

**LUMBERTON TOWNSHIP SCHOOL DISTRICT**

Lumberton, New Jersey  
County of Burlington

**ANNUAL COMPREHENSIVE FINANCIAL REPORT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**



**ANNUAL COMPREHENSIVE FINANCIAL REPORT**

**OF THE**

**LUMBERTON TOWNSHIP SCHOOL DISTRICT**

**LUMBERTON, NEW JERSEY**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**Prepared by**

**Lumberton Township School District  
Finance Department**

*This page intentionally left blank.*

## TABLE OF CONTENTS

	PAGE
INTRODUCTORY SECTION	
Letter of Transmittal	1
Organizational Chart	5
Roster of Officials	7
Consultants and Advisors	9
FINANCIAL SECTION	
Independent Auditor’s Report	13
REQUIRED SUPPLEMENTARY INFORMATION – PART I	
Management’s Discussion and Analysis	19
BASIC FINANCIAL STATEMENTS	
A. Government-wide Financial Statements:	
A-1 Statement of Net Position	31
A-2 Statement of Activities	32
B. Fund Financial Statements:	
B-1 Balance Sheet	35
B-2 Statement of Revenues, Expenditures & Changes in Fund Balances	36
B-3 Reconciliation of the Statement of Revenues, Expenditures & Changes in Fund Balances of Governmental Funds to the Statement of Activities	37
Proprietary Funds:	
B-4 Statement of Net Position	38
B-5 Statement of Revenues, Expenditures & Changes in Fund Net Position	39
B-6 Statement of Cash Flows	40
Notes to Financial Statements	43
REQUIRED SUPPLEMENTARY INFORMATION – PART II	
C. Budgetary Comparison Schedules	
C-1 Budgetary Comparison Schedule – General Fund	81
C-2 Budgetary Comparison Schedule – Special Revenue Fund	87
Notes to the Required Supplementary Information - Part II	
C-3 Budget-to-GAAP Reconciliation	88
REQUIRED SUPPLEMENTARY INFORMATION – PART III	
L. Schedules Related to Accounting and Reporting for Pensions (GASB 68)	
L-1 Schedule of the District's Proportionate Share of the Net Pension Liability - PERS	93
L-2 Schedule of the District's Contributions	94
L-3 Schedule of the District's Proportionate Share of the Net Pension Liability - TPAF	95
M. Schedules Related to Accounting and Reporting for Other Post Employment Benefits (GASB 75)	
M-1 Schedule of Changes in the Net OPEB Liability and Related Ratios Associated with the District	99
Notes to the Required Supplementary Information - Part III	101

## TABLE OF CONTENTS

	PAGE
OTHER SUPPLEMENTARY INFORMATION	
E. Special Revenue Fund:	
E-1 Combining Schedule of Revenues & Expenditures Special Revenue Fund – Budgetary Basis	107
E-2 Preschool Education Aid Schedule(s) of Expenditures - Budgetary Basis	108
F. Capital Projects Fund:	
F-1 Summary Statement of Project Expenditures	111
F-2 Summary Schedule of Revenues, Expenditures and Changes in Fund Balance – Budgetary Basis	112
F-2a Schedule of Project Revenues, Expenditures, Project Balance and Project Status - Budgetary Basis - Lumberton - Solar Project	113
F-2b Schedule of Revenues, Expenditures Project Balance & Project Status – Projected Status - Budgetary Basis Ashbrook Elementary School Various Capital Improvements	114
F-2c Schedule of Revenues, Expenditures Project Balance & Project Status – Project Status - Budgetary Basis Bobby's Run Elementary School - Various Capital Improvements	115
F-2d Schedule of Revenues, Expenditures Project Balance & Project Status – Project Status - Budgetary Basis Florence L. Walther Elementary School - Various Capital Improvements	116
F-2e Schedule of Revenues, Expenditures Project Balance & Project Status – Project Status - Budgetary Basis Lumberton Middle School - Various Capital Improvements	117
G. Proprietary Funds:	
Enterprise Fund:	
G-1 Combining Schedule of Net Position	121
G-2 Combining Schedule of Revenues, Expenses & Changes in in Fund Net Position	122
G-3 Combining Schedule of Cash Flows	123
I. Long-Term Debt:	
I-1 Schedule of Serial Bonds	127
I-2 Schedule of Obligations Under Financed Purchases	N/A
I-3 Debt Service Fund Budgetary Comparison Schedule	128

## TABLE OF CONTENTS

	PAGE
<b>STATISTICAL SECTION</b>	
Financial Trends:	
J-1 Net Position by Component	133
J-2 Changes in Net Position	134
J-3 Fund Balances – Governmental Funds	136
J-4 Changes in Fund Balances – Governmental Funds	137
J-5 General Fund Other Local Revenue by Source	138
Revenue Capacity:	
J-6 Assessed Value & Estimated Actual Value of Taxable Property	141
J-7 Direct & Overlapping Property Tax Rates	142
J-8 Principal Property Taxpayers	143
J-9 Property Tax Levies & Collections	144
J-10 Ratios of Outstanding Debt by Type	144
Debt Capacity:	
J-11 Ratios of General Bonded Debt Outstanding	147
J-12 Direct & Overlapping Governmental Activities Debt	147
J-13 Legal Debt Margin Information	148
Demographic & Economic Information:	
J-14 Demographic & Economic Statistics	151
J-15 Principal Employers	151
J-16 Full-Time Equivalent District Employees by Function/Program	151
Operating Information:	
J-17 Operating Statistics	155
J-18 School Building Information	156
J-19 Schedule of Required Maintenance	157
J-20 Insurance Schedule	158
<b>SINGLE AUDIT SECTION</b>	
K-1 Independent Auditors Report on Internal Control Over Financial Reporting and Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With Government Auditing Standards	161
K-2 Independent Auditor's Report on Compliance for Each Major Program and on Internal Control Over Compliance as Required By the Uniform Guidance and New Jersey OMB Circular Letter 15-08	163
K-3 Schedule of Expenditures of Federal Awards, Schedule A	167
K-4 Schedule of Expenditures of State Financial Assistance, Schedule B	168
K-5 Notes to Schedules of Awards and Financial Assistance	169
K-6 Schedule of Findings and Questioned Costs Section I	
Section I - Summary of Auditor's Results	171
Section II - Financial Statement Findings	173
Section III - Federal Awards and State Financial Assistance Findings & Questioned Costs	174
K-7 Summary Schedule of Prior Audit Findings	175

*This page intentionally left blank.*



**INTRODUCTORY SECTION**

*This page intentionally left blank.*

**Lumberton Township Board of Education**  
**33 Municipal Drive**  
**Lumberton, NJ 08048**

**Dr. Colleen Murray**  
**Superintendent**

**Mr. Robert Kraft**  
**Business Administrator**

---

---

April 4, 2023

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

Dear Board Members/Citizens:

The Annual Comprehensive Financial Report (ACFR) of the Lumberton Township School 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 Lumberton Township School District. 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, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the district as of June 30, 2022, and the respective changes in financial position and cash flows, where applicable, thereof, for the year then ended in conformity with accounting principles generally accepted in the United States of America. All disclosures necessary to enable the reader to gain an understanding of the district's financial activities have been included.

GAAP requires that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The MD&A can be found immediately following the report of the independent auditors.

The Annual Comprehensive Financial Report is presented in four sections as follows:

## **ECONOMIC CONDITION AND OUTLOOK**

Lumberton Township has experienced slowdown to the development and expansion of the township. There are a few developments that will result in some additional housing. These parcels of undeveloped land have been approved for development by the Township. Lumberton Township is continuing to attempt to attract additional businesses to its previously rural and residential town. To attract the businesses in the town, the officials have agreed to abate taxes for a period. Several businesses have begun to pay their full amount of taxes to the town. The Township Officials are still working to attract businesses to move/develop within Lumberton Township.

## **MAJOR INITIATIVES**

The Lumberton Township School District is leading the way with innovative curricular developments. Our new strategic goals, centered around community, innovation, and inspiring curiosity, have helped us frame our work.

Our curricular programs are expanding and improving. We have grown our preschool program to 9 classes. We are about to embark on a math program pilot that helps students to conceptually understand and use math. We have revamped our student support system to help students get what they need every day, in every class. We are integrating a new-to-the-district social-emotional learning program that has been in existence for decades and is well researched and proven through extensive research to be effective in improving school climate and student outcomes. This work is being heavily supported through professional learning, such as through collaborative curriculum writing and expert coaching.

Our special education programs are developing to allow us to be more inclusive, such as with the addition of a Board-Certified Behavior Analyst and professional learning to assist some of our aides who aspire to become Behavioral Support Assistants with the new impressive Registered Behavior Technician certification.

The district is continuing our productive partnership with Rowan University's Center for Access, Success, and Equity. Through this school climate work, our students, teachers, and staff, play a key role in shaping their everyday school experience.

With expert coaching afforded through our climate grant, our administration is revamping our Code of Conduct, making our behavioral expectations explicit. This revised Code of Conduct will mediate our ongoing work as we all aspire to model our STAR principles - to Stay Safe, Take Responsibility, Always be Kind, and Respect Everyone - every day.

## **INTERNAL ACCOUNTING CONTROLS**

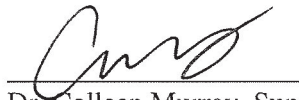
Management of the School District is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the district are protected from loss, theft and misuse and to ensure that adequate accounting data are completed to allow for the preparation of financial statement in conformity with general accepted accounting principles (GAAP). The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be delivered; and (2) the valuation of costs and benefits require estimates and judgments by management.

statements and combining statements and related major fund supporting statements and schedules is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the Single Audit section of this report.

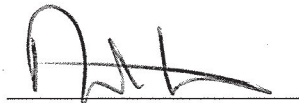
### ACKNOWLEDGEMENTS

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

Respectfully submitted,



Dr. Colleen Murray, Superintendent

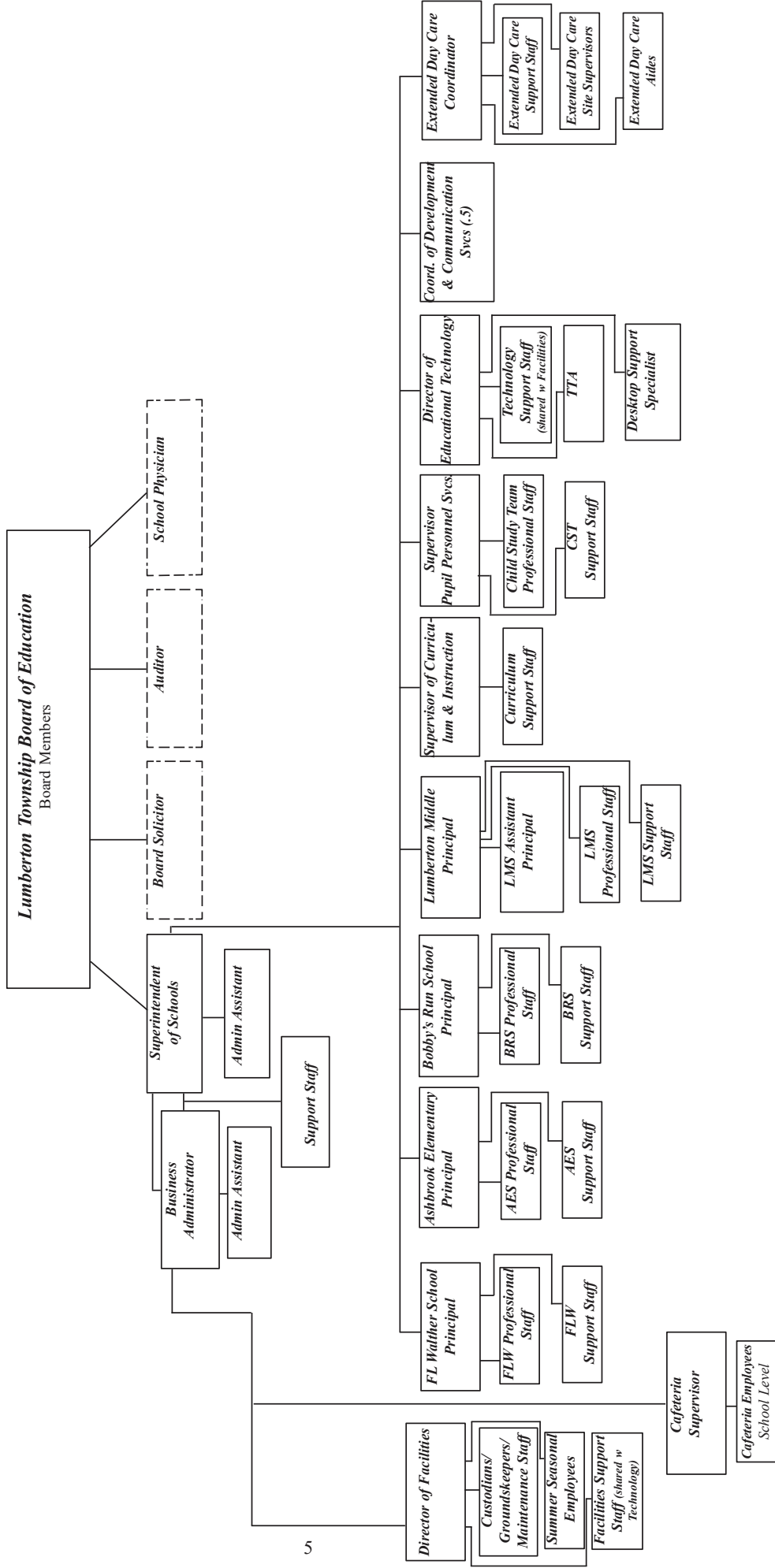


Robert Kraft, School Business Administrator/Board Secretary

*This page intentionally left blank.*

# Lumberton Township Board of Education

33 Municipal Drive  
Lumberton, NJ 08048  
(609) 267-1406



*This page intentionally left blank.*



**LUMBERTON TOWNSHIP SCHOOL DISTRICT**  
**Lumberton, New Jersey**

**ROSTER OF OFFICIALS**

**JUNE 30, 2022**

**MEMBERS OF THE BOARD OF EDUCATION**

**TERM EXPIRES**

Kevin Leahan, President	2024
Melissa Cirii, Vice President	2023
Margaret Bupp	2022
Bruce Ciallella	2022
Jill Clevenger	2023
Thomas J. Colling	2024
Lori Faye	2024
Rachel Paulin	2023
Marcy Smith	2022

**OTHER OFFICIALS**

Colleen Murray, Superintendent

Mark S. Leung, Business Administrator/Board Secretary

Frank P. Cavallo, Solicitor

*This page intentionally left blank.*

**LUMBERTON TOWNSHIP SCHOOL DISTRICT**  
**Lumberton, New Jersey**

**CONSULTANTS AND ADVISORS**

**INSURANCE AGENT**

Burlington County Insurance Pool  
Marlton, New Jersey

**AUDIT FIRM**

David T. McNally, CPA, RMA, PSA  
Holt McNally & Associates, Inc.  
618 Stokes Road  
Medford, New Jersey 08055

**ATTORNEY**

Frank P. Cavallo, Jr.  
Parker McCay P.A.  
Mount Laurel, New Jersey

**OFFICIAL DEPOSITORY**

TD Bank  
Cherry Hill, New Jersey

*This page intentionally left blank.*

**FINANCIAL SECTION**

*This page intentionally left blank.*



**HOLT MCNALLY & ASSOCIATES**

Certified Public Accountants & Advisors

## INDEPENDENT AUDITOR'S REPORT

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

### Opinions

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 Lumberton Township School District, County of Burlington, State of New Jersey, as of and for the fiscal year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements as listed in the table of contents.

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

### Basis for Opinions

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

### Emphasis of Matter

#### Change in Accounting Principle

As described in Note 1 to the financial statements, during the fiscal year ended June 30, 2022, the School District adopted GASB Statement No. 87, Leases. Our opinion is not modified with respect to this matter.

618 Stokes Road, Medford, NJ 08055

**P:** 609.953.0612 • **F:** 609.257.0008

[www.hmacpainc.com](http://www.hmacpainc.com)

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, 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 School District's ability to continue as a going concern for twelve months beyond the financial statement date, including any current 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 opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* and in accordance with accounting principles and practices prescribed by the Office of School Finance, Department of Education, State of New Jersey will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than 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 judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

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



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

### **Required Supplementary Information**

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

### **Supplementary Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School District's basic financial statements. The combining and individual fund statements and long-term debt schedules are presented for purposes of additional analysis, as required by the Office of School Finance, Department of Education, State of New Jersey, and are not a required part of the basic financial statements. The accompanying schedules of expenditures of federal awards and state financial assistance, as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid* are also 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 combining and individual fund financial statements, long-term debt schedules and accompanying schedules of expenditures or federal award and state financial assistance are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### **Other Information**

Management is responsible for the other information included in the annual report. The other information comprises the introductory 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 the 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 April 10, 2023 on our consideration of the School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 School District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School District's internal control over financial reporting and compliance.

Respectfully submitted,

**HOLT MCNALLY & ASSOCIATES, INC.**  
*Certified Public Accountants & Advisors*

David McNally  
Certified Public Accountant  
Public School Accountant, No. 2616

Medford, New Jersey  
April 10, 2023

**REQUIRED SUPPLEMENTARY INFORMATION - PART I**

*This page intentionally left blank.*

**LUMBERTON TOWNSHIP SCHOOL DISTRICT**  
**Management's Discussion and Analysis**  
**For the Fiscal Year Ended June 30, 2022**  
**(Unaudited)**

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

**Overview of the Basic Financial Statements**

This discussion and analysis is intended to serve as an introduction to the School District's basic financial statements. Comparison to the prior year's activity is provided in this document. The basic financial statements are comprised of three components:

- 1) Government-Wide financial statements, 2) Fund financial statements, and 3) Notes to the basic financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

**Government-Wide Financial Statements**

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

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

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

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

**Fund Financial Statements**

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

**LUMBERTON TOWNSHIP SCHOOL DISTRICT**  
**Management’s Discussion and Analysis**  
**For the Fiscal Year Ended June 30, 2022**  
**(Unaudited) (Continued)**

**Fund Financial Statements (continued)**

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

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

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

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

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

The School District’s enterprise funds (Food Service Fund and Extended Day Care Fund) are listed individually and is considered to be a major fund

**Notes to the Basic Financial Statements**

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

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

Recall that the Statement of Net Position provides the perspective of the school district as a whole (governmental and business-type activities). Net position may serve over time as a useful indicator of a government’s financial position.

The School District’s financial position is the product of several financial transactions including the net results of activities, the acquisition and payment of debt and other long-term liabilities, the acquisition and disposal of capital assets, and the depreciation of capital assets.

**LUMBERTON TOWNSHIP SCHOOL DISTRICT**  
**Management's Discussion and Analysis**  
**For the Fiscal Year Ended June 30, 2022**  
**(Unaudited) (Continued)**

Table 1 provides a summary of the School Districts net position for the fiscal years 2022 compared to fiscal year 2021.

**Table 1**  
**Summary of Net Position**

	June 30, <u>2022</u>	June 30, <u>2021</u>	Increase/ <u>(Decrease)</u>	Percentage <u>Change</u>
Current & Other Assets	\$ 12,852,969	\$ 9,888,204	\$ 2,964,765	30.0%
Capital Assets, Net	<u>23,201,929</u>	<u>23,141,765</u>	<u>60,164</u>	0.3%
Total Assets	<u>36,054,898</u>	<u>33,029,969</u>	<u>3,024,929</u>	9.2%
Deferred Outflow of Resources	<u>368,816</u>	<u>691,673</u>	<u>(322,857)</u>	-46.7%
Current and Other Liabilities	1,157,871	1,061,328	96,543	9.1%
Noncurrent Liabilities	<u>10,055,271</u>	<u>12,527,338</u>	<u>(2,472,067)</u>	-19.7%
Total Liabilities	<u>11,213,142</u>	<u>13,588,666</u>	<u>(2,375,524)</u>	-17.5%
Deferred Inflow of Resources	<u>4,842,381</u>	<u>2,607,035</u>	<u>2,235,346</u>	85.7%
Net Position:				
Net Investment in Capital Assets	16,787,652	16,468,270	319,382	1.9%
Restricted	8,340,969	8,096,065	244,904	3.0%
Unrestricted (Deficit)	<u>(4,760,430)</u>	<u>(7,038,394)</u>	<u>2,277,964</u>	-32.4%
Total Net Position	<u>\$ 20,368,191</u>	<u>\$ 17,525,941</u>	<u>\$ 2,842,250</u>	16.2%

Table 2 shows the changes in net position for fiscal year 2022 compared to fiscal year 2021.

**LUMBERTON TOWNSHIP SCHOOL DISTRICT**  
**Management's Discussion and Analysis**  
**For the Fiscal Year Ended June 30, 2022**  
**(Unaudited) (Continued)**

**Financial Analysis of the School District as a Whole (continued)**

**Table 2**  
**Summary of Changes in Net Position**

	June 30, <u>2022</u>	June 30, <u>2021</u>	Increase/ <u>(Decrease)</u>	Percentage <u>Change</u>
<b>Revenues:</b>				
Program Revenues:				
Charges for Services	\$ 554,571	\$ 75,781	\$ 478,790	631.8%
Operating Grants & Contributions	6,979,364	9,174,059	(2,194,695)	-23.9%
General Revenues:				
Property Taxes	15,551,289	15,345,615	205,674	1.3%
Federal & State Aid	7,148,195	7,674,233	(526,038)	-6.9%
Other General Revenues	1,017,870	378,641	639,229	168.8%
<b>Total Revenues</b>	<b>31,251,289</b>	<b>32,648,329</b>	<b>(1,397,040)</b>	<b>-4.3%</b>
<b>Function/Program Expenditures:</b>				
Regular Instruction	5,800,536	5,801,083	(547)	0.0%
Special Education Instruction	3,267,446	3,133,491	133,955	4.3%
Other Instruction	918,724	533,013	385,711	72.4%
Tuition	939,534	1,354,604	(415,070)	-30.6%
Student & Instruction Related Services	2,834,216	2,344,152	490,064	20.9%
General Administrative	563,646	512,556	51,090	10.0%
School Administrative Services	568,848	532,492	36,356	6.8%
Central Services	456,273	389,132	67,141	17.3%
Administrative Info. Technology	285,912	329,007	(43,095)	-13.1%
Plant Operations & Maintenance	2,123,745	2,271,292	(147,547)	-6.5%
Pupil Transportation	853,563	803,030	50,533	6.3%
Unallocated Benefits	5,486,392	6,319,751	(833,359)	-13.2%
On Behalf TPAF Pension and Social Security Contributions	1,721,479	4,475,910	(2,754,431)	-61.5%
Interest & Other Charges	168,277	298,172	(129,895)	-43.6%
Unallocated Depreciation	1,161,075	1,150,764	10,311	0.9%
Food Service	820,030	561,331	258,699	46.1%
Extended Daycare	439,343	277,797	161,546	58.2%
<b>Total Expenditures</b>	<b>28,409,039</b>	<b>31,087,577</b>	<b>(2,678,538)</b>	<b>-8.6%</b>
Change In Net Position	2,842,250	1,560,752	1,281,498	82.1%
Net Position - Beginning, as restated	17,525,941	15,965,189	1,560,752	9.8%
Net Position - Ending	<b>\$ 20,368,191</b>	<b>\$ 17,525,941</b>	<b>\$ 2,842,250</b>	<b>16.2%</b>

**Governmental Activities**

During the fiscal year 2022, the net position of governmental activities increased by \$2,748,836 or 16.16%. The assets and deferred outflows of the primary government activities exceeded liabilities and deferred inflows by \$19,755,268 with an unrestricted deficit balance of \$5,081,024. The deficit in unrestricted net position is primarily due to accounting treatment for compensated absences payable, GASB 68 net pension liability, and the last two state aid payments. In addition, state statutes prohibit school districts from maintaining more than 4% of its adopted budget as unassigned fund balance.

The School District's governmental activities unrestricted net position had GASB 68 pension not been implemented would have been as follows:



**LUMBERTON TOWNSHIP SCHOOL DISTRICT**  
**Management’s Discussion and Analysis**  
**For the Fiscal Year Ended June 30, 2022**  
**(Unaudited) (Continued)**

**Governmental Activities (continued)**

**Table 3**  
**GASB 68 Effect on Unrestricted Net Position**

Unrestricted Net Position (With GASB 68)	\$	(5,081,024)
Add back: PERS Pension Liability		2,895,185
Less: Deferred Outflows related to pensions		(361,125)
Add back: Deferred Inflows related to pensions		<u>2,644,724</u>
Unrestricted Net Position (Without GASB 68)	<u>\$</u>	<u>97,760</u>

**Business-type Activities**

During the fiscal year 2022, the net position of business-type activities increased by \$93,414 or 17.98%.

The assets and deferred outflows of the business-type activities exceeded liabilities and deferred inflows by \$612,923.

**General Fund Budgeting Highlights**

Final budgeted revenues was \$21,526,416, an increase of \$65,503 from the original budget. Excluding nonbudgeted revenues, the School District’s actual revenues exceeded budgeted revenues by \$1,026,788.

Final budgeted appropriations was \$25,315,784, which was an increase of \$279,607 from the original budget. The increase is due to prior year encumbrances and cancellation of a portion of those encumbrances. Excluding nonbudgeted expenditures, the School District’s budget appropriations exceeded actual expenditures by \$3,364,962.

The School District’s general fund balance – budgetary basis (Exhibit C-1) was \$9,506,026 at June 30, 2022, an increase of \$602,382 from the prior year.

**Governmental Funds**

At the end of the current fiscal year, the School District’s governmental funds reported a combined ending fund balance of \$9,545,102, an increase of \$611,045 from the prior year.

*General fund* - During the current fiscal year, the fund balance of the School District’s general fund increased by \$718,139 to \$8,945,999 at June 30, 2022. The primary factor(s) affecting the change in fund balance of the general fund compared to the prior year is as follows:

- Increase of miscellaneous revenue from the prior year due to the sale of SREC’S.
- Receipt of Maintenance of Equity Aid in the amount of \$301,892.

**LUMBERTON TOWNSHIP SCHOOL DISTRICT**  
**Management's Discussion and Analysis**  
**For the Fiscal Year Ended June 30, 2022**  
**(Unaudited) (Continued)**

**Governmental Funds (continued)**

*Special revenue fund* – During the current fiscal year, the fund balance of the School District's special revenue fund decreased by \$82,053 to \$(49,717) at June 30, 2022. The primary factor(s) affecting the change in fund balance of the special revenue fund compared to the prior year is as follows:

- Increased amount of final two state aid payments not recognized at June 30.

*Capital projects fund* – During the current fiscal year, the fund balance of the School District's capital projects fund decreased by \$21,168 to \$642,145 at June 30, 2022. The primary factor(s) affecting the change in fund balance of the capital projects fund compared to the prior year is as follows:

- Continued spend down of ongoing project.

*Debt service fund* - During the current fiscal year, the fund balance of the School District's debt service fund decreased by \$3,873 to \$6,675 at June 30, 2022.

**Proprietary Funds**

*Food service fund* - During the current fiscal year, the net position of the School District's food service fund increased by \$90,w62 to \$471,529 at June 30, 2022. The net position increased in the prior year by \$117,524. The primary factor(s) affecting the change in net position of the food service fund compared to the change in net position in the prior year is as follows:

- In the current year, the District made an attempt to spend more due to excess funds.

