,619
2020	15,071,800	811,597,100	17,128,900	658,500	77,217,100	1,881,100	1,115,600	924,670,100	69,840,700		924,670,100	0.70	994,155,430
2021	16,885,200	812,529,900	17,675,300	661,700	78,259,600	1,881,100	1,115,600	929,008,400	70,920,500		924,670,100	0.71	1,017,984,533

**Netcong Borough**

Year Ended Dec. 31,	Vacant Land	Residential	Farm Reg.	Qfarm	Commercial	Industrial	Apartment	Total Assessed Value	Tax-Exempt Property	Public Utilities <sup>a</sup>	Net Valuation Taxable	Total Direct School Tax Rate <sup>b</sup>	Actual (County Equalized Value)
2012	\$5,892,600	\$239,449,400			\$43,109,000	\$18,746,800	\$25,781,800	\$332,979,600	\$21,567,700	\$3,117,096	\$336,096,696	0.51	\$303,147,024
2013	6,072,900	238,253,100			42,694,000	17,413,500	25,781,800	330,215,300	21,735,000		330,215,300	0.50	273,815,716
2014	6,000,500	237,191,500			42,855,300	17,413,500	25,781,800	329,242,600	21,735,000		329,242,600	0.50	276,798,948
2015	5,840,000	236,807,700			41,890,700	17,413,500	25,781,800	327,733,700	21,435,500		327,733,700	0.51	257,290,637
2016	6,359,000	234,351,300			41,198,400	17,413,500	25,781,800	325,104,000	22,047,400		325,104,000	0.50	264,140,396
2017	6,359,000	233,929,500			41,275,900	17,413,500	25,781,800	324,759,700	22,052,400		324,759,700	0.50	265,424,494
2018	6,313,900	232,897,600			41,092,600	17,413,500	25,781,800	323,499,400	22,052,400		323,499,400	0.54	270,035,525
2019	6,009,800	232,005,400			40,992,600	17,413,500	25,781,800	322,203,100	22,249,200		322,203,100	0.61	302,238,491
2020	5,689,300	232,648,600			40,722,200	17,413,500	25,781,800	322,255,400	21,653,500		322,255,400	0.70	313,418,931
2021	4,249,600	220,460,800			37,011,300	18,957,200	43,978,800	324,657,700	31,870,700		324,657,700	0.72	291,426,377

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT  
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY  
LAST TEN FISCAL YEARS  
UNAUDITED

Stanhope Borough

Year Ended Dec. 31,	Vacant	Residential	Farm Reg.	Qfarm	Commercial	Industrial	Apartment	Total Assessed Value	Tax-Exempt Property	Public Utilities <sup>a</sup>	Net Valuation Taxable	Total Direct School Tax Rate <sup>b</sup>	Actual (County Equalized Value)
	Land												
2012	\$ 3,670,600	\$307,560,200		\$ 18,100	\$22,724,800	\$ 4,598,900	\$ 3,376,100	\$ 341,948,700	\$47,545,100	\$ 388,422	\$ 342,337,122	\$ 0.55	\$ 370,101,092
2013	* 3,311,700	261,262,300		18,100	22,274,800	4,445,500	3,191,900	294,504,300	40,970,500	880	294,505,180	0.68	323,968,901
2014	2,744,000	261,244,700		18,100	22,286,500	4,445,500	3,191,900	293,930,700	41,704,100	758	293,931,458	0.69	329,032,732
2015	2,809,100	261,017,000		18,100	22,087,800	4,445,500	3,194,200	293,571,700	41,230,300	828	293,572,528	0.75	329,682,772
2016	2,881,600	261,375,600		18,100	22,087,800	4,445,500	3,194,200	294,002,800	41,157,800	711	294,003,511	0.81	318,979,554
2017	2,674,300	261,114,800		19,300	22,128,600	4,445,500	3,194,200	293,576,700	41,397,600	683	293,577,383	0.81	319,640,920
2018	2,653,900	261,299,400		19,300	22,153,800	4,445,500	3,194,200	293,766,100	41,269,700	651	293,766,751	0.81	315,261,868
2019	2,653,900	261,808,300		19,300	22,104,800	4,445,500	3,194,200	294,226,000	41,045,900	552	294,226,552	0.80	325,155,173
2020	2,653,911	261,922,500		19,300	22,104,800	4,445,500	3,194,200	294,340,211	41,608,700		294,340,211	0.78	331,859,380
2021	2,604,600	262,542,500		18,100	21,906,800	4,445,500	3,194,200	294,711,700	41,764,300		294,711,700	0.75	331,497,319

\* Revaluation became effective.

Source: Municipal Tax Assessors and State of New Jersey Website

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

Reassessment occurs when ordered by the County Board of Taxation

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

b Tax rates are per \$100

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT  
DIRECT AND OVERLAPPING PROPERTY TAX RATES  
LAST TEN YEARS  
UNAUDITED  
*(rate per \$100 of assessed value)*

**Byram Township**

Year Ended December 31,	Direct Rate		Overlapping Rates		Total Direct and Overlapping Tax Rate
	Basic Rate <sup>a</sup>	Total Direct	Municipality	County	
2012 *	\$ 0.631	\$ 0.631	\$ 0.851	\$ 0.508	\$ 1.185
2013	0.648	0.648	0.874	0.539	1.210
2014	0.665	0.665	0.864	0.552	1.227
2015	0.668	0.668	0.888	0.534	1.249
2016	0.666	0.666	0.913	0.578	0.863
2017	0.687	0.687	0.928	0.595	0.857
2018	0.699	0.699	0.935	0.622	1.289
2019	0.699	0.699	0.946	0.624	1.299
2020	0.699	0.699	0.945	0.627	1.302
2021	0.713	0.713	0.952	0.643	1.296

