

**SCHOOL DISTRICT
OF THE
TOWNSHIP OF RANDOLPH**

**Township of Randolph School District
Randolph, New Jersey**

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

**Annual Comprehensive
Financial Report**

of the

Township of Randolph School District

Randolph, New Jersey

For the Fiscal Year Ended June 30, 2022

Prepared by

**Township of Randolph School District
Board of Education**

RANDOLPH TOWNSHIP SCHOOL DISTRICT
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**INTRODUCTORY SECTION
(UNAUDITED)**

RANDOLPH TOWNSHIP SCHOOLS

25 School House Road, Randolph, NJ 07869

(973) 361-0808

Fax (973) 361-2405

Ms. Jennifer Fano
Superintendent of Schools

Mr. Stephen Frost
Business Administrator
Board Secretary

November 16, 2022

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

Dear Board Members:

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

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

1) REPORTING ENTITY AND ITS SERVICES: The Township of Randolph School District is an independent reporting entity within the criteria adopted by the Governmental Accounting Standards Board ("GASB") in codification section 2100. All funds of the District are included in this report. The Township of Randolph School District and its schools constitute the District's reporting entity.

The District provides a full range of educational services appropriate to grade levels K through 12 for the students residing in Randolph Township. These include regular, vocational as well as special education for handicapped youngsters.

2) ECONOMIC CONDITION AND OUTLOOK: The Randolph Township School District is in the middle of significant State aid reductions that will continue through the 2024-25 Fiscal Year. The Township of Randolph ratable base continues on a flat to slight incline. The District's enrollment continues to be on a downward trend. The Board has three bargaining units with settled contracts for the 2021-22 School year. The District's largest bargaining unit, The Randolph Education Association's (REA) and its Administrator unit, The Randolph Township Administrators Association (RTAA) contracts expired at the end of the 2021-22 School Year, and the district negotiated successor agreements through the 2024-2025 and 2025-2026 school years, respectively.

3) MAJOR INITIATIVES: During the 2021-2022 school year, the Randolph Township School District continued with the comprehensive review and revision of district curricula, according to parameters set forth in the district's five-year curriculum review cycle, approved each year by the Board of Education. Along with each new or newly revised curriculum, access to digital content and training of teachers to implement new curricular elements is provided.

The pandemic hampered the ability of the District to offer professional development as it traditionally does. However, professional development opportunities were provided when available for staff to support curriculum and instruction. Teachers were provided with opportunities to attend workshops virtually. The District administration was provided with PD in the evaluation process, to mirror training provided to instructional staff. The District also contracts with providers of PD and educational support material across the curriculum, with an emphasis on multiple facets of hybrid and all-virtual instruction including social-emotional wellness, technology-infusion, and implementation of instructional strategies that yield student growth.

The District continues to use a model of PD that emphasizes a "push-in" approach whenever possible, whereby PD providers deliver their assistance to teachers in our own classrooms with our own students, rather than a more traditional "pull-out" approach that requires teachers to leave their classrooms. Staffing issues, particularly finding substitute teachers, made it difficult to pull staff for PD. We employ seven instructional coaches throughout the district who model this structure in their ongoing coaching cycles and professional learning offerings with teachers.

The District added several new components to the program of educational technology available to students, staff and administrators including access to digital content that will continue to replace more traditional printed material. The District continues to deepen its commitment to a learning management system that has enabled online coursework to be delivered to students. The District has made a commitment to provide open access to the Microsoft Office 365 suite for all members of the school community. Targeted training has been offered during the summer and throughout the year to allow for purposeful tech infusion and increased collaboration. Students across the District have increased the degree to which they access content digitally rather than in printed form and training of staff to enable this shift is ongoing and comprehensive. The District implemented a 1:1 device initiative for most students in the school district. This initiative has increased the ability of students to learn and connect.

The District continues to offer a comprehensive array of award-winning music and art programs at all levels and an expansive offering of over 30 Advanced Placement programs at the high school including the prestigious AP Capstone diploma program. The athletic program is exceptional, and the co-curricular clubs offer numerous and diverse opportunities to our student body, as the District works to maintain the quality of a public education program second to none in the State of New Jersey.

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

As a recipient of federal awards and state awards, the District also is responsible for ensuring that an adequate internal control system is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control system is also subject to periodic evaluation by the District's management.

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

5) BUDGETARY CONTROLS: In addition to internal accounting controls, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by a vote of the Board of Education. Annual appropriated budgets are adopted for the general fund and the special revenue fund and the debt service fund. Project length budgets are approved for the capital improvements accounted for in the capital projects fund. The final budget amount as amended for the fiscal year is reflected in the financial section. An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either canceled or are included as re-appropriations of fund balance in the subsequent year. Those amounts to be re-appropriated are reported as fund balance restrictions, commitments and/or assignments at June 30, 2022.

6) ACCOUNTING SYSTEM AND REPORTS: The District's accounting records reflect generally accepted accounting principles, as promulgated by the GASB. The accounting system of the District is organized on the basis of funds. These funds are explained in "Notes to the Basic Financial Statements", Note 1.

7) CASH MANAGEMENT: The investment policy of the District is guided in large part by state statute as detailed in "Notes to the Financial Statements", Note 3. The District has adopted a cash management plan which requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution in New Jersey. The law requires governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act.

8) RISK MANAGEMENT: The Board carries various forms of insurance, including, but not limited to, general liability, excess liability, automobile liability and comprehensive/collision, hazard and theft insurance on property and contents, and fidelity bonds. A schedule of insurance coverage is found on J-20.

The Honorable President and Members
of the Board of Education
Township of Randolph School District
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November 16, 2022

9) OTHER INFORMATION:

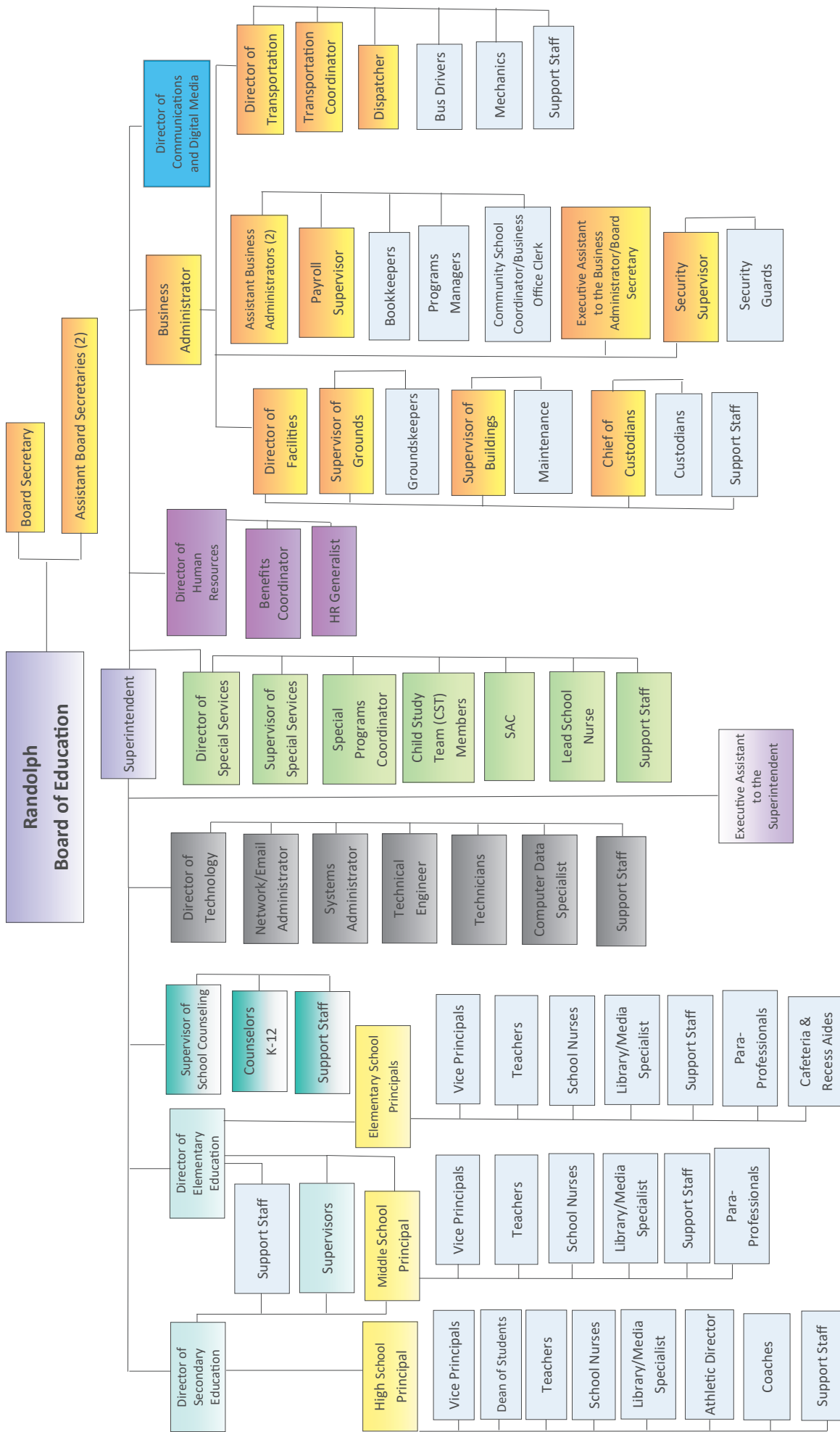
Independent Audit - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Nisivoccia LLP, CPAs, was selected by the Board of Education. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and New Jersey's OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. The auditors' report on the basic financial statements and specific required supplementary information is included in the financial section of this report. The auditors' reports related specifically to the single audit and *Governmental Auditing Standards* are included in the single audit section of this report.

10) ACKNOWLEDGMENTS: We would like to express our appreciation to the members of the Randolph Township Board of Education for their concern in providing fiscal accountability to the citizens and taxpayers of the school district and thereby contributing their full support to the development and maintenance of our financial operation. The preparation of this report could not have been accomplished without the efficient and dedicated services of the financial and accounting staff.

Respectfully submitted,

Jennifer Fano
Jennifer Fano
Superintendent

Stephen Frost
Stephen Frost
Business Administrator



TOWNSHIP OF RANDOLPH SCHOOL DISTRICT

**Roster of Officials
June 30, 2022**

<u>Members of the Board of Education</u>	<u>Term Expires</u>
Ron Conti, President	2023
Allison Manfred, Co-Vice President	2024
Christine Petrat, Co-Vice President	2023
Susan DeVito	2022
Tom Duffy	2024
Michael Giordano	2024
Tammy MacKay	2022
Dorene Roche	2023
Jeanne Stifelman	2022

OTHER OFFICIALS

TITLE

Jennifer A. Fano

Superintendent of Schools

Stephen Frost

School Business Administrator/Board Secretary

TOWNSHIP OF RANDOLPH SCHOOL DISTRICT
Consultants and Advisors

Architect

Parette Somjen Architecture
439 US Highway 46, Suite 4
Rockaway, New Jersey 07866

Attorney

Schenck, Price, Smith & King LLP
220 Park Avenue
Florham Park, New Jersey 07932

Audit Firm

Nisivoccia LLP, CPAs
Mount Arlington Corporate Center
200 Valley Road, Suite 300
Mount Arlington, New Jersey 07856
and
Lawrence Business Park
11 Lawrence Road
Newton, New Jersey 07860
and
1140 Route 22 East, Suite 203
Bridgewater, New Jersey 08807

Official Depository

Investors Bank
101 Wood Avenue South
Iselin, NJ 08830

FINANCIAL SECTION

Independent Auditors' Report

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

Report on the Audit of the Financial Statements

Qualified Opinion

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

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

Basis for Qualified Opinion

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

Matter Giving Rise to Qualified Opinion

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

Emphasis of Matter

As discussed in Note 19 to the financial statements, the District implemented GASB Statement No. 87, *Leases*, during the fiscal year ended June 30, 2022. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

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

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

Supplementary Information

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

Other Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 16, 2022 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering District’s internal control over financial reporting and compliance.

November 16, 2022
Mount Arlington, New Jersey

NISIVOCCIA LLP

Francis Jones of Nisivoccia LLP
Francis Jones
Licensed Public School Accountant #1154
Certified Public Accountant

**REQUIRED SUPPLEMENTARY INFORMATION
MANAGEMENT'S DISCUSSION AND ANALYSIS**

Management's Discussion and Analysis

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

Overview of the Financial Statements

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

- The first two statements are *district-wide financial statements* that provide both *short-term* and *long-term* information about the District's *overall* financial status.
- The remaining statements are *fund financial statements* that focus on *individual parts* of the District, reporting the District's operations in *more* detail than the district-wide statements.
- The *governmental funds statements* tell how basic services such as regular and special education were financed in the short-term as well as what remains for future spending.
- *Proprietary funds* statements offer *short-* and *long-term* financial information about the activities the District operates like a business, such as food services and the community school.
- *Notes to Financial Statements* provide additional information essential to a full understanding of the district-wide and fund financial statements. The statements are followed by a section of required supplementary information that further explains and supports the financial statements with a comparison of the District's budget for the year. Figure A-1 shows how the various parts of this annual report are arranged and related to one another.

Figure A-1
Organization of Financial Report

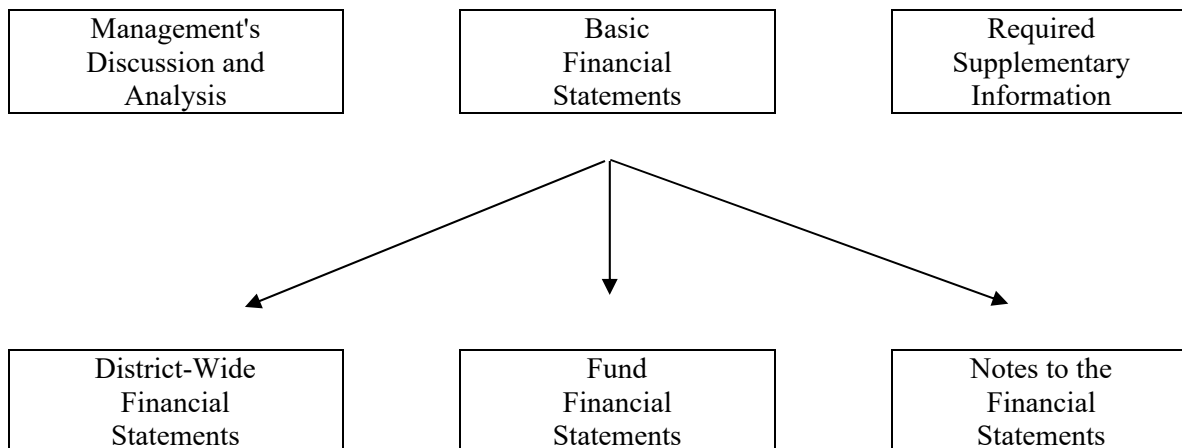


Figure A-2 summarizes the major features of the District's financial statements, including the portion of the District's activities they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis highlights that structure and contents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

Figure A-2

Major Features of the District-Wide and Fund Financial Statements

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

District-wide Statements

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

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

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

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

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

Fund Financial Statements

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

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

The District has two kinds of funds:

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

Notes to the financial statements: The notes provide information that is essential to a full understanding of the data provided in the District-wide and fund financial statements.

Financial Analysis of the District as a Whole

Net Position. The District's combined net position totaled \$38,296,821, 28.95% more than the prior year. Net position from governmental activities increased \$8,764,976 and the net position from business-type activities decreased \$167,391.