*Extended Day Program* - During the current fiscal year, the net position of the School District's Extended Day Program increased by \$3,152 to \$141,394 at June 30, 2022. The net position decreased in the prior by \$204,603. The primary factor(s) affecting the change in net position compared to the prior year change in net position is as follows:

- In the current year, the program returned to more normal operations which had been disrupted by the COVID-19 pandemic in the previous two years.

**Capital Assets**

The School District's capital assets for its governmental and business-type activities as of June 30, 2022, totaled \$23,201,929 (net of accumulated depreciation). This investment in capital assets includes land, land improvements, buildings and improvements and equipment. There was a net increase in the School District's investment in capital assets for the current fiscal year in the amount of \$60,164. Table 4 shows fiscal 2022 balances compared to 2021.

**LUMBERTON TOWNSHIP SCHOOL DISTRICT**  
**Management’s Discussion and Analysis**  
**For the Fiscal Year Ended June 30, 2022**  
**(Unaudited) (Continued)**

**Capital Assets (continued)**

**Table 4**  
**Summary of Capital Assets**

<u>Capital Assest (Net of Depreciation):</u>	June 30, <u>2022</u>	June 30, <u>2021</u>	Increase/ <u>(Decrease)</u>	Percentage <u>Change</u>
Land	\$ 1,236,485	\$ 1,236,485	\$ -	0.0%
Construction in Progress	6,090,712	5,315,543	775,169	100.0%
Land Improvements	2,667,235	2,838,313	(171,078)	-6.0%
Building and Improvements	12,480,837	12,825,173	(344,336)	-2.7%
Equipment	726,660	926,251	(199,591)	-21.5%
	<u>\$ 23,201,929</u>	<u>\$ 23,141,765</u>	<u>\$ 60,164</u>	<u>0.3%</u>

Depreciation expense for the year was \$1,173,327. Additional information on the School District’s capital assets can be found in the notes to the basic financial statements (Note 5) of this report.

**Debt Administration**

**Long-term debt** – At the end of the current fiscal year, the School District had total bonded debt outstanding of \$6,240,000 which is a decrease of \$875,000 from the prior year.

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

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

At the time these financial statements were prepared and audited, the Lumberton Township School District was aware of no existing circumstances that could significantly affect its financial health in the future. The contractual agreements with all recognized bargaining units in the Lumberton Township School District were renegotiated and will expire on June 30, 2022.

**Contacting the School Districts Financial Management**

This financial report is designed to provide a general overview of the School District’s finances for all those with an interest in the School District. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the School Business Administrator, Lumberton Township School District, 33 Municipal Drive, Lumberton, New Jersey 08048.

*This page intentionally left blank.*

**BASIC FINANCIAL STATEMENTS**

*This page intentionally left blank.*

## A. Government-Wide Financial Statements

*This page intentionally left blank.*



**LUMBERTON TOWNSHIP SCHOOL DISTRICT**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2022**

	GOVERNMENTAL <u>ACTIVITIES</u>	BUSINESS-TYPE <u>ACTIVITIES</u>	<u>TOTAL</u>
<b>ASSETS:</b>			
Cash & Cash Equivalents	\$ 6,103,200	\$ 321,241	\$ 6,424,441
Receivables, Net (Note 4)	2,112,146	44,983	2,157,129
Lease Receivable (Note 4)	2,197,657	-	2,197,657
Internal Balances	56,109	(56,109)	-
Inventory	-	11,296	11,296
Restricted Cash & Cash Equivalents	2,062,446	-	2,062,446
Capital Assets, Net (Note 5)			
Non-depreciable	6,552,028	-	6,552,028
Depreciable	16,357,572	292,329	16,649,901
	<hr/>	<hr/>	<hr/>
Total Assets	35,441,158	613,740	36,054,898
<b>DEFERRED OUTFLOWS OF RESOURCES:</b>			
Related to Pensions (Note 8)	361,125	-	361,125
Related to Loss on Debt Refunding	7,691	-	7,691
	<hr/>	<hr/>	<hr/>
Total Deferred Outflow of Resources	368,816	-	368,816
<b>LIABILITIES:</b>			
Accounts Payable	164,922	817	165,739
Due to Other Governments	300,386	-	300,386
Accrued Interest	67,869	-	67,869
Unearned Revenue	623,877	-	623,877
Noncurrent Liabilities (Note 7):			
Due within one year	944,628	-	944,628
Due in more than one year	9,110,643	-	9,110,643
	<hr/>	<hr/>	<hr/>
Total Liabilities	11,212,325	817	11,213,142
<b>DEFERRED INFLOWS OF RESOURCES:</b>			
Related to Pensions (Note 8)	2,644,724	-	2,644,724
Related to Leases (Note 4)	2,197,657	-	2,197,657
	<hr/>	<hr/>	<hr/>
Total Deferred Inflow of Resources	4,842,381	-	4,842,381
<b>NET POSITION:</b>			
Net Investment in Capital Assets	16,495,323	292,329	16,787,652
Restricted for:			
Maintenance Reserve	519,560	-	519,560
Debt Service	6,675	-	6,675
Capital Projects	2,111,711	-	2,111,711
Unemployment	73,320	-	73,320
Student Activities	67,529	-	67,529
Scholarships	2,528	-	2,528
Excess Surplus	5,559,646	-	5,559,646
Unrestricted (Deficit)	(5,081,024)	320,594	(4,760,430)
	<hr/>	<hr/>	<hr/>
Total Net Position	\$ 19,755,268	\$ 612,923	\$ 20,368,191

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

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

FUNCTIONS/PROGRAMS	PROGRAM REVENUES			NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION			
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS & CONTRIBUTIONS	CAPITAL GRANTS & CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
Governmental Activities:							
Instruction:							
Regular Instruction	\$ 5,800,536	\$ -	\$ -	\$ -	\$ (5,800,536)	\$ -	\$ (5,800,536)
Special Education Instruction	3,267,446	-	989,007	-	(2,278,439)	-	(2,278,439)
Other Special Instruction	783,695	-	-	-	(783,695)	-	(783,695)
Other Instruction	135,029	-	-	-	(135,029)	-	(135,029)
Support Services:							
Tuition	939,534	-	-	-	(939,534)	-	(939,534)
Health Services	216,101	-	-	-	(216,101)	-	(216,101)
Student & Instruction Related Services	2,461,740	50,292	462,940	-	(1,948,508)	-	(1,948,508)
Educational Media Services / School Library	156,375	-	-	-	(156,375)	-	(156,375)
General Administrative	563,646	-	-	-	(563,646)	-	(563,646)
School Administrative Services	568,848	-	-	-	(568,848)	-	(568,848)
Central Services	456,273	-	-	-	(456,273)	-	(456,273)
Administrative Info. Technology	285,912	-	-	-	(285,912)	-	(285,912)
Plant Operations & Maintenance	2,123,745	-	-	-	(2,123,745)	-	(2,123,745)
Pupil Transportation	853,563	-	-	-	(853,563)	-	(853,563)
Unallocated Benefits	5,486,392	-	2,957,488	-	(2,528,904)	-	(2,528,904)
On Behalf TPAF Pension and Social Security Contributions	1,721,479	-	1,721,479	-	-	-	-
Interest & Other Charges	168,277	-	-	-	(168,277)	-	(168,277)
Unallocated Depreciation	1,161,075	-	-	-	(1,161,075)	-	(1,161,075)
Total Governmental Activities	27,149,666	50,292	6,130,914	-	(20,968,460)	-	(20,968,460)
Business-Type Activities:							
Food Service	820,030	61,784	848,450	-	-	90,204	90,204
Extended Day Care	439,343	442,495	-	-	-	3,152	3,152
Total Business-Type Activities	1,259,373	504,279	848,450	-	-	93,356	93,356
Total Primary Government	\$ 28,409,039	\$ 554,571	\$ 6,979,364	\$ -	(20,968,460)	93,356	(20,875,104)
General Revenues:							
Taxes:							
Property Taxes, Levied for General Purposes					14,870,821	-	14,870,821
Property Taxes, Levied for Debt Service					680,468	-	680,468
Federal & State Aid Restricted					363,735	-	363,735
Federal & State Aid Not Restricted					6,784,460	-	6,784,460
Tuition Charges					66,317	-	66,317
Miscellaneous					951,495	58	951,553
Total General Revenues and Special Items					23,717,296	58	23,717,354
Change In Net Position					2,748,836	93,414	2,842,250
Net Position - Beginning					17,006,432	519,509	17,525,941
Net Position - Ending					\$ 19,755,268	\$ 612,923	\$ 20,368,191

## B. Fund Financial Statements

*This page intentionally left blank.*

**LUMBERTON TOWNSHIP SCHOOL DISTRICT  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2022**

	<u>GENERAL</u> <u>FUND</u>	<u>SPECIAL</u> <u>REVENUE</u> <u>FUND</u>	<u>CAPITAL</u> <u>PROJECTS</u> <u>FUND</u>	<u>DEBT</u> <u>SERVICE</u> <u>FUND</u>	<u>TOTAL</u> <u>GOVERNMENTAL</u> <u>FUNDS</u>
<b>ASSETS:</b>					
Cash & Cash Equivalents	\$ 3,678,639	\$ 1,363,280	\$ 1,055,252	\$ 6,029	\$ 6,103,200
Receivables, Net:					
Interfund Receivable	1,362,532	-	-	11,748	1,374,280
Due from Other Governments:					
State	578,573	-	-	-	578,573
Federal	-	123,037	-	-	123,037
Other Receivables	1,406,865	3,671	-	-	1,410,536
Lease Receivable	2,197,657	-	-	-	2,197,657
Restricted Cash & Cash Equivalents	2,062,446	-	-	-	2,062,446
<b>Total Assets</b>	<b><u>\$ 11,286,712</u></b>	<b><u>\$ 1,489,988</u></b>	<b><u>\$ 1,055,252</u></b>	<b><u>\$ 17,777</u></b>	<b><u>\$ 13,849,729</u></b>
<b>LIABILITIES, DEFERRED INFLOWS</b>					
<b>FUND BALANCES:</b>					
<b>Liabilities:</b>					
Accounts Payable	\$ 27,789	\$ 40,708	\$ -	\$ -	\$ 68,497
Payroll Deductions and Withholdings Payable	96,425	-	-	-	96,425
Interfund Payable	11,342	882,620	413,107	11,102	1,318,171
Unearned Revenue	7,500	616,377	-	-	623,877
<b>Total Liabilities</b>	<b><u>143,056</u></b>	<b><u>1,539,705</u></b>	<b><u>413,107</u></b>	<b><u>11,102</u></b>	<b><u>2,106,970</u></b>
Deferred Inflows of Resources:					
Deferred Inflows Related to Leases	2,197,657	-	-	-	2,197,657
<b>Fund Balances:</b>					
<b>Restricted for:</b>					
Capital Reserve	1,469,566	-	-	-	1,469,566
Maintenance Reserve	519,560	-	-	-	519,560
Excess Surplus - Current year	3,369,092	-	-	-	3,369,092
Excess Surplus - Prior Year - Designated for Subsequent Year's Expenditures	2,190,554	-	-	-	2,190,554
Capital Projects	-	-	642,145	-	642,145
Debt Service	-	-	-	6,675	6,675
Unemployment Compensation	73,320	-	-	-	73,320
Student Activities	-	67,529	-	-	67,529
Scholarships	-	2,528	-	-	2,528
<b>Assigned to:</b>					
Designated for Subsequent Year's Expenditures	329,614	-	-	-	329,614
Other Purposes	136,373	-	-	-	136,373
Unassigned	857,920	(119,774)	-	-	738,146
<b>Total Fund Balances</b>	<b><u>8,945,999</u></b>	<b><u>(49,717)</u></b>	<b><u>642,145</u></b>	<b><u>6,675</u></b>	<b><u>9,545,102</u></b>
<b>Total Liabilities &amp; Fund Balances</b>	<b><u>\$ 11,286,712</u></b>	<b><u>\$ 1,489,988</u></b>	<b><u>\$ 1,055,252</u></b>	<b><u>\$ 17,777</u></b>	
Amounts reported for <i>governmental activities</i> in the statement of net position (A-1) are different because:					
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$49,287,702 and the accumulated depreciation is \$26,378,102.					
					22,909,600
Deferred outflows and inflows of resources related to pensions and deferred charges or credits on debt refunding are applicable to future reporting periods and therefore are not reported in the funds.					
Deferred Outflows related to pensions					361,125
Deferred Inflows related to pensions					(2,644,724)
Deferred Outflow related to the loss on bond refunding of debt					7,691
Accrued interest on long-term debt is not due and payable in the current period and therefore is not reported as a liability in the funds.					
					(67,869)
Accrued pension contributions for the June 30, 2022 plan year are not paid with current economic resources and are therefore not reported as a liability in the funds, but are included in accounts payable in the government-wide statement of net position.					
					(300,386)
Long-term liabilities, including net pension liability and bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds.					
					<u>(10,055,271)</u>
<b>Net Position of Governmental Activities</b>					<b><u>\$ 19,755,268</u></b>

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

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

	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	DEBT SERVICE FUND	TOTAL GOVERNMENTAL FUNDS
Revenues:					
Local Sources:					
Local Tax Levy	\$ 14,870,821	\$ -	\$ -	\$ 680,468	\$ 15,551,289
Tuition Charges	66,317	-	-	-	66,317
Miscellaneous	947,363	50,292	4,132	-	1,001,787
Total Local Sources	15,884,501	50,292	4,132	680,468	16,619,393
State Sources	11,857,227	793,976	-	363,735	13,014,938
Federal Sources	25,309	975,215	-	-	1,000,524
Total Revenues	27,767,037	1,819,483	4,132	1,044,203	30,634,855
Expenditures:					
Instruction:					
Regular Instruction	5,800,536	-	-	-	5,800,536
Special Education Instruction	2,278,439	989,007	-	-	3,267,446
Other Special Instruction	783,695	-	-	-	783,695
Other Instruction	135,029	-	-	-	135,029
Support Services:					
Tuition	939,534	-	-	-	939,534
Health Services	216,101	-	-	-	216,101
Student & Instruction Related Services	1,877,824	583,916	-	-	2,461,740
Educational Media Services / School Library	156,375	-	-	-	156,375
General Administrative	563,646	-	-	-	563,646
School Administrative Services	568,848	-	-	-	568,848
Central Services	456,273	-	-	-	456,273
Administrative Info. Technology	285,912	-	-	-	285,912
Plant Operations & Maintenance	2,123,745	-	-	-	2,123,745
Pupil Transportation	853,563	-	-	-	853,563
Unallocated Benefits	3,700,719	317,244	-	-	4,017,963
On Behalf TPAF Pension and Social Security Contributions	5,098,076	-	-	-	5,098,076
Capital Outlay	1,079,241	96,922	21,168	-	1,197,331
Debt Service:					
Principal	-	-	-	875,000	875,000
Interest & Other Charges	45,789	-	-	177,208	222,997
Total Expenditures	26,963,345	1,987,089	21,168	1,052,208	30,023,810
Excess/(Deficiency) of Revenues over Expenditures	803,692	(167,606)	(17,036)	(8,005)	611,045
Other Financing Sources (Uses):					
Transfers in	-	85,553	-	4,132	89,685
Transfers out	(85,553)	-	(4,132)	-	(89,685)
Total Other Financing Sources (Uses)	(85,553)	85,553	(4,132)	4,132	-
Net changes in fund balances	718,139	(82,053)	(21,168)	(3,873)	611,045
Fund Balance, July 1	8,227,860	32,336	663,313	10,548	8,934,057
Fund Balance, June 30	\$ 8,945,999	\$ (49,717)	\$ 642,145	\$ 6,675	\$ 9,545,102

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

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

Total Net Changes in Fund Balances - Governmental Funds (B-2) \$ 611,045

Amounts reported for governmental activities in the statement of activities (A-2) are different because:

Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation capital outlays exceeded in the period.

	Depreciation Expense	\$ (1,161,075)	
	Capital Outlays	<u>1,197,331</u>	36,256

Governmental funds report School District pension contributions as expenditures. However in the statement of activities, the cost of pension benefits earned is reported as pension expense. This is the amount by which pension benefits earned exceeded the School District's pension contributions in the current period. 995,308

Repayment of long-term debt principal and obligation of lease purchase agreements are an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is not reported in the statement of activities. 875,000

Governmental funds report the effect of premiums, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. The net effect of these transactions is as follows:

	Amorization of premium on bonds	49,629	
	Amorization of loss on Bond Refunding	<u>(2,098)</u>	47,531

In the statement of activities, interest on long-term debt in the statement of activities is accrued, regardless of when due. In the governmental funds, interest is reported when due. The accrued interest is an addition in the reconciliation (+). 7,189

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 (+). 176,507

Change in Net Position of Governmental Activities \$ 2,748,836

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

ASSETS	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS		<u>TOTAL</u>
	<u>EXTENDED DAY CARE</u>	<u>FOOD SERVICE</u>	
Current Assets:			
Cash & Cash Equivalents	\$ 83,792	\$ 237,449	\$ 321,241
Accounts Receivable:			
State	-	753	753
Federal	-	44,230	44,230
Inventories	-	11,296	11,296
Total Current Assets	<u>83,792</u>	<u>293,728</u>	<u>377,520</u>
Noncurrent Assets:			
Equipment	286,124	782,982	1,069,106
Less: Accumulated Depreciation	<u>(215,586)</u>	<u>(561,191)</u>	<u>(776,777)</u>
Total Noncurrent Assets	<u>70,538</u>	<u>221,791</u>	<u>292,329</u>
Total Assets	<u>154,330</u>	<u>515,519</u>	<u>669,849</u>
LIABILITIES			
Current Liabilities:			
Interfund Payables	12,936	43,173	56,109
Accounts Payable	-	817	817
Total Current Liabilities	<u>12,936</u>	<u>43,990</u>	<u>56,926</u>
Total Liabilities	<u>12,936</u>	<u>43,990</u>	<u>56,926</u>
NET POSITION			
Investment in Capital Assets	70,538	221,791	292,329
Unrestricted	<u>70,856</u>	<u>249,738</u>	<u>320,594</u>
Total Net Position	<u>\$ 141,394</u>	<u>\$ 471,529</u>	<u>\$ 612,923</u>

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



**LUMBERTON TOWNSHIP SCHOOL DISTRICT  
 PROPRIETARY FUNDS  
 STATEMENT OF REVENUES, EXPENSES AND  
 CHANGES IN FUND NET POSITION  
 FOR FISCAL YEAR ENDED JUNE 30, 2022**

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS		<u>TOTAL</u>
	<u>EXTENDED</u>	<u>FOOD</u>	
	<u>DAY CARE</u>	<u>SERVICE</u>	
Operating Revenues:			
Local Sources:			
Daily Sales - Nonreimbursable Programs	\$ -	\$ 55,787	\$ 55,787
Special Functions	-	5,977	5,977
Enrollment Fees	442,495	-	442,495
Miscellaneous	-	20	20
	<hr/>		
Total Operating Revenue	442,495	61,784	504,279
	<hr/>		
Operating Expenses:			
Cost of Sales - Reimbursable Programs	-	303,392	303,392
Salaries	375,060	234,831	609,891
Employee Benefits	34,130	48,079	82,209
Supplies and Materials	2,015	106,171	108,186
Management Fee	-	78,610	78,610
Miscellaneous	15,886	32,087	47,973
Depreciation	12,252	16,860	29,112
	<hr/>		
Total Operating Expenses	439,343	820,030	1,259,373
	<hr/>		
Operating Income/(Loss)	3,152	(758,246)	(755,094)
	<hr/>		
Nonoperating Revenues (Expenses):			
State Sources:			
State School Lunch Program	-	14,194	14,194
Federal Sources:			
National School Lunch Program	-	605,780	605,780
School Breakfast Program	-	159,510	159,510
Special Milk Program	-	7,588	7,588
P-EBT Administrative	-	1,242	1,242
Emergency Operating Costs Program	-	1,155	1,155
Food Distribution Program	-	58,981	58,981
Interest and Investment Revenue	-	58	58
	<hr/>		
Total Nonoperating Revenues/(Expenses)	-	848,508	848,508
	<hr/>		
Change in Net Position	3,152	90,262	93,414
Total Net Position - July 1	138,242	381,267	519,509
	<hr/>		
Total Net Position - June 30	\$ 141,394	\$ 471,529	\$ 612,923
	<hr/>		

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

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

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS		
	EXTENDED	FOOD	TOTAL
	<u>DAY CARE</u>	<u>SERVICE</u>	
Cash Flows From Operating Activities:			
Receipts from Customers	\$ 442,495	\$ 61,784	\$ 504,279
Payments to Employees	(375,060)	(234,831)	(609,891)
Payment to Employee Benefits	(34,130)	(48,079)	(82,209)
Payments to Suppliers	(4,965)	(532,114)	(537,079)
Net Cash Provided/(Used) by Operating Activities	<u>28,340</u>	<u>(753,240)</u>	<u>(724,900)</u>
Cash Flows From Noncapital Financing Activities:			
State Sources	-	14,998	14,998
Federal Sources	-	825,691	825,691
Net Cash Provided by Noncapital Financing Activities	<u>-</u>	<u>840,689</u>	<u>840,689</u>
Cash Flows From Investing Activities:			
Purchase of Capital Assets	-	(53,020)	(53,020)
Interest on Investments	-	58	58
Net Cash Provided by Investing Activities	<u>-</u>	<u>(52,962)</u>	<u>(52,962)</u>
Net Increase/(Decrease) in Cash & Cash Equivalents	28,340	34,487	62,827
Cash & Cash Equivalents, July 1	<u>55,452</u>	<u>202,962</u>	<u>258,414</u>
Cash & Cash Equivalents, June 30	<u>\$ 83,792</u>	<u>\$ 237,449</u>	<u>\$ 321,241</u>

**Reconciliation of Operating Income/(Loss) to Net Cash Provided/(Used) by Operating Activities:**

Operating Income/(Loss)	\$ 3,152	\$ (758,246)	\$ (755,094)
Adjustments to Reconcile Operating Income/(Loss) to Cash Provided/(Used) by Operating Activities:			
Depreciation Expense	12,252	16,860	29,112
Change in Assets & Liabilities:			
(Increase)/Decrease in Inventory	-	(44)	(44)
(Decrease)/Increase in Accounts Payable	-	(14,310)	(14,310)
(Decrease)/Increase in Interfunds	12,936	2,500	15,436
Net Cash Provided/(Used) by Operating Activities	<u>\$ 28,340</u>	<u>\$ (753,240)</u>	<u>\$ (724,900)</u>

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

**LUMBERTON TOWNSHIP SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

*This page intentionally left blank.*

**LUMBERTON TOWNSHIP SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2022**

**Note 1. Summary of Significant Accounting Policies**

The financial statements of the Board of Education of Lumberton Township School District (the “District”) have been prepared in conformity with generally accepted accounting principles (GAAP) as prescribed by the Governmental Accounting Standards Board (GASB). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations).

**Reporting Entity**

The Lumberton Township School District (hereafter referred to as the “District”) is a Type II district located in the County of Burlington, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education. The Board is comprised of nine members elected to three-year terms. These terms are staggered so that three members’ terms expire each year. The purpose of the District is to educate students in grades kindergarten through eighth at its three schools. The District has an approximate enrollment at June 30, 2022 of 1,088 students.

The primary criterion for including activities within the District’s reporting entity, as set forth in Section 2100 of the GASB *Codification of Governmental Accounting and Financial Reporting Standards*, is whether:

- ◆ the organization is legally separate (can sue or be sued in their own name);
- ◆ the District holds the corporate powers of the organization;
- ◆ the District appoints a voting majority of the organization’s board
- ◆ the District is able to impose its will on the organization;
- ◆ the organization has the potential to impose a financial benefit/burden on the District
- ◆ there is a fiscal dependency by the organization on the District.

There were no additional entities required to be included in the reporting entity under the criteria as described above. Furthermore, the District is not includable in any other reporting entity on the basis of such criteria.

**Component Units**

GASB Statement No.14, The Financial Reporting Entity, provides guidance that all entities associated with a primary government are potential component units and should be evaluated for inclusion in the financial reporting entity. A primary government is financially accountable not only for the organizations that make up its legal entity but also for legally separate organizations that meet the criteria established by GASB Statement No. 14, as amended by GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units*, GASB Statement No. 61, *The Financial Reporting Entity: Omnis - an amendment of GASB Statements No. 14 and No. 34*, GASB Statement No. 80, *Blending Requirements for certain component units – and Amendment of GASB Statement No. 14* and GASB Statement No. 90, *Majority Equity Interests – An amendment of GASB Statements No. 14 and No. 61*. The District had no component units as of or for the year ended June 30, 2022.

**LUMBERTON TOWNSHIP SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2022**

**Note 1. Summary of Significant Accounting Policies (continued):**

**Government-Wide Financial Statements**

The District's Government-Wide Financial Statements include a Statement of Net Position and a Statement of Activities. These statements present summaries of Governmental and Business-Type Activities for the District accompanied by a total column.

These statements are presented on an "economic resources" measurement focus and the accrual basis of accounting. Accordingly, all of the District's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, including capital assets and long-term liabilities, are included in the accompanying Statement of Net Position. The Statement of Activities presents changes in net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred, regardless of the timing of related cash flows. The types of transactions reported as program revenues for the District are reported in three categories: 1) charges for services, 2) operating grants and contributions, and 3) capital grants and contributions.

Certain eliminations have been made to interfund activities, payables, and receivables. All internal balances in the Statement of Net Position have been eliminated except those representing balances between the governmental activities and the business-type activities, which are presented as internal balances and eliminated in the total primary government column. In the Statement of Activities, internal service fund transactions have been eliminated; however, those transactions between governmental and business-type activities have not been eliminated.

**Governmental Fund Financial Statements**

Governmental fund financial statements include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances for all major governmental funds and non-major funds aggregated. An accompanying schedule (Exhibit B-3) is presented to reconcile and explain the differences in fund balances and changes in fund balances as presented in these statements to the net position and changes in net position presented in the Government-Wide financial statements. The District has presented all major funds that met those qualifications.

All governmental funds are accounted for on a spending or "current financial resources" measurement focus and the modified accrual basis of accounting. Accordingly, only current assets and current liabilities are included on the Balance Sheets. (The District's deferred outflows of resources and deferred inflows of resources are noncurrent.) The Statement of Revenues, Expenditures and Changes in Fund Balances present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. Accordingly, revenues are recorded when received in cash, except that revenues subject to accrual (generally 60 days after year-end) are recognized when due. The primary revenue sources, which have been treated as susceptible to accrual by the District, are property tax and intergovernmental revenues and other taxes. Expenditures are recorded in the accounting period in which the related fund liability is incurred.

**LUMBERTON TOWNSHIP SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2022**

**Note 1. Summary of Significant Accounting Policies (continued):**

**Proprietary Fund Financial Statements**

Proprietary fund financial statements include a Statement of Net Position, a Statement of Revenues, Expenses and Changes in Fund Net Position, and a Statement of Cash Flows for each major proprietary fund and for the non-major funds aggregated. A column representing internal service funds is also presented in these statements. However, internal service funds balances and activities have been combined with the governmental activities in the Government-Wide financial statements.