**Netcong Borough**

Year Ended December 31,	Direct Rate		Overlapping Rates		Total Direct and Overlapping Tax Rate
	Basic Rate <sup>a</sup>	Total Direct	Municipality	County	
2012	\$ 0.507	\$ 0.507	\$ 0.714	\$ 0.221	\$ 0.815
2013	0.503	0.503	0.738	0.208	0.908
2014	0.502	0.502	0.756	0.215	0.898
2015	0.511	0.511	0.775	0.197	0.996
2016	0.499	0.499	0.797	0.197	0.981
2017	0.504	0.504	0.821	0.212	0.989
2018	0.537	0.537	0.840	0.217	1.158
2019	0.611	0.611	0.861	0.245	1.209
2020	0.698	0.698	0.883	0.245	1.248
2021	0.724	0.724	0.901	0.233	1.264

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT  
DIRECT AND OVERLAPPING PROPERTY TAX RATES

LAST TEN YEARS  
UNAUDITED

(rate per \$100 of assessed value)

**Stanhope Borough**

Year Ended December 31,	Direct Rate		Overlapping Rates		Total Direct and Overlapping Tax Rate
	Basic Rate <sup>a</sup>	Total Direct	Municipality	County	
2012	\$ 0.554	\$ 0.554	\$ 0.928	\$ 0.503	\$ 1.139
2013 *	0.675	0.675	1.094	0.543	1.344
2014	0.692	0.692	1.103	0.585	1.378
2015	0.747	0.747	1.115	0.578	1.423
2016	0.811	0.811	1.131	0.612	1.042
2017	0.808	0.808	1.141	0.621	1.067
2018	0.808	0.808	1.157	0.624	1.523
2019	0.799	0.799	1.168	0.641	1.549
2020	0.779	0.779	1.191	0.659	1.611
2021	0.753	0.753	1.218	0.659	1.671

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

a The district's basic tax rate is calculated from the A4F form which is submitted with the budget and the Net Valuation Taxable.

\* Revaluation became effective.

Source: Municipal Tax Collectors and School Business Administrator

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT  
PRINCIPAL PROPERTY TAXPAYERS  
CURRENT YEAR AND NINE YEARS AGO  
UNAUDITED

**Byram Township**

Taxpayer	2022			2013		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
Gordon Byram Associates, LLC	\$ 16,622,300	1	1.80%	\$ 18,586,900	1	1.67%
Tilcon New York, Inc	5,107,700	2	0.55%	5,043,700	2	0.45%
YK Realty Co LLC	4,233,500	3	0.46%	4,250,000	3	0.38%
Byram Self Storage	3,900,000	4	0.42%	3,250,500	4	0.29%
Quickchek Corp	3,187,400	5	0.34%	2,717,300	5	0.24%
PSD Automotive Group	2,875,000	6	0.31%	2,296,600	6	0.21%
Panther Lake Camping Resort, Inc	2,665,200	7	0.29%	2,158,300	7	0.19%
206 Acorn Development Corp	1,951,400	8	0.21%	1,928,600	8	0.17%
Individual Taxpayer #1	1,723,900	9	0.19%	1,549,500	9	0.14%
55 Lackawanna Development, LLC	1,700,000	10	0.18%	1,502,500	10	0.13%
<b>Total</b>	<b>\$ 43,966,400</b>		<b>4.75%</b>	<b>\$ 43,283,900</b>		<b>3.87%</b>

**Netcong Borough**

Taxpayer	2022			2013		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
Netcong Heights	\$ 32,890,900	1	10.13%	\$ 16,872,785	1	4.95%
Dowel-Netcong, LLC	8,953,500	2	2.76%	5,842,811	2	1.71%
Semper Development Group, LLC	4,749,500	3	1.46%	5,185,596	3	1.52%
Netcong 201 LLC Morris Canal Plaza	3,216,300	4	0.99%	2,746,732	4	0.81%
Greater Northern 59 Love Lane LLC	3,002,000	5	0.92%	2,245,171	5	0.66%
Greater Northern 69 Love Lane LLC	2,833,300	6	0.87%	2,201,125	6	0.65%
US Mineral Wool Products	2,719,200	7	0.84%	1,972,233	7	0.58%
Netcong Properties LP C/O Quik Chek	1,957,100	8	0.60%	1,926,407	8	0.57%
Bell Atlantic - NJ C/O Duff & Phelps	1,944,900	9	0.60%	1,624,042	9	0.48%
Mark Appraisals, LLC	1,509,600	10	0.46%	1,343,312	10	0.39%
<b>Total</b>	<b>\$ 63,776,300</b>		<b>19.63%</b>	<b>\$ 41,960,214</b>		<b>12.32%</b>

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT  
PRINCIPAL PROPERTY TAXPAYERS  
CURRENT YEAR AND NINE YEARS AGO  
UNAUDITED