Figure A-3
Condensed Statement of Net Position

	Government Activities		Business-Type Activities		Total School District		Total Percentage Change 2021/22
	2021/22	2020/21*	2021/22	2020/21	2021/22	2020/21*	
Current and							
Other Assets	\$ 24,526,888	\$ 26,833,731	\$ 1,570,039	\$ 1,045,158	\$ 26,096,927	\$ 27,878,889	
Capital Assets, Net	80,626,873	75,908,308	517,651	607,593	81,144,524	76,515,901	
Lease Assets, Net	1,165,018	631,167			1,165,018	631,167	
Total Assets	<u>106,318,779</u>	<u>103,373,206</u>	<u>2,087,690</u>	<u>1,652,751</u>	<u>108,406,469</u>	<u>105,025,957</u>	3.22%
Deferred Outflows of Resources	<u>3,470,699</u>	<u>5,225,876</u>	<u>104,261</u>	<u>41,254</u>	<u>3,574,960</u>	<u>5,267,130</u>	-32.13%
Other Liabilities	3,047,040	2,328,624	124,310	109,234	3,171,350	2,437,858	
Long-Term Liabilities							
Outstanding	<u>58,502,924</u>	<u>67,273,806</u>	<u>583,778</u>	<u>217,889</u>	<u>59,086,702</u>	<u>67,491,695</u>	
Total Liabilities	<u>61,549,964</u>	<u>69,602,430</u>	<u>708,088</u>	<u>327,123</u>	<u>62,258,052</u>	<u>69,929,553</u>	-10.97%
Deferred Inflows of Resources	<u>11,048,337</u>	<u>10,570,451</u>	<u>378,219</u>	<u>93,847</u>	<u>11,426,556</u>	<u>10,664,298</u>	7.15%
Net Position:							
Net Investment in							
Capital Assets	42,677,809	39,716,230	517,651	607,593	43,195,460	40,323,823	
Restricted	10,400,662	14,513,379			10,400,662	14,513,379	
Unrestricted/(Deficit)	<u>(15,887,294)</u>	<u>(25,803,408)</u>	<u>587,993</u>	<u>665,442</u>	<u>(15,299,301)</u>	<u>(25,137,966)</u>	
Total Net Position	<u>\$ 37,191,177</u>	<u>\$ 28,426,201</u>	<u>\$ 1,105,644</u>	<u>\$ 1,273,035</u>	<u>\$ 38,296,821</u>	<u>\$ 29,699,236</u>	28.95%

* Restated

Changes in Net Position

The Changes in Net Position shows the cost of program services and the revenues of the District on a comparative schedule (Figure A-4).

Figure A-4
Changes in Net Position from Operating Results

	Governmental Activities 2021/22	Business-Type Activities 2021/22	Total School District 2021/22	Governmental Activities 2020/21	Business-Type Activities 2020/21	Total School District 2020/21	Percentage Change 2021/22
Revenue:							
Program Revenue:							
Charges for Services	\$ 1,637,000	\$ 1,412,667	\$ 3,049,667	\$ 959,147	\$ 197,442	\$ 1,156,589	
Operating Grants and Contributions	27,451,137	1,929,564	29,380,701	29,529,671	1,376,301	30,905,972	
General Revenue:							
Property Taxes	82,052,983		82,052,983	80,621,122		80,621,122	
Unrestricted State and Federal Aid	4,733,976		4,733,976	6,500,139		6,500,139	
Other	372,422	5,021	377,443	102,780	4,393	107,173	
Total Revenue	<u>116,247,518</u>	<u>3,347,252</u>	<u>119,594,770</u>	<u>117,712,859</u>	<u>1,578,136</u>	<u>119,290,995</u>	0.25%
Expenses:							
Instruction	59,961,900		59,961,900	63,981,466		63,981,466	
Pupil and Instruction Services	17,609,053		17,609,053	18,213,471		18,213,471	
Administrative and Business	11,947,535		11,947,535	12,553,156		12,553,156	
Maintenance and Operations	11,290,821		11,290,821	10,978,153		10,978,153	
Pupil Transportation	5,641,834		5,641,834	5,842,737		5,842,737	
Other	1,031,399	3,514,643	4,546,042	1,249,286	1,107,202	2,356,488	
Total Expenses	<u>107,482,542</u>	<u>3,514,643</u>	<u>110,997,185</u>	<u>112,818,269</u>	<u>1,107,202</u>	<u>113,925,471</u>	-2.57%
Increase (Decrease) in Net Position	<u>\$ 8,764,976</u>	<u>\$ (167,391)</u>	<u>\$ 8,597,585</u>	<u>\$ 4,894,590</u>	<u>\$ 470,934</u>	<u>\$ 5,365,524</u>	60.24%

Governmental Activities

As illustrated elsewhere in this document, the overall financial position of the District continues to improve. Through continued adherence to “best practices” (such as controlling costs and maximizing revenues) and judicious deployment of resources, the District has been able to maintain, expand or improve existing programs while prudently adding new ones. However, despite the overall financial environment seeing some improvement of late, the future is still quite uncertain as to school funding and its potential impact on school district operations.

With that being the case, the District needs to continue to carefully and thoroughly evaluate all aspects of its ongoing programs and operations for efficiencies and to insure that any proposed new activities or program expansions are financially viable on a long-term basis prior to implementation. This effort will allow the District to continue to enhance the overall educational environment of its students while dealing with any financial adversities which arise.

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

Figure A-5
Net Cost of Governmental Activities

	<u>Total Cost of Services</u> <u>2021/22</u>	<u>Total Cost of Services</u> <u>2020/21</u>	<u>Net Cost of Services</u> <u>2021/22</u>	<u>Net Cost of Services</u> <u>2020/21</u>
Sources of Income:				
Instruction	\$ 59,961,900	\$ 63,981,466	\$40,044,210	\$43,348,363
Pupil and Instruction Services	17,609,053	18,213,471	13,968,644	14,505,934
Administrative and Business	11,947,535	12,553,156	10,163,389	10,468,572
Maintenance and Operations	11,290,821	10,978,153	9,911,072	9,423,459
Transportation	5,641,834	5,842,737	3,612,233	3,678,809
Other	1,031,399	1,249,286	694,857	904,314
	<u>\$107,482,542</u>	<u>\$112,818,269</u>	<u>\$78,394,405</u>	<u>\$82,329,451</u>

Business-Type Activities

Net position from the District's business-type activity decreased \$167,391 mainly as a result of an increase in the net pension liability in the community school program offset by the increase in government subsidies in the food service program. (Refer to Figure A-4).

Financial Analysis of the District's Funds

As mentioned previously, the District's financial position improved in the General Fund during the year. For the most part, the financial improvements were due to cost reductions, evaluation of programs and services.

General Fund Budgetary Highlights

During the course of each school year, the District revises its annual operating budget as needed within permitted guidelines. During the year, budget amendments were made to budgetary line items for changes in school-based needs for programs, supplies and equipment.

Capital Asset and Long-term Liabilities Administration

Figure A-6
Capital Assets (Net of Depreciation)

	Government Activities		Business-Type Activities		Total School District		Total Percentage Change
	2021/22	2020/21	2021/22	2020/21	2021/22	2020/21	
Land	\$ 3,465,955	\$ 3,465,955			\$ 3,465,955	\$ 3,465,955	
Construction in Progress	21,355,349	14,248,253			21,355,349	14,248,253	
Buildings and Building Improvements	50,957,959	53,696,892			50,957,959	53,696,892	
Furniture, Machinery and Equipment	4,847,610	4,497,208	\$ 517,651	\$ 607,593	5,365,261	5,104,801	
Total	<u>\$ 80,626,873</u>	<u>\$ 75,908,308</u>	<u>\$ 517,651</u>	<u>\$ 607,593</u>	<u>\$ 81,144,524</u>	<u>\$ 76,515,901</u>	6.05%

Long-term Liabilities

At year-end, the District had \$32,910,000 in general obligation bonds outstanding – a decrease of \$2,900,000 from last year – as shown in Figure A-7. Net Pension Liability decreased by \$6,327,678, financed purchases increased by \$394,050, leases increased by \$548,544 and other long-term liabilities increased by \$86,418 - as shown in Figure A-7. (More detailed information about the District's long-term liabilities is presented in Note 7 to the financial statements.)

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

	Total School District		Total Percentage Change
	2021/22	2020/21 *	
General Obligation Bonds (Financed with Property Taxes)	\$ 32,910,000	\$ 35,810,000	
Unamortized Bond Issuance Premium	206,326	412,653	
Net Pension Liability	17,636,786	23,964,464	
Other Long-Term Liabilities	8,333,590	7,304,578	
	<u>\$ 59,086,702</u>	<u>\$ 67,491,695</u>	-12.45%

* Restated

Factors Bearing on the District’s Future Revenue/Expense Changes

The most likely factors that will have a direct effect on future school district budgeting of both revenue and expenses will continue to be legislation and the overall economy. Two examples of recent legislation that will have a negative impact on the district are:

- 1.) S2 which changes the implementation of the funding formula used to distribute State Aid. These changes in the formula have resulted in the District's State Aid being reduced by \$6.3 Million through Fiscal Year 2025.
- 2.) Chapter 44 which requires that new employees go into a health insurance plan that was created by the law. In Randolph’s case, this plan brings premiums that are higher than all the current plans the district offers and reduces the employee contributions. Employees enrolled in the new plan will pay a percentage of their salary rather than the Chapter 78 percentage of premium that has been in place since 2011. This will result in higher premium costs to the district and lower employee contributions to their insurance coverage.

As to the economy, the recent financial uncertainty related to COVID-19 has raised long-term concerns which effect how every household and organization looks at their finances.

Other factors which will affect the District’s finances going forward include the uncertainty of future increases to costs which the District does not have strict control over (such as health benefits, general insurance and utilities) as well as the degree to which overall costs exceed the allowable annual increase to the district’s total budget (now set at 2.0% annually by law). In an ongoing effort to minimize the effect of these factors, the District continues to be focused on ways to improve its revenue stream and control costs, as well as pursuing strategies where possible that can help mitigate some of the uncertainties that will certainly continue to exist.

The District is also dealing with numerous facilities projects in need of completion over the next few years. With more limited funding, it will be a challenge to maintain district facilities to the same standard without increasing taxes.

Contacting the District's Financial Management

This financial report is designed to provide the District's citizens, taxpayers, customers and investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Board of Education Office, 25 School House Road, Randolph, New Jersey 07869.

BASIC FINANCIAL STATEMENTS

DISTRICT-WIDE FINANCIAL STATEMENTS

RANDOLPH TOWNSHIP SCHOOL DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2022

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and Cash Equivalents	\$ 10,578,787	\$ 1,465,378	\$ 12,044,165
Internal Balances	35,563	(35,563)	
Receivables from Other Governments	3,511,577	117,681	3,629,258
Other Accounts Receivable	300	427	727
Inventory		22,116	22,116
Restricted Assets - Cash and Cash Equivalents	10,400,661		10,400,661
Capital Assets:			
Land and Construction in Progress	24,821,304		24,821,304
Depreciable Buildings and Building Improvements and Furniture, Machinery and Equipment	55,805,569	517,651	56,323,220
Lease Assets, Net	1,165,018		1,165,018
Total Assets	<u>106,318,779</u>	<u>2,087,690</u>	<u>108,406,469</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Amount on Refunding	425,064		425,064
District Contribution Subsequent to the Measurement Date - Pensions	1,790,503	61,294	1,851,797
Deferred Outflows of Resources Related to Pensions	1,255,132	42,967	1,298,099
Total Deferred Outflows of Resources	<u>3,470,699</u>	<u>104,261</u>	<u>3,574,960</u>
LIABILITIES			
Accrued Interest Payable	330,656		330,656
Accounts Payable	2,519,316	81,427	2,600,743
Payable to Federal and State Governments	6,417		6,417
Unearned Revenue	190,651	42,883	233,534
Noncurrent Liabilities:			
Due Within One Year	5,246,437		5,246,437
Due Beyond One Year	53,256,487	583,778	53,840,265
Total Liabilities	<u>61,549,964</u>	<u>708,088</u>	<u>62,258,052</u>
DEFERRED INFLOWS OF RESOURCES:			
Deferred Inflows of Resources Related to Pensions	11,048,337	378,219	11,426,556
Total Deferred Inflows of Resources	<u>11,048,337</u>	<u>378,219</u>	<u>11,426,556</u>
NET POSITION			
Net Investment in Capital Assets	42,677,809	517,651	43,195,460
Restricted for:			
Capital Projects	9,090,364		9,090,364
Debt Service	1		1
Maintenance Reserve	877,773		877,773
Student Activities	406,264		406,264
Scholarships	26,260		26,260
Unrestricted (Deficit)	(15,887,294)	587,993	(15,299,301)
Total Net Position	<u>\$ 37,191,177</u>	<u>\$ 1,105,644</u>	<u>\$ 38,296,821</u>

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

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

Functions/Programs	Program Revenue			Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental Activities:						
Instruction	\$ 59,961,900	\$ 1,066,807	\$ 18,850,883	\$ (40,044,210)		\$ (40,044,210)
Support Services:						
Tuition	1,329,021			(1,329,021)		(1,329,021)
Student & Instruction Related Services	16,280,032	570,193	3,070,216	(12,639,623)		(12,639,623)
General Administrative Services	1,735,320		141,104	(1,594,216)		(1,594,216)
School Administrative Services	4,708,836		946,613	(3,762,223)		(3,762,223)
Central Services	2,447,752		335,078	(2,112,674)		(2,112,674)
Administrative Information Technology	3,055,627		361,351	(2,694,276)		(2,694,276)
Plant Operations and Maintenance	11,290,821		1,379,749	(9,911,072)		(9,911,072)
Pupil Transportation	5,641,834		2,029,601	(3,612,233)		(3,612,233)
Unallocated Depreciation	7,139			(7,139)		(7,139)
Interest on Long-Term Debt	846,538		336,542	(509,996)		(509,996)
Transfer of Funds to Charter Schools	177,722			(177,722)		(177,722)
Total Governmental Activities	107,482,542	1,637,000	27,451,137	(78,394,405)		(78,394,405)

RANDOLPH TOWNSHIP SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
(Continued)

Functions/Programs	Program Revenue			Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-type Activities	Total
Business-Type Activities:						
Food Service	\$ 1,887,866	\$ 325,174	\$ 1,929,564		\$ 366,872	\$ 366,872
Community School	1,626,777	1,087,493			(539,284)	(539,284)
Total Business-Type Activities	3,514,643	1,412,667	1,929,564		(172,412)	(172,412)
Total Primary Government	\$ 110,997,185	\$ 3,049,667	\$ 29,380,701	\$ (78,394,405)	(172,412)	(78,566,817)

General Revenue:

Taxes:						
Property Taxes, Levied for General Purposes, Net				78,630,464		78,630,464
Taxes Levied for Debt Service				3,422,519		3,422,519
Federal and State Aid not Restricted				4,733,976		4,733,976
Investment Earnings				127,606	5,021	132,627
Miscellaneous Income				244,816		244,816
Total General Revenue				87,159,381	5,021	87,164,402
Change in Net Position				8,764,976	(167,391)	8,597,585
Net Position - Beginning (Restated)				28,426,201	1,273,035	29,699,236
Net Position - Ending				\$ 37,191,177	\$ 1,105,644	\$ 38,296,821

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

FUND FINANCIAL STATEMENTS

RANDOLPH TOWNSHIP SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2022

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
ASSETS:					
Cash and Cash Equivalents	\$ 8,809,852		\$ 955,880	\$ 1	\$ 9,765,733
Interfund Receivable:					
Special Revenue Fund	76,602				76,602
Capital Projects Fund	430,361				430,361
Enterprise Funds - Food Service	35,563				35,563
Receivables:					
Federal Government		\$ 288,074			288,074
State Government	3,082,243				3,082,243
Other	141,260	300			141,560
Restricted Cash and Cash Equivalents	9,968,137	432,524			10,400,661
Total Assets	\$ 22,544,018	\$ 720,898	\$ 955,880	\$ 1	\$ 24,220,797
 LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts Payable	\$ 714,109	\$ 14,704			\$ 728,813
Interfund Payable:					
General Fund		76,602	\$ 430,361		506,963
Payable to State Government		6,417			6,417
Unearned Revenue		190,651			190,651
Total Liabilities	714,109	288,374	430,361		1,432,844

RANDOLPH TOWNSHIP SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2022
(Continued)

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
Fund Balances:					
Restricted for:					
Capital Reserve Account	\$ 9,090,364				\$ 9,090,364
Maintenance Reserve Account	877,773				877,773
Capital Projects Fund			\$ 525,519		525,519
Debt Service				\$ 1	1
Student Activities		\$ 406,264			406,264
Scholarships		26,260			26,260
Assigned:					
Designated for Subsequent Year's Expenditures	1,165,000				1,165,000
Year End Encumbrances	6,645,653				6,645,653
Unassigned	4,051,119				4,051,119
Total Fund Balances	<u>21,829,909</u>	<u>432,524</u>	<u>525,519</u>	<u>1</u>	<u>22,787,953</u>
Total Liabilities and Fund Balances	<u>\$ 22,544,018</u>	<u>\$ 720,898</u>	<u>\$ 955,880</u>	<u>\$ 1</u>	