Proprietary funds are accounted for using the “economic resources” measurement focus and the accrual basis of accounting. Accordingly, all assets, deferred outflows of resources, liabilities (whether current or noncurrent), and deferred inflows of resources are included on the Statement of Net Position. The Statement of Revenues, Expenses and Changes in Fund Net Position presents increases (revenues) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred, regardless of the timing of related cash flows.

Operating revenues in the proprietary funds are those revenues that are generated from the primary operations of the fund. All other revenues are reported as non-operating revenues. Operating expenses are those expenses that are essential to the primary operations of the fund. All other expenses are reported as non-operating expenses.

**Measurement Focus, Basis of Accounting and Financial Statement Presentation**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year in which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

While government-wide and fund financial statements are presented separately, they are interrelated. The governmental activities column of the government wide statements incorporates data from governmental funds and internal service funds, while business-type activities incorporate data from the District’s enterprise funds. Separate financial statements are provided for governmental funds and proprietary funds.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal year-end. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. General capital assets acquisitions are

**LUMBERTON TOWNSHIP SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2022**

**Note 1. Summary of Significant Accounting Policies (continued):**

reported as expenditures in the governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Property taxes, charges for services, licenses, and interest on notes receivable associated with the current fiscal period are all considered to be susceptible to accrual and accordingly have been recognized as revenues of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). All other revenue items are considered to be measurable and available when cash is received.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Food Service Fund and the Extended Day Care program are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, employee salaries and benefits, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses. When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.

Internal service funds are used to account for those operations which provide benefits to other funds, departments, or agencies of the primary government and its component unit. Although internal service funds are reported as a proprietary fund in the fund financial statements, it is incorporated into governmental activities in the government-wide financial statements. The District does not maintain any internal service funds.

The District reports the following major governmental funds:

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

As required by the New Jersey Department of Education the District includes budgeted capital outlay in this fund. Generally accepted accounting principles as they pertain to governmental entities state that General Fund resources may be used to directly finance capital outlays for long-lived improvements as long as the resources in such cases are derived exclusively from unrestricted revenues.

Resources for budgeted capital outlay purposes are normally derived from State of New Jersey Aid, interest earnings and appropriated fund balance. Expenditures are those that result in the acquisition of or additions to capital assets for land, existing buildings, improvements of grounds, construction of buildings, additions to or remodeling of buildings and the purchase of built-in equipment. These resources can be transferred from and to Current Expense by board resolution.



**LUMBERTON TOWNSHIP SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2022**

**Note 1. Summary of Significant Accounting Policies (continued):**

**Special Revenue Fund** - The Special Revenue Fund is used to account for the proceeds of specific revenue from State and Federal Government, (other than major capital projects, Debt Service or the Enterprise Funds) and local appropriations that are legally restricted to expenditures for specified purposes.

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

**Debt Service Fund** - The debt service fund is used to account for the accumulation of resources for, and the payment of principal and interest on bonds issued to finance major property acquisition, construction and improvement programs.

The District reports the following major proprietary funds:

**Food Service Fund** – This fund accounts for the revenues and expenses pertaining to the District’s cafeteria operations.

**Extended Day Care Fund** – This fund accounts for the revenues and expenses pertaining to the District’s extended day care program.

During the course of operations, the District has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental funds and internal service funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column. Similarly, balances between the funds included in business-type activities (i.e., the enterprise funds) are eliminated so that only the net amount is included as internal balances in the business-type activities column. Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as internal balances in the business-type activities column.

**Budgets/Budgetary Control**

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue and debt service funds. The budgets are submitted to the county office. In accordance with P.L.2011 c.202, which became effective January 17, 2012, the District eliminated the April annual voter referendum on budgets which met the statutory tax levy cap limitations and the board of education members are elected at the November general election. 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. 6A:23-2-2(f)1. Transfers of appropriations may be made by School Board resolution at any time during the fiscal year in accordance with N.J.A.C. 6A:23-2-11.

**LUMBERTON TOWNSHIP SCHOOL DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2022**

**Note 1. Summary of Significant Accounting Policies (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 legally mandated revenue recognition of the last state aid payment for budgetary purposes only and 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. The grant accounting budgetary basis differs from GAAP in that the grant accounting budgetary basis recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not. Sufficient supplemental records are maintained to allow for the presentation of GAAP basis financial reports.

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

Exhibit C-3 presents a reconciliation of the general fund revenues and special revenue fund revenues and expenditures from the budgetary basis of accounts as presented in the General Fund Budgetary Comparison Schedules and the Special Revenue Fund Budgetary Comparison Schedule to the GAAP basis of accounting as presented in the Statement of Revenues, Expenditures and Changes in Fund Balance – Governmental Funds. Note that the District does not report encumbrances outstanding at fiscal year-end as expenditures in the general fund since the general fund budget follows modified accrual basis with the exception of the revenue recognition policy for the last state aid payments.

**Encumbrances**

Under encumbrance accounting purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve a portion of the applicable appropriation. Open encumbrances in governmental funds other than the special revenue fund are reported as 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 a reduction of the accounts receivables or 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.

**Cash and Cash Equivalents**

Cash and Cash equivalents include petty cash, change funds, cash in banks and all highly liquid investments with a maturity of three months or less at the time of purchase and are stated at cost plus accrued interest. U.S. Treasury and agency obligations and certificates of deposit with maturities of one year or less when purchased are stated at cost.

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

**LUMBERTON TOWNSHIP SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2022**

**Note 1. Summary of Significant Accounting Policies (continued):**

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 loss of funds on deposit with a failed banking institution in New Jersey.

*N.J.S.A.17:9-41* et. Seq. establishes the requirements for the security of deposits of governmental units. The statute requires that no governmental unit shall deposit public funds in a public 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 at least equal to five percent of the average daily balance of collected public funds, to secure the deposits of Governmental Units. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the full amount of their deposits to the Governmental Units.

**Tuition Payable/Receivable**

Tuition rates for the fiscal year end June 30, 2022 were established by the receiving district based on estimated costs. The charges are subject to adjustment when the final costs have been determined.

**Inventories**

Inventories are valued at cost, using the first-in/first-out (FIFO) method. The costs of inventories are recorded as expenditures when consumed rather than when purchased.

**Leases Receivable**

Lease receivables are recorded on the government-wide financial statement and in the governmental funds. At the commencement of a lease, the District recognizes a lease receivable and a deferred inflow of resources. The lease receivable is measured at the present value of lease payments expected to be received during the lease term.

**Interfund Receivables/Payables**

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. The amounts are eliminated in the governmental and business-type activities, which are presented as Internal Balances.

**Capital Assets**

Capital assets are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Purchased or constructed assets are recorded at actual cost or estimated historical cost if actual cost is unavailable. Donated capital assets are recorded at estimated fair value at the date of donation. The District has established a threshold of \$2,000 for capitalization of depreciable assets.

Major outlays for capital assets and improvements are capitalized as projects are constructed. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

**LUMBERTON TOWNSHIP SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2022**

**Note 1. Summary of Significant Accounting Policies (continued):**

Capital assets of the District are depreciated or amortized using the straight-line method over the following estimated lives:

Equipment & Vehicles	3 – 20 Years
Buildings	30 – 50 Years
Improvements	10 – 50 Years
Software	5 – 7 Years

**Compensated Absences**

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

The entire compensated absences liability is reported on the government-wide financial statements and proprietary fund financial statements. Compensated absences liability is not recorded in the governmental funds. Instead expenditures are recognized in the governmental funds as payments come due each period, for example, as a result of resignations or retirements.

**Unearned Revenue**

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

**Accrued Liabilities and Long-Term Obligations**

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

**Accounting Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumption that affect certain reported amounts reported in the financial statements and accompanying note disclosures. Actual results could differ from those estimates.

**LUMBERTON TOWNSHIP SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2022**

**Note 1. Summary of Significant Accounting Policies (continued):**

**Interfund Activity**

Transfers between governmental and business-type activities on the government-wide statements are reported in the same manner as general revenues. Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. 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 proprietary funds. Reimbursements from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements. As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements.

**Fund Balance**

In accordance with Government Accounting Standards Board 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, the District classifies governmental fund balances as follows:

- Non-spendable – This classification includes amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact. Non-spendable items are not expected to be converted to cash or are not expected to be converted to cash within the next year.
- Restricted – This classification includes amounts for which constraints have been placed on the use of the resources either externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.
- Committed – This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Board of Education. These amounts cannot be used for any other purpose unless the Board of Education removes or changes the specified use by taking the same type of action (resolution) that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements. The School Board did not have any committed resources as of June 30, 2022.
- Assigned – This classification includes amounts that are constrained by the School District's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the Board of Education or through the Board of Education delegating this responsibility to the business administrator through the budgetary process. This classification also includes the remaining positive fund balance for all governmental funds except for the General Fund.
- Unassigned – This classification includes the residual fund balance for the General Fund. The Unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of Assigned fund balance amounts.

**LUMBERTON TOWNSHIP SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2022**

**Note 1. Summary of Significant Accounting Policies (continued):**

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, it is the District's policy to consider restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, it is the

District's policy to consider amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Board has provided otherwise in its commitment or assignment actions.

**Net Position**

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

- Net Investment in Capital Assets – This component represents capital assets, net of accumulated depreciation, net of outstanding balances of borrowings used for acquisition, construction, or improvement of those assets.
- Restricted – Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.
- Unrestricted – Net position is reported as unrestricted when it does not meet the criteria of the other two components of net position.

**Impact of Recently Issued Accounting Principles**

Adopted Accounting Pronouncements

The following GASB Statements became effective for the fiscal year ended June 30, 2022:

Statement No. 87, *Leases*. Statement No. 87 establishes a single approach to accounting for and reporting leases by state and local governments. Statement No. 87 is effective for reporting periods beginning after June 15, 2021. This pronouncement has been implemented during 2022 related to a lease receivable. See Note 4 for more information.

Recently Issued Accounting Pronouncements

The GASB has issued the following Statements which will become effective in future years as shown below:

Statement No. 96, *Subscription-Based Information Technology Arrangements*. Statement No. 96 establishes a single approach to accounting and financial reporting for subscription-based information technology arrangements for government end users. Statement No. 96 is effective for reporting periods beginning after June 15, 2022. Management has not yet determined the potential impact on the District's financial statements.



**LUMBERTON TOWNSHIP SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2022**

**Note 1. Summary of Significant Accounting Policies (continued):**

Recently Issued Accounting Pronouncements (continued)

Statement No. 101, *Compensated Absences*. Statement No. 101 aligns the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. Statement No. 101 is effective for reporting periods beginning after December 15, 2023. Management has not yet determined the potential impact on the District's financial statements.

**Bond Premiums, Discounts and Issuance Costs**

In the government-wide financial statements and in the proprietary fund financial statements, bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed when bonds are issued.

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

**Deferred Loss on Refunding Debt**

Deferred loss on refunding debt arising from the issuance of the refunding bonds is recorded as deferred outflows of resources. It is amortized in a systematic and rational manner over the shorter of the duration of the related debt or the new debt issues as a component of interest expense.

**Deferred Outflows and Deferred Inflows of Resources**

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

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

**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 pension plan's fiduciary net position and additions to/deductions from the plan's fiduciary net position have been determined on the same basis as they are reported by the plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**LUMBERTON TOWNSHIP SCHOOL DISTRICT  
 NOTES TO FINANCIAL STATEMENTS  
 YEAR ENDED JUNE 30, 2022**

**Note 2. Cash Deposits and Investments**

**Cash Deposits**

Custodial Credit Risk – Custodial credit risk is the risk that, in the event of a bank failure, the Board’s deposits may not be recovered. Although the Board does not have a formal policy regarding custodial credit risk, NJSA 17:9-41 et seq. requires that the governmental units shall deposit public funds in public depositories protected from loss under the provisions of GUDPA. Under the Act, the first \$250,000.00 of governmental deposits in each insured depository is protected by FDIC. Public fund owned by the Board in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds such as salary withholdings, student activity may pass to the Board relative to the happening of a future condition. Such funds are shown as Uninsured and Uncollateralized in the schedule below. As of June 30, 2022, the District’s bank balance of \$8,896,937 was exposed to custodial credit risk as follows:

Insured under FDIC and GUDPA	\$	8,456,772
Uninsured and Uncollateralized		440,165
	<b>\$</b>	<b>8,896,937</b>

**Investments**

The School District has no investments at June 30, 2022.

**Note 3. Reserve Accounts**

**A. Capital Reserve**

A capital reserve account was established by the District by inclusion of \$1,000 on June 30, 2001 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 department, a district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes or by transfer by board resolution at year-end (June 1 to June 30) 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 *N.J.S.A.19:60-2*. Pursuant to *N.J.A.C.6:23A-14.1(g)*, the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

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



**LUMBERTON TOWNSHIP SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2022**

**Note 3. Reserve Accounts (continued):**

Beginning Balance, July 1, 2021	\$	2,148,513
Increased by:		
Deposits Approved by Board		80,000
Interest Earnings		500
Return of Unspent Funds		63,353
		2,292,366
Decreased by:		
Budget Withdrawals		(822,800)
Ending Balance, June 30, 2022	\$	1,469,566

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

**B. Maintenance Reserve**

The District established a Maintenance Reserve Account for the accumulation of Funds for use as maintenance expenditures in subsequent fiscal years. The maintenance reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

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

Beginning Balance, July 1, 2021	\$	367,660
Increased by:		
Deposits approved by Board		200,000
Interest Earnings		200
		567,860
Decreased by:		
Transfers to Budget		(48,300)
Ending Balance, June 30, 2022	\$	519,560

**Note 4. Receivables**

**Accounts Receivable**

Accounts receivable at June 30, 2022 consisted of accounts and intergovernmental grants. All state and federal receivables are considered collectible in full due to the stable condition of state programs and the

**LUMBERTON TOWNSHIP SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2022**

**Note 4. Receivables (continued):**

current fiscal year guarantee of federal funds. Accounts receivable as of fiscal year end for the School District's individual major funds, in the aggregate, are as follows:

Description	Governmental Funds			Proprietary Funds	
	General Fund	Special Revenue Fund	Total Governmental Activities	Food Service Fund	Total Business-Type Activities
Federal Awards	\$ -	\$ 123,037	\$ 123,037	\$ 44,230	\$ 44,230
State Awards	578,573	-	578,573	753	753
Other	1,406,865	3,671	1,410,536	-	-
<b>Total</b>	<b>\$ 1,985,438</b>	<b>\$ 126,708</b>	<b>\$ 2,112,146</b>	<b>\$ 44,983</b>	<b>\$ 44,983</b>

**Lease Receivable**

In accordance with GASB Statement No. 87, the District is reporting a lease receivable of \$2,197,657 as of June 30, 2022. In March of 2021, the District entered into a lease agreement with Hampton Academy. Under this lease, Hampton Academy will pay the District an initial annual amount of \$510,000, payable in equal month installments of \$42,500. This fixed rent amount will increase by 3.0% on each subsequent anniversary of the commencement date. There is no stated discount rate in the lease agreement.

In the fiscal year 2022, the District recognized \$510,000 of lease revenue.

**Note 5. Capital Assets**

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

	Balance July 1, 2021	Additions	Retirements and Transfers	Adjustments	Balance June 30, 2022
<b>Governmental Activities:</b>					
Capital assets not being depreciated:					
Land	\$ 1,236,485	\$ -	\$ -	\$ -	\$ 1,236,485
Construction in Progress	5,315,543	753,549	-	-	6,069,092
<b>Total Capital Assets not being depreciated</b>	<b>6,552,028</b>	<b>753,549</b>	<b>-</b>	<b>-</b>	<b>7,305,577</b>
Capital Assets being depreciated:					
Land Improvements	6,422,605	132,411	-	-	6,555,016
Buildings and Improvements	32,321,701	137,184	-	-	32,458,885
Equipment	2,794,037	174,187	-	-	2,968,224
<b>Total Capital Assets being depreciated</b>	<b>41,538,343</b>	<b>443,782</b>	<b>-</b>	<b>-</b>	<b>41,982,125</b>
Less: Accumulated Depreciation:					
Land Improvements	(3,584,292)	(303,490)	-	-	(3,887,782)
Buildings and Improvements	(19,563,087)	(684,855)	-	-	(20,247,942)
Equipment	(2,069,648)	(172,730)	-	-	(2,242,378)
<b>Total Accumulated Depreciation</b>	<b>(25,217,027)</b>	<b>(1,161,075)</b>	<b>-</b>	<b>-</b>	<b>(26,378,102)</b>
<b>Total Capital Assets being depreciated, net</b>	<b>16,321,316</b>	<b>(717,293)</b>	<b>-</b>	<b>-</b>	<b>15,604,023</b>
<b>Total Governmental Activities Capital Assets, net</b>	<b>\$ 22,873,344</b>	<b>\$ 36,256</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 22,909,600</b>

**LUMBERTON TOWNSHIP SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2022**

**Note 5. Capital Assets (continued):**

	Balance July 1, <u>2021</u>	<u>Additions</u>	Retirements and Transfers	<u>Adjustments</u>	Balance June 30, <u>2022</u>
<b>Business-Type Activities:</b>					
Buildings and Improvements	\$ 269,039	\$ 21,620	\$ -	\$ -	\$ 290,659
Equipment	747,047	31,400	-	-	778,447
	<u>1,016,086</u>	<u>53,020</u>	<u>-</u>	<u>-</u>	<u>1,069,106</u>
 Less: Accumulated Depreciation:					
Buildings and Improvements	(202,480)	(11,399)	-	-	(213,879)
Equipment	(545,185)	(17,713)	-	-	(562,898)
	<u>(747,665)</u>	<u>(29,112)</u>	<u>-</u>	<u>-</u>	<u>(776,777)</u>
 Total Business-Type Activities Capital Assets, net					
	<u>\$ 268,421</u>	<u>\$ 23,908</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 292,329</u>

Depreciation expense was not allocated among the various functions/programs of the School District.

**Note 6. Interfund Receivables, Payables and Transfers**

Individual fund receivables/payables balances at June 30, 2022 are as follows:

<u>Fund</u>	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
General Fund	\$ 1,362,532	\$ 11,342
Special Revenue Fund	-	882,620
Capital Projects Fund	-	413,107
Debt Service Fund	11,748	11,102
Food Service Fund	-	43,173
EDC Fund	-	12,936
	<u>\$ 1,374,280</u>	<u>\$ 1,374,280</u>

The interfund receivables and payables above predominately resulted from payment made by certain funds on behalf of other funds. All interfund balances are expected to be repaid within one year.

A summary of interfund transfers is as follows:

<u>Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$ -	\$ 85,553
Special Revenue Fund	85,553	-
Capital Projects Fund	-	4,132
Debt Service Fund	4,132	-
	<u>\$ 89,685</u>	<u>\$ 89,685</u>

**LUMBERTON TOWNSHIP SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2022**

**Note 7. Long-Term Obligations**

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

	Balance <u>July 1, 2021</u>	<u>Additions</u>	<u>Reductions</u>	Balance <u>June 30, 2022</u>	Balance Due Within <u>One Year</u>
Governmental Activities:					
General Obligation Bonds	\$ 7,115,000	\$ -	\$ 875,000	\$ 6,240,000	\$ 895,000
Unamortized Bond Premiums	231,596	-	49,628	181,968	49,628
Compensated Absences	914,625	-	176,507	738,118	-
Net Pension Liability	4,263,117	-	1,367,932	2,895,185	-
	<u>\$ 12,524,338</u>	<u>\$ -</u>	<u>\$ 2,469,067</u>	<u>\$ 10,055,271</u>	<u>\$ 944,628</u>

For governmental activities, the bonds payable are liquidated from the District's debt service fund. Compensated absences, capital leases, unamortized bond premiums, assessments and net pension liability are liquidated by the general fund.

**A. Bonds Payable:**

The voters of the municipality through referendums authorize bonds in accordance with State Law. All bonds are retired in serial installments within the statutory period of usefulness. Bonds issued by the District are general obligation bonds. At June 30, 2022, bonds payable consisted of the following individual issues:

On July 18, 2019 the School District issued \$4,881,000 of General Obligation Bonds. The purpose of the Bonds is to permanently finance renovations, alterations and improvements at Ashbrook Elementary School, Bobby's Run School, Lumberton Middle School and Florence L. Walther Elementary School including related work, fixtures, furnishings, equipment and site work. The General Obligation Bonds were issued at interest rates varying from 2.000% to 2.250% and mature on July 15, 2029.

On February 25, 2021 the School District issued \$2,555,000 of Refunding Bonds to refund the callable portion of the outstanding 2010 Bond Issue. The Refunding Bonds were issued at interest rates varying from 3.000% to 4.000% and mature on February 15, 2026.

Principal and Interest due on the outstanding bonds is as follows:

Fiscal Year Ending	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
<u>June 30,</u>			
2023	895,000	157,387	1,052,387
2024	915,000	134,438	1,049,438
2025	940,000	110,778	1,050,778
2026	1,000,000	80,641	1,080,641
2027	605,000	47,284	652,284
2028-2030	1,885,000	62,616	1,947,616
	<u>\$ 6,240,000</u>	<u>\$ 593,144</u>	<u>\$ 6,833,144</u>

**LUMBERTON TOWNSHIP SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2022**

**Note 7. Long-Term Obligations (continued):**

**B. Bonds Authorized But Not Issued:**

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

**Note 8. Pension Plans**

**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 PERS, please refer to 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).

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

The following represents the membership tiers for PERS:

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

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

**Contributions** - The contribution policy for PERS is set by *N.J.S.A. 15A* and requires contributions by active members and contributing employers. 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. Funding for noncontributory group insurance benefits is based on actual claims paid. For fiscal year 2021, the State's pension contribution was less than the actuarial determined amount.

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

**LUMBERTON TOWNSHIP SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2022**

**Note 8. Pension Plans (continued)**

**A. Public Employees' Retirement System (PERS) (continued)**

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.

**Pension Liability, Pension Expense and Deferred Outflows/Inflows of Resources** - At June 30, 2022, the School District reported a liability of \$2,895,185 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2021. The total pension liability used to calculate the net pension liability was determined using update procedures to roll forward the total pension liability from an actuarial valuation as of July 1, 2020, to the measurement date of June 30, 2021. The School District's proportion of the net pension liability was based on the School District's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2021. The School District's proportion measured as of June 30, 2021, was 0.02444%, which was a decrease of 0.00170% from its proportion measured as of June 30, 2020.

For the year ended June 30, 2022, the School District recognized full accrual pension expense of (\$709,098) in the government-wide financial statements. This pension expense was based on the pension plans June 30, 2021 measurement date. At June 30, 2022 the School District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between Expected and Actual Experience	\$ 45,661	\$ 20,726
Changes of Assumptions	15,078	1,030,705
Net Difference between Projected and Actual Earnings on Pension Plan Investments	-	762,668
Changes in Proportion and Differences between District Contributions and Proportionate Share of Contributions	-	830,625
School District Contributions Subsequent to Measurement Date	<u>300,386</u>	<u>-</u>
	<u>\$ 361,125</u>	<u>\$ 2,644,724</u>

**LUMBERTON TOWNSHIP SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2022**

**Note 8. Pension Plans (continued)**

**A. Public Employees' Retirement System (PERS) (continued)**

\$300,386 reported as deferred outflows of resources resulting from school district contributions subsequent to the measurement date is based on the amount payable to the State due April 1, 2023 and will be recognized as a reduction of the net pension liability in the year ended June 30, 2023. The other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<b>Year Ending <u>Dec 31,</u></b>	<b><u>Amount</u></b>
2022	\$ (1,006,763)
2023	(718,826)
2024	(490,117)
2025	(368,422)
2026	144
	<hr style="width: 100%; border: 0.5px solid black;"/>
	<b><u>\$ (2,583,985)</u></b>

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

**LUMBERTON TOWNSHIP SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2022**

**Note 8. Pension Plans (continued)**

**A. Public Employees' Retirement System (PERS) (continued)**

	<b>Deferred Outflow of Resources</b>	<b>Deferred Inflow of Resources</b>
Differences between Expected and Actual Experience		
Year of Pension Plan Deferral:		
June 30, 2014	-	-
June 30, 2015	5.72	-
June 30, 2016	5.57	-
June 30, 2017	5.48	-
June 30, 2018	5.63	-
June 30, 2019	5.21	-
June 30, 2020	5.16	-
June 30, 2021	5.13	-
Changes of Assumptions		
Year of Pension Plan Deferral:		
June 30, 2014	6.44	-
June 30, 2015	5.72	-
June 30, 2016	5.57	-
June 30, 2017	-	5.48
June 30, 2018	-	5.63
June 30, 2019	-	5.21
June 30, 2020	-	5.16
June 30, 2021	-	5.13
Net Difference between Projected and Actual Earnings on Pension Plan Investments		
Year of Pension Plan Deferral:		
June 30, 2014	-	5.00
June 30, 2015	-	5.00
June 30, 2016	5.00	-
June 30, 2017	5.00	-
June 30, 2018	5.00	-
June 30, 2019	5.00	-
June 30, 2020	-	5.00
June 30, 2021	5.00	-
Changes in Proportion and Differences between Contributions and Proportionate Share of Contributions		
Year of Pension Plan Deferral:		
June 30, 2014	6.44	6.44
June 30, 2015	5.72	5.72
June 30, 2016	5.57	5.57
June 30, 2017	5.48	5.48
June 30, 2018	5.63	5.63
June 30, 2019	5.21	5.21
June 30, 2020	5.16	5.16
June 30, 2021	5.13	5.13



**LUMBERTON TOWNSHIP SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2022**

**Note 8. Pension Plans (continued)**

**A. Public Employees' Retirement System (PERS) (continued)**

**Actuarial Assumptions** – The collective 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 assumptions:

Inflation	
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%
Mortality Rate Table	
PERS	Pub-2010 General Classification Headcount weighted mortality with fully generational mortality improvement projections from the central year using Scale MP-2021
Period of Actuarial Experience	
Study upon which Actuarial Assumptions were Based	July 1, 2014 - June 30, 2018

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

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

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

**LUMBERTON TOWNSHIP SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2022**

**Note 8. Pension Plans (continued)**

**A. Public Employees' Retirement System (PERS) (continued)**

<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 Markets Equity	13.50%	8.71%
Emerging Markets Equity	5.50%	10.96%
Private Equity	13.00%	11.30%
Real Estate	8.00%	9.15%
Real Assets	3.00%	7.40%
High Yield	2.00%	3.75%
Private Credit	8.00%	7.60%
Investment Grade Credit	8.00%	1.68%
Cash Equivalents	4.00%	0.50%
U.S. Treasuries	5.00%	0.95%
Risk Mitigation Strategies	3.00%	3.35%
	<u>100.00%</u>	

**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 will be made based on 100% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments in determining the total pension liability.