<b>Stanhope Borough</b>		2022		2013		
Taxpayer	Taxable Assessed Value	Rank	% of Total District Net Assessed Value	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
Metro SH Storage, LLC/Metro Storage	\$ 3,611,600	1	1.23%	\$ 3,228,400	1	0.74%
US Mineral Products Co.	1,701,900	2	0.58%	1,742,200	2	0.40%
10 Furnace Street, LLC	1,308,000	3	0.44%	1,314,900	3	0.30%
Heritage Crossing LLC	1,270,800	4	0.43%	1,287,300	4	0.30%
Individual Taxpayer 1	1,129,000	5	0.38%	1,286,800	5	0.30%
Juntos Holdings LLC	979,300	6	0.33%	1,198,300	6	0.28%
Lakeland Bank	953,600	7	0.32%	1,032,900	7	0.24%
Individual Taxpayer 2	950,000	8	0.32%	1,024,800	8	0.24%
Andrew Benjamin, LLC	851,500	9	0.29%	925,800	9	0.21%
Normandic Lane, LLC	550,000	10	0.19%	883,800	10	0.20%
<b>Total</b>	<b>\$ 13,305,700</b>		<b>3.28%</b>	<b>\$ 13,925,200.00</b>		<b>3.21%</b>

Note: Individual taxpayers may be different in 2022 and 2013.

Source: Municipal Tax Assessor



LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT  
PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN FISCAL YEARS  
UNAUDITED

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal		Collections in Subsequent Years
		Year of the Levy <sup>a</sup> Amount	Percentage of Levy	
2013	\$ 9,591,124	\$ 9,591,124	100.00%	\$ -0-
2014	9,782,946	9,782,946	100.00%	-0-
2015	9,978,605	9,978,605	100.00%	-0-
2016	10,078,391	10,078,391	100.00%	-0-
2017	10,279,958	10,279,958	100.00%	-0-
2018	10,485,557	10,485,557	100.00%	-0-
2019	10,695,268	10,695,268	100.00%	-0-
2020	10,909,173	10,909,173	100.00%	-0-
2021	11,127,356	11,127,356	100.00%	-0-
2022	11,238,630	11,238,630	100.00%	-0-

<sup>a</sup> School taxes are collected by the Municipal Tax Collectors. Under New Jersey State Statute, a municipality is required to remit to the School District the entire property tax balance, in the amount voted upon or certified prior to the end of the school year.

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

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT  
RATIOS OF OUTSTANDING DEBT BY TYPE  
LAST TEN FISCAL YEARS  
UNAUDITED  
*(dollars in thousands, except per capita)*

Fiscal Year Ended June 30,	Governmental Activities Financed Purchases	Total District	Percentage of Personal Income <sup>a</sup>	Per Capita <sup>a</sup>
2013	\$ 128,050	\$ 128,050	0.01%	\$ 8.56
2014	211,219	211,219	0.02%	14.22
2015	155,291	155,291	0.02%	10.59
2016	77,435	77,435	0.01%	5.32
2017	72,484	72,484	0.01%	5.00
2018	37,314	37,314	0.00%	2.58
2019	62,598	62,598	0.01%	4.35
2020	44,886	44,886	0.00%	3.14
2021	269,914	269,914	0.02%	17.68
2022	280,950	280,950	0.02%	18.41

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

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

Source: School District Financial Reports

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT  
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING  
LAST TEN FISCAL YEARS  
UNAUDITED

NOT APPLICABLE

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT  
RATIOS OF OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT  
UNAUDITED  
AS OF DECEMBER 31, 2021

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable <sup>a</sup></u>	<u>Estimated Share of Overlapping Debt</u>
<u>Debt Repaid With Property Taxes</u>			
Township of Byram	\$ 2,057,829	100.00%	\$ 2,057,829
Borough of Netcong	2,141,440	100.00%	2,141,440
Borough of Stanhope	2,825,861	100.00%	2,825,861
Morris County County General Obligation Debt (All Constituent Municipalities) (1)	250,902,245	0.30%	757,877
Sussex County County General Obligation Debt (All Constituent Municipalities) (2)	97,520,409	7.29%	<u>7,106,064</u>
Subtotal, Overlapping Debt			14,889,072
Lenape Valley Regional School District Direct Debt			<u>269,914</u>
Total Direct and Overlapping Debt			<u>\$ 15,158,986</u>
(2) Township of Byram/County of Sussex -	5.45%		
(1) Borough of Netcong/County of Morris -	0.30%		
(2) Borough of Stanhope/County of Sussex -	1.83%		

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

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

Sources: Assessed value data used to estimate applicable percentages provided by the Morris and Sussex County Boards of Taxation; debt outstanding data provided by each governmental unit.

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT  
LEGAL DEBT MARGIN INFORMATION  
LAST TEN FISCAL YEARS  
UNAUDITED

Legal Debt Margin Calculation for Fiscal Year 2022

Year	Township of Byram	Borough of Netcong	Borough of Stanhope	Total Equalized Valuation Basis
2019	994,856,069	301,716,546	330,665,318	\$ 1,627,237,933
2020	1,015,562,987	288,836,963	330,014,800	1,634,414,750
2021	1,089,037,281	318,698,047	347,660,375	1,755,395,703
	<u>\$3,099,456,337</u>	<u>\$ 909,251,556</u>	<u>\$ 1,008,340,493</u>	<u>\$5,017,048,386</u>
Average Equalized Valuation of Taxable Property				<u>\$1,672,349,462</u>
Debt Limit (4% of average equalization value) <sup>a</sup>				\$ 66,893,978
Net Bonded School Debt as of June 30, 2022				-0-
Legal Debt Margin				<u>\$ 66,893,978</u>