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

Capital assets used in Governmental Activities are not financial resources and therefore are not reported in the Funds.	80,626,873
Leased Assets used in Governmental Activities are not financial resources and therefore are not reported in the Funds.	1,165,018
Long-term liabilities, such as bonds payable, financed purchases, leases payable and accrued compensated absences are not due and payable in the current period and therefore are not reported as liabilities in the Funds.	(41,243,590)
The Net Pension Liability for PERS is not Due and Payable in the Current Period and is not Reported in the Governmental Funds.	(17,053,008)
Certain amounts related to the Net Pension Liability are deferred and amortized in the Statement of Activities and are not reported in the Governmental Funds:	
Deferred Outflows	1,255,132
Deferred Inflows	(11,048,337)
Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due.	(330,656)
Bond premiums are not reported as revenue in the governmental funds in the year of the bond sale.	(206,326)
The deferred amount on the refunding is not reported as an expenditure in the governmental funds in the year of the expenditure.	425,064
Internal service funds are used by management to charge the costs of health benefits to individual funds. The assets and liabilities are included in governmental activities in the statement of net position.	813,054
Net Position of Governmental Activities (Exhibit A-1)	<u>\$ 37,191,177</u>

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

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
REVENUE:					
Local Sources:					
Local Tax Levy	\$ 78,630,464			\$ 3,422,519	\$ 82,052,983
Tuition Charges	1,066,807				1,066,807
Interest Earned on Capital Reserve Funds	34,955				34,955
Miscellaneous	331,071	\$ 679,565	\$ 6,396		1,017,032
Total - Local Sources	80,063,297	679,565	6,396	3,422,519	84,171,777
State Sources	32,192,553	263,910		336,542	32,793,005
Federal Sources	40,205	1,542,203			1,582,408
Total Revenue	112,296,055	2,485,678	6,396	3,759,061	118,547,190
EXPENDITURES					
Current:					
Regular Instruction	27,556,867	337,671			27,894,538
Special Education Instruction	7,863,725	1,187,097			9,050,822
Other Special Instruction	461,341				461,341
Other Instruction	1,737,487				1,737,487
Support Services and Undistributed Costs:					
Tuition	1,329,021				1,329,021
Student & Instruction Related Services	10,497,994	791,145			11,289,139
General Administrative Services	1,430,812				1,430,812
School Administrative Services	2,960,879				2,960,879
Central Services	1,108,149				1,108,149
Administrative Information Technology	2,448,823				2,448,823
Plant Operations and Maintenance	8,376,889				8,376,889
Pupil Transportation	4,381,363				4,381,363
Unallocated Benefits	37,146,190				37,146,190
Debt Service:					
Principal				2,900,000	2,900,000
Interest and Other Charges				859,061	859,061
Capital Outlay	7,158,844	112,116	4,094,221		11,365,181
Transfer of Funds to Charter Schools	177,722				177,722
Total Expenditures	114,636,106	2,428,029	4,094,221	3,759,061	124,917,417
Excess/(Deficiency) of Revenue over/(under) Expenditures	(2,340,051)	57,649	(4,087,825)		(6,370,227)
OTHER FINANCING SOURCES/(USES)					
Leases (Non-Budgeted)	748,569				748,569
Financed Purchases (Non-Budgeted)	2,200,000				2,200,000
Transfers In	6,396				6,396
Transfers Out			(6,396)		(6,396)
Total Other Financing Sources/(Uses)	2,954,965		(6,396)		2,948,569
Net Change in Fund Balances	614,914	57,649	(4,094,221)		(3,421,658)
Fund Balance—July 1	21,214,995	374,875	4,619,740	1	26,209,611
Fund Balance—June 30	\$ 21,829,909	\$ 432,524	\$ 525,519	\$ 1	\$ 22,787,953

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

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

Total Net Change in Fund Balances - Governmental Funds (from Exhibit B-2)	\$ (3,421,658)
Total Net Change in Fund Balances - Internal Service Fund (from Exhibit B-5)	511,996
Amounts Reported for Governmental Activities in the Statement of Activities (A-2) are Different Because:	
Capital outlays related to capital assets 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 differs from capital outlays in the period.	
Depreciation expense	\$ (3,833,821)
Capital Asset Additions	<u>8,552,386</u>
	4,718,565
Capital outlays related to lease assets are reported in governmental funds as expenditures. However, in the statement of activities the cost of those assets is allocated over the shorter of their estimated useful lives or lease term as amortization expense. This is the amount by which amortization differs from capital outlays in the period	
Amortization expense	\$ (214,718)
Lease Asset Additions	<u>748,569</u>
	533,851
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 (+).	
	(93,420)
Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is not reported in the statement of activities.	
	2,900,000
Leases entered into by the District are an other financing source in the governmental funds, but the acquisition increases Long-Term Liabilities in the Statement of Net Position and is not reported in the Statement of Activities	
	(748,569)
Financed purchases entered into by the District are an other financing source in the governmental funds, but the acquisition increases long-term liabilities in the statement of net position and is not reported in the statement of activities.	
	(2,200,000)
Repayment of leases is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is not reported in the statement of activities	
	200,025
Repayment of financed purchases is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is not reported in the statement of activities.	
	1,805,950
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.	
	24,558
The governmental funds report the effect of premiums and the deferred amount on the refunding when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.	
	52,305
The net pension liability reported in the statement of activities does not require the use of current financial resources and is not reported as an expenditure in the Governmental Funds:	
Change in Net Pension Liability	6,700,569
Changes in Deferred Inflows	(477,886)
Changes in Deferred Outflows	<u>(1,741,310)</u>
Change in Net Position of Governmental Activities (Exhibit A-2)	<u>\$ 8,764,976</u>

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

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

	Business-type Activities - Enterprise Funds		Governmental
	Major Funds		Activities -
	Community School	Food Service	Internal Service Fund
<u>ASSETS:</u>			
Current assets:			
Cash and cash equivalents	\$ 1,030,773	\$ 434,605	\$ 813,054
Accounts receivable:			
State		2,339	
Federal		115,342	
Other	390	37	
Inventories		22,116	
Total current assets	1,031,163	574,439	813,054
Non-current assets:			
Machinery and Equipment	484,646	733,783	
Less: Accumulated depreciation	(132,956)	(567,822)	
Total non-current assets	351,690	165,961	
Total assets	1,382,853	740,400	813,054
<u>DEFERRED OUTFLOWS OF RESOURCES:</u>			
Changes in Assumptions - Pension	3,040		
Changes in Proportion - Pension	30,720		
Difference Between Expected and Actual Experience - Pension	9,207		
District Contribution Subsequent to the Measurement Date - Pension	61,294		
Total Deferred Outflows of Resources	104,261		

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

	Business-type Activities - Enterprise Funds		Governmental Activities - Internal Service Fund
	Major Funds		
	Community School	Food Service	
<u>LIABILITIES:</u>			
Current liabilities:			
Accounts payable	\$ 81,427		
Interfund payable		\$ 35,563	
Unearned revenue		42,883	
Long-term liabilities:			
Net Pension Liability	583,778		
Total Liabilities	<u>665,205</u>	<u>78,446</u>	
<u>DEFERRED INFLOWS OF RESOURCES:</u>			
Changes in Assumptions - Pension	207,829		
Changes in Proportion - Pension	12,429		
Difference Between Expected and Actual Experience - Pension	4,179		
Difference Between Projected and Actual Earnings on Investments - Pension	153,782		
Total Deferred Inflows of Resources	<u>378,219</u>		
<u>NET POSITION:</u>			
Investment in capital assets	351,690	165,961	
Unrestricted	92,000	495,993	\$ 813,054
Total net position	<u>\$ 443,690</u>	<u>\$ 661,954</u>	<u>\$ 813,054</u>

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

RANDOLPH TOWNSHIP SCHOOL DISTRICT
STATEMENT OF REVENUE, EXPENSES AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Business-type Activities - Enterprise Funds		Governmental Activities - Internal Service Fund
	Major Funds		
	Community School	Food Service	
Operating revenue			
Local sources:			
Daily sales - non-reimbursable programs:			
School lunch program		\$ 325,174	
Community School - regular program fees	\$ 1,087,493		
Charges and Fees			\$ 3,760,068
	<u>1,087,493</u>	<u>325,174</u>	<u>3,760,068</u>
Total operating revenue	<u>1,087,493</u>	<u>325,174</u>	<u>3,760,068</u>
Operating expenses:			
Cost of sales (Reimbursable) Programs		771,157	
Cost of sales (Non-Reimbursable) Programs		76,268	
Salaries	650,399	617,567	
Employee benefits	753,088	179,386	3,253,254
Purchased professional/technical services	18,325	7,317	
Other purchased services	59,705	5,353	
Supplies and materials	65,738	145,862	
Management Fee		61,800	
Miscellaneous	4,304	426	
Depreciation	75,218	22,730	
	<u>1,626,777</u>	<u>1,887,866</u>	<u>3,253,254</u>
Total operating expenses	<u>1,626,777</u>	<u>1,887,866</u>	<u>3,253,254</u>
Operating income/(loss)	<u>(539,284)</u>	<u>(1,562,692)</u>	<u>506,814</u>
Non-operating revenue:			
State sources:			
COVID-19 Seamless Summer Option		35,693	
Federal sources:			
COVID-19 Seamless Summer Option		1,794,024	
COVID-19 Pandemic P-EBT Administrative Costs		1,242	
COVID-19 Emergency Operational Costs Reimbursement Program		6,182	
Food distribution program		92,423	
Local sources:			
Interest income	5,021		5,182
	<u>5,021</u>	<u>1,929,564</u>	<u>5,182</u>
Total non-operating revenue	<u>5,021</u>	<u>1,929,564</u>	<u>5,182</u>
Change in net position	(534,263)	366,872	511,996
Net position - beginning of year	<u>977,953</u>	<u>295,082</u>	<u>301,058</u>
Net position - end of year	<u>\$ 443,690</u>	<u>\$ 661,954</u>	<u>\$ 813,054</u>

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

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

	Business-type Activities - Enterprise Funds		Governmental Activities - Internal Service Fund
	Major Funds		
	Community School	Food Service	
Cash flows from operating activities:			
Receipts from customers	\$ 1,087,493	\$ 283,327	\$ 3,760,068
Payments to employees	(769,981)	(796,953)	
Payments to suppliers	(136,298)	(971,017)	
Payments for Health Benefit Claims and Expenses			(3,253,254)
Net cash provided by /(used for) operating activities	<u>181,214</u>	<u>(1,484,643)</u>	<u>506,814</u>
Cash flows from investing activities:			
Interest income	<u>5,021</u>		<u>5,182</u>
Net cash provided by investing activities	<u>5,021</u>		<u>5,182</u>
Cash flows from capital and related financing activities:			
Acquisition and construction of capital assets		<u>(8,006)</u>	<u>(8,006)</u>
Net cash used for capital and related financing activities		<u>(8,006)</u>	<u>(8,006)</u>
Cash flows from noncapital financing activities:			
Cash received from state and federal reimbursements		<u>1,813,574</u>	
Net cash provided by noncapital financing activities		<u>1,813,574</u>	
Net increase in cash and cash equivalents	186,235	320,925	511,996
Cash and cash equivalents, July 1	<u>844,538</u>	<u>113,680</u>	<u>301,058</u>
Cash and cash equivalents, June 30	<u>\$ 1,030,773</u>	<u>\$ 434,605</u>	<u>\$ 813,054</u>

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

	Business-type Activities - Enterprise Funds		Governmental
	Major Funds		Activities -
	Community School	Food Service	Internal Service Fund
Reconciliation of operating income/(loss) to net cash provided by/(used for) operating activities:			
Operating income/(loss)	\$ (539,284)	\$ (1,562,692)	\$ 506,814
Adjustment to reconcile operating income/(loss) to net cash provided by (used for) operating activities:			
Depreciation	75,218	22,730	
Federal food distribution program		92,423	
Changes in assets and liabilities:			
Increase/(Decrease) in accounts receivable	(390)	1,493	
Decrease in inventory		4,743	
Increase in accounts payable	11,774		
(Decrease) in unearned revenue		(43,340)	
(Decrease) in compensated absences payable	(7,002)		
Increase in net pension liability	372,891		
Increase in changes in assumptions - pension	123,329		
(Increase) in difference between expected and actual Experience - pension	(1,934)		
Increase in difference between projected and actual Earnings in investments - pensions	160,990		
(Decrease) in changes in proportions - pensions	(14,378)		
Net cash provided by / (used for) operating activities	\$ 181,214	\$ (1,484,643)	\$ 506,814

Non-Cash Investing, Capital and Financing Activities:

The Food Service Enterprise Fund received \$94,675 and utilized \$92,423 of commodities from the Federal Food Distribution Program for the fiscal year ended June 30, 2022.

RANDOLPH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity:

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

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

B. Basis of Presentation:

District-Wide Financial Statements:

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

The statement of activities presents a comparison between direct expenses and program revenue for business-type activities and for each function of the District's governmental activities. Direct expenses are those that are specifically associated with and are clearly identifiable to a particular function.

RANDOLPH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
(Continued)

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

B. Basis of Presentation: (Cont'd)

District-Wide Financial Statements: (Cont'd)

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

Fund Financial Statements:

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

The District reports the following governmental funds:

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

As required by the NJDOE, the District includes budgeted capital outlay in this fund. GAAP, as it pertains to governmental entities, states that general fund resources may be used to directly finance capital outlays for long-lived improvements as long as the resources in such cases are derived exclusively from unrestricted revenue. Resources for budgeted capital outlay purposes are normally derived from State of New Jersey Aid, district taxes and appropriated fund balance. Expenditures are those that result in the acquisition of or additions to fixed 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.

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

RANDOLPH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
(Continued)

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

B. Basis of Presentation: (Cont'd)

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

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

The District reports the following proprietary funds:

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

Internal Service Fund: The District operates an internal service fund for health benefits. The fund is utilized to account for operations that are financed and operated in a manner similar to a private business enterprise.

C. Measurement Focus and Basis of Accounting:

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

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

RANDOLPH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
(Continued)

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

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

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

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

D. Budgets/Budgetary Control:

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

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

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

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

RANDOLPH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
(Continued)

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

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

	<u>General Fund</u>	<u>Special Revenue Fund</u>
Sources/Inflows of Resources:		
Actual Amounts (Budgetary Basis) "Revenue" from the Budgetary Comparison Schedule	\$ 112,145,459	\$ 3,010,443
Differences - Budget to GAAP:		
Grant Accounting Budgetary Basis Differs from GAAP in that the Budgetary Basis Recognizes Encumbrances as Expenditures and Revenue whereas the GAAP Basis does not.		(524,765)
Prior Year State Aid Payments Recognized for GAAP Statements, not Recognized for Budgetary Purposes	1,040,229	
Current Year State Aid Payments Recognized for Budgetary Purposes, not Recognized for GAAP Statements	<u>(889,633)</u>	
 Total Revenues as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds.	 <u>\$ 112,296,055</u>	 <u>\$ 2,485,678</u>
 Uses/Outflows of Resources:		
Actual Amounts (Budgetary Basis) "Total Expenditures" from the Budgetary Comparison Schedule	\$ 114,636,106	\$ 2,952,794
Differences - Budget to GAAP:		
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.		<u>(524,765)</u>
 Total Expenditures as Reported on the Statement of Revenue, Expenditures, and Changes in Fund Balances - Governmental Funds	 <u>\$ 114,636,106</u>	 <u>\$ 2,428,029</u>

RANDOLPH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
(Continued)

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

E. Cash and Cash Equivalents and Investments:

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

The District generally records investments at fair value and records the unrealized gains and losses as part of investment income. Fair value is the price that would be received to sell an investment in an orderly transaction between market participants at the measurement date. The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

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

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

F. Interfund Transactions

Transfers between governmental and business-type activities on the District-wide statements are reported in the same manner as general revenue. 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 nonoperating revenue/expenses in the enterprise funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

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

G. Allowance for Uncollectible Accounts

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

RANDOLPH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
(Continued)

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

H. Encumbrances:

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

Open encumbrances in the special revenue fund for which the District has received advances are reflected in the balance sheet as unearned revenue at fiscal year-end.