**Sensitivity of the School District's proportionate share of the Net Pension Liability to Changes in the Discount Rate** - The following presents the School District's proportionate share of the net pension liability as of June 30, 2021, calculated using the discount rate of 7.00% as well as what the School District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	<b>1% Decrease (6.00%)</b>	<b>Current Discount Rate (7.00%)</b>	<b>1% Increase (8.00%)</b>
District's Proportionate Share of the Net Pension Liability	<u>\$ 3,984,684</u>	<u>\$ 2,895,185</u>	<u>\$ 2,027,645</u>

**LUMBERTON TOWNSHIP SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2022**

**Note 8. Pension Plans (continued)**

**A. Public Employees' Retirement System (PERS) (continued)**

**Additional Information** - The following is a summary of the collective balances of the local group at June 30, 2022 and 2021:

**Balances at June 30, 2022 and June 30, 2021**

	<u>6/30/2022</u>	<u>6/30/2021</u>
Actuarial valuation date (including roll forward)	June 30, 2021	June 30, 2020
Collective Deferred Outflows of Resources	\$ 1,164,738,169	\$ 2,347,583,337
Collective Deferred Inflows of Resources	8,339,123,762	7,849,949,467
Collective Net Pension Liability	11,972,782,878	16,435,616,426
District's portion of the Plan's total Net Pension Liability	0.024439%	0.026142%

**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. TPAF is administered by the State of New Jersey, Division of Pensions and Benefits (the Division). For additional information about TPAF, please refer to Division's Annual Comprehensive Financial Report (ACFR) which can be found at [www.state.nj.us/treasury/pensions/annrprts.shtml](http://www.state.nj.us/treasury/pensions/annrprts.shtml).

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

The following represents the membership tiers for TPAF:

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

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

**LUMBERTON TOWNSHIP SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2022**

**Note 8. Pension Plans (continued)**

**B. Teachers' Pension and Annuity Fund (TPAF) (continued)**

years of service credit, and tier 5 before age 65 with 30 or more years of service credit. Benefits are reduced by a fraction of a percent for each month that a member retires prior to the retirement age for his/her respective tier. Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for 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 employers. 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.

As mentioned previously, 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, the School District is 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 School District does 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.

**Pension Liability and Pension Expense** - The State's proportionate share of the TPAF net pension liability, attributable to the School District as of June 30, 2021 was \$42,560,545. The School District's proportionate share was \$-0-.

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 State's proportionate share of the net pension liability associated with the District was based on projection of the State's long-term contributions to the pension plan associated with the District relative to the projected contributions by the State associated with all participating school districts, actuarially determined. At June 30, 2021, the State proportionate share of the TPAF net pension liability attributable to the School District was 0.08853%, which was a decrease of .00413% from its proportion measured as of June 30, 2020.

For the fiscal year ended June 30, 2022, the School District recognized \$1,001,468 in on-behalf pension expense and revenue in the government-wide financial statements, for the State of New Jersey on-behalf TPAF pension contributions. This pension expense and revenue was based on the pension plans June 30, 2021 measurement date.

**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:

**LUMBERTON TOWNSHIP SCHOOL DISTRICT  
 NOTES TO FINANCIAL STATEMENTS  
 YEAR ENDED JUNE 30, 2022**

**Note 8. Pension Plans (continued)**

**B. Teachers' Pension and Annuity Fund (TPAF) (continued)**

Inflation		
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 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.

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

**LUMBERTON TOWNSHIP SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2022**

**Note 8. Pension Plans (continued)**

**B. Teachers' Pension and Annuity Fund (TPAF) (continued)**

<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 Markets Equity	13.50%	8.71%
Emerging Markets Equity	5.50%	10.96%
Private Equity	13.00%	11.30%
Real Estate	8.00%	9.15%
Real Assets	3.00%	7.40%
High Yield	2.00%	3.75%
Private Credit	8.00%	7.60%
Investment Grade Credit	8.00%	1.68%
Cash Equivalents	4.00%	0.50%
U.S. Treasuries	5.00%	0.95%
Risk Mitigation Strategies	3.00%	3.35%
	100.00%	

**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 will be made based on 100% of the actuarially determined contributions for the State. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments in determining the total pension liability.

**Sensitivity of the School District's proportionate share of the Net Pension Liability to Changes in the Discount Rate** – As previously mentioned, TPAF has a special funding situation where the State pays 100% of the School District's annual required contribution. The following represents the State's proportionate share of the net pension liability, attributable to the School District calculated using the discount rate of 7.00% as well as what the State's proportionate share of the net pension liability, attributable to the School District's 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:

**LUMBERTON TOWNSHIP SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2022**

**Note 8. Pension Plans (continued)**

**B. Teachers' Pension and Annuity Fund (TPAF) (continued)**

	<b>1% Decrease <u>(6.00%)</u></b>	<b>Current Discount Rate <u>(7.00%)</u></b>	<b>1% Increase <u>(8.00%)</u></b>
School District's Proportionate Share of the Net Pension Liability	\$ -	\$ -	\$ -
State of New Jersey's Proportionate Share of Net Pension Liability associated with the School District	50,356,234	42,560,545	36,012,656
	<u>\$ 50,356,234</u>	<u>\$ 42,560,545</u>	<u>\$ 36,012,656</u>

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

**Additional Information** – The following is a summary of the collective balances of the local group at June 30, 2022 and 2021:

**Balances at June 30, 2022 and June 30, 2021**

	<u>6/30/2022</u>	<u>6/30/2021</u>
Actuarial valuation date (including roll forward)	June 30, 2021	June 30, 2020
Collective Deferred Outflows of Resources	\$ 6,373,530,834	\$ 9,626,458,228
Collective Deferred Inflows of Resources	27,363,797,906	14,591,988,841
Collective Net Pension Liability	48,165,991,182	65,993,498,688
District's portion of the Plan's total Net Pension Liability	0.08853%	0.09266%

**C. Defined Contribution Plan (DCRP)**

**Plan Description** - The Defined Contribution Retirement Program (DCRP) was established July 1, 2007, under the provisions of N.J.S.A. 43:15C-1 et seq. The DCRP provides eligible members with a tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage

Individuals eligible for membership in the DCRP include:

- State or local officials who are elected or appointed on or after July 1, 2007;



**LUMBERTON TOWNSHIP SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2022**

**Note 8. Pension Plans (continued)**

**C. Defined Contribution Plan (DCRP) (continued)**

- Employees enrolled in the Public Employees' Retirement System (PERS) or Teachers' Pension and Annuity Fund (TPAF) on or after July 1, 2007, who earn salary in excess of established "maximum compensation" limits;
- Employees enrolled in the Police and Firemen's Retirement System (PFRS) or State Police Retirement System (SPRS) after May 21, 2010, who earn salary in excess of established "maximum compensation" limits;
- Employees otherwise eligible to enroll in the PERS or TPAF on or after November 2, 2008, who do not earn the minimum annual salary for PERS or TPAF Tier 3 enrollment but who earn salary of at least \$5,000 annually. The minimum salary in 2021 is \$8,3400 and is subject to adjustment in future years.
- Employees otherwise eligible to enroll in the PERS or TPAF after May 21, 2010, who do not work the minimum number of hours per week required for PERS or TPAF Tier 4 or Tier 5 enrollment but who earn salary of at least \$5,000 annually. The minimum number is 35 hours per
- week for State employees, or 32 hours per week for local government or local education employees

**Contributions** - The contribution policy is set by N.J.S.A. 43:15C-3 and requires active members and contribution employers. When enrolled in the DCRP, members are required to contribute 5.5% of their base salary to a tax-deferred investment account established with Prudential Financial, which jointly administers the DCRP investments with the Division of Pension and Benefits. Member contributions are matched by a 3% contribution from the School District.

For the year ended June 30, 2022, employee contributions totaled \$38,713, and the School District recognized an expense for payments made to the Defined Contribution Retirement program in the amount of \$21,116.

**Note 9. Other Post-Retirement Benefits**

**General Information about the OPEB Plan**

The State of New Jersey reports a liability as a result of its statutory requirements to pay other postemployment (health) benefits for State Health Benefit Local Education Retired Employees 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 paragraph 4 of GASB Statement No. 75, Accounting and Financial Reporting for the Postemployment Benefits Other Than Pensions. The State Health Benefit 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



**LUMBERTON TOWNSHIP SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2022**

**Note 9. Other Post-Retirement Benefits (continued)**

percentage of the cost of their health care coverage in retirement provided they retire with 25 or more years of pension service credit. The percentage of the premium for which the retiree will be responsible will be determined based on the retiree’s annual retirement benefit and level of coverage.

The 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 local education employers.

**Basis of Presentation**

The Schedule presents the State of New Jersey’s obligation under NJSA 52:14-17.32f. The Schedule does not purport to be a complete presentation of the financial position or changes in financial position of the State Health Benefit Local Education Retired Employees Plan or the State of New Jersey. The accompanying Schedule was prepared in accordance with U.S. generally accepted accounting principles.

Such preparation requires management of the State of New Jersey to make a number of estimates and assumptions relating to the reported amounts. Due to the inherent nature of these estimates, actual results could differ from those estimates.

**Total Nonemployer OPEB Liability**

The total nonemployer OPEB liability as of June 30, 2021, was determined by an actuarial valuation as of June 30, 2020, which was rolled forward to June 30, 2021. 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.

Total Nonemployer OPEB Liability:                 \$     60,007,650,970

**Inflation Rate:**   2.50%

	<b>TPAF/ABP</b>	<b>PERS</b>	<b>PFRS</b>
Salary Increases:			
Through 2026	1.55 - 4.45% based on years of service	2.00 - 6.00% based on years of service	3.25 - 15.25% based on years of service
Thereafter	2.75 - 5.65% based on years of service	3.00 - 7.00% based on years of service	Not Applicable

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

**LUMBERTON TOWNSHIP SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2022**

**Note 9. Other Post-Retirement Benefits (continued)**

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

**OPEB Obligation and OPEB Expense** - The State's proportionate share of the total Other Post Employment Benefits Obligations, attributable to the School District as of June 30, 2021 was \$61,341,190. The School District's proportionate share was \$0.

The OPEB Obligation was measured as of June 30, 2021, and the total OPEB Obligation used to calculate the OPEB Obligation was determined by an actuarial valuation as of July 1, 2020, which was rolled forward to June 30, 2021. The State's proportionate share of the OPEB Obligation associated with the District was based on projection of the State's long-term contributions to the OPEB plan associated with the District relative to the projected contributions by the State associated with all participating school districts, actuarially determined. At June 30, 2021, the State proportionate share of the OPEB Obligation attributable to the School District was 0.10222%, which was a decrease of 0.00186% from its proportion measured as of June 30, 2020.

For the fiscal year ended June 30, 2022, the State of New Jersey recognized an OPEB expense in the amount of \$2,639,782 for the State's proportionate share of the OPEB expense attributable to the School District. This OPEB expense was based on the OPEB plans June 30, 2021 measurement date.

**Health Care Trend Assumptions**

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

**Discount Rate**

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

**LUMBERTON TOWNSHIP SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2022**

**Note 9. Other Post-Retirement Benefits (continued)**

**Sensitivity of Total Nonemployer OPEB Liability to changes in discount rate**

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

	<b>June 30, 2021</b>		
	At 1% Decrease (1.16%)	At Discount Rate (2.16%)	At 1% Increase (3.16%)
State of New Jersey's Proportionate Share of Total OPEB Obligations Associated with the School District	\$ 73,477,115.97	\$ 61,341,190	\$ 51,784,877
State of New Jersey's Total Non- employer Liability	\$ 71,879,745,555	\$ 60,007,650,970	\$ 50,659,089,138

**Sensitivity of Total Nonemployer OPEB Liability to changes in the healthcare trend rate**

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

	<b>June 30, 2021</b>		
	1% Decrease	Healthcare Cost Trend Rate *	1% Increase
State of New Jersey's Proportionate Share of Total OPEB Obligations Associated with the School District	\$ 49,655,893	\$ 61,341,190	\$ 77,033,681
State of New Jersey's Total Nonemployer OPEB Liability	\$ 48,576,388,417	\$ 60,007,650,970	\$ 75,358,991,782

\* See Healthcare Cost Trend Assumptions for details of rates.

**LUMBERTON TOWNSHIP SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2022**

**Note 9. Other Post-Retirement Benefits (continued)**

**Additional Information**

Collective balances of the Local Group at June 30, 2021 are as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Change in Proportion Differences between Expected & Actual Experience	\$ -	\$ -
Change in Assumptions	9,045,886,863	18,009,362,976
Contributions Made in Fiscal Year Year Ending 2022 After June 30, 2021 Measurement Date **	10,179,536,966	6,438,261,807
	TBD	-
	\$ 19,225,423,829	\$ 24,447,624,783

\*\* Employer Contributions made after June 30, 2021 are reported as a deferred outflow of resources, but are not amortized in expense.

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

Fiscal Year Ending June 30,		
2022	\$	(1,182,303,041)
2023		(1,182,303,041)
2024		(1,182,303,041)
2025		(1,182,303,041)
2026		(840,601,200)
Thereafter		347,612,410
	\$	(5,222,200,954)

**Plan Membership**

At June 30, 2020, the Program membership consisted of the following:

	June 30, 2020
Active Plan Members	213,901
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	150,427
	364,328

**LUMBERTON TOWNSHIP SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2022**

**Note 9. Other Post-Retirement Benefits (continued)**

**Changes in the Total OPEB Liability**

The change in the State's Total OPEB liability for the fiscal year ended June 30, 2022 (measurement date June 30, 2021) is as follows:

<b>Total OPEB Liability</b>	
Service Cost	\$ 3,217,184,264
Interest Cost	1,556,661,679
Difference Between Expected & Actual Experience	(11,385,071,658)
Changes of Benefit Terms	(63,870,842)
Changes of Assumptions	59,202,105
Contributions: Member	39,796,196
Gross Benefit Payments	<u>(1,226,213,382)</u>
Net Change in Total OPEB Liability	(7,802,311,638)
Total OPEB Liability (Beginning)	<u>67,809,962,608</u>
Total OPEB Liability (Ending)	<u>\$ 60,007,650,970</u>
Total Covered Employee Payroll	\$ 14,425,669,769
Net OPEB Liability as a Percentage of Payroll	415.98%

**Note 10. On-Behalf Payments for Fringe Benefits and Salaries**

As previously mentioned, the School District receives on-behalf payments from the State of New Jersey for normal costs and post-retirement medical costs related to the Teachers' Pension and Annuity Fund (TPAF) pension plan. The School District is not legally responsible for these contributions. The on-behalf payments are recorded as revenues and expenditures in the government-wide and general fund financial statements. For the fiscal year ended June 30, 2022, the on-behalf payments for normal costs, social security costs, post-retirement medical costs, and long-term disability were \$3,548,524, \$720,011, \$829,079 and \$462, respectively.

**Note 11. 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 and Liability Insurance** – The District maintains commercial insurance coverage for property, liability, student accident and surety bonds. A complete schedule of insurance coverage can be found in the Statistical Section of this Comprehensive Annual Financial Report.

**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 School District contributions, reimbursements to the State for benefits paid and the ending balance of the School District's trust fund for the current and previous two years:

**LUMBERTON TOWNSHIP SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2022**

**Note 11. Risk Management (Continued):**

<u>Fiscal Year</u>	<u>Employee Contributions</u>	<u>Interest Earnings</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2021-2022	\$ 21,942	\$ 15	\$ 21,957	\$ 73,320
2020-2021	28,442	2	-	73,320
2019-2020	20,384	-	40,652	44,876

**Joint Insurance Pool** – The School District participates in the School Alliance Insurance Fund and, public entity risk pool. The Fund provides its members with the following coverage’s:

Property – Blanket Building & Grounds	General & Automobile Liability
Boiler & Machinery	Workers’ Compensation
School Board Legal Liability	Crime Coverage

**Note 12. Contingencies**

**State and Federal Grantor Agencies** - The District participates in numerous state and federal grant programs, which are governed by various rules and regulations of the grantor agencies; therefore, to the extent that the District has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectability of any related receivable at June 30, 2022 may be impaired. In the opinion of the District, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provisions have been recorded in the accompanying combined financial statements for such contingencies.

**Pending Litigation** – The District is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, it is the opinion of the Districts’ attorney that resolution of these matters will not have a material adverse effect on the financial condition of the District.

**Note 13. Economic Dependency**

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

**Note 14. Deferred Compensation**

The District offers its employees a choice of the following deferred compensation plans created in accordance with Internal Revenue Code Section 403(b) and 457(b). The plans, which are administered by the entities listed below, permits 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:

Lincoln Investment Planning  
AXA Equitable

**LUMBERTON TOWNSHIP SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2022**

**Note 15. Compensated Absences**

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

District employees are granted varying amount of vacation and sick leave in accordance with the District's personnel policies. The District policy permits employees to accumulate unused sick leave and carry forward the full amount to subsequent years. Upon retirement employees shall be paid by the District for the unused sick leave in accordance with Districts' agreements with the various employee unions.

The liability for vested compensated absences of the governmental fund types is recorded within those funds as the benefits accrue to employees. As of June 30, 2022, the liability for compensated absences reported on the government-wide and on the proprietary fund Statement of Net Position was \$738,118 and \$0, respectively.

**Note 16. Tax Abatements**

As defined by the Governmental Accounting Standards Board (GASB) Statement No. 77, a tax abatement is an agreement between a government and an individual or entity in which the government promises to forgo tax revenues and the individual or entity promises to subsequently take a specific action that contributes to economic development or otherwise benefits the government or its citizens. School districts are not authorized by New Jersey statute to enter into tax abatement agreements. However, the county or municipality in which the school district is situated may have entered into tax abatement agreements, and that potential must be disclosed in these financial statements. If the county or municipality entered into tax abatement agreements, those agreements will not directly affect the school district's local tax revenue because N.J.S.A. 54:4-75 and N.J.S.A. 54:4-76 require that amounts so forgiven must effectively be recouped from other taxpayers and remitted to the school district.

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

**Note 17. Calculation of Excess Surplus**

The designation for Restricted Fund Balance – Excess Surplus is a required calculation pursuant to N.J.S.A.18A:7F-7. New Jersey school districts are required to reserve General Fund 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 years' budget. The excess fund balance at June 30, 2022 was \$3,369,092.

**Note 18. Fund Balance**

**General Fund** – Of the \$8,945,999 General Fund fund balance at June 30, 2022, \$1,469,566 has been reserved in the Capital Reserve Account; \$519,560 has been reserved in the maintenance reserve account; \$3,369,092 is restricted for current year excess surplus; \$2,190,554 is restricted for prior year excess surplus – designated for subsequent year's expenditures; \$329,614 has been assigned as designated for



**LUMBERTON TOWNSHIP SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2022**

**Note 18. Fund Balance (continued):**

subsequent year's expenditures; \$73,320 is restricted for New Jersey Unemployment Compensation; \$136,373 has been assigned to other purposes; and \$857,920 is unassigned.

**Special Revenue Fund** – Of the \$(49,717) Special Revenue Fund fund balance at June 30, 2022, \$67,529 is restricted for student activities; \$2,528 is restricted for scholarships and \$(119,774) is unassigned.

**Capital Projects Fund** – Of the \$642,145 Capital Projects Fund fund balance at June 30, 2022, \$642,145 is restricted for future capital project payments.

**Debt Service Fund** – Of the \$6,675 Debt Service Fund fund balance at June 30, 2022, \$6,675 is restricted for future debt service payments.

**Note 19. Deficit Fund Balances**

The School District has a deficit fund balance of \$(49,717) in the Special Revenue Fund as of June 30, 2022 as reported in the fund statements (modified accrual basis). N.J.S.A. 18A:22-44.2 provides that in the event a state school aid payment is not made until the following school budget year, districts must record the delayed one or more June state aid payments as revenue, for budget purposes only, in the current school budget year. The bill provides legal authority for school districts to recognize this revenue in the current budget year. For intergovernmental transactions, GASB Statement No. 33 requires that recognition (revenue, expenditure, asset, liability) should be in symmetry, i.e., if one government recognizes an asset, the other government recognizes a liability. Since the State is recording the June state aid payment(s) in the subsequent fiscal year, the school district cannot recognize the June state aid payment(s) (on the GAAP financial statements) until the year the State records the payable. Due to the timing difference of recording the June state aid payment(s), the Special Revenue Fund balance deficit does not alone indicate that the district is facing financial difficulties.

Pursuant to N.J.S.A. 18A:22-44.2 any negative unassigned fund balance that is reported as a direct result from a delay in the June payment(s) of state aid until the following fiscal year, is not considered in violation of New Jersey statute and regulation nor in need of corrective action. The School District deficit in the fund statements (modified accrual basis) is less than \$119,774 which is the last state aid payment.

**Note 20. Deficit in Net Position**

**Unrestricted Net Position** – The School District's governmental activities had a deficit in unrestricted net position in the amount of \$5,081,024. The primary causes of the deficit are the School District not recognizing the receivable for the last two state aid payments, and the recording of the net pension liability for the Public Employees' Retirement System (PERS) as of June 30, 2022. This deficit in unrestricted net position for governmental activities does not indicate that the School District is facing financial difficulties.

**Note 21. Subsequent Events**

Management has reviewed and evaluated all events and transactions that occurred between June 30, 2022 and April 10, 2023, the date that the financial statements were available for issuance, for possible disclosure and recognition in the financial statements, and no items have come to the attention of the School District that would require disclosure.



**REQUIRED SUPPLEMENTARY INFORMATION - PART II**

### C. Budgetary Comparison Schedules

LUMBERTON TOWNSHIP SCHOOL DISTRICT  
 BUDGETARY COMPARISON SCHEDULE  
 GENERAL FUND  
 FOR THE FISCAL YEARS ENDED JUNE 30, 2022

	ACCOUNT NUMBER	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
Revenues:						
Local Sources:						
Local Tax Levy	10-1210	\$ 14,870,821	\$ -	\$ 14,870,821	\$ 14,870,821	\$ -
Tuition - Other LEA's Within State	10-1300	-	-	-	66,317	66,317
Interest on Maintenance Reserve	10-1000	200	-	200	200	-
Interest on Capital Reserve	10-1000	500	-	500	500	-
Miscellaneous	10-1000	520,000	-	520,000	946,663	426,663
<b>Total Local Sources</b>		<b>15,391,521</b>	<b>-</b>	<b>15,391,521</b>	<b>15,884,501</b>	<b>492,980</b>
State Sources:						
Categorical Transportation Aid	10-3121	73,845	-	73,845	73,845	-
Categorical Special Education Aid	10-3132	906,745	-	906,745	906,745	-
Equalization Aid	10-3176	4,880,871	-	4,880,871	4,880,871	-
Categorical Security Aid	10-3177	176,844	-	176,844	176,844	-
Non Public School Transportation Aid	10-3190	-	-	-	30,430	30,430
Extraordinary Aid	10-3131	-	-	-	211,014	211,014
Maintenance of Equity Aid	10-3192	-	-	-	301,892	301,892
Securing Our Children's Future Bond Act	10-3256	-	65,503	65,503	61,753	(3,750)
Nonbudgeted:						
On-Behalf TPAF:						
Post-Retirement Medical Contributions		-	-	-	829,079	829,079
Normal Pension Contributions		-	-	-	3,548,524	3,548,524
Long Term Disability Insurance		-	-	-	462	462
Reimbursed TPAF Social Security		-	-	-	720,011	720,011
<b>Total State Sources</b>		<b>6,038,305</b>	<b>65,503</b>	<b>6,103,808</b>	<b>11,741,470</b>	<b>5,637,662</b>
Federal Sources:						
Special Education Medicaid Initiative (SEMI)	10-4200-000-000	31,087	-	31,087	25,309	(5,778)
<b>Total Federal Sources</b>		<b>31,087</b>	<b>-</b>	<b>31,087</b>	<b>25,309</b>	<b>(5,778)</b>
<b>Total Revenues</b>		<b>21,460,913</b>	<b>65,503</b>	<b>21,526,416</b>	<b>27,651,280</b>	<b>6,124,864</b>
Expenditures:						
Current Expense:						
Instruction - Regular Programs:						
Salaries of Teachers:						
Preschool/Kindergarten	11-110-100-101	346,700	-	346,700	346,391	309
Grades 1 - 5	11-120-100-101	2,580,684	85,393	2,666,077	2,615,566	50,511
Grades 6 - 8	11-130-100-101	2,166,330	(28,367)	2,137,963	2,010,503	127,460
Home Instruction - Regular Programs:						
Salaries of Teachers	11-150-100-101	19,250	919	20,169	19,511	658
Purchased Professional - Educational Services	11-150-100-320	13,000	76,062	89,062	77,868	11,194
Regular Programs - Undistributed Instruction:						
Other Salaries for Instruction	11-190-100-106	-	43,369	43,369	32,319	11,050
Purchased Professional - Educational Services	11-190-100-320	376,100	(10,275)	365,825	364,074	1,751
Purchased Technical Services	11-190-100-340	2,250	-	2,250	-	2,250
General Supplies	11-190-100-610	523,929	(75,100)	448,829	333,638	115,191
Textbooks	11-190-100-640	3,398	-	3,398	666	2,732
Other Objects	11-190-100-890	1,200	-	1,200	-	1,200
<b>Total Regular Programs</b>		<b>6,032,841</b>	<b>92,001</b>	<b>6,124,842</b>	<b>5,800,536</b>	<b>324,306</b>

**LUMBERTON TOWNSHIP SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEARS ENDED JUNE 30, 2022**

	ACCOUNT NUMBER	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
Special Education:						
Learning and/or Language Disabilities:						
Salaries of Teachers	11-204-100-101	153,992	162,393	316,385	274,685	41,700
Other Salaries for Instruction	11-204-100-106	99,881	32,087	131,968	120,845	11,123
General Supplies	11-204-100-610	6,000	1,650	7,650	6,759	891
Total Learning &/or Language Disabilities		259,873	196,130	456,003	402,289	53,714
Behavioral Disabilities						
Salaries of Teachers	11-209-100-101	68,001	17,018	85,019	85,019	-
Other Salaries for Instruction	11-209-100-106	19,068	-	19,068	18,533	535
General Supplies	11-209-100-610	5,000	(2,999)	2,001	1,943	58
Total Behavioral Disabilities		92,069	14,019	106,088	105,495	593
Multiple Disabilities:						
Salaries of Teachers	11-212-100-101	91,891	(87,539)	4,352	4,352	-
Other Salaries for Instruction	11-212-100-106	20,259	(19,294)	965	965	-
General Supplies	11-212-100-610	3,900	(2,501)	1,399	716	683
Total Multiple Disabilities		116,050	(109,334)	6,716	6,033	683
Resource Room / Resource Center:						
Salaries of Teachers	11-213-100-101	1,582,091	(125,816)	1,456,275	1,384,906	71,369
Other Salaries for Instruction	11-213-100-106	351,272	(15,000)	336,272	205,549	130,723
General Supplies	11-213-100-610	17,812	-	17,812	5,899	11,913
Total Resource Room/Resource Center		1,951,175	(140,816)	1,810,359	1,596,354	214,005
Preschool Disabilities - Full-Time:						
Salaries of Teachers	11-216-100-101	112,722	85	112,807	112,807	-
Other Salaries for Instruction	11-216-100-106	75,884	(1,010)	74,874	38,380	36,494
General Supplies	11-216-100-610	5,000	3,000	8,000	5,284	2,716
Total Preschool Disabilities - Full-Time		193,606	2,075	195,681	156,471	39,210
Home Instruction						
Purchased Prof.- Ed Services	11-219-100-320	20,000	-	20,000	11,797	8,203
Total Home Instruction		20,000	-	20,000	11,797	8,203
Total Special Education		2,632,773	(37,926)	2,594,847	2,278,439	316,408
Basic Skills/Remedial - Instruction:						
Salaries of Teachers	11-230-100-101	455,896	36,985	492,881	481,673	11,208
Other Salaries for Instruction	11-230-100-106	210,788	143	210,931	199,759	11,172
General Supplies	11-230-100-610	11,574	-	11,574	8,322	3,252
Total Basic Skills/Remedial - Instruction		678,258	37,128	715,386	689,754	25,632
Bilingual Education - Instruction:						
Salaries of Teachers	11-240-100-101	94,442	-	94,442	93,941	501
General Supplies	11-240-100-610	1,550	-	1,550	-	1,550
Textbooks	11-240-100-640	761	-	761	-	761
Total Bilingual Education - Instruction		96,753	-	96,753	93,941	2,812
School Sponsored Cocurricular Activities:						
Salaries	11-401-100-100	127,009	-	127,009	56,011	70,998
General Supplies	11-401-100-610	6,577	-	6,577	2,328	4,249
Total School Sponsored Cocurricular - Activities		133,586	-	133,586	58,339	75,247
School Sponsored Athletics - Instruction:						
Salaries	11-402-100-100	34,847	-	34,847	32,546	2,301
General Supplies	11-402-100-610	3,670	-	3,670	1,325	2,345
Other Objects	11-402-100-800	4,600	-	4,600	3,247	1,353
Total School Sponsored Athletics - Instruction		43,117	-	43,117	37,118	5,999