	Fiscal Year Ending June 30,				
	2013	2014	2015	2016	2017
Debt Limit	\$ 70,099,707	\$ 66,772,267	\$ 63,653,897	\$ 62,434,615	\$ 61,931,004
Total Net Debt Applicable to Limit					
Legal Debt Margin	<u>\$ 70,099,707</u>	<u>\$ 66,772,267</u>	<u>\$ 63,653,897</u>	<u>\$ 62,434,615</u>	<u>\$ 61,931,004</u>
Total Net Debt Applicable to the Limit As a Percentage of Debt Limit	0.00%	0.00%	0.00%	0.00%	0.00%
	Fiscal Year Ending June 30,				
	2018	2019	2020	2021	2022
Debt Limit	\$ 62,035,460	\$ 63,354,827	\$ 64,294,583	\$ 65,096,438	\$ 66,893,978
Total Net Debt Applicable to Limit					
Legal Debt Margin	<u>\$ 62,035,460</u>	<u>\$ 63,354,827</u>	<u>\$ 64,294,583</u>	<u>\$ 64,294,583</u>	<u>\$ 66,893,978</u>
Total Net Debt Applicable to the Limit As a Percentage of Debt Limit	0.00%	0.00%	0.00%	0.00%	0.00%

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

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

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT  
DEMOGRAPHIC AND ECONOMIC STATISTICS  
LAST TEN YEARS  
UNAUDITED

**Byram Township**

Year	Population <sup>a</sup>	Personal Income <sup>b</sup>	Sussex County	
			Per Capita Personal Income <sup>c</sup>	Unemployment Rate <sup>d</sup>
2013	8,224	\$ 425,378,176	\$ 51,724	5.70%
2014	8,150	441,045,400	54,116	6.20%
2015	8,060	449,119,320	55,722	5.10%
2016	7,992	458,157,384	57,327	4.50%
2017	7,974	471,614,256	59,144	4.20%
2018	7,952	489,294,512	61,531	3.70%
2019	7,945	510,736,380	64,284	3.20%
2020	7,890	535,052,460	67,814	8.60%
2021	8,061	546,648,654	67,814 *	5.80%
2022	8,061 **	546,648,654 ***	67,814 *	N/A

**Netcong Borough**

Year	Population <sup>a</sup>	Personal Income <sup>b</sup>	Morris County	
			Per Capita Personal Income <sup>c</sup>	Unemployment Rate <sup>d</sup>
2013	3,235	\$ 262,119,110	\$ 81,026	7.10%
2014	3,226	271,900,184	84,284	7.40%
2015	3,219	284,231,262	88,298	6.20%
2016	3,204	292,371,408	91,252	5.70%
2017	3,191	298,498,904	93,544	5.30%
2018	3,165	307,777,260	97,244	4.80%
2019	3,129	310,209,060	99,140	4.10%
2020	3,122	319,152,694	102,227	12.10%
2021	3,658	373,946,366	102,227 *	7.10%
2022	3,658 **	373,946,366 ***	102,227 *	N/A

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT  
DEMOGRAPHIC AND ECONOMIC STATISTICS  
LAST TEN YEARS  
UNAUDITED

<b>Stanhope Borough</b>					
Year	Population <sup>a</sup>	Personal Income <sup>b</sup>	Sussex County Per Capita Personal Income <sup>c</sup>	Unemployment Rate <sup>d</sup>	
2013	3,508	\$ 181,447,792	\$ 51,724	5.60%	
2014	3,476	188,107,216	54,116	5.90%	
2015	3,387	188,730,414	55,722	5.50%	
2016	3,355	192,332,085	57,327	5.30%	
2017	3,335	197,245,240	59,144	4.60%	
2018	3,323	204,467,513	61,531	4.20%	
2019	3,311	212,844,324	64,284	3.30%	
2020	3,288	222,972,432	67,814	9.90%	
2021	3,545	240,400,630	67,814 *	5.80%	
2022	3,545 **	240,400,630 ***	67,814 *	N/A	

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

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

\*\*\* - Latest Township/Borough personal income available (2021) was used for calculation purposes.

N/A - Information not available

Source:

<sup>a</sup> Population information provided by the NJ Dept of Labor and Workforce Development

<sup>b</sup> Personal income has been estimated based upon the municipal population and per capita personal income presented

<sup>c</sup> Per capita personal income by municipality estimated based upon the 2000 Census published by the US Bureau of Economic Analysis.

<sup>d</sup> Unemployment data provided by the NJ Dept of Labor and Workforce Development

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT  
PRINCIPAL EMPLOYERS - COUNTY OF SUSSEX  
CURRENT YEAR AND NINE YEARS AGO  
UNAUDITED

	2021			2013			Percentage of	
	Employer	Employees	Percentage of Total Employment	Employer	Employees	Percentage of Total Employment	Employees	Percentage of Total Employment
Selective Insurance Group Inc.		1000-4999	N/A	Crystal Springs Gold & Spa Resort	2,000	N/A		N/A
Crystal Springs Resort		1000-4999	N/A	Newton Memorial Hospital	1,200	N/A		N/A
Newton Medical Center		500-999	N/A	Selective Insurance	900	N/A		N/A
Sussex County Offices		500-999	N/A	County of Sussex	830	N/A		N/A
Thorlabs		500-999	N/A	Mountain Creek Resort	800	N/A		N/A
Mountain Creek Resort		500-999	N/A	Ames Rubber Corp.	445	N/A		N/A
Shop Rite		250-499	N/A	Shop Rite Supermarkets	301	N/A		N/A
Sussex County Community College		250-499	N/A	Andover Subacute & Rehab Center	300	N/A		N/A
United Methodist Community Bristol Glen		250-499	N/A	Sussex County Community College	300	N/A		N/A
Andover Subacute & Rehab Center		100-249	N/A	SCARC, Inc.	287	N/A		N/A
Total		N/A		Total	7,363			
Total County Labor Force		N/A			N/A			



LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT  
PRINCIPAL EMPLOYERS - COUNTY OF MORRIS  
CURRENT YEAR AND NINE YEARS AGO  
UNAUDITED

	2021		2012		Percentage of Total Employment
	Employer	Employees	Employer	Employees	
Atlantic Health System		10,516	Novartis	6,200	N/A
US Army Armament R&D		6,000	Picatinny Arsenal	5,841	N/A
Novartis		5,200	Atlantic Health system	5,576	N/A
Bayer		3,483	ADP	1,947	N/A
Barclays		3,000	County of Morris	1,838	N/A
Automatic Data Processing, Inc.		2,200	Saint Clare's	1,662	N/A
Accenture		2,009	Wyndham Worldwide Corporation	1,546	N/A
Deloitte & Touche		1,492	BASF Corporation	1,500	N/A
St. Clare's Health System		1,491	Accenture	1,498	N/A
County of Morris		1,438	Chilton Memorial	1,440	N/A
<b>Total</b>		<u>36,829</u>		<u>29,048</u>	
<b>Total County Labor Force</b>		<u>262,719</u>		<u>N/A</u>	

N/A - Not Available

Source: Morris County and Sussex County Area Chamber of Commerce and Sussex County Department of Administration and Finance

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT  
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM

LAST TEN FISCAL YEARS  
UNAUDITED  
*(accrual basis of accounting)*

<u>Function/Program:</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Instruction:										
Regular	57.0	55.0	55.0	55.0	55.0	53.0	50.0	50.0	50.0	50.0
Special Education	8.0	8.0	9.0	9.0	9.0	8.0	8.0	8.0	8.0	8.0
Other	3.0	3.0	3.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Support Services:										
Student & Instruction Related Services	23.0	23.0	24.0	24.0	24.0	23.0	22.0	22.0	22.0	22.0
School Administrative Services	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0
General and Business Administrative Services	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0
Plant Operations and Maintenance	8.0	8.0	8.0	8.0	8.0	8.0	8.0	9.0	7.0	7.0
Pupil Transportation	6.0	6.0	6.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0
<b>Total</b>	<u>118.0</u>	<u>116.0</u>	<u>118.0</u>	<u>118.0</u>	<u>118.0</u>	<u>114.0</u>	<u>110.0</u>	<u>111.0</u>	<u>109.0</u>	<u>109.0</u>

Source: School District Financial Reports

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT  
OPERATING STATISTICS  
LAST TEN FISCAL YEARS  
UNAUDITED

Fiscal Year	Enrollment	Operating Expenditures <sup>a</sup>	Cost Per Pupil <sup>d</sup>	Percentage Change	Teaching Staff <sup>b</sup>	Pupil/Teacher Ratio		Average Daily Enrollment (ADE) <sup>c</sup>	Average Daily Attendance (ADA) <sup>c</sup>	% Change in Average Daily Enrollment	Student Attendance Percentage
						High School	School				
2013	785	\$ 15,016,216	19,129	3.23%	66	12:1	785	732	-1.75%	93.25%	
2014	828	14,356,731	17,339	-9.36%	66	13:1	828	785	5.48%	94.81%	
2015	806	14,843,899	18,417	6.22%	67	12:1	806	765	-2.66%	94.91%	
2016	803	15,719,424	19,576	6.29%	66	12:1	803	778	-0.37%	96.89%	
2017	772	16,050,752	20,791	6.21%	67	12:1	772	730	-3.86%	94.56%	
2018	719	16,556,481	23,027	10.75%	63	11:1	708	670	-8.29%	94.63%	
2019	705	16,569,265	23,503	2.06%	60	11:1	687	651	-2.97%	94.76%	
2020	682	16,217,095	23,779	1.18%	60	11:1	642	610	-6.55%	95.02%	
2021	672	17,314,660	25,766	8.36%	60	11:1	666	610	3.74%	91.59%	
2022	647	18,572,698	28,706	11.41%	60	11:1	647	473	-2.85%	73.11%	

Sources: School 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).
- d The Cost per Pupil calculated above is the sum of the operating expenditures divided by enrollment. This cost per pupil may be different from other cost per pupil calculations.

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT  
SCHOOL BUILDING INFORMATION  
LAST TEN FISCAL YEARS  
UNAUDITED

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<u>District Building</u>										
High School										
Square Feet	146,637	146,637	146,637	146,637	146,637	146,637	146,637	146,637	146,637	146,637
Capacity (students)	900	900	900	900	900	900	900	900	900	900
Enrollment	785	828	806	803	772	719	705	682	672	647

Number of Schools at June 30, 2022  
 High School = 1

Source: School District Records

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

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT  
GENERAL FUND SCHEDULE OF REQUIRED MAINTENANCE FOR SCHOOL FACILITIES  
LAST TEN FISCAL YEARS  
UNAUDITED

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

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
<u>School Facilities:</u>					
Lenape Valley High School District	<u>\$ 384,627</u>	<u>\$ 209,007</u>	<u>\$ 434,057</u>	<u>\$ 303,518</u>	<u>\$ 311,266</u>
	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
<u>School Facilities:</u>					
Lenape Valley High School District	<u>\$ 281,953</u>	<u>\$ 344,247</u>	<u>\$ 305,814</u>	<u>\$ 268,332</u>	<u>\$ 294,642</u>