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

I. Short-term Interfund Receivables/Payables:

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

J. Inventories and Prepaid Expenses:

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

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

K. Capital Assets:

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

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

	Estimated Useful Life
Buildings and Building Improvements	30 years
Machinery, Furniture and Equipment	10 to 15 years
Computer and Related Technology	5 years
Vehicles	8 years

RANDOLPH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
(Continued)

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

K. Capital Assets: (Cont'd)

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

L. Lease Assets:

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

M. Long Term Liabilities:

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

N. Accrued Salaries and Wages:

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

O. Compensated Absences:

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

District employees are granted varying amounts of vacation and sick leave in accordance with the District's various employee contracts/agreements. Upon termination, employees are paid for accrued vacation. These employee contracts/agreements permit 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 the applicable District employee contract/agreement.

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

RANDOLPH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
(Continued)

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

P. Lease Payable:

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

Q. Unearned Revenue:

Unearned revenue in the special revenue fund represents cash which has been received but not yet earned.

R. Fund Balance Appropriated:

General Fund: Of the \$21,829,909 General Fund balance at June 30, 2022, \$6,645,653 is assigned fund balance for year-end encumbrances; \$1,165,000 has been appropriated and included as anticipated revenue for the year ending June 30, 2023; \$9,090,364 is restricted in the capital reserve account; \$877,773 is restricted in the maintenance reserve account; and there is \$4,051,119 in unassigned fund balance, on a GAAP basis.

Special Revenue Fund: The Special Revenue Fund fund balance at June 30, 2022 is \$432,524 and is restricted for student activities and scholarships.

Capital Projects Fund: The Capital Projects Fund balance of \$525,519 at June 30, 2022 is restricted.

Debt Service Fund: The restricted Debt Service Fund balance at June 30, 2022 is \$1.

Calculation of Excess Surplus: In accordance with N.J.S.A. 18A:7F-7, as amended by P.L. 2004, C.73 (S1701), the designation for Restricted Fund Balance-Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to restrict General Fund fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent year's budget. The District had no excess surplus at June 30, 2022.

The District's unassigned fund balance in the General Fund is less on a GAAP basis than the budgetary basis by \$889,633 as reported in the fund statements (modified accrual basis). P.L. 2003, C.97 provides that in the event a state school aid payment is not made until the following school budget year, Districts must record the last state aid payment as revenue, for budget purposes only, in the current school budget year. The bill provides legal authority for school Districts to recognize this revenue in the current budget year. For intergovernmental transactions, GASB requires that recognition (revenue, expenditure, asset, liability) should be in symmetry, i.e., if one government recognizes an asset, the other government recognizes a liability. Since the State is recording the June state aid payments in the subsequent fiscal year, the school District cannot recognize the June state aid payments on the GAAP financial statements until the year the State records the payable. The excess surplus is calculated using the fund balance reported on the Budgetary Comparison Schedule, including the June state aid payments and not the fund balance reported on the fund statement which excludes the June state aid payments.

RANDOLPH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
(Continued)

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

S. Net Position:

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

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

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

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

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

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

T. Deficit Net Position:

The District has a deficit in unrestricted net position of \$15,887,294 in governmental activities, which is primarily due to compensated absences payable and net pension liability. This deficit does not indicate that the District is having financial difficulties and is a permitted practice under generally accepted accounting principles.

U. Fund Balance Restrictions, Commitments and Assignments:

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

Fund balance restrictions have been established for a capital reserve, a maintenance reserve, the Capital Projects Fund, the Debt Service Fund, student activities and scholarships.

RANDOLPH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
(Continued)

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

U. Fund Balance Restrictions, Commitments and Assignments: (Cont'd)

The District Board of Education has the responsibility to formally commit resources for specific purposes through a motion or a resolution passed by a majority of the Members of the Board of Education at a public meeting of that governing body. The Board of Education must also utilize a formal motion or a resolution passed by a majority of the Members of the Board of Education at a public meeting of that governing body in order to remove or change the commitment of resources. The District has no committed resources at June 30, 2022.

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

V. Revenue - Exchange and Nonexchange Transactions:

Revenue, resulting from exchange transactions in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On the modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the District, available means within sixty days of the fiscal year end.

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

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

W. Operating Revenue and Expenses:

Operating revenue are those revenues that are generated directly from the primary activity of the Enterprise Fund. These revenues are food service sales and community school fees. Operating expenses are necessary costs incurred to provide the service that is the primary activity of the Enterprise Fund.

RANDOLPH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
(Continued)

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

X. Management Estimates:

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

Y. Pensions:

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

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

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

NOTE 3. CASH AND CASH EQUIVALENTS AND INVESTMENTS

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

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

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

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

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

RANDOLPH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
(Continued)

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

Deposits:

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

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

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

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

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

Investments:

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

- (1) Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America;
- (2) Government money market mutual funds;
- (3) Any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligation bears a fixed rate of interest not dependent on any index or other external factor;
- (4) Bonds or other obligations of the school district or bonds or other obligations of the local unit or units within which the school district is located.
- (5) Bonds or other obligations, having a maturity date not more than 397 days from the date of purchase, issued by New Jersey school districts, municipalities, counties, and entities subject to the "Local Authorities Fiscal Control Law", P.L. 1983, c.313 (C.40A:5A-1 et seq.). Other bonds or obligations having a maturity date not more than 397 days from the date of purchase may be approved by the Division of Investment in the Department of the Treasury for investment by local units;
- (6) Local government investment pools;

RANDOLPH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
(Continued)

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

Investments (Cont'd):

- (7) Deposits with the State of New Jersey Cash Management Fund established pursuant to section 1 of P.L. 1977, c.281 (C.52:18A-90.4); or
- (8) Agreements for the repurchase of fully collateralized securities if:
 - (a) the underlying securities are permitted investments pursuant to paragraphs (1) and (3) of this subsection a. or are bonds or other obligations, having a maturity date of not more than 397 days from the date of purchase, issued by New Jersey school districts, municipalities, counties, and entities subject to the requirements of the “Local Authorities Fiscal Control Law,” P.L. 1983, c. 313 (C.40A:5A-1 et seq.) ;
 - (b) the custody of collateral is transferred to a third party;
 - (c) the maturity of the agreement is not more than 30 days;
 - (d) the underlying securities are purchased through a public depository as defined in section 1 of P.L. 1970, c.236 (C.17:9-41); and
 - (e) a master repurchase agreement providing for the custody and security of collateral is executed; or
- (9) Deposit of funds in accordance with the following conditions:
 - (a) The funds are initially invested through a public depository as defined in section 1 of P.L. 1970, c. 236 (C.17:9-41) designated by the school district;
 - (b) The designated public depository arranges for the deposit of the funds in deposit accounts in one or more federally insured banks, savings banks or savings and loan associations or credit unions for the account of the school district;
 - (c) 100 percent of the principal and accrued interest of each deposit is insured by the Federal Deposit Insurance Corporation or the National Credit Union Share Insurance Fund;
 - (d) The designated public depository acts as custodian for the school district with respect to these deposits; and
 - (e) On the same date that the school district’s funds are deposited pursuant to subparagraph (b) of this paragraph, the designated public depository receives an amount of deposits from customers of other financial institutions, wherever located, equal to the amounts of funds initially invested by the school district through the designated public depository.

RANDOLPH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
(Continued)

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

Investments (Cont'd):

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

	Cash and Cash Equivalents	Restricted Cash and Cash Equivalents				Total
	Capital Reserve Account	Maintenance Reserve Account	Student Activities	Scholarships		
Checking and Savings Accounts	\$ 12,044,165	\$ 9,090,364	\$ 877,773	\$406,264	\$ 26,260	\$22,444,826

During the period ended June 30, 2022, the District did not hold any investments. The carrying amount of the Board's cash and cash equivalents at June 30, 2022, was \$22,444,826 and the bank balance was \$23,754,264.

NOTE 4: TRANSFERS TO CAPITAL OUTLAY

During the fiscal year ended June 30, 2022, the District transferred \$252,473 to the capital outlay accounts for equipment and did not require approval from the County Superintendent. The District transferred \$368,535 to the capital outlay account for construction services which required County Superintendent approval.

RANDOLPH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
(Continued)

NOTE 5. CAPITAL ASSETS

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

	Beginning Balance	Increases	Adjustments/ Decreases	Ending Balance
Governmental Activities:				
Capital Assets not Being Depreciated:				
Sites (Land)	\$ 3,465,955			\$ 3,465,955
Construction in Progress	14,248,253	\$ 7,107,096		21,355,349
Total Capital Assets Not Being Depreciated	<u>17,714,208</u>	<u>7,107,096</u>		<u>24,821,304</u>
Capital Assets Being Depreciated:				
Buildings and Building Improvements	102,855,809	503,565		103,359,374
Machinery and Equipment	20,232,700	941,725	\$ (453,942)	20,720,483
Total Capital Assets Being Depreciated	<u>123,088,509</u>	<u>1,445,290</u>	<u>(453,942)</u>	<u>124,079,857</u>
Governmental Activities Capital Assets	<u>140,802,717</u>	<u>8,552,386</u>	<u>(453,942)</u>	<u>148,901,161</u>
Less Accumulated Depreciation for:				
Buildings and Building Improvements	(49,158,917)	(3,242,498)		(52,401,415)
Machinery and Equipment	(15,735,492)	(591,323)	453,942	(15,872,873)
	<u>(64,894,409)</u>	<u>(3,833,821)</u>	<u>453,942</u>	<u>(68,274,288)</u>
Governmental Activities Capital Assets, Net of Accumulated Depreciation	<u>\$ 75,908,308</u>	<u>\$ 4,718,565</u>	<u>\$ -0-</u>	<u>\$ 80,626,873</u>
Business Type Activities:				
Capital Assets Being Depreciated:				
Furniture and Equipment	\$ 1,210,423	\$ 8,006		\$ 1,218,429
Less Accumulated Depreciation	(602,830)	(97,948)		(700,778)
Business Type Activities Capital Assets, Net of Accumulated Depreciation	<u>\$ 607,593</u>	<u>\$ (89,942)</u>	<u>\$ -0-</u>	<u>\$ 517,651</u>

Depreciation expense was charged to governmental functions as follows:

Instruction	\$ 1,429,659
Student and Instruction Related Services	517,575
General Administration Services	60,588
School Administration Services	163,992
Central Services	785,894
Operations and Maintenance of Plant	692,656
Student Transportation	176,318
Unallocated	7,139
	<u>\$ 3,833,821</u>

The District expended \$7,107,096 toward construction projects during the fiscal year. As of June 30, 2022, the District has \$24,495,000 in active construction projects.

RANDOLPH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
(Continued)

NOTE 6. LEASE ASSETS

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

	(Restated) Beginning Balance	Increases	Adjustments/ Decreases	Ending Balance
Governmental Activities:				
Lease Assets Being Amortized:				
Buildings	\$ 694,000	\$ 8,964		\$ 702,964
Machinery and Equipment		739,605		739,605
Total Lease Assets Being Amortized	<u>694,000</u>	<u>748,569</u>		<u>1,442,569</u>
Governmental Activities Lease Assets	<u>694,000</u>	<u>748,569</u>		<u>1,442,569</u>
Less Accumulated Amortization for:				
Buildings	(62,833)	(66,797)		(129,630)
Machinery and Equipment		(147,921)		(147,921)
	<u>(62,833)</u>	<u>(214,718)</u>		<u>(277,551)</u>
Governmental Activities Lease Assets, Net of Accumulated Amortization	<u>\$ 631,167</u>	<u>\$ 533,851</u>	<u>\$ -0-</u>	<u>\$ 1,165,018</u>

Amortization expense was charged to governmental functions as follows:

General Administration Services	\$ 147,921
Central Services	8,964
Student Transportation	<u>57,833</u>
	<u>\$ 214,718</u>

NOTE 7. LONG-TERM LIABILITIES

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

	(Restated) Balance 6/30/2021	Accrued	Retired	Balance 6/30/2022
Bonds Payable	\$ 35,810,000		\$ 2,900,000	\$ 32,910,000
Unamortized Bond Issuance Premium	412,653		206,327	206,326
Net Pension Liability	23,964,464		6,327,678	17,636,786
Compensated Absences Payable	1,092,507	\$ 421,102	334,684	1,178,925
Financed Purchases Payable	5,577,071	2,200,000	1,805,950	5,971,121
Leases Payable	635,000	748,569	200,025	1,183,544
	<u>\$ 67,491,695</u>	<u>\$ 3,369,671</u>	<u>\$ 11,774,664</u>	<u>\$ 59,086,702</u>

RANDOLPH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
(Continued)

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

A. Bonds Payable:

Bonds are authorized in accordance with State law by the voters of the municipality through referendums. All bonds are retired in serial installments within the statutory period of usefulness. Bonds issued by the Board are general obligation bonds and will be liquidated through the Debt Service Fund. The current portion of bonds payable is \$2,985,000 and the long-term portion is \$29,925,000.

On April 13, 2021, the District issued refunding school bonds in the amount of \$9,385,000 with interest rates ranging from .33% to 1.82% to refund \$6,450,000 of the February 8, 2012 school bonds with interest rates ranging from 2.00% to 4.00% and \$2,445,000 of the January 23, 2013 refunding school bonds with interest rates ranging from 4.00% to 5.00%. The bonds mature on August 1, 2021 through 2028 and are non-callable. The net proceeds from the issuance of the refunding bonds were used to purchase U.S. government securities and those securities were deposited in an irrevocable trust with an escrow agent to provide debt service payments until the 2012 school bonds were called on February 1, 2022 and the 2013 refunding school bonds are called on February 1, 2023. The refunding met the requirements of an i-substance debt defeasance and the bonds were removed from the School's government-wide financial statements.

As a result of the refunding, the District will realize a total of \$438,593 in cash savings over the life of the bond issue. On a net present value basis, the savings equate to \$370,629, or 4.172% of the bonds refunded.

The District had bonds outstanding as of June 30, 2022 as follows:

<u>Purpose</u>	<u>Serial Bonds</u> Final Maturity Date	Interest Rate	Amount
Various Building Improvements	8/1/2038	3.25-4.00%	\$ 11,090,000
Various Building Improvements	8/1/2038	2.00-3.00%	11,435,000
Refunding Bonds	8/1/2028	.35-1.82%	9,240,000
Refunding Bonds	2/1/2023	5.00%	1,145,000
			<u>\$ 32,910,000</u>

Principal and interest due on serial bonds outstanding are as follows:

Year Ending June 30,	<u>Bonds</u>		Total
	<u>Principal</u>	<u>Interest</u>	
2023	\$ 2,985,000	\$ 780,720	\$ 3,765,720
2024	3,070,000	694,673	3,764,673
2025	3,130,000	659,186	3,789,186
2026	2,450,000	614,955	3,064,955
2027	2,465,000	564,635	3,029,635
2028-2032	9,035,000	2,092,241	11,127,241
2033-2037	7,000,000	1,067,687	8,067,687
2038-2039	2,775,000	96,875	2,871,875
	<u>\$ 32,910,000</u>	<u>\$ 6,570,972</u>	<u>\$ 39,480,972</u>

RANDOLPH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
(Continued)

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

B. Financed Purchases Payable:

The District has financed purchases agreements for technology equipment, buses, vehicles, and LED lighting totaling \$11,213,983 of which \$5,242,862 has been liquidated as of June 30, 2022. The finance purchases agreements are for five years in length and will be liquidated by the General Fund. The following is a schedule of the future minimum financed purchases payments, and the present value of the net minimum financed purchases payments at June 30, 2022.

<u>Fiscal Year</u>	<u>Amount</u>
2023	\$ 1,905,525
2024	1,576,253
2025	1,278,224
2026	964,891
2027	465,393
Total Minimum Lease Payments	<u>6,190,286</u>
Less: Amount representing interest	<u>219,165</u>
Present value of net minimum lease payments	<u>\$ 5,971,121</u>

The current portion of the financed purchases payable is \$1,843,793 and the long-term portion is \$4,127,328.