**LUMBERTON TOWNSHIP SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEARS ENDED JUNE 30, 2022**

	ACCOUNT NUMBER	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
Before/After School - Instruction:						
Salaries - Teacher Tutors	11-421-100-178	4,950	-	4,950	2,585	2,365
<b>Total Before/After School Programs- Instruction:</b>		<b>4,950</b>	<b>-</b>	<b>4,950</b>	<b>2,585</b>	<b>2,365</b>
Summer School - Instruction:						
Salaries - Teacher	11-422-100-101	14,000	16,285	30,285	30,285	-
Other Objects	11-422-100-106	7,140	-	7,140	6,702	438
<b>Total Summer School - Instruction</b>		<b>21,140</b>	<b>16,285</b>	<b>37,425</b>	<b>36,987</b>	<b>438</b>
<b>Total - Instruction</b>		<b>9,643,418</b>	<b>107,488</b>	<b>9,750,906</b>	<b>8,997,699</b>	<b>753,207</b>
Undistributed Expenditures						
Instruction:						
Tuition to Other LEAs Within State Regular	11-000-100-561	60,200	-	60,200	35,418	24,782
Tuition to Other LEAs Within State Special	11-000-100-562	290,000	456	290,456	156,266	134,190
Tuition to CSSD & Regional Day School	11-000-100-565	727,000	(68,256)	658,744	416,399	242,345
Tuition to Private Schools for Disabled Within the State	11-000-100-566	649,708	(1,607)	648,101	331,451	316,650
Tuition Other	11-000-100-569	10,000	-	10,000	-	10,000
<b>Total Undistributed Expenditures - Instruction</b>		<b>1,736,908</b>	<b>(69,407)</b>	<b>1,667,501</b>	<b>939,534</b>	<b>727,967</b>
Attendance and Social Work Services:						
Purchased Technical Services	11-000-211-340	6,750	(2,164)	4,586	115	4,471
<b>Total Attendance and Social Work Services</b>		<b>6,750</b>	<b>(2,164)</b>	<b>4,586</b>	<b>115</b>	<b>4,471</b>
Health Services:						
Salaries	11-000-213-100	220,428	(25,366)	195,062	195,062	-
Purchased Professional & Technical Services	11-000-213-300	11,550	10,080	21,630	17,738	3,892
Supplies and Materials	11-000-213-600	6,900	200	7,100	3,301	3,799
<b>Total Health Services</b>		<b>238,878</b>	<b>(15,086)</b>	<b>223,792</b>	<b>216,101</b>	<b>7,691</b>
Other Support Services - Students - Related Services:						
Salaries	11-000-216-100	447,281	890	448,171	440,660	7,511
Purchased Professional - Educational Services	11-000-216-320	189,700	72,000	261,700	201,219	60,481
Supplies and Materials	11-000-216-600	14,585	(5,000)	9,585	7,004	2,581
<b>Total Other Support Services - Students - Related Services</b>		<b>651,566</b>	<b>67,890</b>	<b>719,456</b>	<b>648,883</b>	<b>70,573</b>
Other Support Services - Students - Regular:						
Salaries of Other Professional Staff	11-000-218-104	275,449	-	275,449	269,781	5,668
Salaries of Secretarial & Clerical Assistants	11-000-218-105	30,001	-	30,001	29,993	8
<b>Total Other Support Services - Students - Regular</b>		<b>305,450</b>	<b>-</b>	<b>305,450</b>	<b>299,774</b>	<b>5,676</b>
Other Support Services - Students - Special Services:						
Salaries of Other Professional Staff	11-000-219-104	588,398	(6,435)	581,963	580,830	1,133
Salaries of Secretarial & Clerical Assistants	11-000-219-105	39,401	(7,000)	32,401	31,591	810
Purchased Professional - Educational Services	11-000-219-320	15,552	-	15,552	15,551	1
Supplies and Materials	11-000-219-600	8,700	-	8,700	6,809	1,891
Other Objects	11-000-219-800	1,200	-	1,200	845	355
<b>Total Other Support Services - Students - Special Services</b>		<b>653,251</b>	<b>(13,435)</b>	<b>639,816</b>	<b>635,626</b>	<b>4,190</b>
Improvement of Instruction Services:						
Salaries of Supervisors of Instruction	11-000-221-102	116,700	-	116,700	101,877	14,823
Salaries of Other Professional Staff	11-000-221-104	66,216	(347)	65,869	65,868	1
<b>Total Improvement of Instruction Services</b>		<b>182,916</b>	<b>(347)</b>	<b>182,569</b>	<b>167,745</b>	<b>14,824</b>
Educational Media Services/School Library:						
Salaries	11-000-222-100	75,323	2,450	77,773	77,771	2
Purchased Professional & Technical Services	11-000-222-300	21,200	(1,719)	19,481	14,544	4,937
Other Purchase Services	11-000-222-500	81,650	(7,000)	74,650	47,651	26,999
Supplies and Materials	11-000-222-600	36,345	(600)	35,745	16,409	19,336
<b>Total Educational Media Services/School Library</b>		<b>214,518</b>	<b>(6,869)</b>	<b>207,649</b>	<b>156,375</b>	<b>51,274</b>

**LUMBERTON TOWNSHIP SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEARS ENDED JUNE 30, 2022**

	ACCOUNT NUMBER	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
<b>Instructional Staff Training Services:</b>						
Salaries of Other Professional Staff	11-000-223-104	40,550	(500)	40,050	27,332	12,718
Salaries of Secretarial & Clerical Assistants	11-000-223-105	59,079	-	59,079	59,076	3
Purchased Professional - Educational Services	11-000-223-320	31,081	-	31,081	17,811	13,270
Purchased Professional & Technical Services	11-000-223-390	15,073	500	15,573	15,562	11
Other Purchased Services	11-000-223-500	14,215	-	14,215	4,941	9,274
Supplies and Materials	11-000-223-600	495	-	495	25	470
Other Objects	11-000-223-800	1,932	-	1,932	934	998
<b>Total Instructional Staff Training Services</b>		<b>162,425</b>	<b>-</b>	<b>162,425</b>	<b>125,681</b>	<b>36,744</b>
<b>Support Services General Administration:</b>						
Salaries	11-000-230-100	251,397	23,981	275,378	275,378	-
Legal Services	11-000-230-331	60,000	(11,184)	48,816	48,672	144
Audit Services	11-000-230-332	36,000	13,400	49,400	41,470	7,930
Other Purchased Professional Services	11-000-230-339	5,000	1,568	6,568	4,668	1,900
Purchased Technical Services	11-000-230-340	20,000	64,634	84,634	84,634	-
Communications/Telephone	11-000-230-530	89,420	(15,726)	73,694	72,194	1,500
BOE Other Purchased Services	11-000-230-585	11,500	(11,500)	-	-	-
Other Purchased Services (400-500Series)	11-000-230-590	8,250	(5,749)	2,501	2,501	-
General Supplies	11-000-230-610	8,000	12,101	20,101	15,817	4,284
BOE In-House Training/Meeting Supplies	11-000-230-630	15,000	(15,000)	-	-	-
Miscellaneous Expenditures	11-000-230-890	2,850	318	3,168	3,168	-
BOE Membership Dues & Fees	11-000-230-895	18,275	(3,093)	15,182	15,144	38
<b>Total Support Services General Administration</b>		<b>525,692</b>	<b>53,750</b>	<b>579,442</b>	<b>563,646</b>	<b>15,796</b>
<b>Support Services School Administration:</b>						
Salaries of Principals & Assistant Principals	11-000-240-103	337,148	37,545	374,693	374,519	174
Salaries of Secretarial & Clerical Assistants	11-000-240-105	201,694	16,152	217,846	183,731	34,115
Supplies and Materials	11-000-240-600	8,450	1,000	9,450	7,024	2,426
Other Objects	11-000-240-800	3,900	200	4,100	3,574	526
<b>Total Support Services School Administration</b>		<b>551,192</b>	<b>54,897</b>	<b>606,089</b>	<b>568,848</b>	<b>37,241</b>
<b>Central Services:</b>						
Salaries	11-000-251-100	375,609	33,802	409,411	409,411	-
Purchased Professional Services	11-000-251-330	28,000	8,450	36,450	36,450	-
Other Purchased Services	11-000-251-592	3,250	677	3,927	1,768	2,159
Supplies and Materials	11-000-251-600	4,100	1,690	5,790	5,790	-
Interest for Lease Purchase Agreement	11-000-251-832	2,500	-	2,500	-	2,500
Miscellaneous Expenditures	11-000-251-890	3,500	(621)	2,879	2,854	25
<b>Total Central Services</b>		<b>416,959</b>	<b>43,998</b>	<b>460,957</b>	<b>456,273</b>	<b>4,684</b>
<b>Administration Information Technology:</b>						
Salaries	11-000-252-100	179,519	-	179,519	179,518	1
Purchased Technical Services	11-000-252-340	53,250	24,167	77,417	68,950	8,467
Supplies and Materials	11-000-252-600	37,500	91	37,591	37,444	147
<b>Total Administration Information Technology</b>		<b>270,269</b>	<b>24,258</b>	<b>294,527</b>	<b>285,912</b>	<b>8,615</b>
<b>Allowable Maintenance for School Facilities:</b>						
Salaries	11-000-261-100	5,000	(5,000)	-	-	-
Cleaning, Repair & Maintenance Services	11-000-261-420	263,200	333,954	597,154	508,264	88,890
General Supplies	11-000-261-610	131,500	(48,569)	82,931	66,432	16,499
Other Objects	11-000-261-800	11,450	-	11,450	725	10,725
<b>Total Allowable Maintenance for School Facilities</b>		<b>411,150</b>	<b>280,385</b>	<b>691,535</b>	<b>575,421</b>	<b>116,114</b>

**LUMBERTON TOWNSHIP SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEARS ENDED JUNE 30, 2022**

	ACCOUNT NUMBER	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
<b>Other Operation &amp; Maintenance of Plant:</b>						
Salaries	11-000-262-100	789,116	(38,892)	750,224	719,279	30,945
Purchased Professional & Technical Services	11-000-262-300	83,700	(59,367)	24,333	14,906	9,427
Cleaning, Repair & Maintenance Services	11-000-262-420	178,035	(37,344)	140,691	134,679	6,012
Rental of Land & Building	11-000-262-441	5,000	-	5,000	2,041	2,959
Other Purchased Property Services	11-000-262-490	150,000	(55,433)	94,567	47,565	47,002
Insurance	11-000-262-520	105,750	-	105,750	93,280	12,470
General Supplies	11-000-262-610	103,500	22,678	126,178	117,415	8,763
Energy (Natural Gas)	11-000-262-621	100,000	140,000	240,000	209,980	30,020
Energy (Electricity)	11-000-262-622	495,000	(140,000)	355,000	110,104	244,896
Energy (Gasoline)	11-000-262-626	7,500	-	7,500	5,750	1,750
Other Objects	11-000-262-800	2,500	-	2,500	1,027	1,473
<b>Total Other Operation &amp; Maintenance of Plant</b>		<b>2,020,101</b>	<b>(168,358)</b>	<b>1,851,743</b>	<b>1,456,026</b>	<b>395,717</b>
<b>Care &amp; Upkeep of Grounds:</b>						
Other Purchased Professional Salaries	11-000-263-100	97,491	-	97,491	74,015	23,476
Technical Services	11-000-263-300	6,500	-	6,500	-	6,500
General Supplies	11-000-263-610	25,000	(8,147)	16,853	15,916	937
<b>Total Care &amp; Upkeep of Grounds</b>		<b>128,991</b>	<b>(8,147)</b>	<b>120,844</b>	<b>89,931</b>	<b>30,913</b>
<b>Security :</b>						
General Supplies	11-000-266-610	-	2,367	2,367	2,367	-
<b>Total Security</b>		<b>-</b>	<b>2,367</b>	<b>2,367</b>	<b>2,367</b>	<b>-</b>
<b>Student Transportation Services:</b>						
Contracted Services (Aid in Lieu of Payments)	11-000-270-503	60,000	28,500	88,500	88,462	38
Contracted Services (Between Home & School) - Vendors	11-000-270-511	500,000	-	500,000	454,239	45,761
Contracted Services (Other Than Between Home & School) - Vendors	11-000-270-512	14,550	-	14,550	5,100	9,450
Contracted Services (Between Home & School) - Joint	11-000-270-513	20,800	-	20,800	2,950	17,850
Contracted Services (Special Education Students) - Vendors	11-000-270-514	88,500	(40,400)	48,100	-	48,100
Contracted Services (Special Education Students) - Joint	11-000-270-515	31,200	-	31,200	-	31,200
Contracted Services (Regular Students) - ESC's	11-000-270-517	99,000	-	99,000	58,992	40,008
Contracted Services (Special Education Students) - ESC's	11-000-270-518	408,000	-	408,000	243,820	164,180
<b>Total Student Transportation Services</b>		<b>1,222,050</b>	<b>(11,900)</b>	<b>1,210,150</b>	<b>853,563</b>	<b>356,587</b>
<b>Unallocated Benefits - Employee Benefits:</b>						
Group Insurance	11-000-291-210	15,000	-	15,000	6,210	8,790
Social Security	11-000-291-220	276,000	-	276,000	235,665	40,335
Other Retirement Contributions- PERS	11-000-291-241	335,000	-	335,000	286,211	48,789
Other Retirement Contributions - Regular	11-000-291-249	20,500	6,670	27,170	26,428	742
Unemployment Compensation	11-000-291-250	20,000	(6,670)	13,330	556	12,774
Workmen's Compensation	11-000-291-260	100,000	-	100,000	100,000	-
Health Benefits	11-000-291-270	3,726,348	(250,230)	3,476,118	2,980,755	495,363
Tuition Reimbursements	11-000-291-280	34,000	-	34,000	3,594	30,406
Other Employee Benefits	11-000-291-290	5,000	1,300	6,300	6,300	-
Unused Vacation Payment to Term/Ret. Staff	11-000-291-299	70,000	-	70,000	55,000	15,000
<b>Total Unallocated Benefits</b>		<b>4,601,848</b>	<b>(248,930)</b>	<b>4,352,918</b>	<b>3,700,719</b>	<b>652,199</b>
<b>Nonbudgeted:</b>						
<b>On-Behalf TPAF:</b>						
Post-Retirement Medical Contributions		-	-	-	829,079	(829,079)
Normal Pension Contributions		-	-	-	3,548,524	(3,548,524)
Long Term Disability Insurance		-	-	-	462	(462)
Reimbursed TPAF Social Security		-	-	-	720,011	(720,011)
<b>Total Undistributed Expenditures</b>		<b>14,300,914</b>	<b>(17,098)</b>	<b>14,283,816</b>	<b>16,840,616</b>	<b>(2,556,800)</b>
Interest Earned on Maintenance Reserve	10-606-000-000	200	-	200	-	200
<b>Total Expenditures - Current Expense</b>		<b>23,944,532</b>	<b>90,390</b>	<b>24,034,922</b>	<b>25,838,315</b>	<b>(1,803,393)</b>

**LUMBERTON TOWNSHIP SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEARS ENDED JUNE 30, 2022**

	ACCOUNT NUMBER	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
Capital Outlay:						
Interest Deposit to Capital Reserve	10-604-000-000	500	-	500	-	500
Total Increase in Capital Reserve		500	-	500	-	500
Equipment:						
Regular Programs - Instruction:						
Administrative Info Technology	12-000-252-730	25,500	46,844	72,344	67,918	4,426
Required Maintenance	12-000-261-730	-	38,099	38,099	38,099	-
Custodial Services	12-000-262-730	6,000	5,850	11,850	11,850	-
Care and Upkeep of Grounds	12-000-263-730	40,000	(506)	39,494	39,494	-
Total Equipment		71,500	90,287	161,787	157,361	4,426
Facilities Acquisition & Construction Services:						
Architectural/Engineering Services	12-000-400-334	28,300	25,370	53,670	25,399	28,271
Other Professional Services	12-000-400-390	71,700	(10,090)	61,610	58,680	2,930
Construction Services	12-000-400-450	722,800	25,835	748,635	714,483	34,152
Buildings	12-000-400-720	-	38,930	38,930	38,930	-
Infrastructure	12-000-400-780	-	84,388	84,388	84,388	-
Assessment for Debt Service	12-000-400-896	45,789	-	45,789	45,789	-
Total Facilities Acquisition & Construction Services		868,589	164,433	1,033,022	967,669	65,353
Assets Acquired Under Capital Leases (Nonbudgeted):						
Undistributed Expenditures:						
Instructional Equipment		-	-	-	-	-
Total Assets Acquired Under Capital Leases (Nonbudgeted)		-	-	-	-	-
Total Capital Outlay		940,589	254,720	1,195,309	1,125,030	70,279
Total Expenditures		24,885,121	345,110	25,230,231	26,963,345	(1,733,114)
Excess/(Deficiency) of Revenues Over/(Under) Expenditures		(3,424,208)	(279,607)	(3,703,815)	687,935	4,391,750
Other Financing Sources/(Uses):						
Operating Transfers In/(Out):						
Local Contrib. - Trans to Specia Rev- Inclusion	11-105-100-936	(85,553)	-	(85,553)	(85,553)	-
Total Other Financing Uses		(85,553)	-	(85,553)	(85,553)	-
Excess/(Deficiency) of Revenues Over/(Under) Expenditures After Other Financing Sources/(Uses)		(3,509,761)	(279,607)	(3,789,368)	602,382	4,391,750
Fund Balances, July 1		8,903,644	-	8,903,644	8,903,644	-
Fund Balances, June 30		\$ 5,393,883	\$ (279,607)	\$ 5,114,276	\$ 9,506,026	\$ 4,391,750

**RECAPITULATION OF BUDGET TRANSFERS**

Prior Year Encumbrances	\$ 252,927
Transfer from Maintenance Reserve	48,300
Cancelled Encumbrances	(21,620)
Total	<u>\$ 279,607</u>

**RECAPITULATION OF FUND BALANCE**

<b>Restricted Fund Balance:</b>	
Reserved Excess Surplus Designated of Subsequent Year's Expenditures	\$ 2,190,554
Maintenance Reserve	519,560
Capital Reserve	1,469,566
Excess Surplus	3,369,092
Unemployment Compensation	73,320
<b>Assigned Fund Balance:</b>	
Year-End Encumbrances	136,373
Designated for Subsequent Year's Expenditures	329,614
<b>Unassigned Fund Balance</b>	<u>1,417,947</u>
Subtotal	9,506,026
Reconciliation to Governmental Fund Statements (GAAP):	
Last Two State Aid Payments Not Recognized on GAAP Basis	(560,027)
Total Fund Balance per Governmental Funds (GAAP)	<u>\$ 8,945,999</u>



**LUMBERTON TOWNSHIP SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEARS ENDED JUNE 30, 2022**

REVENUES	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
Local Sources	\$ -	\$ -	\$ -	\$ 50,292	\$ 50,292
State Sources	1,225,802	222,303	1,448,105	892,620	(555,485)
Federal Sources	1,360,962	(84,803)	1,276,159	1,059,031	(217,128)
<b>Total Revenues</b>	<b>2,586,764</b>	<b>137,500</b>	<b>2,724,264</b>	<b>2,001,943</b>	<b>(722,321)</b>
<b>EXPENDITURES:</b>					
<b>Instruction:</b>					
Salaries of Teachers	459,540	-	459,540	441,187	18,353
Other Salaries	117,198	-	117,198	83,953	33,245
Tuition	408,466	3,300	411,766	411,766	-
Travel	6,649	-	6,649	6,649	-
General Supplies	276,933	(1,608)	275,325	140,884	134,441
Other Objects	1,761	-	1,761	1,761	-
<b>Total Instruction</b>	<b>1,270,547</b>	<b>1,692</b>	<b>1,272,239</b>	<b>1,086,200</b>	<b>186,039</b>
<b>Support Services:</b>					
Salaries	210,351	1,088	211,439	204,558	6,881
Personal Services - Employee Benefits	317,244	4,641	321,885	317,244	4,641
Purchased Professional Services	363,500	39,760	403,260	183,288	219,972
Other Purchased Services	82,500	(1,548)	80,952	56,065	24,887
Supplies & Materials	180,715	4,417	185,132	92,927	92,205
Other Objects	500	-	500	-	500
Student Activities	-	-	-	46,838	(46,838)
Scholarships	-	-	-	240	(240)
<b>Total Support Services</b>	<b>1,154,810</b>	<b>48,358</b>	<b>1,203,168</b>	<b>901,160</b>	<b>302,008</b>
<b>Facilities Acquisition &amp; Construction Services:</b>					
Instructional Equipment	20,000	-	20,000	12,452	7,548
Non-Instructional Equipment	226,960	87,450	314,410	84,470	229,940
<b>Total Facilities &amp; Construction Services</b>	<b>246,960</b>	<b>87,450</b>	<b>334,410</b>	<b>96,922</b>	<b>237,488</b>
<b>Total Expenditures</b>	<b>2,672,317</b>	<b>137,500</b>	<b>2,809,817</b>	<b>2,084,282</b>	<b>725,535</b>
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures	(85,553)	-	(85,553)	(82,339)	3,214
<b>Other Financing Sources/(Uses):</b>					
Transfers from Operating Budget - Pre K	85,553	-	85,553	85,553	-
<b>Total Other Financing Sources/(Uses):</b>	<b>85,553</b>	<b>-</b>	<b>85,553</b>	<b>85,553</b>	<b>-</b>
Net Change in Fund Balance	-	-	-	3,214	3,214
Fund Balance, July 1	-	-	-	66,843	66,843
Fund Balance, June 30	\$ -	\$ -	\$ -	\$ 70,057	\$ 70,057

**RECAPITULATION OF FUND BALANCE**

**Restricted Fund Balance:**

Scholarships	\$ 2,528
Student Activities	67,529
	<u>\$ 70,057</u>

**LUMBERTON TOWNSHIP SCHOOL DISTRICT  
 REQUIRED SUPPLEMENTARY INFORMATION - PART II  
 BUDGETARY COMPARISON SCHEDULE  
 NOTE TO RSI - PART II  
 FOR FISCAL YEAR ENDED JUNE 30, 2022**

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

	<u>GENERAL FUND</u>	<u>SPECIAL REVENUE FUND</u>
Sources/Inflows of Resources:		
Actual Amounts (Budgetary Basis) "Revenue"		
From the Budgetary Comparison Schedule (C-Series)	\$ 27,651,280	\$ 2,001,943
Difference - Budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		
Prior Year	-	14,683
Current Year	-	(111,876)
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes.	675,784	34,507
State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year.	(560,027)	(119,774)
	\$ 27,767,037	\$ 1,819,483
Total Revenues as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds. (B-2)		
Uses/outflows of resources:		
Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule	26,963,345	2,084,282
Differences - budget to GAAP		
Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for <i>budgetary</i> purposes, but in the year the supplies are received for <i>financial reporting</i> purposes.	-	(97,193)
	-	(97,193)
Total Expenditures as Reported on the Statement of Revenues, Expenditures, & Changes in Fund Balances - Governmental Funds (B-2)		
	\$ 26,963,345	\$ 1,987,089

**REQUIRED SUPPLEMENTARY INFORMATION - PART III**

*This page intentionally left blank.*

L. Schedules Related to Accounting and Reporting for Pensions (GASB 68)

*This page intentionally left blank.*

LUMBERTON TOWNSHIP SCHOOL DISTRICT  
 SCHEDULE OF THE SCHOOL DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
 PUBLIC EMPLOYEES' RETIREMENT SYSTEM (PERS)  
 LAST NINE FISCAL YEARS\*

	2022	2021	2020	2019	2018	2017	2016	2015	2014
School District's proportion of the net pension liability	0.02444%	0.02614%	0.02743%	0.02939%	0.03159%	0.03274%	0.03107%	0.03040%	0.03276%
School District's proportionate share of the net pension liability	\$ 2,895,185	\$ 4,263,117	\$ 4,941,727	\$ 5,786,813	\$ 7,354,788	\$ 9,697,166	\$ 6,974,000	\$ 5,691,661	\$ 6,261,749
School District's covered payroll	\$ 1,850,977	\$ 1,753,009	\$ 1,808,602	\$ 1,922,441	\$ 2,092,961	\$ 2,149,630	\$ 2,192,147	\$ 2,144,986	\$ 2,074,797
School District's proportionate share of the net pension liability as a percentage of its covered payroll	156.41%	243.19%	273.23%	301.01%	351.41%	451.11%	318.14%	265.35%	301.80%
Plan fiduciary net position as a percentage of the total pension liability	70.33%	58.32%	56.27%	53.60%	48.10%	40.14%	47.93%	52.08%	48.72%

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

This schedule is presented to illustrate the requirement for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

LUMBERTON TOWNSHIP SCHOOL DISTRICT  
 SCHEDULE OF SCHOOL DISTRICT CONTRIBUTIONS  
 PUBLIC EMPLOYEES' RETIREMENT SYSTEM (PERS)  
 LAST NINE FISCAL YEARS

	2022	2021	2020	2019	2018	2017	2016	2015	2014
School District's contractually required contribution	\$ 286,211	\$ 285,983	\$ 266,773	\$ 292,339	\$ 292,693	\$ 290,873	\$ 267,096	\$ 250,611	\$ 246,866
Contributions in relation to the contractually required contribution	(286,211)	(285,983)	(266,773)	(292,339)	(292,693)	(290,873)	(267,096)	(250,611)	(246,866)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
School District's covered payroll	\$ 1,753,009	\$ 1,808,602	\$ 1,922,441	\$ 2,092,961	\$ 2,149,630	\$ 2,192,147	\$ 2,144,986	\$ 2,074,797	N/A
Contributions as a percentage of covered payroll	16.33%	15.81%	13.88%	15.21%	13.98%	14.11%	13.53%	12.18%	N/A

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.