Source: District records

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT  
INSURANCE SCHEDULE  
JUNE 30, 2022  
UNAUDITED

	<u>Coverage</u>	<u>Deductible</u>
School Package Policy - School Alliance Insurance Fund:	\$ 500,000,000	
Building & Personal Property		\$ 2,500
Inland Marine - Auto Physical Damage		\$ 1,000
General Liability including Auto, Employee Benefits		
Each Occurrence	\$ 5,000,000	
General Aggregate	\$ 100,000,000	
Product/Completed Ops		
Personal Injury		
Fire Damage	\$ 2,500,000	
Medical Expenses	\$ 10,000	
(excluding students taking part in athletics)		
Automobile Coverage		
Combined Single Limit		
Hired/Non-owned		
Environmental Impairment Liability	\$ 1,000,000	\$ 10,000
Fund Aggregate	\$ 25,000,000	\$ 100,000
Crime Coverage	\$ 50,000	\$ 1,000
Blanket Dishonesty Bond	\$ 500,000	\$ 1,000
Boiler and Machinery	\$ 100,000,000	\$ 2,500
Excess Liability (AL/GL)	\$ 5,000,000	
School Board Legal	\$ 5,000,000	\$ 5,000
Excess SLPL	\$ 5,000,000	
Workers' Compensation	NJ Statutory	
Employer's Liability	\$ 5,000,000	
Supplemental Indemnity	NJ Statutory	

SINGLE AUDIT SECTION

Report on Internal Control Over Financial Reporting and  
on Compliance and Other Matters Based on an Audit of Financial Statements  
Performed in Accordance with *Government Auditing Standards*

Independent Auditors' Report

The Honorable President and Members  
of the Board of Education  
Lenape Valley Regional High School District  
County of Sussex, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and the audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey (the "Department"), the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Board of Education of the Lenape Valley Regional High School District, in the County of Sussex (the "District") as of and for the fiscal year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated November 11, 2022. That report included a qualified opinion on the financial statements as the District's note disclosure on postemployment benefits other than pensions (OPEB) contains the June 30, 2020 information and not the June 30, 2021 information as the report for Governmental Accounting Standards Board ("GASB") Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, for the State of New Jersey State Health Benefits Local Education Retired Employees Plan ("SHBP") has not been released by the Division of Pensions and Benefits, Department of the Treasury, State of New Jersey, as of the date of this report. In our opinion, disclosure of this information is required by accounting principles generally accepted in the United States of America.

**Report on Internal Control Over Financial Reporting**

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

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



The Honorable President and Members  
of the Board of Education  
Lenape Valley Regional High School District  
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Our consideration of the internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

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

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

### **Purpose of this Report**

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

November 11, 2022  
Mount Arlington, New Jersey

*Nisivoccia LLP*  
NISIVOCCIA LLP

*Valerie A. Dolan*

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Valerie A. Dolan  
Licensed Public School Accountant #2625  
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Report on Compliance For Each Major Federal and State Program;  
 Report on Internal Control Over Compliance Required by the Uniform Guidance and NJOMB 15-08

Independent Auditors' Report

The Honorable President and Members  
 of the Board of Education  
 Lenape Valley Regional High School District  
 County of Sussex, New Jersey

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

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

We have audited the Lenape Valley Regional High School District's (the District's) compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* and the *New Jersey State Aid/Grant Compliance Supplement* that could have a direct and material effect on each of the District's major federal and state programs for the fiscal year ended June 30, 2022. The District's major federal and state programs are identified in the summary of auditors' results section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, the District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the fiscal year ended June 30, 2022.

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

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

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

The Honorable President and Members  
of the Board of Education  
Lenape Valley Regional High School District  
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### ***Responsibilities of Management for Compliance***

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

### ***Auditors' Responsibilities for the Audit of Compliance***

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

In performing an audit in accordance with GAAS, *Government Auditing Standards*, the Uniform Guidance and New Jersey's OMB Circular 15-08, we

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

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

### **Report on Internal Control Over Compliance**

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

The Honorable President and Members  
of the Board of Education  
Lenape Valley Regional High School District  
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Our consideration of internal control over compliance was for the limited purpose described in the Auditor’s Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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

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

November 11, 2022  
Mount Arlington, New Jersey

*Nisivoccia LLP*  
NISIVOCCIA LLP

*Valerie A. Dolan*

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Valerie A. Dolan  
Licensed Public School Accountant #2625  
Certified Public Accountant