C. Leases Payable:

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

<u>Leases Payable</u>				
<u>Purpose</u>	<u>Frequency of Payment</u>	<u>Final Maturity Date</u>	<u>Interest Rate</u>	<u>Amount</u>
Lease of Garage	Annual	6/1/2032	2.975%	\$ 576,000
Copiers	Monthly	6/1/2026	2.60%	590,835
Postage Machine	Monthly	6/1/2026	2.60%	8,426
Lease of Business Office	Monthly	6/1/2023	2.60%	8,283
				<u>\$ 1,183,544</u>

RANDOLPH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
(Continued)

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

C. Leases Payable: (Cont'd)

Principal and interest due on leases outstanding will be liquidated through the General Fund and are as follows:

Year Ending June 30,	Governmental Activities	
	Principal	Interest
2023	\$ 211,318	\$ 31,114
2024	206,821	25,456
2025	210,708	19,813
2026	214,697	14,068
2027	59,000	10,115
2028-2032	281,000	24,247
	\$ 1,183,544	\$ 124,813

D. Unamortized Bond Premium:

The unamortized bond issuance premium of the governmental fund types is recorded in the noncurrent liabilities. The current portion of the unamortized bond issuance premium balance of the governmental funds is \$206,326 and is separated from the long-term liability balance of \$-0-.

E. Compensated Absences Payable:

The liability for compensated absences of the governmental fund types is recorded in the current and long-term liabilities. The current portion of the compensated absences balance of the governmental funds at June 30, 2022 is \$-0- and the long-term portion of compensated absences of \$1,178,925. There is no liability for vested compensated absences of the proprietary fund types. Compensated Absences Payable will be liquidated by the General Fund.

F. Net Pension Liability:

The Public Employees' Retirement System's (PERS) net pension liability of the governmental fund types is recorded in the current and long-term liabilities and will be liquidated by the General Fund. The current portion of the net pension liability at June 30, 2022 is \$-0- and the long-term portion is \$17,053,008. The Public Employees' Retirement System's (PERS) net pension liability of the proprietary fund types is recorded in the current and long-term liabilities and will be liquidated by the Community School Enterprise Fund. The current portion of the net pension liability at June 30, 2022 is \$-0- and the long-term portion is \$583,778. See Note 8 for further information on the PERS.

RANDOLPH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
(Continued)

NOTE 8. PENSION PLANS

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

A. Public Employees’ Retirement System (PERS)

Plan Description

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

Benefits Provided

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

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

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

RANDOLPH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
(Continued)

NOTE 8. PENSION PLANS (Cont'd)

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

Contributions

The contribution policy for PERS is set by N.J.S.A. 43:15A and requires contributions by active members and contributing members. The local employers' contribution amounts are based on an actuarially determined rate which includes the normal cost and unfunded accrued liability. Chapter 19, P.L. 2009 provided an option for local employers of PERS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in State fiscal year 2009. Such employers will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded liability of those retirement systems, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual payments over a period of 15 years, beginning with the payments due in the fiscal year ended June 30, 2012 and will be adjusted by the rate of return on the actuarial value of assets. District contributions to PERS amounted to \$1,743,530 for fiscal year 2022.

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

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

At June 30, 2022, the District reported a liability of \$17,636,786 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2020 which was rolled forward to June 30, 2021. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At June 30, 2021, the District's proportion was 0.149%, which was an increase of 0.002% from its proportion measured as of June 30, 2020.

For the fiscal year ended June 30, 2022, the District recognized pension benefit in the amount of \$2,096,945. The community school program accounts for the changes in the pension liability and the deferred outflows and inflows through the employee contribution expense account.

RANDOLPH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
(Continued)

NOTE 8. PENSION PLANS (Cont'd)

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

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

At June 30, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Year of Deferral	Amortization Period in Years	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in Assumptions	2017	5.48		\$ (745,335)
	2018	5.63		(1,397,345)
	2019	5.21		(1,232,701)
	2020	5.16		(2,903,429)
	2021	5.13	\$ 91,852	(6,278,810)
			<u>91,852</u>	<u>(6,278,810)</u>
Difference Between Expected and Actual Experience	2017	5.48	22,166	
	2018	5.63		(53,213)
	2019	5.21	94,228	
	2020	5.16	161,761	
	2021	5.13		(73,046)
			<u>278,155</u>	<u>(126,259)</u>
Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	2018	5.00		(137,766)
	2019	5.00		44,453
	2020	5.00		1,001,840
	2021	5.00		(5,554,520)
			<u> </u>	<u>(4,645,993)</u>
Changes in Proportion	2017	5.48	95,659	
	2018	5.63	54,319	
	2019	5.21		(375,494)
	2020	5.16	440,476	
	2021	5.13	337,638	
			<u>928,092</u>	<u>(375,494)</u>
District Contribution Subsequent to the Measurement Date	2021	1.00	1,851,797	
			<u>\$ 3,149,896</u>	<u>\$(11,426,556)</u>

RANDOLPH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
(Continued)

NOTE 8. PENSION PLANS (Cont'd)

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

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

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

Fiscal Year Ending June 30,	Total
2022	\$ (4,161,514)
2023	(2,971,311)
2024	(2,025,927)
2025	(1,522,895)
2026	592
	\$ (10,681,055)

Actuarial Assumptions

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

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

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

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

RANDOLPH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
(Continued)

NOTE 8. PENSION PLANS (Cont'd)

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

Long Term Expected Rate of Return

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

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

Discount Rate

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

RANDOLPH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
(Continued)

NOTE 8. PENSION PLANS (Cont'd)

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

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

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

	June 30, 2021		
	At 1% Decrease (6.00%)	At Current Discount Rate (7.00%)	At 1% Increase (8.00%)
District's proportionate share of the Net Pension Liability	\$ 24,031,017	\$ 17,636,786	\$ 12,228,417

Pension Plan Fiduciary Net Position

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

B. Teachers' Pension and Annuity Fund (TPAF)

Plan Description

The State of New Jersey, Teachers' Pension and Annuity Fund (TPAF), is a cost-sharing multiple-employer defined benefit pension plan with a special funding situation, by which the State of New Jersey (the State) is responsible to fund 100% of the employer contributions, excluding any local employer early retirement incentive (ERI) contributions. The TPAF is administered by the State of New Jersey Division of Pensions and Benefits (the Division). For additional information about the TPAF, please refer to the Division's annual financial statements which can be found at www.state.nj.us/treasury/pensions/annual-reports.shtml.

Benefits Provided

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

The following represents the membership tiers for TPAF:

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

RANDOLPH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
(Continued)

NOTE 8. PENSION PLANS (Cont'd)

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

Benefits Provided (Cont'd)

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

Contributions

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

Special Funding Situation

The employer contributions for local participating employers are legally required to be funded by the State in accordance with N.J.S.A. 18:66-33. Therefore, these local participating employers are considered to be in a special funding situation as defined by GASB Statement No. 68 and the State is treated as a nonemployer contributing entity. Since the local participating employers do not contribute directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to report in the financial statements of the local participating employers. However, the notes to the financial statements of the local participating employers must disclose the portion of the nonemployer contributing entities' total proportionate share of the net pension liability that is associated with the local participating employer. In addition, each local participating employer must recognize pension expense associated with the employer as well as revenue in an amount equal to the nonemployer contributing entities' total proportionate share of the collective pension expense associated with the local participating employer. During the fiscal year ended 2022, the State of New Jersey contributed \$14,114,853 to the TPAF for normal pension benefits on behalf of the District, which is more than the contractually required contribution of \$4,059,473.

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

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

At June 30, 2022, the State's proportionate share of the net pension liability associated with the District was \$172,520,083. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2020 which was rolled forward to June 30, 2021. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At June 30, 2021, the District's proportion was 0.359%, which was an increase of 0.009% from its proportion measured as of June 30, 2020.

RANDOLPH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
(Continued)

NOTE 8. PENSION PLANS (Cont'd)

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

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

District's Proportionate Share of the Net Pension Liability	\$ -0-
State's Proportionate Share of the Net Pension Liability Associated with the District	<u>172,520,083</u>
Total	<u>\$ 172,520,083</u>

For the fiscal year ended June 30, 2021, the State recognized pension expense on behalf of the District in the amount of \$4,059,473 and the District recognized pension expense and revenue for that same amount in the fiscal year ended June 30, 2022 financial statements.

The State reported collective deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

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

RANDOLPH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
(Continued)

NOTE 8. PENSION PLANS (Cont'd)

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

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

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

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

Actuarial Assumptions

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

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

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

RANDOLPH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
(Continued)

NOTE 8. PENSION PLANS (Cont'd)

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

Actuarial Assumptions (Cont'd)

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

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

RANDOLPH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
(Continued)

NOTE 8. PENSION PLANS (Cont'd)

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

Discount Rate – TPAF

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

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

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

	June 30, 2021		
	At 1% Decrease (6.00%)	At Current Discount Rate (7.00%)	At 1% Increase (8.00%)
State's Proportionate Share of the Net Pension Liability Associated with the District	\$ 204,120,116	\$ 172,520,083	\$ 145,978,075

Pension Plan Fiduciary Net Position - TPAF

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

C. Defined Contribution Retirement Program (DCRP)

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

RANDOLPH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
(Continued)

NOTE 8. PENSION PLANS (Cont'd)

C. Defined Contribution Retirement Program (DCRP) (Cont'd)

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

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

For DCRP, the District recognized pension expense of \$11,422 for the fiscal year ended June 30, 2022. Employee contributions to DCRP amounted to \$24,936 for the fiscal year ended June 30, 2022.

NOTE 9. RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets, errors and omissions; injuries to employees; and natural disasters. Health Benefits are provided by Aetna Life Insurance Company.

Property and Liability

The District is a member of the School Alliance Insurance Fund (the "Fund") and the New Jersey Schools Insurance Group (the "NJSIG"). These public entity risk management pools provide general liability, property and automobile coverage and workers' compensation for its members. A complete schedule of insurance coverage can be found on Exhibit J-20 in the Statistical section of this Annual Comprehensive Financial Report.

The Fund and the NJSIG are risk-sharing public entity risk pools that are both an insured and self-administered group of school districts established for the purpose of providing low-cost insurance coverage for their members in order to keep local property taxes at a minimum. Each member appoints an official to represent their respective district for the purpose of creating a governing body from which officers for the PIP are elected.

As a member of the Fund and the NJSIG, the District could be subject to supplemental assessments in the event of deficiencies. If the assets of the Fund and the NJSIG were to be exhausted, members would become responsible for their respective shares of the Fund's and the NJSIG's liabilities. The Fund and the NJSIG can declare and distribute dividends to members upon approval of the State of New Jersey Department of Banking and Insurance. These distributions are divided among the members in the same ratio as their individual assessment related to the total assessment of the membership body. These distributions are used to reduce the amount recorded for membership expense in the year in which the distribution was declared.

RANDOLPH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
(Continued)

NOTE 9. RISK MANAGEMENT (Cont'd)

Property and Liability (Cont'd)

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

	<u>School Alliance Insurance Fund</u>	<u>New Jersey Schools Insurance Group</u>
Total Assets	<u>\$ 50,252,735</u>	<u>\$ 409,725,069</u>
Net Position	<u>\$ 20,990,635</u>	<u>\$ 171,872,738</u>
Total Revenue	<u>\$ 46,988,143</u>	<u>\$ 136,646,172</u>
Total Expenses	<u>\$ 46,989,023</u>	<u>\$ 104,006,539</u>
Change in Net Position	<u>\$ (880)</u>	<u>\$ 32,639,633</u>
Member Dividends	<u>\$ -0-</u>	<u>\$ 6,346,945</u>

Financial statements for the Fund are available at the Administrator's Office.

Public Entity Group Administrative Services
51 Everett Drive
Suite B-40
West Windsor, NJ 08550

Financial statements for the NJSIG are available at the Administrator's Office.

New Jersey Schools Insurance Group
6000 Midlantic Drive
Suite 300 North
Mount Laurel, NJ 08054
(609) 386-6060

New Jersey Unemployment Compensation Insurance

The District has elected to fund its New Jersey Unemployment Compensation Insurance under the "Contributory Method". Under this plan, the District remits employee withholdings and employer's share of New Jersey Unemployment Compensation Insurance taxes to the State each pay period. The State makes all unemployment payments to former employees, and the District has no further liability.

NOTE 10. ECONOMIC DEPENDENCY

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

RANDOLPH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
(Continued)

NOTE 11. INTERFUND RECEIVABLES AND PAYABLES

The following interfund balances remained on the balance sheet at June 30, 2022.

<u>Fund</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
General Fund	\$ 542,526	
Special Revenue Fund		\$ 76,602
Capital Projects Fund		430,361
Enterprise Funds		35,563
	<u>\$ 542,526</u>	<u>\$ 542,526</u>

The interfund between the General Fund and the Special Revenue Fund represents funds advanced to the Special Revenue Fund for cash flow purposes awaiting the collection of federal grants receivable. The interfund between the General Fund and the Capital Projects Fund represents interest earned in the Capital Projects Fund not yet sent to the General Fund. The General Fund made disbursements throughout the year on behalf of the Food Service Enterprise Fund.

NOTE 12. DEFERRED COMPENSATION

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

- Equitable
- Great American Plan Administrator
- Lincoln Financial Advisors

The District also offers an Internal Revenue Code Section 457 plan to its employees through MetLife.

NOTE 13. TAX CALENDAR

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

Taxes are collected by the constituent municipality and are remitted to the local school district on a predetermined, agreed-upon schedule.

RANDOLPH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
(Continued)

NOTE 14. CONTINGENT LIABILITIES

Grant Programs

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

Litigation

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

Encumbrances

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

General Fund	Special Revenue Fund	Capital Projects Fund	Total Governmental Funds
\$ 6,645,653	\$ 536,411	\$ 516,343	\$ 7,698,407

On the District’s Governmental Funds Balance Sheet as of June 30, 2022, \$-0- is assigned for year-end encumbrances in the Special Revenue Fund. Encumbrances in the Special Revenue Fund of \$536,411 are not recognized on the GAAP basis and are reflected as either a reduction in grants receivables or an increase in unearned revenue. On the GAAP basis, the year-end encumbrances of \$516,343 in the Capital Projects Fund are included in the \$525,519 restricted fund balance.

Arbitrage

The District may have a liability for arbitrage payable to the federal government relative to its school bond issues. The amount of liability at June 30, 2022, if any, is unknown.

NOTE 15. CAPITAL RESERVE ACCOUNT

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

RANDOLPH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
(Continued)

NOTE 15. CAPITAL RESERVE ACCOUNT (Cont'd)

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

Beginning balance, July 1, 2021		\$ 11,990,730
Add:		
Interest Earnings	\$ 34,955	
Return of Unexpended Funds From Completed Project	214,679	
Deposits:		
Transfer by Board Resolution - June 2022	1,850,000	
		2,099,634
		14,090,364
Less:		
Budgeted Withdrawal from Capital Reserve		5,000,000
Ending balance, June 30, 2022		\$ 9,090,364

The June 30, 2022 LRFP balance of local support costs of uncompleted capital projects exceeded the balance in the capital reserve account. The withdrawal from the capital reserve was for use in DOE approved facilities projects, consistent with the District’s LRFP.

NOTE 16. MAINTENANCE RESERVE ACCOUNT

A maintenance reserve account was established by Board resolution for the accumulation of funds for use as maintenance expenditures in subsequent fiscal years. These funds may be used for specific activities necessary for the purpose of keeping a school facility open and safe for use or in its original condition, and for keeping its constituent buildings systems fully and efficiently functional and for keeping their warranties valid but cannot be used for routine or capital maintenance. The purpose of the reserve is to provide funds for anticipated expenditures required to maintain a building.

Pursuant to N.J.A.C. 6A:26A-4.2 funds may be deposited into the maintenance reserve account at any time by board resolution to meet the required maintenance of the District by transferring unassigned general fund balance or by transferring excess unassigned general fund balance that is anticipated to be deposited during the current year in the advertised recapitulation of balances of the subsequent year’s budget that is certified for taxes. Funds may be withdrawn from the maintenance reserve account and appropriated into the required maintenance account lines at budget time or any time during the year by Board resolution for use on required maintenance activities by school facility as reported in the comprehensive maintenance plan. Funds withdrawn from the maintenance reserve account are restricted to required maintenance appropriations and may not be transferred to any other line-item account. In any year that maintenance reserve account funds are withdrawn, unexpended required maintenance appropriations, up to the amount of maintenance reserve account funds withdrawn, shall be restored to the maintenance reserve account at year-end.