**LUMBERTON TOWNSHIP SCHOOL DISTRICT  
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
TEACHERS' PENSION AND ANNUITY FUND (TPAF)  
LAST NINE FISCAL YEARS\***

	2022	2021	2020	2019	2018	2017	2016	2015	2014
School District's proportion of the net pension liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School District's proportionate share of the net pension liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's proportionate share of the net pension liability associated with the School District	42,560,545	61,012,873	59,653,633	62,517,273	69,617,672	80,497,849	59,538,110	52,486,407	50,245,999
	\$ 42,560,545	\$ 61,012,873	\$ 59,653,633	\$ 62,517,273	\$ 69,617,672	\$ 80,497,849	\$ 59,538,110	\$ 52,486,407	\$ 50,245,999
School District's covered payroll	\$ 10,677,988	\$ 9,695,437	\$ 9,797,982	\$ 9,759,042	\$ 10,038,054	\$ 10,278,649	\$ 10,492,779	\$ 10,173,303	\$ 9,457,611
School District's proportionate share of the net pension liability as a percentage of its covered payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the total pension liability	35.52%	24.60%	26.95%	26.49%	25.41%	22.33%	28.71%	33.64%	33.76%

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

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

*This page intentionally left blank.*

M. Schedules Related to Accounting and Reporting for Other Post Employment Benefits (GASB 75)

*This page intentionally left blank.*

LUMBERTON TOWNSHIP SCHOOL DISTRICT  
 SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS  
 STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES PLAN (OPEB)  
 LAST FIVE FISCAL YEARS\*

	2022	2021	2020	2019	2018
<b>Total OPEB Liability Associated with the School District</b>					
Service Cost	\$ 2,800,232	\$ 1,655,014	\$ 1,739,739	\$ 2,063,213	\$ 2,478,437
Interest Cost	1,591,255	1,579,130	1,943,759	2,125,872	1,828,460
Differences between Expected and Actual Experiences	(12,411,901)	11,590,501	(8,110,977)	(6,092,832)	-
Changes of Benefit Terms	(65,290)	-	-	-	-
Changes of Assumptions	60,518	12,892,387	656,843	(5,638,656)	(7,386,667)
Contributions: Member	40,681	37,243	40,086	45,410	49,423
Gross Benefit Payments	(1,253,463)	(1,228,725)	(1,352,314)	(1,313,892)	(1,342,184)
Net Change in Total OPEB Liability	(9,237,968)	26,525,550	(5,082,864)	(8,810,885)	(4,372,531)
Total OPEB Liability (Beginning)	70,579,158	44,053,608	49,136,472	57,947,357	62,319,888
Total OPEB Liability (Ending)	\$ 61,341,190	\$ 70,579,158	\$ 44,053,608	\$ 49,136,472	\$ 57,947,357
District's Covered Employee Payroll	\$ 12,528,965	\$ 11,448,446	\$ 11,606,584	\$ 11,681,483	\$ 11,995,967
District's Net OPEB Liability as a Percentage of Payroll	490%	616%	455%	421%	483%

Note - The amounts presented for each fiscal year were determined as of the previous fiscal year end (the measurement date).

\* This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

*This page intentionally left blank.*

**LUMBERTON TOWNSHIP SCHOOL DISTRICT  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PART III  
YEAR ENDED JUNE 30, 2022**

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

**Changes in Benefit Terms** - None.

**Changes in Assumptions** - The discount rate changed from 5.40% as of June 30, 2020, to 7.00% as of June 30, 2021.

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

**Changes in Benefit Terms** - None.

**Changes in Assumptions** - The discount rate changed from 7.00% as of June 30, 2020, to 7.00% as of June 30, 2021.

**State Health Benefit Local Education Retired Employees Plan (OPEB)**

**Changes in Benefit Terms** - None.

**Changes in Assumptions** - The discount rate changed from 2.21% as of June 30, 2020, to 2.16% as of June 30, 2021.

*This page intentionally left blank.*



**OTHER SUPPLEMENTARY INFORMATION**

*This page intentionally left blank.*

E. Special Revenue Fund

*This page intentionally left blank.*

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

	TITLE I	TITLE II - PARLA	TITLE III - IMMIGRANT	I.D.E.A. PART B BASIC	I.D.E.A. PART B PRESCHOOL	PRESCHOOL EDUCATION AID	SDA EMERGENT NEEDS	ARP IDEA	ARP PRESCHOOL	ESSER II	SAFE AND DRUG-FREE SCHOOLS AND COMMUNITIES	STUDENT ACTIVITIES	SCHOLARSHIP ACCOUNTS	TOTAL
Revenues:														
Local Sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 50,281	\$ 11	\$ 50,292
State Sources	-	-	-	-	-	864,560	28,060	-	-	-	-	-	-	892,620
Federal Sources	239,892	42,998	330	320,190	29,103	-	-	52,227	4,446	272,560	97,285	-	-	1,059,031
Total Revenues	239,892	42,998	330	320,190	29,103	864,560	28,060	52,227	4,446	272,560	97,285	50,281	11	2,001,943
Expenditures:														
Instruction:														
Salaries of Teachers	160,800	-	330	-	-	218,661	-	-	-	-	61,396	-	-	441,187
Salaries Aides	-	-	-	-	-	83,953	-	-	-	-	-	-	-	83,953
Tuition	-	-	-	320,190	29,103	5,800	-	52,227	4,446	-	-	-	-	411,766
Travel	-	-	-	-	-	-	-	-	-	-	6,649	-	-	6,649
Supplies	1,102	-	-	-	-	39,242	-	-	-	73,061	27,479	-	-	140,884
Other Objects	-	-	-	-	-	-	-	-	-	-	1,761	-	-	1,761
Total Instruction	161,902	-	330	320,190	29,103	347,656	-	52,227	4,446	73,061	97,285	-	-	1,086,200
Support Services:														
Salaries	1,320	-	-	-	-	151,529	-	-	-	51,709	-	-	-	204,558
Employee Benefits	72,461	-	-	-	-	207,428	-	-	-	37,355	-	-	-	317,244
Other Purchased Professional Services	-	34,000	-	-	-	148,113	-	-	-	1,175	-	-	-	183,288
Other Purchased Services	-	1,541	-	-	-	54,524	-	-	-	-	-	-	-	56,065
Supplies	4,209	7,457	-	-	-	28,411	-	-	-	52,850	-	-	-	92,927
Student Activities	-	-	-	-	-	-	-	-	-	-	-	46,838	-	46,838
Scholarships	-	-	-	-	-	-	-	-	-	-	-	240	-	240
Total Support Services	77,990	42,998	-	-	-	590,005	-	-	-	143,089	-	46,838	240	901,160
Facilities Acquisition & Construction Services:														
Instructional Equipment	-	-	-	-	-	12,452	-	-	-	-	-	-	-	12,452
Non-Instructional Equipment	-	-	-	-	-	-	28,060	-	-	-	-	-	-	28,060
Total Facilities Services	-	-	-	-	-	12,452	28,060	-	-	-	-	-	-	40,512
Total Expenditures	239,892	42,998	330	320,190	29,103	950,113	28,060	52,227	4,446	272,560	97,285	46,838	240	2,084,282
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	-	-	-	-	-	(85,553)	-	-	-	-	-	3,443	(229)	(82,339)
Other Financing Sources/(Uses):														
Transfer from Operating Budget - Pe K	-	-	-	-	-	85,553	-	-	-	-	-	-	-	85,553
Total Other Financing Sources/(Uses)	-	-	-	-	-	85,553	-	-	-	-	-	-	-	85,553
Fund Balance, July 1	-	-	-	-	-	-	-	-	-	-	-	64,086	2,757	66,843
Fund Balance, June 30	-	-	-	-	-	-	-	-	-	-	-	67,529	2,528	70,057

**LUMBERTON TOWNSHIP SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
SCHEDULE OF PRESCHOOL EDUCATION EXPANSION AID  
STATEMENT OF EXPENDITURES  
BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	BUDGETED	ACTUAL	VARIANCE
Expenditures:			
Instruction:			
Salaries of Teachers	\$ 237,344	\$ 218,661	\$ 18,683
Other Salaries for Instruction	117,198	83,953	33,245
Purchased Professional Services	5,800	5,800	-
Supplies	76,634	39,242	37,392
	<hr/>	<hr/>	<hr/>
Total Instruction	436,976	347,656	89,320
	<hr/>	<hr/>	<hr/>
Support Services:			
Salaries	157,979	151,529	6,450
Employee Benefits	212,069	207,428	4,641
Other Purchased Professional Services	356,760	148,113	208,647
Other Purchased Services	79,411	54,524	24,887
Supplies	69,787	28,411	41,376
	<hr/>	<hr/>	<hr/>
Total Support Services	876,006	590,005	286,001
	<hr/>	<hr/>	<hr/>
Facilities Acquisition & Construction Services:			
Non-Instructional Equipment	92,409	-	92,409
Instructional Equipment	20,000	12,452	7,548
	<hr/>	<hr/>	<hr/>
Total Facilities Acquisition & Construction Services	112,409	12,452	99,957
	<hr/>	<hr/>	<hr/>
Total Expenditures	<u>\$ 1,425,391</u>	<u>\$ 950,113</u>	<u>\$ 475,278</u>

**CALCULATION OF BUDGET AND CARRYOVER**

Total Revised 2021-2022 Preschool Education Aid Allocation	\$ 1,203,088
Add: Actual Preschool Education Aid Carryover (June 30, 2021)	136,750
Add: Budgeted Transfer from the General Fund 2021-22	<u>85,553</u>
Total Preschool Education Aid Funds Available for 2021-2022 Budget	1,425,391
Less: 2021-2022 Budgeted Preschool Education Aid (Prior Year Budget Carryover)	<u>(1,425,391)</u>
Available & Unbudgeted Preschool Education Aid Funds June 30, 2022	-
Add: June 30, 2022 Unexpended Preschool Education Aid	<u>475,278</u>
Total Actual Preschool Education Aid Carryover	<u>\$ 475,278</u>
2021-2022 Preschool Education Aid Carryover Budgeted in 2022-2023	<u>\$ 136,750</u>

F. Capital Projects Fund

*This page intentionally left blank.*



**LUMBERTON TOWNSHIP SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SUMMARY SCHEDULE OF PROJECT EXPENDITURES  
FOR FISCAL YEAR ENDED JUNE 30, 2022**

PROJECT TITLE/ISSUE	ORIGINAL DATE	APPROPRIATIONS	EXPENDITURES TO DATE		TRANSFER TO DEBT SERVICE FUND	UNEXPENDED BALANCE JUNE 30, 2022
			PRIOR YEARS	CURRENT YEAR		
To undertake the acquisition & installation of solar energy panels at the Ashbrook Elementary School, Florence L. Walther Elementary School, Lumberton Middle School and Bobby's Run Elementary School as well as related work for acquisition and installation of the panels.	8/4/2011	\$ 7,000,000	\$ 6,136,847	\$ -	\$ 788,942	\$ 74,211
<b>2019 Bond Referendum Projects</b>						
Asbrook Elementary School Various Improvements		1,052,147	1,049,492	-	-	2,655
Bobby's Run Elementary School Various Improvements		652,552	642,096	10,456	-	-
Florence L. Walther Elementary School Various Improvements		746,737	615,274	-	-	131,463
Lumberton Middle School Various Improvements		2,429,564	1,985,036	10,712	-	433,816
<b>Total</b>		<b>\$ 11,881,000</b>	<b>\$ 10,428,745</b>	<b>\$ 21,168</b>	<b>\$ 788,942</b>	<b>\$ 642,145</b>

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

Revenues & Other Financing Sources:	
Miscellaneous	\$ 4,132
Total Revenues & Other Sources	<u>4,132</u>
Expenditures & Other Financing Uses:	
Purchased Professional & Technical Services	\$ 3,871
Construction Services	17,297
Transfer to Debt Service	<u>4,132</u>
Total Expenditures & Other Financing Uses	<u>25,300</u>
Excess/(Deficiency) of Revenues & Other Financing Sources	
Over/(Under) Expenditures & Other Financing Uses	(21,168)
Fund Balances, July 1	<u>663,313</u>
Fund Balances, June 30	<u><u>\$ 642,145</u></u>

**LUMBERTON TOWNSHIP SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SCHEDULE OF REVENUES, EXPENDITURES, PROJECT BALANCE AND  
PROJECT STATUS - BUDGETARY BASIS  
LUMBERTON - SOLAR PROJECT  
FOR FISCAL YEAR ENDED JUNE 30, 2022**

	<u>PRIOR PERIODS</u>	<u>CURRENT YEAR</u>	<u>TOTALS</u>	<u>REVISED AUTHORIZED COST</u>
Revenues & Other Financing Sources:				
Bond Proceeds & Transfers	\$ 7,000,000	\$ -	\$ 7,000,000	\$ 7,000,000
Total Revenues	7,000,000	-	7,000,000	7,000,000
Expenditures & Other Financing Uses:				
Purchased Professional & Technical Services	508,146	-	508,146	508,146
Construction Services	5,624,284	-	5,624,284	6,487,437
Other Objects	4,417	-	4,417	4,417
Total Expenditures	6,136,847	-	6,136,847	7,000,000
Transfer to Debt Service Fund	788,942	-	788,942	-
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures	\$ 74,211	\$ -	\$ 74,211	\$ -

## Additional Project Information:

DOE Project Number	N/A
SDA Project Number	N/A
Grant Number	N/A
Grant Date	N/A
Bond Authorization Date	8/4/2010
Bonds Authorization	7,000,000
Bonds Issued	7,000,000
Original Authorized Cost	7,000,000
Additional Authorized Cost	-
Revised Authorized Cost	7,000,000
Percentage Increase Over Original Authorized Cost	0.00%
Percentage Completion	100.00%
Original Target Completion Date	N/A
Revised Target Completion Date	N/A

**LUMBERTON TOWNSHIP SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SCHEDULE OF REVENUES, EXPENDITURES, PROJECT BALANCE AND  
PROJECT STATUS - BUDGETARY BASIS  
ASHBROOK ELEMENTARY SCHOOL  
VARIOUS CAPITAL IMPROVEMENTS  
FOR FISCAL YEAR ENDED JUNE 30, 2022**

	<u>PRIOR PERIODS</u>	<u>CURRENT YEAR</u>	<u>TOTALS</u>	<u>REVISED AUTHORIZED COST</u>
Revenues & Other Financing Sources:				
Bond Proceeds	\$ 1,052,147	\$ -	\$ 1,052,147	\$ 1,052,147
Total Revenues	1,052,147	-	1,052,147	1,052,147
Expenditures & Other Financing Uses:				
Purchased Professional & Technical Services	225,389	-	225,389	129,883
Construction Services	817,278	-	817,278	822,794
Supplies	1,409	-	1,409	734
Other Objects	5,416	-	5,416	98,736
Total Expenditures & Other Financing Uses	1,049,492	-	1,049,492	1,052,147
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures	\$ 2,655	\$ -	\$ 2,655	\$ -

## Additional Project Information:

Bond Authorization Date	6/29/2019
Bonds Authorization	1,052,147
Bonds Issued	1,052,147
Original Authorized Cost	1,052,147
Additional Authorized Cost	-
Revised Authorized Cost	1,052,147
Percentage Increase Over Original Authorized Cost	0%
Percentage Completion	100%
Original Target Completion Date	2020-2021
Revised Target Completion Date	N/A

**LUMBERTON TOWNSHIP SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SCHEDULE OF REVENUES, EXPENDITURES, PROJECT BALANCE AND  
PROJECT STATUS - BUDGETARY BASIS  
BOBBY'S RUN ELEMENTARY SCHOOL  
VARIOUS CAPITAL IMPROVEMENTS  
FOR FISCAL YEAR ENDED JUNE 30, 2022**

	<u>PRIOR PERIODS</u>	<u>CURRENT YEAR</u>	<u>TOTALS</u>	<u>REVISED AUTHORIZED COST</u>
Revenues & Other Financing Sources:				
Bond Proceeds	\$ 652,552	\$ -	\$ 652,552	\$ 652,552
Total Revenues	652,552	-	652,552	652,552
Expenditures & Other Financing Uses:				
Purchased Professional & Technical Services	76,572	2,431	79,003	69,424
Construction Services	547,608	8,025	555,633	520,050
Supplies	782	-	782	672
Other Objects	17,134	-	17,134	62,406
Total Expenditures & Other Financing Uses	642,096	10,456	652,552	652,552
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures	\$ 10,456	\$ (10,456)	\$ -	\$ -
Additional Project Information:				
Bond Authorization Date				6/29/2019
Bonds Authorization				652,552
Bonds Issued				652,552
Original Authorized Cost				652,552
Additional Authorized Cost				-
Revised Authorized Cost				652,552
Percentage Increase Over Original Authorized Cost				0%
Percentage Completion				100%
Original Target Completion Date				2020-2021
Revised Target Completion Date				N/A

**LUMBERTON TOWNSHIP SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SCHEDULE OF REVENUES, EXPENDITURES, PROJECT BALANCE AND  
PROJECT STATUS - BUDGETARY BASIS  
FLORENCE L. WALTHER ELEMENTARY SCHOOL  
VARIOUS CAPITAL IMPROVEMENTS  
FOR FISCAL YEAR ENDED JUNE 30, 2022**

	<u>PRIOR PERIODS</u>	<u>CURRENT YEAR</u>	<u>TOTALS</u>	<u>REVISED AUTHORIZED COST</u>
Revenues & Other Financing Sources:				
Bond Proceeds	\$ 746,737	\$ -	\$ 746,737	\$ 746,737
Total Revenues	746,737	-	746,737	746,737
Expenditures & Other Financing Uses:				
Purchased Professional & Technical Services	95,723	-	95,723	103,658
Construction Services	517,453	-	517,453	568,469
Supplies	782	-	782	672
Other Objects	1,316	-	1,316	73,938
Total Expenditures & Other Financing Uses	615,274	-	615,274	746,737
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures	\$ 131,463	\$ -	\$ 131,463	\$ -
Additional Project Information:				
Bond Authorization Date				6/29/2019
Bonds Authorization				746,737
Bonds Issued				746,737
Original Authorized Cost				746,737
Additional Authorized Cost				-
Revised Authorized Cost				746,737
Percentage Increase Over Original Authorized Cost				0%
Percentage Completion				82%
Original Target Completion Date				2020-2021
Revised Target Completion Date				N/A

**LUMBERTON TOWNSHIP SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SCHEDULE OF REVENUES, EXPENDITURES, PROJECT BALANCE AND  
PROJECT STATUS - BUDGETARY BASIS  
LUMBERTON MIDDLE SCHOOL  
VARIOUS CAPITAL IMPROVEMENTS  
FOR FISCAL YEAR ENDED JUNE 30, 2022**

	<u>PRIOR PERIODS</u>	<u>CURRENT YEAR</u>	<u>TOTALS</u>	<u>REVISED AUTHORIZED COST</u>
Revenues & Other Financing Sources:				
Bond Proceeds	\$ 2,429,564	\$ -	\$ 2,429,564	\$ 2,429,564
Total Revenues	2,429,564	-	2,429,564	2,429,564
Expenditures & Other Financing Uses:				
Purchased Professional & Technical Services	128,373	1,440	129,813	210,330
Construction Services	1,847,239	9,272	1,856,511	1,966,809
Supplies	783	-	783	672
Other Objects	8,641	-	8,641	251,753
Total Expenditures & Other Financing Uses	1,985,036	10,712	1,995,748	2,429,564
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures	\$ 444,528	\$ (10,712)	\$ 433,816	\$ -

## Additional Project Information:

Bond Authorization Date	6/29/2019
Bonds Authorization	N/A
Bonds Issued	2,429,564
Original Authorized Cost	2,429,564
Additional Authorized Cost	-
Revised Authorized Cost	2,429,564
Percentage Increase Over Original Authorized Cost	0%
Percentage Completion	82%
Original Target Completion Date	2020-2021
Revised Target Completion Date	N/A

*This page intentionally left blank.*



## G. Proprietary Funds

*This page intentionally left blank.*

**LUMBERTON TOWNSHIP SCHOOL DISTRICT  
 PROPRIETARY FUNDS  
 COMBINING SCHEDULE OF NET POSITION  
 AS OF JUNE 30, 2022**

ASSETS	EXTENDED DAY <u>CARE</u>	FOOD SERVICE <u>FUND</u>	<u>TOTAL</u>
Current Assets:			
Cash & Cash Equivalents	\$ 83,792	\$ 237,449	\$ 321,241
Accounts Receivable:			
State	-	753	753
Federal	-	44,230	44,230
Inventories	-	11,296	11,296
	<hr/>		
Total Current Assets	83,792	293,728	377,520
Noncurrent Assets:			
Equipment	286,124	782,982	1,069,106
Less: Accumulated Depreciation	(215,586)	(561,191)	(776,777)
	<hr/>		
Total Noncurrent Assets	70,538	221,791	292,329
	<hr/>		
Total Assets	154,330	515,519	669,849
	<hr/>		
LIABILITIES			
Current Liabilities:			
Interfund Payable	12,936	43,173	56,109
Accounts Payable	-	817	817
	<hr/>		
Total Current Liabilities	12,936	43,990	56,926
	<hr/>		
NET POSITION			
Investment in Capital Assets	70,538	221,791	292,329
Unrestricted	70,856	249,738	320,594
	<hr/>		
Total Net Position	\$ 141,394	\$ 471,529	\$ 612,923
	<hr/> <hr/>		

**LUMBERTON TOWNSHIP SCHOOL DISTRICT  
 PROPRIETARY FUNDS  
 COMBINING SCHEDULE OF REVENUES, EXPENSES AND  
 CHANGES IN FUND NET POSITION  
 AS OF JUNE 30, 2022**

	<u>EXTENDED DAY CARE</u>	<u>FOOD SERVICE FUND</u>	<u>TOTAL</u>
Operating Revenues:			
Local Sources:			
Daily Sales - Nonreimbursable Programs	\$ -	\$ 55,787	\$ 55,787
Special Functions	-	5,977	5,977
Enrollment Fees	442,495	-	442,495
Miscellaneous	-	20	20
	<hr/>		
Total Operating Revenue	442,495	61,784	504,279
<hr/>			
Operating Expenses:			
Salaries	375,060	234,831	609,891
Payroll Taxes & Benefits	34,130	48,079	82,209
Supplies and Materials	2,015	106,171	108,186
Management Fee	-	78,610	78,610
Depreciation	12,252	16,860	29,112
Miscellaneous	15,886	32,087	47,973
Cost of Sales - Reimbursable	-	303,392	303,392
	<hr/>		
Total Operating Expenses	439,343	820,030	1,259,373
<hr/>			
Operating Income/(Loss)	3,152	(758,246)	(755,094)
<hr/>			
Nonoperating Revenues:			
State Sources:			
State School Lunch Program	-	14,194	14,194
Federal Sources:			
National School Lunch Program	-	605,780	605,780
National School Breakfast Program	-	159,510	159,510
National School Snack Program	-	7,588	7,588
P-EBT Administrative	-	1,242	1,242
Emergency Operating Costs Program	-	1,155	1,155
Food Distribution Program	-	58,981	58,981
Interest Revenue	-	58	58
	<hr/>		
Total Nonoperating Revenues/(Expenses)	-	848,508	848,508
<hr/>			
Change in Net Position	3,152	90,262	93,414
Total Net Position - Beginning	138,242	381,267	519,509
	<hr/>		
Total Net Position - Ending	\$ 141,394	\$ 471,529	\$ 612,923
	<hr/> <hr/>		

**LUMBERTON TOWNSHIP SCHOOL DISTRICT  
PROPRIETARY FUNDS  
COMBINING SCHEDULE OF CASH FLOWS  
AS OF JUNE 30, 2022**

	EXTENDED DAY CARE	FOOD SERVICE FUND	TOTAL
Cash Flows From Operating Activities:			
Receipts from Customers	\$ 442,495	\$ 61,784	\$ 504,279
Payments to Employees	(375,060)	(234,831)	(609,891)
Payment to Employee Benefits	(34,130)	(48,079)	(82,209)
Payments to Suppliers	(4,965)	(532,114)	(537,079)
Net Cash Provided/(Used) by Operating Activities	<u>28,340</u>	<u>(753,240)</u>	<u>(724,900)</u>
Cash Flows From Noncapital Financing			
State Sources	-	14,998	14,998
Federal Sources	-	825,691	825,691
Net Cash Provided by Noncapital Financing Activities	<u>-</u>	<u>840,689</u>	<u>840,689</u>
Cash Flows From Investing Activities:			
Purchase of Capital Assets	-	(53,020)	(53,020)
Interest on Investments	-	58	58
Net Cash Provided by Investing Activities	<u>-</u>	<u>(52,962)</u>	<u>(52,962)</u>
Net Increase/(Decrease) in Cash & Cash Equivalents	28,340	34,487	62,827
Cash and Cash Equivalents, July 1	<u>55,452</u>	<u>202,962</u>	<u>258,414</u>
Cash and Cash Equivalents, June 30	<u>\$ 83,792</u>	<u>\$ 237,449</u>	<u>\$ 321,241</u>

**Reconciliation of Operating Income/(Loss) to Net Cash Provided/(Used) by Operating Activities:**

Operating Income/(Loss)	\$ 3,152	\$ (758,246)	\$ (755,094)
Adjustments to Reconcile Operating Income/(Loss) to Cash Provided/(Used) by Operating Activities:			
Depreciation Expense	12,252	16,860	29,112
Food Distribution Program	-	-	-
(Increase)/Decrease in Inventory	-	(44)	(44)
(Decrease)/Increase in Interfund	12,936	2,500	15,436
(Decrease)/Increase in Accounts Payable	-	(14,310)	(14,310)
Net Cash Provided/(Used) by Operating Activities	<u>\$ 28,340</u>	<u>\$ (753,240)</u>	<u>\$ (724,900)</u>

*This page intentionally left blank.*

## I. Long-Term Debt

*This page intentionally left blank.*



**LUMBERTON TOWNSHIP SCHOOL DISTRICT  
LONG-TERM DEBT  
SCHEDULE OF SERIAL BONDS PAYABLE  
JUNE 30, 2022**

<u>ISSUE</u>	<u>DATE OF ISSUE</u>	<u>AMOUNT OF ISSUE</u>	<u>ANNUAL MATURITIES INTEREST</u>		<u>RATE</u>	<u>BALANCE</u>		
			<u>DATE</u>	<u>AMOUNT</u>		<u>JULY 1, 2021</u>	<u>JUNE 30, 2022</u>	
2019 School Bonds	7/18/2019	4,881,000	7/15/22	400,000	2.000%	\$ 4,560,000	\$ 400,000	
	7/15/23	410,000	7/15/23	410,000	2.000%	-	-	
	7/15/24	415,000	7/15/24	415,000	2.125%	-	-	
	7/15/25	445,000	7/15/25	445,000	2.125%	-	-	
	7/15/26	605,000	7/15/26	605,000	2.125%	-	-	
	7/15/27	615,000	7/15/27	615,000	2.125%	-	-	
	7/15/28	630,000	7/15/28	630,000	2.125%	-	-	
7/15/29	640,000	7/15/29	640,000	2.250%	-	-		
2021 Refund School Bonds	2/25/2021	2,555,000	2/15/2023	495,000	3.000%	2,555,000	475,000	
	2/15/2024	505,000	2/15/2024	505,000	3.000%	-	-	
	2/15/2025	525,000	2/15/2025	525,000	3.000%	-	-	
	2/15/2026	555,000	2/15/2026	555,000	4.000%	-	-	
					4.000%			
<b>Total</b>						<b>\$ 7,115,000</b>	<b>\$ 875,000</b>	<b>\$ 6,240,000</b>

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

	<u>ORIGINAL BUDGET</u>	<u>BUDGET TRANSFERS</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	VARIANCE POSITIVE/ (NEGATIVE) FINAL TO <u>ACTUAL</u>
Revenues:					
Local Sources:					
Local Tax Levy	\$ 680,468	\$ -	\$ 680,468	\$ 680,468	\$ -
State Sources:					
Debt Service Aid Type II	363,735	-	363,735	363,735	-
Total Revenues	<u>1,044,203</u>	<u>-</u>	<u>1,044,203</u>	<u>1,044,203</u>	<u>-</u>
Expenditures					
Regular Debt Service:					
Interest	177,209	-	177,209	177,208	1
Redemption of Principal	875,000	-	875,000	875,000	-
Total Expenditures	<u>1,052,209</u>	<u>-</u>	<u>1,052,209</u>	<u>1,052,208</u>	<u>1</u>
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures Before Other Financing Sources(Uses)	<u>(8,006)</u>	<u>-</u>	<u>(8,006)</u>	<u>(8,005)</u>	<u>1</u>
Other Financing Sources/(Uses):					
Operating Transfers In/(Out)	-	-	-	4,132	4,132
Total Other Financing Uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,132</u>	<u>4,132</u>
Excess/(Deficiency) of Revenues Over (Under) Expenditures After Other Financing Sources/(Uses)	<u>(8,006)</u>	<u>-</u>	<u>(8,006)</u>	<u>(3,873)</u>	<u>4,133</u>
Fund Balance, July 1	<u>8,007</u>	<u>-</u>	<u>8,007</u>	<u>8,007</u>	<u>-</u>
Fund Balance, June 30	<u>\$ 1</u>	<u>\$ -</u>	<u>\$ 1</u>	<u>\$ 4,134</u>	<u>\$ 4,133</u>

**STATISTICAL SECTION (Unaudited)**

*This page intentionally left blank.*

Financial Trends Information

Financial trends information is intended to assist the user in understanding and assessing how the School District's financial position has changed over time.