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT  
SCHEDULE OF EXPENDITURES OF FEDERAL FINANCIAL AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Assistance Listing Number	Grant or State Program Number	Grant Period	Award Amount	Balance 6/30/2021		Cash Received	Budgetary Expenditures	Balance 6/30/2022		Amount Provided to Subrecipients
				(Accounts Receivable)	Unearned Revenue			Budgetary Unearned Revenue	Budgetary Accounts Receivable	
<b>Special Revenue Fund:</b>										
U.S. Department of Education										
Passed-through State Department of Education:										
Elementary and Secondary Education Act										
84.010	ESEA261521	7/1/20-9/30/21	\$ 60,984	\$ (15,589)		\$ 16,552	\$ (963)			
84.010	ESEA261522	7/1/21-9/30/22	73,070			49,091	(73,070)		\$ (23,979)	
	Total Title I				393	65,643	(74,033)		(23,979)	
84.367A	ESEA261520	7/1/19-9/30/20	14,897			10,397	(9,647)	\$ 750		393
84.367A	ESEA261522	7/1/21-9/30/22	14,512		393	10,397	(9,647)	750		393
	Total Title II				393	20,794	(19,294)	1,500	(5,750)	
84.424	ESEA261522	7/1/21-9/30/22	10,000		393	76,040	(89,430)	750	(29,729)	393
	Total Elementary and Secondary Education Act				1,080	141,773	(172,794)	1,950	(59,458)	786
Special Education Cluster:										
84.027A	IDEA261521	7/1/20-9/30/21	149,436	(36,526)		36,526				
84.027A	IDEA261522	7/1/21-9/30/22	148,489			81,578	(148,489)		(66,911)	
84.027X	IDEA261522	7/1/21-9/30/22	29,135			29,135	(29,135)			
	Total Special Education Cluster					147,239	(177,624)		(66,911)	
	Total U.S. Department of Education				393	223,279	(267,054)	750	(96,640)	393
U.S. Department of Treasury -										
Passed-through State Department of Education:										
Education Stabilization Fund:										
84.425D	S425D210027	3/13/20-9/30/23	204,081			93,728	(204,081)		(110,353)	
84.425D	S425D210027	3/13/20-9/30/23	25,000			19,400	(19,400)			
84.425D	S425D210027	3/13/20-9/30/23	45,000			40,268	(29,756)	10,512		
84.425U	S425D210027	3/13/20-9/30/24	458,659			341,159	(458,659)		(117,500)	
84.425U	S425D210027	3/13/20-9/30/24	50,000			30,521	(34,421)		(3,900)	
	Total U.S. Department of Treasury					525,076	(746,317)	10,512	(231,753)	
	Total Special Revenue Fund				393	748,355	(1,013,371)	11,262	(328,393)	393
U.S. Department of Agriculture										
Passed-Through State Department of Agriculture:										
SNAP Cluster:										
10.649	N/A	7/1/21-6/30/22	1,242			1,242	(1,242)			
	Total SNAP Cluster					1,242	(1,242)			
Child Nutrition Cluster:										
10.555	N/A	7/1/20-6/30/21	6,248		2,535		(2,535)			
10.555	N/A	7/1/21-6/30/22	8,930			8,930	(7,763)	1,167		
10.555	N/A	7/1/21-6/30/22	5,366			5,366	(5,366)			
10.555	N/A	7/1/21-6/30/22	57,561			57,561	(57,561)			
10.555	N/A	7/1/21-6/30/22	202,648			198,197	(202,945)		(4,748)	
	Total Child Nutrition Cluster				2,535	270,054	(276,170)	1,167	(4,748)	
	Total U.S. Department of Agriculture				2,535	271,296	(277,412)	1,167	(4,748)	
	Total Federal Awards				\$ (52,115)	\$ 1,019,651	\$ (1,290,783)	\$ 12,429	\$ (236,501)	\$ 393
	N/A - Not Applicable									\$ -0-

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

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT  
SCHEDULE OF EXPENDITURES OF STATE AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

State Grantor/Program Title	Project Number	Grant or State	Grant Period	Award Amount	Balance 6/30/2021		Cash Received	Budgetary Expenditures	Balance 6/30/2022		Memo	
					Budgetary (Accounts Receivable)	Award			GAAP (Accounts Receivable)	Budgetary (Accounts Receivable)		
NJ Department of Education:												
Categorical Special Education Aid	21-495-034-5120-089		7/01/20-6/30/21	\$ 464,408	\$ (46,418)	\$	46,418				\$	464,408
Equalization Aid	21-495-034-5120-078		7/01/20-6/30/21	3,377,278	(337,560)		337,560					3,377,278
Categorical Security Aid	21-495-034-5120-084		7/01/20-6/30/21	20,481	(2,047)		2,047					20,481
School Choice Aid	21-495-034-5120-068		7/01/20-6/30/21	675,561	(67,522)		67,522					675,561
Transportation Aid	21-495-034-5120-014		7/01/20-6/30/21	177,329	(17,724)		17,724					177,329
Extraordinary Aid	21-495-034-5120-044		7/01/20-6/30/21	245,960	(245,960)		245,960					245,960
Non-Public Transportation	21-495-034-5120-014		7/01/20-6/30/21	8,040	(8,040)		8,040					8,040
On-Behalf TPAF Post Retirement Medical Benefits	22-495-034-5094-001		7/01/21-6/30/22	545,428			545,428	\$ (545,428)				545,428
On-Behalf Long Term Disability Insurance	22-495-034-5094-004		7/01/21-6/30/22	741			741	(741)				741
On-Behalf TPAF Pension Contributions	22-495-034-5094-002		7/01/21-6/30/22	2,301,999			2,301,999	(2,301,999)				2,301,999
On-Behalf TPAF NCGI Premium	22-495-034-5094-003		7/01/21-6/30/22	32,478			32,478	(32,478)				32,478
Reimbursed TPAF Social Security	22-495-034-5094-003		7/01/21-6/30/22	452,641			452,641	(452,641)				452,641
Categorical Special Education Aid	22-495-034-5120-089		7/01/21-6/30/22	464,408			418,100	(464,408)		\$	(46,308)	464,408
Equalization Aid	22-495-034-5120-078		7/01/21-6/30/22	3,317,998			2,987,147	(3,317,998)			(330,851)	3,317,998
Categorical Security Aid	22-495-034-5120-084		7/01/21-6/30/22	20,481			18,439	(20,481)			(2,042)	20,481
School Choice Aid	22-495-034-5120-068		7/01/21-6/30/22	685,477			617,125	(685,477)			(68,352)	685,477
Transportation Aid	22-495-034-5120-014		7/01/21-6/30/22	177,329			159,647	(177,329)			(17,682)	177,329
Non-Public Transportation	22-495-034-5120-014		7/01/21-6/30/22	6,402				(6,402)	\$	(6,402)	(6,402)	6,402
Extraordinary Aid	22-495-034-5120-044		7/01/21-6/30/22	270,690				(270,690)			(270,690)	270,690
Total General Fund State Aid					(725,271)		8,259,016	(8,276,072)		(277,092)	(742,327)	13,245,129
School Development Authority:												
Securing Our Children's Future Bond Act		N/A	4/1/20-6/30/24	44,427			44,427	(44,427)				44,427
Emergent and Capital Maintenance Needs		N/A	11/19/21-6/30/22	19,021			19,021	(19,021)				19,021
Total School Development Authority							63,448	(63,448)				63,448
Total NJ Department of Education					(725,271)		8,322,464	(8,339,520)		(277,092)	(742,327)	13,308,577