At no time, shall the maintenance reserve account have a balance that exceeds four percent of the replacement cost of the current year of the District’s school facilities. If the account exceeds this maximum amount at June 30, the excess shall be restricted and designated in the subsequent year’s budget. The maintenance reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

RANDOLPH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
(Continued)

NOTE 16. MAINTENANCE RESERVE ACCOUNT (Cont'd)

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	\$ 982,773
Deposits:	
Transfer by Board Resolution June 2022	125,000
	1,107,773
Withdrawals:	
Board resolution	230,000
	230,000
Ending balance, June 30, 2022	\$ 877,773

NOTE 17. ACCOUNTS PAYABLE

The following accounts payable balances existed as of June 30, 2022:

	Governmental Funds		District Contribution Subsequent to the Measurement Date	Total Governmental Activities	Business - Type Activities Community School	District Contribution Subsequent to the Measurement Date	Total Enterprise Funds
	General Fund	Special Revenue Fund					
Vendors	\$ 48,691	\$ 14,704		\$ 63,395	\$ 20,133		\$ 20,133
Payroll Deductions and Withholdings	665,418			665,418			
Due to:							
State of New Jersey	_____	6,417	\$ 1,790,503	1,796,920	_____	\$ 61,294	61,294
	\$ 714,109	\$ 21,121	\$ 1,790,503	\$ 2,525,733	\$ 20,133	\$ 61,294	\$ 81,427

NOTE 18. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

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

General Information about the OPEB Plan

Plan Description and Benefits Provided

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

The State of New Jersey reports a liability as a result of its statutory requirements to pay other post-employment (health) benefits for the State Health Benefit Local Education Retired Education Plan. The State Health Benefit Local Education Retired Employees Plan is a multiple-employer defined benefit OPEB

RANDOLPH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
(Continued)

NOTE 18. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Cont'd)

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

General Information about the OPEB Plan (Cont'd)

Plan Description and Benefits Provided (Cont'd)

plan that is administered on a pay-as-you-go basis. Accordingly, no assets are accumulated in a qualifying trust that meets the criteria in GASB Codification Section P50. The State Health Benefits Local Education Retired Employees Plan provides medical, prescription drug, and Medicare Part B reimbursement to retirees and their covered dependents of local education employers.

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

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

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

Employees Covered by Benefit Terms

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

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

RANDOLPH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
(Continued)

NOTE 18. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Cont'd)

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

Total Nonemployer OPEB Liability

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

Actuarial Assumptions and Other Inputs

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

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

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

Mortality Rates

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

RANDOLPH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
(Continued)

NOTE 18. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Cont'd)

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

Health Care Trend Assumptions

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

Discount Rate

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

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

	Total OPEB Liability
Balance at June 30, 2019	\$ 140,413,371
Changes for Year:	
Service Cost	6,044,219
Interest on the Total OPEB Liability	5,059,764
Changes of Assumptions	41,319,541
Differences between Expected and Actual Experience	37,184,895
Gross Benefit Payments by the State	(3,938,010)
Contributions from Members	119,361
Net Changes	85,789,770
Balance at June 30, 2020	\$ 226,203,141

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

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

RANDOLPH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
(Continued)

NOTE 18. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Cont'd)

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

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

	June 30, 2020		
	At 1% Decrease (1.21%)	At Discount Rate (2.21%)	At 1% Increase (3.21%)
Total OPEB Liability Attributable to the District	\$ 272,699,562	\$ 226,203,141	\$ 189,847,418

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

	June 30, 2020		
	1% Decrease	Healthcare Cost Trend Rate	1% Increase
Total OPEB Liability Attributable to the District	\$ 182,598,804	\$ 226,203,141	\$ 278,126,215

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

For the fiscal year ended June 30, 2022 the District recognized OPEB expense of \$11,100,036 as determined by the State of New Jersey Division of Pensions and Benefits. This expense and the related offsetting revenue are for benefits provided by the State through a defined benefit OPEB plan that meets the criteria in GASB Codification Section P50, in which there is a special funding situation.

In accordance with GASB Codification Section P50, as the District's proportionate share of the OPEB liability is \$-0-, there is no recognition of the allocation of the proportionate share of the deferred inflows and outflows of resources.

RANDOLPH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
(Continued)

NOTE 18. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Cont'd)

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

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

At June 30, 2020 the State had deferred outflows of resources and deferred inflows of resources related to OPEB associated with the District from the following sources:

	<u>Deferral Year</u>	<u>Period in Years</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Changes in Assumptions	2017	9.54		\$ 13,727,909
	2018	9.51		12,083,151
	2019	9.29	\$ 1,628,680	
	2020	9.24	36,847,729	
			<u>38,476,409</u>	<u>25,811,060</u>
Differences Between Expected and Actual Experience	2018	9.51		11,422,338
	2019	9.29		19,169,656
	2020	9.24	34,343,529	
			<u>34,343,529</u>	<u>30,591,994</u>
Changes in Proportion	N/A	N/A	<u>1,576,791</u>	<u>2,679,858</u>
			<u>\$ 74,396,729</u>	<u>\$ 59,082,912</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB (excluding employer specific amounts for changes in proportion) will be recognized in OPEB expense as follows:

<u>Fiscal Year Ending June 30,</u>	<u>Total</u>
2021	\$ (144,909)
2022	(144,909)
2023	(144,910)
2024	(144,910)
2025	(144,910)
Thereafter	<u>(15,692,336)</u>
	<u>\$ (16,416,884)</u>

RANDOLPH TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
(Continued)

NOTE 19. PRIOR YEAR ADJUSTMENT

The District made a prior year adjustment in the district-wide financial statements to record financed purchase payables and for an intangible right-to-use asset and a lease liability as of June 30, 2021 as a result of implementing GASB 87, *Leases*:

	<u>Balance 6/30/21 as Previously Reported</u>	<u>Retroactive Adjustments</u>	<u>Balance 6/30/21 as Restated</u>
<u>Statement of Position - Governmental Activities:</u>			
Assets:			
Lease Assets, Net	\$ -0-	\$ 631,167	\$ 631,167
Total Assets	102,742,039	631,167	103,373,206
Noncurrent Liabilities:			
Due Within One Year	4,912,485	200,025	5,112,510
Due Beyond One Year	61,726,321	434,975	62,161,296
Total Liabilities	68,967,430	635,000	69,602,430
Net Position:			
Net Investment in Capital Assets	39,720,063	(3,833)	39,716,230
Total Net Position	28,430,034	(3,833)	28,426,201

SCHEDULES OF REQUIRED
SUPPLEMENTARY INFORMATION

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

	Fiscal Year Ending June 30,							
	2015	2016	2017	2018	2019	2020	2021	2022
District's proportion of the net pension liability	0.1404319814%	0.1404654329%	0.1418270218%	0.1468361399%	0.1476679484%	0.1437599656%	0.1469546727%	0.1488776231%
District's proportionate share of the net pension liability	\$ 26,292,708	\$ 31,531,675	\$ 42,005,096	\$ 34,181,106	\$ 29,075,083	\$ 25,903,365	\$ 23,964,464	\$ 17,636,786
District's covered employee payroll	\$ 9,395,315	\$ 9,621,273	\$ 9,755,434	\$ 10,029,828	\$ 10,038,251	\$ 10,361,586	\$ 10,762,698	\$ 10,790,660
District's proportionate share of the net pension liability as a percentage of its covered employee payroll	279.85%	327.73%	430.58%	340.79%	289.64%	249.99%	222.66%	163.44%
Plan fiduciary net position as a percentage of the total pension liability	52.08%	47.93%	40.14%	48.10%	53.60%	56.27%	58.32%	70.33%

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

RANDOLPH TOWNSHIP SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES
SCHEDULE OF DISTRICT CONTRIBUTIONS
PUBLIC EMPLOYEES RETIREMENT SYSTEM
LAST EIGHT FISCAL YEARS

	Fiscal Year Ending June 30,							
	2015	2016	2017	2018	2019	2020	2021	2022
Contractually required contribution	\$ 1,157,701	\$ 1,207,626	\$ 1,268,407	\$ 1,360,280	\$ 1,477,298	\$ 1,406,013	\$ 1,607,612	\$ 1,743,530
Contributions in relation to the contractually required contribution	(1,157,701)	(1,207,626)	(1,268,407)	(1,360,280)	(1,477,298)	(1,406,013)	(1,607,612)	(1,743,530)
Contribution deficiency/(excess)	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-
District's covered employee payroll	\$ 9,621,273	\$ 9,755,434	\$ 10,029,828	\$ 10,038,251	\$ 10,361,586	\$ 10,762,698	\$ 10,790,660	\$ 10,743,320
Contributions as a percentage of covered employee payroll	12.03%	12.38%	12.65%	13.55%	14.26%	13.06%	14.90%	16.23%

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

RANDOLPH TOWNSHIP SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES
SCHEDULE OF STATE'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY ASSOCIATED WITH THE DISTRICT
TEACHERS' PENSION AND ANNUITY FUND
LAST EIGHT FISCAL YEARS

	Fiscal Year Ending June 30,							
	2015	2016	2017	2018	2019	2020	2021	2022
State's proportion of the net pension liability attributable to the District	0.3571898561%	0.3603868100%	0.3560703151%	0.3459566128%	0.3602435316%	0.3579023285%	0.3499861202%	0.3588547182%
State's proportionate share of the net pension liability attributable to the District	\$ 190,906,353	\$ 227,779,854	\$ 280,107,581	\$ 233,256,423	\$ 229,179,197	\$ 219,648,037	\$ 230,461,649	\$ 172,520,083
District's covered employee payroll	\$ 35,964,098	\$ 36,242,645	\$ 36,585,109	\$ 37,795,723	\$ 37,120,829	\$ 38,910,697	\$ 38,854,651	\$ 38,359,387
State's proportionate share of the net pension liability attributable to the District as a percentage of its covered employee payroll	530.82%	628.49%	765.63%	617.15%	617.39%	564.49%	593.14%	449.75%
Plan fiduciary net position as a percentage of the total pension liability	33.64%	28.71%	22.33%	25.41%	26.49%	26.95%	24.60%	35.52%

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

RANDOLPH TOWNSHIP SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES
SCHEDULE OF STATE CONTRIBUTIONS
TEACHERS' PENSION AND ANNUITY FUND
LAST EIGHT FISCAL YEARS

	Fiscal Year Ending June 30,							
	2015	2016	2017	2018	2019	2020	2021	2022
Contractually required contribution	\$ 10,272,554	\$ 13,908,011	\$ 21,046,187	\$ 16,158,824	\$ 13,360,346	\$ 12,955,428	\$ 14,331,087	\$ 4,059,473
Contributions in relation to the contractually required contribution	(1,948,383)	(2,850,837)	(3,755,269)	(5,305,116)	(7,039,074)	(7,676,536)	(10,431,472)	(14,114,853)
Contribution deficiency(excess)	\$ 8,324,171	\$ 11,057,174	\$ 17,290,918	\$ 10,853,708	\$ 6,321,272	\$ 5,278,892	\$ 3,899,615	\$ (10,055,380)
District's covered employee payroll	\$ 36,242,645	\$ 36,585,109	\$ 37,795,723	\$ 37,120,829	\$ 38,910,697	\$ 38,854,651	\$ 38,359,387	\$ 38,923,373
Contributions as a percentage of covered employee payroll	5.38%	7.79%	9.94%	14.29%	18.09%	19.76%	27.19%	36.26%

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

RANDOLPH TOWNSHIP SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES
SCHEDULE OF CHANGES IN THE STATE'S TOTAL OPEB LIABILITY AND RELATED RATIOS
LAST FOUR FISCAL YEARS

	Fiscal Year Ending			
	2017	2018	2019	2020
Service Cost	\$ 7,586,335	\$ 6,302,924	\$ 5,647,239	\$ 6,044,219
Interest Cost	5,682,672	6,582,167	6,180,309	5,059,764
Changes in Assumptions	(23,503,801)	(17,915,787)	2,093,575	41,319,541
Differences between Expected and Actual Experience		(14,370,840)	(25,447,306)	37,184,895
Member Contributions	153,139	144,282	127,768	119,361
Gross Benefit Payments	(4,158,851)	(4,174,648)	(4,310,272)	(3,938,010)
Net Change in Total OPEB Liability	(14,240,506)	(23,431,902)	(15,708,687)	85,789,770
Total OPEB Liability - Beginning	193,794,466	179,553,960	156,122,058	140,413,371
Total OPEB Liability - Ending	\$ 179,553,960	\$ 156,122,058	\$ 140,413,371	\$ 226,203,141
District's Covered Employee Payroll *	\$ 46,340,543	\$ 47,825,551	\$ 47,159,080	\$ 49,272,283
Total OPEB Liability as a Percentage of Covered Employee Payroll	387%	326%	298%	459%

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

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

RANDOLPH TOWNSHIP SCHOOL DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

A. PUBLIC EMPLOYEES' RETIREMENT SYSTEM

Benefit Changes

There were none.

Changes of Actuarial Assumptions

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

B. TEACHERS PENSION AND ANNUITY FUND

Benefit Changes

There were none.

Changes of Actuarial Assumptions

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

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

RANDOLPH TOWNSHIP SCHOOL DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
(Continued)

C. STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES OPEB PLAN

Benefit Changes

There were none.

Changes of Actuarial Assumptions

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

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

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

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

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

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

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

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

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

BUDGETARY COMPARISON SCHEDULES

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

Exhibit C-1
1 of 13

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Revenues from Local Sources:					
Local Tax Levy	\$ 78,630,464		\$ 78,630,464	\$ 78,630,464	
Tuition From Individuals	120,000		120,000	240,603	\$ 120,603
Tuition From Other LEAs Within the State	450,000		450,000	826,204	376,204
Transportation Fees From Other LEAs	20,000		20,000	28,821	8,821
Rents and Royalties	40,000		40,000	136,296	96,296
Unrestricted Miscellaneous Revenues	86,428		86,428	165,954	79,526
Interest Earned on Capital Reserve Funds				34,955	34,955
Total Revenues from Local Sources	79,346,892		79,346,892	80,063,297	716,405
Revenues from State Sources:					
Categorical Transportation Aid	1,249,097		1,249,097	1,249,097	
Extraordinary Aid	700,000		700,000	2,478,260	1,778,260
Categorical Special Education Aid	3,234,926		3,234,926	3,234,926	
Equalization Aid	4,438,751		4,438,751	4,438,751	
Categorical Security Aid	103,893		103,893	103,893	
Other State Aid - Non Public Transportation				67,176	67,176
TPAF Post Retirement Contributions (Non-Budgeted)				3,344,328	3,344,328
TPAF Pension Contributions (Non-Budgeted)				14,114,853	14,114,853
TPAF Non-Contributory Insurance (Non-Budgeted)				199,141	199,141
TPAF Long-Term Disability Insurance (Non-Budgeted)				6,093	6,093
Reimbursed TPAF Social Security Contributions				2,805,439	2,805,439
Total Revenues from State Sources	9,726,667		9,726,667	32,041,957	22,315,290
Revenues from Federal Sources:					
Medicaid Reimbursement	36,778		36,778	40,205	3,427
Total Revenues from Federal Sources	36,778		36,778	40,205	3,427
TOTAL REVENUE	89,110,337		89,110,337	112,145,459	23,035,122

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

Exhibit C-1
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	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
GENERAL CURRENT EXPENSE					
Regular Programs - Instruction:					
Kindergarten - Salaries of Teachers	\$ 937,457	\$ (11,522)	\$ 925,935	\$ 924,214	\$ 1,721
Grades 1-5 - Salaries of Teachers	9,473,674	(143,204)	9,330,470	9,323,988	6,482
Grades 6-8 - Salaries of Teachers	5,728,106	(40,489)	5,687,617	5,680,805	6,812
Grades 9-12 - Salaries of Teachers	9,186,272	(372,340)	8,813,932	8,813,587	345
Regular Programs - Home Instruction:					
Salaries of Teachers	100,000	(50,211)	49,789	40,592	9,197
Purchased Professional-Educational Services	25,365	53,593	78,958	59,108	19,850
Regular Programs - Undistributed Instruction:					
Other Salaries for Instruction	515,346	32,855	548,201	519,703	28,498
Purchased Professional-Educational Services	259,550	99,872	359,422	357,462	1,960
Purchased Technical Services	31,400	(15,028)	16,372	12,785	3,587
Other Purchased Services (400-500 series)	500	(500)			
General Supplies	1,828,826	319,528	2,148,354	1,706,870	441,484
Textbooks	119,170	(2,744)	116,426	100,550	15,876
Other Objects	14,508	4,845	19,353	17,203	2,150
Total Regular Programs - Instruction	<u>28,220,174</u>	<u>(125,345)</u>	<u>28,094,829</u>	<u>27,556,867</u>	<u>537,962</u>
Special Education - Instruction:					
Learning and/or Language Disabilities:					
Salaries of Teachers	1,012,768	(64,656)	948,112	946,611	1,501
Other Salaries for Instruction	263,405	1,525	264,930	228,813	36,117
General Supplies	15,200	(6,610)	8,590	8,177	413
Total Learning and/or Language Disabilities	<u>1,291,373</u>	<u>(69,741)</u>	<u>1,221,632</u>	<u>1,183,601</u>	<u>38,031</u>
Auditory Impairments:					
General Supplies	4,750	1,517	6,267	6,267	
Total Auditory Impairments	<u>4,750</u>	<u>1,517</u>	<u>6,267</u>	<u>6,267</u>	
Behavioral Disabilities:					
Salaries of Teachers	67,608	(67,608)			
Total Behavioral Disabilities	<u>67,608</u>	<u>(67,608)</u>			