Please refer to the following exhibits for a historical view of the School District's financial performance. The Exhibits are presented for the last ten fiscal years.

*This page intentionally left blank.*

**LUMBERTON TOWNSHIP SCHOOL DISTRICT**  
**NET POSITION BY COMPONENT**  
**LAST TEN FISCAL YEARS**  
*(Accrual Basis of Accounting)*

	FISCAL YEAR ENDING JUNE 30,									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
<b>Governmental Activities:</b>										
Net Investment in Capital Assets	\$ 16,495,323	\$ 16,199,849	\$ 12,951,425	\$ 14,893,680	\$ 13,793,008	\$ 13,799,757	\$ 12,844,641	\$ 12,176,611	\$ 12,792,421	\$ 11,723,958
Restricted	8,340,969	8,096,065	9,077,553	5,156,200	4,827,892	4,121,635	3,778,568	3,931,337	5,150,127	5,824,338
Unrestricted	(5,081,024)	(7,289,482)	(7,961,809)	(7,677,823)	(8,464,479)	(7,916,034)	(6,686,383)	(6,847,035)	(452,093)	(1,270,091)
<b>Total Governmental Activities</b>	<b>\$ 19,755,268</b>	<b>\$ 17,006,432</b>	<b>\$ 14,067,169</b>	<b>\$ 12,372,057</b>	<b>\$ 10,156,421</b>	<b>\$ 10,005,358</b>	<b>\$ 9,936,826</b>	<b>\$ 9,260,913</b>	<b>\$ 17,490,455</b>	<b>\$ 16,278,205</b>
<b>Business-Type Activities:</b>										
Investment in Capital Assets	\$ 292,329	\$ 268,421	\$ 212,094	\$ 195,341	\$ 186,124	\$ 112,156	\$ 123,556	\$ 79,232	\$ 195,414	\$ 202,891
Unrestricted	320,594	251,088	394,494	534,314	515,098	834,967	730,081	753,691	656,660	547,231
<b>Total Business-Type Activities</b>	<b>\$ 612,923</b>	<b>\$ 519,509</b>	<b>\$ 606,588</b>	<b>\$ 729,655</b>	<b>\$ 701,222</b>	<b>\$ 947,123</b>	<b>\$ 853,637</b>	<b>\$ 832,923</b>	<b>\$ 852,074</b>	<b>\$ 750,122</b>
<b>District-Wide:</b>										
Net Investment in Capital Assets	\$ 16,787,652	\$ 16,468,270	\$ 13,163,519	\$ 15,089,021	\$ 13,979,132	\$ 13,911,913	\$ 12,968,197	\$ 12,255,843	\$ 12,987,835	\$ 11,926,849
Restricted	8,340,969	8,096,065	9,077,553	5,156,200	4,827,892	4,121,635	3,778,568	3,931,337	5,150,127	5,824,338
Unrestricted	(4,760,430)	(7,038,394)	(7,567,315)	(7,143,509)	(7,949,381)	(7,081,067)	(5,956,302)	(6,093,344)	204,567	(722,860)
<b>Total District Net Position</b>	<b>\$ 20,368,191</b>	<b>\$ 17,525,941</b>	<b>\$ 14,673,757</b>	<b>\$ 13,101,712</b>	<b>\$ 10,857,643</b>	<b>\$ 10,952,481</b>	<b>\$ 10,790,463</b>	<b>\$ 10,093,836</b>	<b>\$ 18,342,529</b>	<b>\$ 17,028,327</b>

LUMBERTON TOWNSHIP SCHOOL DISTRICT  
 CHANGES IN NET POSITION - (ACCURAL BASIS OF ACCOUNTING)  
 LAST TEN FISCAL YEARS

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Expenses:										
Governmental Activities										
Instruction:										
Regular	\$ 5,800,536	\$ 5,801,083	\$ 5,895,289	\$ 5,780,706	\$ 6,117,102	\$ 6,146,521	\$ 6,162,092	\$ 6,051,836	\$ 6,056,478	\$ 5,858,548
Special Education	3,267,446	3,133,491	2,777,557	2,817,511	2,833,627	3,004,548	3,157,159	3,221,113	3,142,819	3,101,092
Other Special Instruction	783,695	464,467	533,958	478,450	479,154	476,231	436,729	430,509	417,255	415,989
Other Instruction	135,029	68,546	108,391	107,447	101,545	105,862	110,522	104,256	104,264	89,957
Support Services & Undistributed Costs:										
Tuition	939,534	1,354,604	1,044,618	1,050,953	1,114,772	858,921	729,211	541,483	667,811	469,536
Health Services	216,101	214,615	212,047	261,821	254,277	247,904	249,208	247,986	252,321	237,883
Student & Instruction Related Services	2,461,740	2,005,509	2,085,014	2,051,330	2,225,081	1,989,227	1,810,057	1,851,245	1,737,838	1,693,204
Educational Media Services/School Library	156,375	124,028	222,368	268,562	249,332	301,528	239,574	280,741	227,599	228,077
School Administrative Services	568,848	532,492	534,210	636,360	728,300	704,436	898,050	967,348	975,756	912,921
Other Administrative Services	1,305,831	1,230,695	1,207,564	1,313,355	1,254,580	1,217,127	1,201,506	1,140,016	1,232,478	1,143,910
Plant Operations & Maintenance	2,123,745	2,271,292	1,980,855	2,343,913	1,909,748	1,961,728	2,147,694	1,896,008	1,806,854	1,617,858
Pupil Transportation	853,563	803,030	782,211	863,521	1,047,922	968,116	1,013,986	1,020,021	891,983	894,954
Employee Benefits	7,207,871	10,795,661	9,165,937	10,383,447	13,460,961	7,665,974	9,455,693	8,082,560	5,564,069	5,608,421
Transfers to Charter Schools								36,314		25,116
Interest & Other Charges	168,277	298,172	249,271	177,994	214,670	250,266	285,699	472,209	472,077	545,156
Reduction of Capital Leases	-	-	-	-	-	-	-	73,990	-	-
Amortization of Debt Costs	-	-	-	-	-	-	-	-	13,348	-
Increase in Compensated Absences - Unallocated	-	-	-	-	-	-	-	-	-	34,567
Reduction in Fixed Assets Unallocated	-	-	-	-	-	-	-	-	37,091	162,915
Unallocated Depreciation	1,161,075	1,150,764	1,223,498	1,296,964	1,293,441	1,319,105	1,320,464	1,317,145	1,020,858	1,007,469
Total Governmental Activities Expenses	27,149,666	30,248,449	28,204,788	29,832,334	33,284,512	27,217,494	29,217,644	30,639,867	24,824,740	24,005,785
Business-Type Activities:										
Food Service	820,030	561,331	557,527	532,124	575,076	479,717	484,972	502,815	477,165	489,951
Extended Day Care	439,343	277,797	405,850	362,132	695,479	426,504	414,856	425,550	406,180	441,588
Total Business-Type Activities Expense	1,259,373	839,128	963,377	894,256	1,270,555	906,221	899,828	928,365	883,345	931,539
Total District Expenses	\$ 28,409,039	\$ 31,087,577	\$ 28,988,165	\$ 30,726,590	\$ 34,555,067	\$ 28,123,715	\$ 30,117,472	\$ 31,568,232	\$ 25,708,085	\$ 24,937,324



LUMBERTON TOWNSHIP SCHOOL DISTRICT  
 CHANGES IN NET POSITION - (ACCURAL BASIS OF ACCOUNTING)  
 LAST TEN FISCAL YEARS

	FISCAL YEAR ENDING JUNE 30.									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Program Revenues:										
Governmental Activities:										
Operating Grants & Contributions	\$ 6,130,914	\$ 8,541,675	\$ 5,574,027	\$ 7,025,671	\$ 9,622,852	\$ 3,413,890	\$ 5,962,745	\$ 4,948,577	\$ 626,525	\$ 583,190
Charges for Services	50,292	-	-	-	-	-	-	-	-	-
Total Governmental Activities	\$ 6,181,206	\$ 8,541,675	\$ 5,574,027	\$ 7,025,671	\$ 9,622,852	\$ 3,413,890	\$ 5,962,745	\$ 4,948,577	\$ 626,525	\$ 583,190
Business-Type Activities:										
Charges for Services:										
Food Service	61,784	2,796	207,736	292,085	311,955	315,611	299,214	305,520	326,640	332,655
Extended Day Care	442,495	72,985	303,048	362,264	406,451	453,901	409,110	479,302	478,293	477,286
Operating Grants & Contributions	848,450	632,384	327,831	234,509	224,615	229,420	212,198	231,296	180,041	170,902
Adjustment to Fixed Assets	-	43,613	-	-	80,015	-	-	(107,501)	-	35,093
Total Business-Type Activities	\$ 1,352,729	\$ 751,778	\$ 838,615	\$ 888,858	\$ 1,023,036	\$ 998,932	\$ 920,522	\$ 908,617	\$ 984,974	\$ 984,974
Program Revenues	\$ 7,533,935	\$ 9,293,453	\$ 6,412,642	\$ 7,914,529	\$ 10,645,888	\$ 4,412,822	\$ 6,883,267	\$ 5,857,194	\$ 1,611,499	\$ 1,568,164
Total District Program Revenues	\$ 14,715,144	\$ 17,835,128	\$ 11,986,669	\$ 14,940,200	\$ 20,268,740	\$ 7,826,722	\$ 12,845,977	\$ 10,795,771	\$ 3,237,994	\$ 3,151,354
Net/(Expense)/Revenue:										
Governmental Activities	\$ (20,968,460)	\$ (21,706,774)	\$ (22,450,761)	\$ (22,806,663)	\$ (23,661,660)	\$ (23,803,604)	\$ (23,254,899)	\$ (25,691,290)	\$ (24,198,215)	\$ (23,422,595)
Business-Type Activities	93,356	(87,350)	(124,762)	(5,398)	(247,519)	92,711	20,694	(19,748)	101,629	53,435
Total District-Wide Net Expense	\$ (20,875,104)	\$ (21,794,124)	\$ (22,575,523)	\$ (22,812,061)	\$ (23,909,179)	\$ (23,710,893)	\$ (23,234,205)	\$ (25,711,038)	\$ (24,096,586)	\$ (23,369,160)
General Revenues & Other Changes in Net Position:										
Governmental Activities:										
Property Taxes Levied for General Purposes, Net	\$ 14,870,821	\$ 14,651,051	\$ 14,258,226	\$ 14,075,765	\$ 13,799,770	\$ 13,305,006	\$ 12,856,287	\$ 12,338,726	\$ 12,096,791	\$ 11,926,593
Taxes Levied for Debt Service	680,468	694,564	957,463	837,556	887,854	904,126	1,310,472	1,488,731	2,043,080	2,018,353
Unrestricted/Restricted Grants & Contributions	7,148,195	7,674,233	8,439,471	8,807,420	8,928,049	8,889,736	8,996,152	9,226,856	10,986,413	11,613,041
Tuition Received	66,317	89,082	29,626	246,033	116,969	141,816	94,030	113,187	80,659	27,045
Investment Earnings	-	-	-	-	-	-	-	-	-	-
Miscellaneous Income	951,495	245,675	361,087	474,124	279,787	515,270	616,257	429,572	289,231	95,207
Unallocated Amortization	-	-	-	-	-	-	-	45,243	-	-
Reduction in Compensated Absences	-	-	-	-	-	-	-	81,182	-	-
Special Items	-	-	-	-	(199,706)	116,182	-	-	-	-
Total Governmental Activities	\$ 23,717,296	\$ 23,354,605	\$ 24,145,873	\$ 24,440,898	\$ 23,812,723	\$ 23,872,136	\$ 23,930,812	\$ 23,723,497	\$ 25,496,174	\$ 25,680,239
Business-Type Activities:										
Investment Earnings	58	271	1,695	1,553	1,618	775	20	597	323	508
Total Business-Type Activities	\$ 58	\$ 271	\$ 1,695	\$ 1,553	\$ 1,618	\$ 775	\$ 20	\$ 597	\$ 323	\$ 508
Total District-Wide	\$ 23,717,354	\$ 23,354,876	\$ 24,147,568	\$ 24,442,451	\$ 23,814,341	\$ 23,872,911	\$ 23,930,832	\$ 23,724,094	\$ 25,496,497	\$ 25,680,747
Change in Net Position:										
Governmental Activities	\$ 2,748,836	\$ 1,647,831	\$ 1,695,122	\$ 1,634,235	\$ 151,063	\$ 68,532	\$ 675,913	\$ (1,967,793)	\$ 1,297,959	\$ 2,257,644
Business-Type Activities	93,414	(87,079)	(123,067)	(3,845)	(245,901)	93,486	20,714	(19,151)	101,952	53,943
Total District	\$ 2,842,250	\$ 1,560,752	\$ 1,572,055	\$ 1,630,390	\$ (94,838)	\$ 162,018	\$ 696,627	\$ (1,986,944)	\$ 1,399,911	\$ 2,311,587

**LUMBERTON TOWNSHIP SCHOOL DISTRICT  
FUND BALANCES AND GOVERNMENTAL FUNDS  
LAST TEN FISCAL YEARS  
(Modified Accrual Basis of Accounting)**

	FISCAL YEAR ENDING JUNE 30,									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
General Fund:										
Restricted	\$ 7,622,092	\$ 7,378,581	\$ 8,151,536	\$ 6,356,279	\$ 4,703,679	\$ 3,931,877	\$ 3,468,439	\$ 3,251,557	\$ 4,689,059	\$ 4,941,044
Committed	-	-	-	-	-	-	-	-	-	49,999
Assigned	465,987	341,354	111,554	634,957	481,168	918,454	472,999	370,526	-	-
Unassigned	857,920	507,925	(115,527)	(284,133)	(191,873)	(261,230)	-	-	(225,561)	(362,047)
<b>Total General Fund</b>	<b>\$ 8,945,999</b>	<b>\$ 8,227,860</b>	<b>\$ 8,147,563</b>	<b>\$ 6,707,103</b>	<b>\$ 4,992,974</b>	<b>\$ 4,589,101</b>	<b>\$ 3,941,438</b>	<b>\$ 3,622,083</b>	<b>\$ 4,463,498</b>	<b>\$ 3,312,014</b>
All Other Governmental Funds:										
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Committed	-	-	-	-	-	-	-	-	390,786	383,237
Restricted, Reported in:										
Special Revenue Fund	(49,717)	32,336	-	-	-	-	353,194	772,605	-	-
Capital Projects Fund	642,145	663,313	918,010	(1,200,081)	139,211	204,211	-	-	210,888	450,057
Debt Service Fund	6,675	10,548	8,007	2	50,002	50,547	50,547	1	2	1
<b>Total All Other Governmental Funds</b>	<b>\$ 599,103</b>	<b>\$ 706,197</b>	<b>\$ 926,017</b>	<b>\$ (1,200,079)</b>	<b>\$ 189,213</b>	<b>\$ 254,758</b>	<b>\$ 403,741</b>	<b>\$ 772,606</b>	<b>\$ 601,676</b>	<b>\$ 833,295</b>

**LUMBERTON TOWNSHIP SCHOOL DISTRICT  
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS,  
LAST TEN FISCAL YEARS  
(Modified Accrual Basis of Accounting)**

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
<b>Revenues:</b>										
Local Tax Levy	\$ 15,551,289	\$ 15,345,615	\$ 15,315,689	\$ 14,913,321	\$ 14,687,624	\$ 14,209,132	\$ 14,166,759	\$ 13,827,457	\$ 14,139,871	\$ 13,944,946
Tuition	66,317	89,082	29,626	246,033	116,969	141,816	94,030	113,187	80,659	27,045
Interest	-	-	-	-	-	-	-	-	-	-
Interest on Capital Reserve	-	-	-	-	-	-	-	-	-	-
Miscellaneous	1,001,787	256,871	361,087	474,124	279,787	515,270	616,257	429,572	289,231	95,207
State Sources	13,014,938	11,930,992	11,927,699	12,281,216	12,030,179	11,694,344	11,456,100	11,229,830	10,966,009	11,591,240
Federal Sources	1,000,524	899,271	565,696	604,841	611,325	609,282	686,738	630,619	646,929	604,991
<b>Total Revenue</b>	<b>30,634,855</b>	<b>28,521,831</b>	<b>28,199,797</b>	<b>28,519,535</b>	<b>27,725,884</b>	<b>27,169,844</b>	<b>27,019,884</b>	<b>26,230,665</b>	<b>26,122,699</b>	<b>26,263,429</b>
<b>Expenditures:</b>										
Instruction	9,986,706	9,467,587	9,317,195	9,184,114	9,531,428	9,733,162	9,866,502	9,807,714	9,720,816	9,465,586
Undistributed Instruction	17,741,776	16,390,787	15,782,164	16,171,607	16,140,376	15,175,449	14,657,652	13,740,688	13,356,709	12,806,764
Capital Outlay	1,197,331	1,809,686	2,863,236	1,295,032	134,388	186,770	533,693	1,258,052	621,910	375,845
Debt Service	1,097,997	1,185,380	1,551,646	1,543,945	1,581,364	1,575,783	2,011,547	2,052,744	2,959,181	3,570,381
<b>Total Expenditures</b>	<b>30,023,810</b>	<b>28,853,440</b>	<b>29,514,241</b>	<b>28,194,698</b>	<b>27,387,556</b>	<b>26,671,164</b>	<b>27,069,394</b>	<b>26,859,198</b>	<b>26,658,616</b>	<b>26,218,576</b>
<b>Excess (Deficiency) of Revenues Over/(Under) Expenditures</b>	<b>611,045</b>	<b>(331,609)</b>	<b>(1,314,444)</b>	<b>324,837</b>	<b>338,328</b>	<b>498,680</b>	<b>(49,510)</b>	<b>(628,533)</b>	<b>(535,917)</b>	<b>44,853</b>
<b>Other Financing Sources/(Uses):</b>										
Proceeds from Borrowing	-	2,803,139	4,881,000	-	-	-	-	-	-	-
Proceeds from Borrowing	-	(2,725,488)	-	-	-	-	-	-	-	-
Cancellation of Grant Receivable	-	-	-	-	-	-	-	(5,638)	-	-
Capital Lease Proceeds	-	-	-	-	-	-	-	-	175,000	-
Transfers to Charter Schools	-	-	-	-	-	-	-	(36,314)	(36,200)	(25,116)
Transfers in	89,685	2,541	8,006	65,000	65,000	65,000	185,992	-	-	407,950
Transfers Out	(89,685)	(2,541)	(8,006)	(65,000)	(65,000)	(65,000)	(185,992)	-	-	(407,950)
<b>Total Other Financing Sources/ (Uses)</b>	<b>-</b>	<b>77,651</b>	<b>4,881,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(41,952)</b>	<b>138,800</b>	<b>(25,116)</b>
<b>Net Change in Fund Balances</b>	<b>\$ 611,045</b>	<b>\$ (253,958)</b>	<b>\$ 3,566,556</b>	<b>\$ 324,837</b>	<b>\$ 338,328</b>	<b>\$ 498,680</b>	<b>\$ (49,510)</b>	<b>\$ (670,485)</b>	<b>\$ (397,117)</b>	<b>\$ 19,737</b>
<b>Debt Service as a Percentage of Noncapital Expenditures</b>	<b>3.7%</b>	<b>4.1%</b>	<b>5.3%</b>	<b>5.5%</b>	<b>5.8%</b>	<b>5.9%</b>	<b>7.4%</b>	<b>7.6%</b>	<b>11.1%</b>	<b>13.6%</b>

Source: District records  
Note: Noncapital expenditures are total expenditures less capital outlay.

**LUMBERTON TOWNSHIP SCHOOL DISTRICT**  
**GENERAL FUND - OTHER LOCAL REVENUE BY SOURCE**  
**LAST TEN FISCAL YEARS**  
*(Modified Accrual Basis of Accounting)*

<u>FISCAL YEAR ENDED JUNE 30,</u>	<u>INTEREST ON INVESTMENTS</u>	<u>MISCELLANEOUS</u>	<u>TUITION</u>	<u>TOTAL</u>
2022	\$ 7,627	\$ 939,736	\$ 66,317	\$ 1,013,680
2021	20,950	222,184	89,082	332,216
2020	62,237	296,111	24,359	382,707
2019	40,880	433,244	246,033	720,157
2018	4,694	275,093	116,969	396,756
2017	7,097	508,173	141,816	657,086
2016	4,701	611,556	94,030	710,287
2015	6,421	423,151	113,187	542,759
2014	7,907	268,305	80,659	356,871
2013	7,907	73,648	27,045	108,600

Source: District Records

## Revenue Capacity Information

Revenue capacity information is intended to assist users in understanding and assessing the factors affecting the School District's ability to generate revenues. Please refer to the following exhibits for a historical view of these factors and how they relate to the School District's ability to generate revenues.

*This page intentionally left blank.*

**LUMBERTON TOWNSHIP SCHOOL DISTRICT  
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY,  
LAST TEN FISCAL YEARS**

FISCAL YEAR ENDED DECEMBER 31,	VACANT LAND	RESIDENTIAL	FARM REG.	QFARM	COMMERCIAL	INDUSTRIAL	APARTMENT	TOTAL ASSESSED VALUE	PUBLIC UTILITIES	NET VALUATION TAXABLE	TOTAL DIRECT SCHOOL TAX RATE	ESTIMATED ACTUAL (COUNTY EQUALIZED) VALUE
2022	\$13,471,100	1,111,836,800	20,383,600	1,635,500	136,042,700	64,337,623	29,033,200	\$ 1,376,740,523	\$1,894,498	\$ 1,378,635,021	1.646	\$ 1,425,787,199
2021	13,471,100	1,113,047,100	20,331,600	1,674,400	135,776,600	64,337,623	29,033,200	1,377,671,623	1,911,531	1,379,583,154	1.636	1,347,024,992
2020	14,047,900	1,116,587,800	20,496,900	1,678,900	133,073,500	64,337,623	29,091,200	1,379,313,823	1,882,105	1,379,313,823	1.614	1,381,195,928
2019	12,351,900	1,115,666,300	19,978,000	1,880,340	131,763,500	64,227,623	29,091,200	1,374,958,863	1,903,184	1,376,862,047	1.581	1,378,869,924
2018	12,629,500	1,114,412,500	20,737,800	1,886,440	132,281,700	65,927,600	29,091,200	1,376,966,740	1,903,184	1,378,869,924	1.545	1,378,869,924
2017	12,824,500	1,119,987,200	19,457,100	1,886,140	132,703,400	65,927,623	29,091,200	1,381,877,163	1,883,508	1,383,760,671	1.491	1,359,561,595
2016	13,099,100	1,126,496,400	19,155,300	1,898,170	132,408,200	66,027,623	29,091,200	1,388,175,993	1,903,008	1,390,079,001	1.442	1,325,005,976
2015	9,972,300	1,130,249,300	19,771,000	1,983,400	132,675,900	65,632,623	29,091,200	1,389,375,723	1,997,273	1,391,372,996	1.417	1,396,504,323
2014	10,798,700	1,153,722,800	20,915,900	1,948,180	134,718,400	64,115,823	29,352,400	1,389,375,723	1,945,138	1,387,430,585	1.389	1,420,703,445
2013	10,631,900	1,168,180,400	20,715,800	2,446,300	134,628,400	63,115,823	29,352,400	1,415,572,203	1,838,276	1,413,733,927	1.364	1,539,364,038

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

**LUMBERTON TOWNSHIP SCHOOL DISTRICT  
DIRECT AND OVERLAPPING PROPERTY TAX RATES  
LAST TEN FISCAL YEARS  
(Rate per \$100 of Assessed Value)**

FISCAL YEAR ENDED DECEMBER 31,	SCHOOL DISTRICT DIRECT RATE		OVERLAPPING RATES			TOTAL DIRECT AND OVERLAPPING TAX RATE	
	LOCAL SCHOOL	REGIONAL SCHOOL	TOTAL DIRECT	LUMBERTON TOWNSHIP	MUNICIPAL OPEN SPACE		BURLINGTON COUNTY
2022	1.150	0.496	1.646	0.400	0.010	0.377	2.433
2021	1.127	0.509	1.636	0.350	0.010	0.350	2.346
2020	1.111	0.503	1.614	0.389	0.010	0.351	2.364
2019	1.113	0.468	1.581	0.400	0.010	0.399	2.390
2018	1.082	0.463	1.545	0.405	0.010	0.389	2.349
2017	1.061	0.430	1.491	0.411	0.010	0.398	2.310
2016	1.023	0.419	1.442	0.421	0.010	0.387	2.260
2015	1.019	0.398	1.417	0.416	0.010	0.400	2.243
2014	0.997	0.392	1.389	0.365	0.010	0.378	2.142
2013	0.974	0.390	1.364	0.348	0.010	0.406	2.128

Source: Municipal Tax Collector



**LUMBERTON TOWNSHIP SCHOOL DISTRICT  
PRINCIPAL PROPERTY TAX PAYERS,  
CURRENT YEAR AND NINE YEARS AGO**

TAXPAYER	2022		
	TAXABLE ASSESSED VALUE	RANK (OPTIONAL)	% OF TOTAL DISTRICT NET ASSESSED VALUE
CVS New York	\$ 31,950,000	1	2.32%
The Estaugh	29,812,800	2	2.16%
Whitehall Apartments Association	12,900,000	3	0.94%
BF Saul Holdings LTD Partnership	12,000,000	4	0.87%
Newman Development Group of Hainesport	10,354,400	5	0.75%
Wal-Mart	10,116,600	6	0.73%
Mt. Holly By-Pass LLC	8,814,600	7	0.64%
East Coast Lumberton Apartments, LLC	8,400,000	8	0.61%
Evergreen I Associates, LLC	7,000,000	9	0.51%
100 Mt. Holly By-Pass LLC	6,122,400	10	0.44%
Total	<u>\$ 137,470,800</u>		<u>9.99%</u>

2013		
TAXABLE ASSESSED VALUE	RANK (OPTIONAL)	% OF TOTAL DISTRICT NET ASSESSED VALUE

**INFORMATION CURRENTLY UNAVAILABLE**

**LUMBERTON TOWNSHIP SCHOOL DISTRICT  
PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN FISCAL YEARS**

FISCAL YEAR ENDED JUNE 30,	TAXES LEVIED FOR THE FISCAL YEAR	COLLECTED WITHIN THE FISCAL YEAR OF THE LEVY	
		AMOUNT	PERCENTAGE OF LEVY
2022	\$ 15,551,289	\$ 15,551,289	100.00%
2021	15,345,615	15,345,615	100.00%
2020	15,315,689	15,315,689	100.00%
2019	14,913,321	14,913,321	100.00%
2018	14,687,624	14,687,624	100.00%
2017	14,209,132	14,209,132	100.00%
2016	14,166,759	14,166,759	100.00%
2015	13,827,457	13,827,457	100.00%
2014	14,139,871	14,139,871	100.00%
2013	13,944,946	13,944,946	100.00%

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

**RATIOS OF OUTSTANDING DEBT BY TYPE  
LAST TEN FISCAL YEARS**

FISCAL YEAR ENDED JUNE 30,	<u>GOVERNMENTAL ACTIVITIES</u>			TOTAL DISTRICT	PER CAPITA
	GENERAL OBLIGATION BONDS	CAPITAL LEASES			
2022	\$ 6,240,000	\$ -	\$ -	\$ 6,240,000	N/A
2021	7,115,000	-	-	7,115,000	N/A
2020	8,086,000	-	-	8,086,000	N/A
2019	4,570,000	-	-	4,570,000	N/A
2018	5,890,000	-	-	5,890,000	482.59
2017	7,175,000	36,119	-	7,211,119	590.16
2016	8,420,000	71,482	-	8,491,482	692.79
2015	10,165,000	156,881	-	10,321,881	836.46
2014	11,905,000	240,176	-	12,145,176	978.42
2013	14,415,000	148,234	-	14,563,234	1,170.11

### Debt Capacity Information

Debt capacity information is intended to assist users in understanding and assessing the School District's debt burden and its ability to issue additional debt. Please refer to the following exhibits for historical view of the School District's outstanding debt and its debt capacity.