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT  
SCHEDULE OF EXPENDITURES OF STATE AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance 6/30/2021		Cash Received	Budgetary Expenditures	Balance 6/30/2022		Memo		
				Budgetary (Accounts Receivable)	(Accounts Receivable)			Budgetary (Accounts Receivable)	Cumulative Total Expenditures			
State Department of Agriculture												
Enterprise Funds:												
State School Lunch Program - Supplemental	21-100-010-3350-023	7/01/20-6/30/21	\$ 297	\$ (159)	\$ 297	\$ (138)		\$ (62)	\$		\$ 297	
COVID 19 - Seamless Summer Option	22-100-010-3350-023	6/30/21-6/30/22	4,781		4,719	(4,781)		(62)		(62)	4,781	
Total Enterprise Fund				(159)	5,016	(4,919)		(62)		(62)	5,078	
Total State Awards				\$ (725,430)	\$ 8,327,480	\$ (8,344,439)		\$ (277,154)	\$	\$ (742,389)	\$ 13,313,655	
Less: On-Behalf TPAF Pension System Contributions:												
On-Behalf TPAF Post Retirement Medical Benefits	22-495-034-5094-001	7/01/21-6/30/22	545,428			545,428						
On-Behalf Long Term Disability Insurance	22-495-034-5094-004	7/01/21-6/30/22	741			741						
On-Behalf TPAF Pension Contributions	22-495-034-5094-002	7/01/21-6/30/22	2,301,999			2,301,999						
On-Behalf TPAF NCGI Premium	22-495-034-5094-003	7/01/21-6/30/22	32,478			32,478						
Subtotal - On-Behalf TPAF Pension System Contributions						2,880,646						
Total State Awards - for Major Program Determination						\$ (5,463,793)						

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

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

NOTE 1. BASIS OF PRESENTATION

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

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

NOTE 3. INDIRECT COST RATE

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

NOTE 4. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

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

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$6,036 for the General Fund and (\$150,111) for the Special Revenue Fund. See Exhibits C-3 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 revenue are reported on the Board’s basic financial statements on a GAAP basis as presented on the following page:



LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT  
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022  
(Continued)

NOTE 4. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS (Cont'd)

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund		\$ 8,326,535	\$ 8,326,535
Special Revenue Fund	\$ 882,281		882,281
Food Service Fund	<u>277,412</u>	<u>4,919</u>	<u>282,331</u>
Total Awards	<u>\$ 1,159,693</u>	<u>\$ 8,331,454</u>	<u>\$ 9,491,147</u>

NOTE 5. RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

NOTE 6. OTHER

TPAF Social Security contributions represent the amount reimbursed by the State for the employers' share of social security contributions for TPAF members for the fiscal year ended June 30, 2022. Revenues and expenditures reported under the Food Distribution Program represent current year value received and current year distributions respectively.

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Summary of Auditors' Results:

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

Federal:	Assistance Listing Number	Grant Period	Award Amount	Budgetary Expenditures
Education Stabilization Fund:				
COVID 19 - CRRSA - ESSER II	84.425D	3/13/20-9/30/23	\$ 204,081	\$ 204,081
COVID 19 - CRRSA - Learning Acceleration	84.425D	3/13/20-9/30/23	25,000	19,400
COVID 19 - CRRSA - Mental Health	84.425D	3/13/20-9/30/23	45,000	29,756
COVID 19 - ARP - ESSER III	84.425U	3/13/20-9/30/24	458,659	458,659
COVID 19 - ARP - Accelerated Learning	84.425U	3/13/20-9/30/24	50,000	34,421

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022  
 (Continued)

Summary of Auditors' Results: (Cont'd)

State:	State Grant Number	Grant Period	Award Amount	Budgetary Expenditures
State Aid Public:				
Categorical Special Education Aid	22-495-034-5120-089	7/1/21-6/30/22	\$ 464,408	\$ 464,408
Equalization Aid	22-495-034-5120-078	7/1/21-6/30/22	3,317,998	3,317,998
Categorical Security Aid	22-495-034-5120-084	7/1/21-6/30/22	20,481	20,481
School Choice Aid	22-495-034-5120-068	7/1/21-6/30/22	685,477	685,477

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

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

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

Findings and Questioned Costs for Federal Awards:

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

Findings and Questioned Costs for State Awards:

- The audit did not disclose any findings or questioned costs for state awards as defined in 2 CFR 200.516a of the Uniform Guidance or NJ OMB 15-08.

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Status of Prior Year Findings:

There were no prior year findings.