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

Exhibit C-1
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	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Multiple Disabilities:					
Other Salaries for Instruction	\$ 64,454	\$ 11,252	\$ 75,706	\$ 71,966	\$ 3,740
General Supplies	2,500	(1,900)	600	228	372
Total Multiple Disabilities	<u>66,954</u>	<u>9,352</u>	<u>76,306</u>	<u>72,194</u>	<u>4,112</u>
Resource Room/Resource Center:					
Salaries of Teachers	4,383,714	379,990	4,763,704	4,752,496	11,208
Other Salaries for Instruction	976,129	63,277	1,039,406	1,015,857	23,549
General Supplies	65,800	(48,599)	17,201	17,201	
Total Resource Room/Resource Center	<u>5,425,643</u>	<u>394,668</u>	<u>5,820,311</u>	<u>5,785,554</u>	<u>34,757</u>
Autism:					
Salaries of Teachers	227,079	29,854	256,933	256,933	
Total Autism	<u>227,079</u>	<u>29,854</u>	<u>256,933</u>	<u>256,933</u>	
Preschool Disabilities - Part-Time:					
Salaries of Teachers	198,070	(196,142)	1,928		1,928
Total Preschool Disabilities - Part-Time	<u>198,070</u>	<u>(196,142)</u>	<u>1,928</u>		<u>1,928</u>
Preschool Disabilities - Full-Time:					
Salaries of Teachers	164,483	157,879	322,362	322,362	
Other Salaries for Instruction	270,039	(38,797)	231,242	230,344	898
General Supplies	12,428	(5,958)	6,470	6,470	
Total Preschool Disabilities - Full-Time	<u>446,950</u>	<u>113,124</u>	<u>560,074</u>	<u>559,176</u>	<u>898</u>
TOTAL SPECIAL EDUCATION - INSTRUCTION	<u>7,728,427</u>	<u>215,024</u>	<u>7,943,451</u>	<u>7,863,725</u>	<u>79,726</u>
Basic Skills/Remedial - Instruction:					
Salaries of Teachers	177,250	2,700	179,950	179,950	
General Supplies	1,050	(100)	950	897	53
Total Basic Skills/Remedial - Instruction	<u>178,300</u>	<u>2,600</u>	<u>180,900</u>	<u>180,847</u>	<u>53</u>

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

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Bilingual Education - Instruction:					
Salaries of Teachers	\$ 328,653	\$ (53,402)	\$ 275,251	\$ 274,310	\$ 941
Other Purchased Services (400-500 series)	1,000	(638)	362	316	46
General Supplies	3,000	5,497	1,000	5,289	208
Textbooks		(2,000)	1,000	579	421
Total Bilingual Education - Instruction	332,653	(50,543)	282,110	280,494	1,616
School-Spon. Coccuircular & Extracurricular Actvts. - Inst.:					
Salaries	379,783	(26,249)	353,534	348,204	5,330
Purchased Services (300-500 series)	10,500	(2,605)	7,895	5,346	2,549
Supplies and Materials	20,500	1,439	21,939	20,338	1,601
Other Objects	22,200	(1,891)	20,309	13,630	6,679
Total School-Spon. Coccuircular & Extracurricular Actvts. - Inst.	432,983	(29,306)	403,677	387,518	16,159
School-Sponsored Athletics - Instruction:					
Salaries	862,792	60,823	923,615	909,099	14,516
Purchased Services (300-500 series)	123,050	(7,124)	115,926	93,370	22,556
Supplies and Materials	141,923	47,223	189,146	124,106	65,040
Other Objects	62,500	8,676	71,176	68,056	3,120
Total School-Sponsored Athletics - Instruction	1,190,265	109,598	1,299,863	1,194,631	105,232
Summer School - Instruction:					
Salaries of Teachers	82,243	(1,136)	81,107	80,912	195
Other Salaries of Instruction	46,735	5,633	52,368	50,685	1,683
General Supplies	500	(474)	26	26	
Total Summer School - Instruction	129,478	4,023	133,501	131,623	1,878
Summer School - Support Services:					
Salaries	26,286	(1,321)	24,965	23,715	1,250
Total Summer School - Support Svcs	26,286	(1,321)	24,965	23,715	1,250
Total Summer School	155,764	2,702	158,466	155,338	3,128
TOTAL INSTRUCTION	38,238,566	124,730	38,363,296	37,619,420	743,876

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

Exhibit C-1
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	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Undistributed Expenditures - Instruction:					
Tuition to Other LEAs Within the State-Special	\$ 106,124	\$ (82,590)	\$ 23,534	\$ 23,534	
Tuition to County Voc. School Dist.-Regular	628,000	88,273	716,273	716,273	
Tuition to County Voc. School Dist.-Special	14,000	(14,000)			
Tuition to Priv. Sch. for the Handicap. W/I State	1,181,778	(530,285)	651,493	485,924	\$ 165,569
Tuition to Priv Sch Handicap & Oth LEAs-Spl,O/S St		82,490	82,490	82,490	
Tuition - State Facilities	79,744	(79,744)			
Tuition - Other		20,800	20,800	20,800	
Total Undistributed Expenditures - Instruction	<u>2,009,646</u>	<u>(515,056)</u>	<u>1,494,590</u>	<u>1,329,021</u>	<u>165,569</u>
Undistributed Expenditures - Health Services:					
Salaries	727,105	89,388	816,493	813,015	3,478
Purchased Professional and Technical Services	19,110	(10,657)	8,453	5,778	2,675
Other Purchased Services (400-500 series)	1,000	(120)	880	368	512
Supplies and Materials	33,042	2,415	35,457	34,757	700
Other Objects		510	510	510	
Total Undist. Expenditures - Health Services	<u>780,257</u>	<u>81,536</u>	<u>861,793</u>	<u>854,428</u>	<u>7,365</u>
Undist. Expend. - Speech, OT, PT, Related Svcs:					
Salaries	1,072,903	(63,722)	1,009,181	1,007,333	1,848
Purchased Professional - Educational Services	286,310	375,714	662,024	647,772	14,252
Supplies and Materials	15,000	(12,989)	2,011	2,011	
Total Undist. Expend. - Speech, OT, PT, Related Svcs	<u>1,374,213</u>	<u>299,003</u>	<u>1,673,216</u>	<u>1,657,116</u>	<u>16,100</u>
Undist.Expend.-Other Supp.-Serv.Students-Extra.Serv.:					
Salaries	1,077,910	(67,443)	1,010,467	1,005,801	4,666
Purchased Professional - Educational Services	453,807	3,891	457,698	419,038	38,660
Total Undist. Expend. - Other Supp. Svcs. Students - Extra. Serv.	<u>1,531,717</u>	<u>(63,552)</u>	<u>1,468,165</u>	<u>1,424,839</u>	<u>43,326</u>

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

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Undist. Expend. - Guidance:					
Salaries of Other Professional Staff	\$ 1,213,728	\$ 20,348	\$ 1,234,076	\$ 1,233,079	\$ 997
Salaries of Secretarial and Clerical Assistants	132,845	(8,871)	123,974	123,973	1
Other Purchased Prof. and Tech. Services	6,804	6,911	6,911	6,911	
Other Purchased Services (400-500 series)	5,727	(3,204)	3,600	3,588	12
Supplies and Materials	7,580	(1,150)	4,577	3,485	1,092
Other Objects		2,725	10,305	10,300	5
Total Undist Expend. - Guidance	<u>1,366,684</u>	<u>16,759</u>	<u>1,383,443</u>	<u>1,381,336</u>	<u>2,107</u>
Undist. Expend. - Child Study Team:					
Salaries of Other Professional Staff	2,017,925	(107,941)	1,909,984	1,906,310	3,674
Salaries of Secretarial and Clerical Assistants	205,424	4,050	209,474	209,473	1
Purchased Professional - Educational Services	620,650	358,019	978,669	947,324	31,345
Other Purchased Prof. and Tech. Services	5,000	(3,668)	1,332	1,332	
Misc Purchased Services (400-500 series)	10,195		10,195	8,518	1,677
Supplies and Materials	30,212	(22,257)	7,955	7,765	190
Other Objects	1,000	(675)	325	325	
Total Undist Expend. - Child Study Team	<u>2,890,406</u>	<u>227,528</u>	<u>3,117,934</u>	<u>3,081,047</u>	<u>36,887</u>
Undist. Expend. - Improv. of Inst. Serv.:					
Salaries of Supervisors of Instruction	1,297,358	(35,011)	1,262,347	1,262,248	99
Salaries of Other Professional Staff	72,000	34,764	106,764	106,764	
Salaries of Secretarial and Clerical Assistants	132,645	(42,703)	89,942	85,082	4,860
Unused Vacation Payment to Terminated/Retired Staff		44,790	44,790	44,790	
Purchased Professional - Educational Services	137,100	(19,128)	117,972	68,045	49,927
Other Purchased Services (400-500 series)	40,524	(27,982)	12,542	8,389	4,153
Supplies and Materials	53,071	26,746	79,817	77,220	2,597
Other Objects	2,175	(1,125)	1,050	875	175
Total Undist. Expend. - Improv. of Inst. Serv.	<u>1,734,873</u>	<u>(19,649)</u>	<u>1,715,224</u>	<u>1,653,413</u>	<u>61,811</u>

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

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Undist. Expend.-Edu. Media Serv./Sch. Library:					
Salaries	\$ 435,512	\$ (126,402)	\$ 309,110	\$ 309,109	\$ 1
Purchased Professional and Technical Services	109,465	(24,548)	84,917	83,879	1,038
Supplies and Materials	22,597	(3,098)	19,499	15,551	3,948
Other Objects	2,000	(2,000)			
Total Undist Expend-Edu. Media Serv./Sch. Library	569,574	(156,048)	413,526	408,539	4,987
Undist.Expend.-Instructional Staff Training Services:					
Other Salaries		427	427	427	
Purchased Professional - Educational Service	119,200	(94,944)	24,256	19,681	4,575
Other Purchased Services (400-500 series)	53,122	(17,309)	35,813	17,168	18,645
Total Undist.Expend.-Instructional Staff Training Services	172,322	(111,826)	60,496	37,276	23,220
Undist. Expend.-Support Serv.-Gen. Admin.:					
Salaries	424,495	205	424,700	424,596	104
Legal Services	361,120	8,769	369,889	281,611	88,278
Audit Fees	101,595		101,595	58,950	42,645
Other Purchased Professional Services	176,527	(20,921)	155,606	128,396	27,210
Purchased Technical Services	6,000	30,419	36,419	36,419	
Communications / Telephone	15,500	2,298	17,798	16,744	1,054
Other Purch. Serv. (400-500 series other than 530 & 585)	307,252	42,714	349,966	324,233	25,733
General Supplies	29,225	(4,698)	24,527	18,852	5,675
Judgments Against The School District	68,050	34,450	102,500	102,500	
Miscellaneous Expenditures	17,500	(4,740)	12,760	11,848	912
BOE Membership Dues and Fees	27,500	(42)	27,458	26,663	795
Total Undist. Expend.-Support Serv.-Gen. Admin.	1,534,764	88,454	1,623,218	1,430,812	192,406

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

Exhibit C-1
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	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Undist. Expend.-Support Serv.-School Adm.:					
Salaries of Principals/Assistant Principals/Prog Director	\$ 2,049,466	\$ (151,941)	\$ 1,897,525	\$ 1,891,462	\$ 6,063
Salaries of Secretarial and Clerical Assistants	1,019,482	(56,759)	962,723	956,896	5,827
Unused Vacation Payment to Terminated/Retired Staff		29,025	29,025	29,025	
Purchased Professional and Technical Services	3,700	1,987	5,687	4,948	739
Other Purchased Services (400-500 series)	43,000	(12,000)	31,000	12,495	18,505
Supplies and Materials	33,131	23,700	56,831	52,419	4,412
Other Objects	11,900	2,722	14,622	13,634	988
Total Undist. Expend.-Support Serv.-School Adm.	3,160,679	(163,266)	2,997,413	2,960,879	36,534
Undist. Expend. - Central Services:					
Salaries	983,781	25,198	1,008,979	1,008,248	731
Unused Vacation Payment to Terminated/Retired Staff		20,831	20,831	20,831	
Purchased Technical Services	57,961	578	58,539	40,605	17,934
Miscellaneous Purchased Services (400-500 series other than 594)	15,000	(8,793)	6,207	2,277	3,930
Supplies and Materials	11,000	511	11,511	11,098	413
Other Objects	33,700	(1,000)	32,700	25,090	7,610
Total Undist. Expend. - Central Services	1,101,442	37,325	1,138,767	1,108,149	30,618
Undist. Expend. - Admin. Info. Technology:					
Salaries	991,565	95,744	1,087,309	1,087,306	3
Purchased Professional Services	796,694	139,760	936,454	802,964	133,490
Purchased Technical Services	23,645	2,230	25,875	23,507	2,368
Other Purchased Services (400-500 series)	589,375	(211,244)	378,131	355,583	22,548
Supplies and Materials	411,994	(87,174)	324,820	178,843	145,977
Other Objects	935		935	620	315
Total Undist. Expend. - Admin. Info. Technology	2,814,208	(60,684)	2,753,524	2,448,823	304,701

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

Exhibit C-1
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	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Undist. Expend.-Required Maintenance for School Facilities:					
Salaries	\$ 583,184	\$ 21,130	\$ 604,314	\$ 592,379	\$ 11,935
Unused Vacation Payment to Terminated/Retired Staff		14,394	14,394	14,393	1
Cleaning, Repair, and Maintenance Services	995,161	110,816	1,105,977	963,248	142,729
General Supplies	259,792	(100,601)	159,191	156,419	2,772
Other Objects		6,000	6,000	5,490	510
Total Undist. Expend.- Required Maint. for School Facilities	<u>1,838,137</u>	<u>51,739</u>	<u>1,889,876</u>	<u>1,731,929</u>	<u>157,947</u>
Undist. Expend.-Custodial Services:					
Salaries	2,600,322	16,511	2,616,833	2,608,942	7,891
Unused Vacation Payment to Terminated/Retired Staff		46,562	46,562	46,562	
Purchased Professional and Technical Services	29,000	(15,950)	13,050	13,050	
Cleaning, Repair, and Maintenance Services	312,655	(97,725)	214,930	206,483	8,447
Rental of Land & Bldg. Oth. than Lease Pur. Agrmt.	85,000		85,000	77,891	7,109
Other Purchased Property Services	237,301	(76,760)	160,541	112,022	48,519
Insurance	651,229	52,691	703,920	703,920	
General Supplies	277,000	(109)	276,891	275,096	1,795
Energy (Natural Gas)	562,239	51,141	613,380	598,039	15,341
Energy (Electricity)	599,000	371,027	970,027	917,983	52,044
Energy (Oil)	800		800	294	506
Energy (Gasoline)		22,899	22,899	22,899	
Total Undist. Expend.-Custodial Services	<u>5,354,546</u>	<u>370,287</u>	<u>5,724,833</u>	<u>5,583,181</u>	<u>141,652</u>
Care and Upkeep of Grounds:					
Salaries	553,614	12,203	565,817	565,817	
Cleaning, Repair, and Maintenance Services	30,000	(9,200)	20,800	20,760	40
General Supplies	76,596	(17,513)	59,083	58,835	248
Total Care And Upkeep Of Grounds	<u>660,210</u>	<u>(14,510)</u>	<u>645,700</u>	<u>645,412</u>	<u>288</u>