*This page intentionally left blank.*

**LUMBERTON TOWNSHIP SCHOOL DISTRICT  
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING  
LAST TEN FISCAL YEARS**

FISCAL YEAR ENDED <u>JUNE 30.</u>	GENERAL BONDED DEBT OUTSTANDING			PERCENTAGE OF ACTUAL TAXABLE VALUE OF <u>PROPERTY</u>	<u>PER CAPITA</u>
	GENERAL OBLIGATION <u>BONDS</u>	<u>DEDUCTIONS</u>	NET GENERAL BONDED DEBT <u>OUTSTANDING</u>		
2022	\$ 6,240,000	\$ -	\$ 6,240,000	0.45%	N/A
2021	7,115,000	-	7,115,000	0.52%	N/A
2020	8,086,000	-	8,086,000	0.59%	N/A
2019	4,570,000	-	4,570,000	0.33%	N/A
2018	5,890,000	-	5,890,000	0.43%	482.59
2017	7,175,000	-	7,175,000	0.52%	587.20
2016	8,420,000	-	8,420,000	0.61%	686.95
2015	10,165,000	-	10,165,000	0.73%	823.74
2014	11,905,000	-	11,905,000	0.86%	959.08
2013	14,415,000	-	14,415,000	1.04%	1,158.20

**RATIOS OF OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT  
AS OF DECEMBER 31, 2021**

GOVERNMENTAL UNIT	DEBT OUTSTANDING	ESTIMATED PERCENTAGE APPLICABLE	SHARE OF OVERLAPPING DEBT
Debt Repaid With Property Taxes:			
Lumberton Township	\$ 11,733,000	100.00%	\$ 11,733,000
Burlington County	182,924,161	3.063%	5,603,340
Rancocas Valley Regional High School	9,001,366	31.000%	2,790,423
Subtotal, Overlapping Debt			20,126,764
Lumberton Township Board of Education			6,240,000
Total Direct & Overlapping Debt			<u>\$ 26,366,764</u>

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

LUMBERTON TOWNSHIP SCHOOL DISTRICT  
 LEGAL DEBT MARGIN INFORMATION  
 LAST TEN FISCAL YEARS  
 (Dollars in Thousands)

	FISCAL YEAR									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Debt Limit	\$ 42,112,009	\$ 41,651,103	\$ 41,437,747	\$ 41,014,834	\$ 40,699,634	\$ 40,580,720	\$ 40,292,510	\$ 42,134,075	\$ 43,246,946	\$ 43,190,454
Total Net Debt Applicable to Limit	6,240,000	7,115,000	8,086,000	4,570,000	5,890,000	7,175,000	8,425,000	11,905,000	14,415,000	17,455,000
Legal Debt Margin	\$ 35,872,009	\$ 34,536,103	\$ 33,351,747	\$ 36,444,834	\$ 34,809,634	\$ 31,872,510	\$ 33,709,075	\$ 31,341,946	\$ 28,775,454	\$ 26,629,444
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	14.82%	17.08%	19.51%	11.14%	14.47%	17.68%	20.00%	27.53%	33.38%	39.59%

Legal Debt Margin Calculation for Fiscal Year 2021

Equalized Valuation Basis	
2021	\$ 1,425,787,199
2020	1,381,195,928
2019	1,404,217,815
	<u>\$ 4,211,200,942</u>
Average Equalized Valuation of Taxable Property	<u>\$ 1,403,733,647</u>
Debt Limit (3 % of Average Equalization Value) Net Bonded School Debt	\$ 42,112,009 <u>6,240,000</u>
Legal Debt Margin	<u>\$ 35,872,009</u>

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

## Demographic and Economic Information

Demographic and economic information is intended (1) to assist users in understanding the socioeconomic environment within the School District operates and (2) to provide information that facilitates comparisons of financial statement information over time and among school districts. Please refer to the following exhibits for a historical view of the demographic and economic statistics and factors prevalent in the location in which the School District operates.

*This page intentionally left blank.*



**LUMBERTON TOWNSHIP SCHOOL DISTRICT  
DEMOGRAPHIC AND ECONOMIC STATISTICS  
LAST TEN FISCAL YEARS**

<u>FISCAL YEAR</u>	<u>POPULATION</u>	BURLINGTON COUNTY <u>PER CAPITA INCOME</u>	<u>UNEMPLOYMENT RATE</u>
2022	12,779	N/A	N/A
2021	12,195	46,401	7.70%
2020	12,227	44,399	6.60%
2019	12,192	44,820	3.30%
2018	12,205	34,444	4.00%
2017	12,219	59,659	4.60%
2016	12,257	57,469	5.00%
2015	12,340	56,020	6.50%
2014	12,413	53,489	8.00%
2013	12,446	51,496	8.80%

Source: NJ Dept of Labor and Workforce Development

**PRINCIPAL EMPLOYERS  
CURRENT YEAR AND NINE YEARS AGO**

	<u>2022</u>	<u>2013</u>
	<u>EMPLOYEES</u>	<u>EMPLOYEES</u>
CVS Corporation	1,269	N/A
Lumberton Township School District	196	N/A
Total	<u>1,465</u>	<u>N/A</u>

Source: Burlington County Economic Development

**FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM  
INFORMATION CURRENTLY UNAVAILABLE**

*This page intentionally left blank.*

## Operating Information

Operating information is intended to provide contextual information about the School District's operations and resources to assist readers in using financial statement information to understand and assess the School District's economic condition. Please refer to the following exhibits for a historical view of the factors and statistics pertinent to the School District's operations.

*This page intentionally left blank.*

LUMBERTON TOWNSHIP SCHOOL DISTRICT  
OPERATING STATISTICS  
LAST TEN FISCAL YEARS

FISCAL YEAR	ENROLLMENT	OPERATING EXPENDITURES (a)	COST PER PUPIL	PERCENTAGE CHANGE	TEACHING STAFF (b)	PUPIL/TEACHER RATIO	AVERAGE DAILY ENROLLMENT (ADE)	AVERAGE DAILY ATTENDANCE (ADA) (c)	% CHANGE IN AVERAGE DAILY ENROLLMENT	STUDENT ATTENDANCE PERCENTAGE
2022	1,088	\$ 27,728,482	\$ 25,486	8.91%	117	9.30/1	1,089	1,049	-0.27%	96.33%
2021	1,105	25,858,374	23,401	9.27%	112	9.87/1	1,092	1,052	-7.06%	96.34%
2020	1,172	25,099,359	21,416	4.65%	120	10.33/1	1,175	1,125	-3.85%	95.74%
2019	1,239	25,355,721	20,465	0.44%	114	10.87/1	1,222	1,167	-2.40%	95.50%
2018	1,260	25,671,804	20,374	14.15%	124	10.10/1	1,252	1,197	-7.05%	95.61%
2017	1,355	24,524,154	17,849	13.77%	126	10.75/1	1,347	1,289	-6.83%	95.64%
2016	1,374	23,548,402	15,688	1.50%	122	11.26/1	1,377	1,317	-1.27%	95.94%
2015	1,501	23,077,525	15,457	6.18%	127	11.82/1	1,478	1,418	-2.22%	96.19%
2014	1,493	22,272,350	14,557	13.58%	132	11.31/1	1,497	1,440	-6.70%	96.08%
2013	1,530	21,031,912	12,817	2.65%	122	12.54/1	1,531	1,471	-1.44%	96.77%

Sources: District records

Note: Enrollment based on annual October district count.

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

**LUMBERTON TOWNSHIP SCHOOL DISTRICT  
SCHOOL BUILDING INFORMATION  
LAST TEN FISCAL YEARS**

DISTRICT BUILDINGS	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
<b>Elementary Schools:</b>										
Bobby's Run School:										
Square Feet	61,110	61,110	61,110	61,110	61,110	61,110	61,110	61,110	61,110	61,110
Capacity (Students)	415	415	415	415	415	415	415	415	415	415
Enrollment	331	327	365	268	290	314	333	336	337	329
Florence L. Walther School:										
Square Feet	54,945	54,945	54,945	54,945	54,945	54,945	54,945	54,945	54,945	54,945
Capacity (Students)	471	471	471	471	471	471	471	471	471	471
Enrollment	0	400	335	239	226	217	256	302	293	316
Ashbrook School:										
Square Feet	53,300	53,300	53,300	53,300	53,300	53,300	53,300	53,300	53,300	53,300
Capacity (Students)	402	402	402	402	402	402	402	402	402	402
Enrollment	320	0	0	217	237	271	271	297	326	324
<b>Middle School:</b>										
Lumberton Middle School:										
Square Feet	91,106	91,106	91,106	91,106	91,106	91,106	91,106	91,106	91,106	91,106
Capacity (Students)	634	634	634	634	634	634	634	634	634	634
Enrollment	437	378	476	505	507	532	514	566	537	561

Number of Schools at June 30, 2022:  
 Elementary = 2  
 Middle School = 1

Source: District Facilities Office

**LUMBERTON TOWNSHIP SCHOOL DISTRICT  
SCHEDULE OF REQUIRED MAINTENANCE  
LAST TEN FISCAL YEARS**

SCHOOL FACILITIES	PROJECT #	FISCAL YEAR ENDING JUNE 30,									
		2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Bobby's Run School	Required Maintenance	\$ 171,101	\$ 150,687	\$ 71,588	\$ 109,412	\$ 80,843	\$ 55,318	\$ 49,562	\$ 54,304	\$ 39,750	\$ 45,329
Lumberton Middle School	Required Maintenance	255,086	224,652	106,728	51,375	74,664	74,536	72,331	88,710	67,935	63,790
Florence L. Walther School	Required Maintenance	-	135,485	64,366	35,095	33,560	48,147	38,752	41,350	23,984	44,590
Ashbrook School	Required Maintenance	149,234	131,429	62,439	23,750	28,686	30,943	29,334	25,696	27,045	34,936
District-Wide Items	Required Maintenance	-	-	-	-	2,556	-	-	2,792	3,356	3,606
<b>Total</b>		<b>\$ 575,421</b>	<b>\$ 642,253</b>	<b>\$ 305,122</b>	<b>\$ 219,632</b>	<b>\$ 220,309</b>	<b>\$ 189,979</b>	<b>\$ 212,852</b>	<b>\$ 162,070</b>	<b>\$ 192,251</b>	<b>\$ 199,600</b>

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

Source: District records

**LUMBERTON TOWNSHIP SCHOOL DISTRICT  
INSURANCE SCHEDULE  
JUNE 30, 2022**

	COVERAGE	DEDUCTIBLE
<b>Burlington County Insurance Pool, Joint Insurance Fund (BCIPJIF):</b>		
Property / Inland Marine /		
Automobile Physical Damages (per occurrence)	\$ 250,000	\$ 500
General Liability / Auto Liability	250,000	
Educators Legal Liability	250,000	
Workers Compensation	250,000	
Crime	250,000	500
<b>School Pool For Excess Liability Limits (SPELL)</b>		
Property / Inland Marine /		
Automobile Physical Damages (per occurrence)	175,000,000	
Crime	250,000	
Workers Compensation	Statutory	
Employers Liability	8,000,000	
General Liability / Auto Liability	19,750,000	
Educators' Legal Liability	19,750,000	
Boiler and Machinery	125,000,000	1,000
Pollution Liability	3,000,000	25,000
Cyber Liability	3,000	25,000
Violent Malicious Acts	1,000,000	10,000
Crisis Protection & Disaster Management	1,000,000	10,000
<b>Selective Insurance Company of America</b>		
Surety - Board Secretary	300,000	

Source: District Records



**SINGLE AUDIT SECTION**

*This page intentionally left blank.*

**INDEPENDENT AUDITOR’S 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**

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Lumberton Township School District (the “School District”) as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the School District’s basic financial statements, and have issued our report thereon dated April 10, 2023.

**Internal Control Over Financial Reporting**

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

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity’s financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiency described in the accompanying schedule of findings and questioned costs as item 2022-001 to be a material weakness.

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

As part of obtaining reasonable assurance about whether the School District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed two instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*, and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey.

## **Lumberton Township School District's Response to Findings**

Government Auditing Standards requires the auditor to perform limited procedures on the Lumberton Township School District's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The Lumberton Township School District's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

## **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 School District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, and federal and state awarding agencies and pass-through entities, in considering the School District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully Submitted,

**HOLT MCNALLY & ASSOCIATES, INC.**  
*Certified Public Accountants & Advisors*

David McNally  
Certified Public Accountant  
Public School Accountant, No. 2616

Medford, New Jersey  
April 10, 2023



**HOLT MCNALLY & ASSOCIATES**

Certified Public Accountants & Advisors

EXHIBIT K-2

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

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

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

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

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

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

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

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

We are required to be independent of the School District and to meet our 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 state program. Our audit does not provide a legal determination of the School District’s compliance with the compliance requirements referred to above.

618 Stokes Road, Medford, NJ 08055

**P:** 609.953.0612 • **F:** 609.257.0008

[www.hmacpainc.com](http://www.hmacpainc.com)

## **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 School District's federal and state programs.

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

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the School District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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; New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*; and audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey. 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, individual or in the aggregate, it would influence the judgement made by a reasonable user of the report on compliance about the School District's compliance with the requirements of each major federal and state program as a whole.

In performing an audit in accordance with generally accepted accounting standards, *Government Auditing Standards*, and New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, 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 School District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of School District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, but not for the purpose of expressing an opinion on the effectiveness of School District's internal control over compliance. Accordingly, no such opinion is expressed.

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

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

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

### **Purpose of this Report**

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 and New Jersey OMB's Circular 15-08. Accordingly, this report is not suitable for any other purpose.

Respectfully Submitted,

**HOLT MCNALLY & ASSOCIATES, INC**  
*Certified Public Accountants & Advisors*

David McNally  
Certified Public Accountant  
Public School Accountant, No. 2616

Medford, New Jersey  
April 10, 2023

*This page intentionally left blank.*





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

STATE GRANTOR/PROGRAM TITLE OR CLUSTER	GRANT OR PROJECT NUMBER	AWARD AMOUNT	GRANT PERIOD	BALANCE JUNE 30, 2021	CARRYOVER (WALKOVER) AMOUNT	CASH RECEIVED	BUDGETARY EXPENDITURES	PASSED THROUGH TO SUBRECIPIENTS	ADJUSTMENT	MEMO		
										BALANCE JUNE 30, 2022	CUMULATIVE TOTAL EXPENDITURES	
<b>New Jersey Department of Education:</b>												
General Fund:												
State Aid Public:												
Equalization Aid	495-034-5120-078	\$ 4,880,871	7/1/21-6/30/22	\$ -	\$ -	\$ 4,880,871	\$ (4,880,871)	\$ -	\$ -	\$ -	\$ 4,880,871	\$ 4,880,871
Security Aid	495-034-5120-084	176,844	7/1/21-6/30/22	-	-	176,844	(176,844)	-	-	-	176,844	176,844
Special Education Categorical Aid	495-034-5120-089	906,745	7/1/21-6/30/22	-	-	906,745	(906,745)	-	-	-	906,745	906,745
Total State Aid Public						5,964,460	(5,964,460)				5,964,460	5,964,460
Transportation Aid	495-034-5120-014	73,845	7/1/21-6/30/22	-	-	73,845	(73,845)	-	-	-	73,845	73,845
Additional Nonpublic School Transportation Aid	495-034-5120-014	30,430	7/1/21-6/30/22	-	-	30,430	(30,430)	-	-	-	30,430	30,430
Additional Nonpublic School Transportation Aid	495-034-5120-014	29,282	7/1/20-6/30/21	(29,282)	-	29,282	-	-	-	-	-	-
Extraordinary Aid	495-034-5120-044	211,014	7/1/21-6/30/22	-	-	211,014	(211,014)	-	-	-	211,014	211,014
Extraordinary Aid	495-034-5120-044	246,958	7/1/20-6/30/21	(246,958)	-	246,958	-	-	-	-	-	-
Reimbursed TPAF Social Security Contributions	100-034-5094-003	720,011	7/1/21-6/30/22	-	-	685,774	(720,011)	-	-	-	720,011	720,011
Maintenance of Equity Aid (MOEQ)	495-034-5094-003	301,892	7/1/21-6/30/22	-	-	301,892	(301,892)	-	-	-	301,892	301,892
Securing Our Children's Future Bon Act	N/A	-	7/1/21-6/30/22	-	-	61,753	(61,753)	-	-	-	61,753	61,753
TPAF - Post Retirement												
Medical (Noncash Assistance)	495-034-5094-001	829,079	7/1/21-6/30/22	-	-	829,079	(829,079)	-	-	-	829,079	829,079
TPAF - Pension												
Contributions (Noncash Assistance)	495-034-5094-002	3,548,524	7/1/21-6/30/22	-	-	3,548,524	(3,548,524)	-	-	-	3,548,524	3,548,524
TPAF - Long-Term Disability												
Insurance (Noncash Assistance)	495-034-5094-004	462	7/1/21-6/30/22	-	-	462	(462)	-	-	-	462	462
Total General Fund				(276,240)	-	11,440,137	(11,741,470)	-	-	(577,573)	11,741,470	11,741,470
Special Revenue Fund:												
Preschool Education Aid	495-034-5120-086	1,197,742	7/1/21-6/30/22	136,750	-	1,197,742	(864,560)	-	5,346	-	475,278	864,560
Total Special Revenue Fund				136,750	-	1,197,742	(864,560)	-	5,346	-	475,278	864,560
Debt Service Fund:												
Debt Service Aid Type II	495-034-5120-075	363,735	7/1/21-6/30/22	-	-	363,735	(363,735)	-	-	-	363,735	363,735
Total Debt Service Fund				-	-	363,735	(363,735)	-	-	-	363,735	363,735
<b>New Jersey Department of Agriculture:</b>												
Enterprise Fund:												
National School Lunch Program	100-010-3350-023	14,194	7/1/21-6/30/22	-	-	13,441	(14,194)	-	-	(753)	-	14,194
National School Lunch Program	100-010-3350-023	14,598	7/1/20-6/30/21	(1,557)	-	1,557	-	-	-	-	-	-
Total Enterprise Fund				(1,557)	-	14,998	(14,194)	-	-	(753)	-	14,194
<b>Total State Financial Assistance</b>				\$ (141,047)	\$ -	\$ 13,016,612	\$ (12,983,959)	\$ -	\$ 5,346	\$ (578,526)	\$ 475,278	\$ 12,983,959
State Financial Assistance Programs not subject to Calculation for Major Program Determination:												
TPAF - Post Retirement												
Medical (Noncash Assistance)	495-034-5094-001	\$ 829,079	7/1/21-6/30/22								\$ 829,079	
TPAF - Pension												
Contributions (Noncash Assistance)	495-034-5094-002	3,548,524	7/1/21-6/30/22								3,548,524	
TPAF - Long-Term Disability												
Insurance (Noncash Assistance)	495-034-5094-004	462	7/1/21-6/30/22								462	
<b>Total State Financial Assistance subject to Calculation for Major Program Determination</b>											\$ (8,605,894)	

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

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

**Note 1. Basis of Presentation**

The accompanying schedules of expenditures of federal awards and state financial assistance present the activity of all federal awards and state financial assistance programs of the Lumberton Township School District. The School District is defined in Note 1 of the basic financial statements. The information in these schedules is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. All federal and state awards received directly from federal and state agencies, as well as federal awards and state financial assistance passed through other government agencies is included on the schedule of expenditures of federal awards and state financial assistance.

**Note 2. Summary of Significant Accounting Policies**

The accompanying schedules of expenditures of federal awards and state financial assistance are presented using the budgetary basis of accounting with the following exception: programs recorded in the enterprise fund are presented using the accrual basis of accounting and programs recorded in the capital projects fund are presented using the modified accrual basis of accounting. These bases of accounting are described in Note 1 to the School District's basic financial statements. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

The School District did not elect the 10-percent de minimis indirect cost rate as discussed in 2 CFR 200.414.

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

**Note 3. Relationship to Basic Financial Statements**

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

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

**Note 3. Relationship to Basic Financial Statements (continued)**

The general fund is presented in the accompanying schedules on the modified accrual basis with the exception of the revenue recognition of the one or more deferred June state aid payments in the current budget year, which is mandated pursuant to *N.J.S.A.* 18A:22-44.2. For GAAP purposes payments are not recognized until the subsequent budget year due to the state deferral and recording of the one or more June state aid payments in the subsequent year. The special revenue fund is presented in the accompanying schedules on the grant accounting budgetary basis, which recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not. The special revenue fund also recognizes the one or more state aid June payments in the current budget year, consistent with *N.J.S.A.* 18A:22-4.2.

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$115,757 for the general fund and \$(182,460) for the special revenue fund. See Exhibit C-3 Note A of the basic financial statements, for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance expenditures reported in the School District's basic financial statements on a GAAP basis are presented as follows:

<u>Fund</u>	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ 25,309	\$ 11,857,227	\$ 11,882,536
Special Revenue Fund	975,215	793,976	1,769,191
Debt Service Fund	-	363,735	363,735
Food Service Fund	834,256	14,194	848,450
	<hr/>	<hr/>	<hr/>
Total Awards & Financial Assistance	<u>\$ 1,834,780</u>	<u>\$ 13,029,132</u>	<u>\$ 14,863,912</u>

**Note 4. Relationship to Federal and State Financial Reports**

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

**Note 5. Federal and State Loans Outstanding**

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

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

Section I - Summary of Auditor's Results

**Financial Statements**

Type of auditor's report issued Unmodified

Internal control over financial reporting:

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

2) Significant deficiency(ies) identified?      yes X none reported

Noncompliance material to financial statements noted? X yes      no

**Federal Awards**

Internal control over major programs:

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

2) Significant deficiency(ies) identified?      yes X none reported

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

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200 section .516(a) of Uniform Guidance?      yes X no

Identification of major programs:

<b><u>ALN Number(s)</u></b>	<b><u>FAIN Number(s)</u></b>	<b><u>Name of Federal Program or Cluster</u></b>
<u>10.553</u>	<u>221NJ304N1099</u>	<u>School Breakfast Program</u>
<u>10.555</u>	<u>221NJ304N1099</u>	<u>National School Lunch Program</u>
<u>84.425D</u>	<u>S425D210027</u>	<u>Education Stablization Funds</u>

Dollar threshold used to determine Type A programs \$750,000.00

Auditee qualified as low-risk auditee?      yes X no

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

Section I - Summary of Auditor's Results (continued)

**State Financial Assistance**

Dollar threshold used to determine Type A programs \$750,000.00

Auditee qualified as low-risk auditee? \_\_\_\_\_ yes     X  no

Internal control over major programs:

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

    2) Significant deficiency(ies) identified? \_\_\_\_\_ yes     X  no

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

Any audit findings disclosed that are required to be reported  
in accordance with New Jersey OMB's Circular 15-08? \_\_\_\_\_ yes     X  no

Identification of major programs:

**State Grant/Project Number(s)**

**Name of State Program**

	State Aid - Public:
495-034-5120-078	Equalization Aid
495-034-5120-084	Categorical Security Aid
495-034-5120-089	Categorical Special Education Aid
495-034-5120-086	Preschool Education Aid

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

**Section II – Financial Statement Findings**

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

**Finding No. 2022-001:**

Criteria of Specific Requirement:

The maintenance of a general ledger accounting record is required by the State Department of Education. This record summarizes all account balances of the District. It should be reconciled monthly to subsidiary records.

Condition:

The District did not maintain an accurate general ledger that was reconciled monthly to other subsidiary records.

Context:

The general ledger was not reconciled to other District records and as a result material audit adjustments were required.

Cause:

Unknown.

Effect or Potential Effect:

By not maintaining an accurate general ledger, the District risks material misstatements within their records.

Recommendation:

That the District properly maintain a general ledger and reconcile the ledger monthly with other subsidiary records.

Management Response:

The responsible officials agree with the finding and will address the matter as part of their corrective action.

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

**Section III – Federal Awards & State Financial Assistance Findings & Questioned Costs**

This section identifies the significant deficiencies, material weaknesses and instances of noncompliance, including questioned costs, related to the audit of major federal and state programs, as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and New Jersey OMB's Circular 15-08.

**FEDERAL AWARDS**

None.

**STATE FINANCIAL ASSISTANCE**

None.



**LUMBERTON TOWNSHIP SCHOOL DISTRICT  
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS  
AND QUESTIONED COSTS AS PREPARED BY MANAGEMENT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

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

Financial Statement Findings

Finding 2021-001

Condition: The District did not maintain an accurate general ledger that was reconciled monthly to other subsidiary records.

Current Status: The condition has not been corrected, see Finding 2022-001.

Finding 2021-002

Condition: The District cash reconciliations for the food service and EDC account were not prepared accurately and the June 2021 reconciliations for all bank accounts were not prepared timely in accordance with N.J.S.A.18A:17-9.

Current Status: The condition has been corrected.

Federal Awards

No Prior Year Findings.

State Financial Assistance

No Prior Year Findings.