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

Exhibit C-1
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	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Security:					
Salaries	\$ 362,900	\$ 33,576	\$ 396,476	\$ 391,796	\$ 4,680
Purchased Professional and Technical Services	57,200	(46,580)	10,620	10,420	200
General Supplies	31,500	(8,867)	22,633	14,151	8,482
Total Security	<u>451,600</u>	<u>(21,871)</u>	<u>429,729</u>	<u>416,367</u>	<u>13,362</u>
Total Undist. Expend.-oper. And Maint. Of Plant Serv.	<u>8,304,493</u>	<u>385,645</u>	<u>8,690,138</u>	<u>8,376,889</u>	<u>313,249</u>
Undist. Expend.-Student Transportation Serv.:					
Sal. for Pupil Trans. (Bet. Home and Sch)-Reg.	1,978,865	(157,025)	1,821,840	1,821,839	1
Sal. for Pupil Trans. (Oth. than Bet. Home & Sch)	235,918	96,996	332,914	332,914	
Other Purchased Professional and Technical Services	22,159	4,091	26,250	25,928	322
Cleaning, Repair, and Maint. Services	1,000	(1,000)			
Contract Serv.(Oth. than Bet. Home & Sch.)-Vend.	169,528	26,725	196,253	196,253	
Contract Serv.(Bet. Home & Sch.)-Joint Agrmnts.	1,146,000	251,910	1,397,910	1,396,110	1,800
Contract Serv.(Reg. Students)-ESCs & CTSA	198,989	7,528	206,517	201,272	5,245
Contract Serv.(Spl. Ed. Students)-ESCs & CTSA	1,500	(1,500)			
Misc. Purchased Serv. - Transportation	55,000	(55,000)			
General Supplies	28,957	(25,271)	3,686	1,718	1,968
Transportation Supplies	318,500	81,129	399,629	390,898	8,731
Other Objects	11,798	2,803	14,601	14,431	170
Total Undist. Expend.-Student Trans. Serv.	<u>4,168,214</u>	<u>231,386</u>	<u>4,399,600</u>	<u>4,381,363</u>	<u>18,237</u>
UNALLOCATED BENEFITS					
Social Security Contributions	1,380,000		1,380,000	1,247,545	132,455
Other Retirement Contributions - PERS	1,670,903	72,627	1,743,530	1,743,530	
Other Retirement Contributions - Regular	261,798	(15,023)	246,775	212,085	34,690
Unemployment Compensation	190,000		190,000	176,467	13,533
Workers Compensation	478,349	(61,820)	416,529	402,305	14,224
Health Benefits	12,695,086	(575,784)	12,119,302	11,864,662	254,640
Tuition Reimbursement	237,579	(45,862)	191,717	154,461	37,256
Other Employee Benefits	841,000	(26,983)	814,017	741,058	72,959
Unused Sick Payment to Terminated/Retired Staff	120,000	14,223	134,223	134,223	
TOTAL UNALLOCATED BENEFITS	<u>17,874,715</u>	<u>(638,622)</u>	<u>17,236,093</u>	<u>16,676,336</u>	<u>559,757</u>

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

Exhibit C-1
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	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
ON-BEHALF CONTRIBUTIONS (NON-BUDGETED)					
TPAF Post Retirement Contributions (Non-Budgeted)				\$ 3,344,328	\$ (3,344,328)
TPAF Pension Contributions (Non-Budgeted)				14,114,853	(14,114,853)
TPAF Non-Contributory Insurance (Non-Budgeted)				199,141	(199,141)
TPAF Long-Term Disability Insurance (Non-Budgeted)				6,093	(6,093)
Reimbursed TPAF Social Security Contributions				2,805,439	(2,805,439)
TOTAL ON-BEHALF CONTRIBUTIONS (NON-BUDGETED)				<u>20,469,854</u>	<u>(20,469,854)</u>
TOTAL PERSONAL SERVICES - EMPLOYEE BENEFITS	\$ 17,880,618	\$ (644,525)	\$ 17,236,093	37,146,190	(19,910,097)
TOTAL UNDISTRIBUTED EXPENDITURES	<u>51,394,110</u>	<u>(366,970)</u>	<u>51,027,140</u>	<u>69,680,120</u>	<u>(18,652,980)</u>
TOTAL GENERAL CURRENT EXPENSE	<u>89,632,676</u>	<u>(242,240)</u>	<u>89,390,436</u>	<u>107,299,540</u>	<u>(17,909,104)</u>
CAPITAL OUTLAY					
Equipment					
Undistributed:					
Undistributed Expenditures - Instruction	77,406	26,854	104,260	88,938	15,322
Undist. Expend. - Supp Serv. - Related & Extraord.		5,990	5,990	5,990	
Undistributed Expenditures - Admin. Info. Tech.	3,007	58,438	61,445	61,079	366
Undist. Expend. - Required Maint for School Fac.	29,853	163,062	192,915	180,316	12,599
Undist. Expend. - Security	8,000	5,447	13,447	7,906	5,541
Undist. Expend.-Student Trans.- Non-Inst. Equip.	20,450		20,450	20,450	
School Buses - Regular	511,490	(7,318)	504,172	504,172	
Total Equipment	<u>650,206</u>	<u>252,473</u>	<u>902,679</u>	<u>868,851</u>	<u>33,828</u>
Facilities Acquisition and Construction Serv.:					
Architectural/Engineering Services	280,625	276,932	557,557	319,527	238,030
Construction Services	8,223,306	91,603	8,314,909	2,957,557	5,357,352
Assessment for Debt Service on SDA Funding	64,340		64,340	64,340	
Total Facilities Acquisition and Const. Serv.	<u>8,568,271</u>	<u>368,535</u>	<u>8,936,806</u>	<u>3,341,424</u>	<u>5,595,382</u>

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

Exhibit C-1
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	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Assets Acquired Under Leases (Non-Budgeted):					
General Administration				\$ 739,605	\$ (739,605)
Central Services				8,964	(8,964)
Total Assets Acquired Under Capital Leases (Non-Budgeted)				<u>748,569</u>	<u>(748,569)</u>
Assets Acquired Under Financed Purchases (Non-Budgeted):					
Regular Programs - Equipment				1,489,926	(1,489,926)
Required Maintenance for School Facilities				100,276	(100,276)
Transportation - School Buses				609,798	(609,798)
Total Assets Acquired Under Financed Purchases (Non-Budgeted)				<u>2,200,000</u>	<u>(2,200,000)</u>
TOTAL CAPITAL OUTLAY	\$ 9,218,477	\$ 621,008	\$ 9,839,485	\$ 7,158,844	2,680,641
Transfer of Funds to Charter Schools	149,318	28,404	177,722	177,722	
	<u>149,318</u>	<u>28,404</u>	<u>177,722</u>	<u>177,722</u>	
TOTAL EXPENDITURES	98,994,568	413,075	99,407,643	114,636,106	(15,228,463)
Excess/(Deficit) of Revenues Over/(Under) Expenditures	(9,884,231)	(413,075)	(10,297,306)	(2,490,647)	(7,806,659)
Other Financing Sources/(Uses):					
Transfers from Other Funds				6,396	6,396
Leases (Non-budgeted)				748,569	748,569
Financed Purchases (Non-budgeted)				2,200,000	2,200,000
Total Other Financing Sources/(Uses)				<u>2,954,965</u>	<u>2,954,965</u>
Excess/(Deficit) of Revenues and Other Financing Sources Over/(Under) Expenditures and Other Financing Uses	(9,884,231)	(413,075)	(10,297,306)	464,318	10,761,624
Fund Balance, July 1	<u>22,255,224</u>		<u>22,255,224</u>	<u>22,255,224</u>	
Fund Balance, June 30	\$ 12,370,993	\$ (413,075)	\$ 11,957,918	\$ 22,719,542	10,761,624

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

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
<u>Recapitulation:</u>					
Restricted Fund Balance:					
Capital Reserve	\$			9,090,364	
Maintenance Reserve				877,773	
Assigned Fund Balance:					
Year End Encumbrances				6,645,653	
Designated for Subsequent Year's Expenditures				1,165,000	
Unassigned Fund Balance				4,940,752	
				<u>22,719,542</u>	
Reconciliation to Governmental Funds Statement (GAAP):					
Last State Aid Payments not Recognized on GAAP basis				(889,633)	
Fund Balance per Governmental Funds (GAAP)				<u>\$ 21,829,909</u>	

RANDOLPH TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Revenue:					
State Sources	\$ 219,478	\$ 50,849	\$ 270,327	\$ 263,910	\$ (6,417)
Federal Sources	1,253,729	1,821,064	3,074,793	2,065,441	(1,009,352)
Local Sources	5,100	857,132	862,232	681,092	(181,140)
Total Revenue	<u>1,478,307</u>	<u>2,729,045</u>	<u>4,207,352</u>	<u>3,010,443</u>	<u>(1,196,909)</u>
Expenditures:					
Instruction:					
Salaries of Teachers	188,793	145,637	334,430	157,182	177,248
Other Purchased Services	872,870	349,580	1,222,450	1,222,450	
General Supplies	34,592	203,515	238,107	50,147	187,960
Textbooks	8,462		8,462	8,462	
Total Instruction	<u>1,104,717</u>	<u>698,732</u>	<u>1,803,449</u>	<u>1,438,241</u>	<u>365,208</u>
Support Services:					
Purchased Professional and Educational Services	196,321	451,034	647,355	154,876	492,479
Purchased Professional and Technical Services	145,617	53,581	199,198	184,543	14,655
Personal Services - Employee Benefits	14,446	10,963	25,409	12,025	13,384
Other Purchased Professional Services	4,800	238,328	243,128	2,545	240,583
Supplies and Materials	6,261	18,565	24,826	15,736	9,090
Other Objects	6,145	5,974	12,119	7,192	4,927
Student Activities		509,528	509,528	509,528	
Scholarships Awarded		3,016	3,016	3,016	
Total Support Services	<u>373,590</u>	<u>1,290,989</u>	<u>1,664,579</u>	<u>889,461</u>	<u>775,118</u>
Facilities Acquisition:					
Non Instructional Equipment		681,675	681,675	625,092	56,583
Total Facilities Acquisition		<u>681,675</u>	<u>681,675</u>	<u>625,092</u>	<u>56,583</u>
Total Expenditures	<u>1,478,307</u>	<u>2,671,396</u>	<u>4,149,703</u>	<u>2,952,794</u>	<u>1,196,909</u>
Excess (Deficiency) of Revenue Over/(Under) Expenditures	<u>\$ -0-</u>	<u>\$ 57,649</u>	<u>\$ 57,649</u>	<u>\$ 57,649</u>	<u>\$ -0-</u>

RANDOLPH TOWNSHIP SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
NOTE TO RSI
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

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

	General Fund	Special Revenue Fund
Sources/Inflows of Resources:		
Actual Amounts (Budgetary Basis) "Revenue" from the Budgetary Comparison Schedule	\$ 112,145,459	\$ 3,010,443
Differences - Budget to GAAP:		
Grant Accounting Budgetary Basis Differs from GAAP in that the Budgetary Basis Recognizes Encumbrances as Expenditures and Revenue, whereas the GAAP Basis does not.		(524,765)
Prior Year State Aid Payments Recognized for GAAP Statements, not Recognized for Budgetary Purposes	1,040,229	
Current Year State Aid Payments Recognized for Budgetary Purposes, not Recognized for GAAP Statements	(889,633)	
Total Revenues as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds.	\$ 112,296,055	\$ 2,485,678
Uses/Outflows of Resources:		
Actual Amounts (Budgetary Basis) "Total Outflows" from the Budgetary Comparison Schedule	\$ 114,636,106	\$ 2,952,794
Differences - Budget to GAAP:		
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.		(524,765)
Total Expenditures as Reported on the Statement of Revenue, Expenditures, and Changes in Fund Balances - Governmental Funds	\$ 114,636,106	\$ 2,428,029

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

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

RANDOLPH TOWNSHIP SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
NOTE TO RSI
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

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

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

**SCHOOL LEVEL SCHEDULES
(NOT APPLICABLE)**

SPECIAL REVENUE FUND

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

	Elementary and Secondary Education Act		IDEA Part B, Basic	IDEA Part B, Basic - ARP	IDEA Part B, Preschool
	Title I	Title IIA	Title III		
REVENUE:					
State Sources					
Federal Sources	\$ 113,974	\$ 71,107	\$ 19,817	\$ 187,078	\$ 45,721
Local Sources					
Total Revenue	113,974	71,107	19,817	187,078	45,721
EXPENDITURES:					
Instruction:					
Salaries of Teachers	97,704		9,837	38,925	
Other Purchased Services				872,870	187,078
General Supplies	3,649				
Textbooks					
Total Instruction	101,353		9,837	911,795	187,078
Support Services:					
Purchased Professional/Educational Services					45,721
Purchased Professional/Technical Services		69,000		39,525	
Personal Services - Employee Benefits	7,474		752	2,978	
Other Purchased Professional Services					
Supplies and Materials		2,107	2,545	4,638	
Other Objects	5,147		2,045		
Student Activities					
Scholarships Awarded					
Total Support Services	12,621	71,107	9,980	42,503	45,721
Facilities Acquisition:					
Non Instructional Equipment					
Total Facilities Acquisition					
Total Expenditures	\$ 113,974	\$ 71,107	\$ 19,817	\$ 954,298	\$ 187,078

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

	Education Stabilization Aid				
	COVID 19 - CRRSA		COVID 19 - ARP		
	ESSER II	Learning Acceleration	ESSER III	Accelerated Learning	Beyond the School Day
REVENUE:					
State Sources					
Federal Sources	\$ 312,976	\$ 4,216	\$ 228,003	\$ 30,150	\$ 170
Local Sources					
Total Revenue	312,976	4,216	228,003	30,150	170
EXPENDITURES:					
Instruction:					
Salaries of Teachers					
Other Purchased Services		3,916	6,800		
General Supplies					170
Textbooks					
Total Instruction		3,916	6,800		170
Support Services:					
Purchased Professional/Educational Services			11,691	30,150	
Purchased Professional/Technical Services					
Personal Services - Employee Benefits		300	521		
Other Purchased Professional Services					
Supplies and Materials				8,991	
Other Objects					
Student Activities					
Scholarships Awarded					
Total Support Services		300	21,203	30,150	
Facilities Acquisition:					
Non Instructional Equipment	312,976		200,000		
Total Facilities Acquisition	312,976		200,000		
Total Expenditures	\$ 312,976	\$ 4,216	\$ 228,003	\$ 30,150	\$ 170
					\$ 97,931

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

	Non-Public					
	Chapter 192 Compensatory Education	Examination/ Classification	Chapter 193 Corrective Speech	Supplemental Instruction	Non-Public Security	Non-Public Nursing
REVENUE:						
State Sources	\$ 34,309	\$ 29,191	\$ 13,671	\$ 20,072	\$ 24,375	\$ 15,792
Federal Sources						
Local Sources						
Total Revenue	<u>34,309</u>	<u>29,191</u>	<u>13,671</u>	<u>20,072</u>	<u>24,375</u>	<u>15,792</u>
EXPENDITURES:						
Instruction:						
Salaries of Teachers						
Other Purchased Services						
General Supplies						
Textbooks						
Total Instruction						
Support Services:						
Purchased Professional/Educational Services						
Purchased Professional/Technical Services	34,309	29,191	13,671	20,072	24,375	15,792
Personal Services - Employee Benefits						
Other Purchased Professional Services						
Supplies and Materials						
Other Objects						
Student Activities						
Scholarships Awarded						
Total Support Services	<u>34,309</u>	<u>29,191</u>	<u>13,671</u>	<u>20,072</u>	<u>24,375</u>	<u>15,792</u>
Facilities Acquisition:						
Non Instructional Equipment						
Total Facilities Acquisition						
Total Expenditures	<u>\$ 34,309</u>	<u>\$ 29,191</u>	<u>\$ 13,671</u>	<u>\$ 20,072</u>	<u>\$ 24,375</u>	<u>\$ 15,792</u>

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

	SDA Emergent and Capital Maintenance Needs	Non-Public Technology	Non-Public Textbook	Various Local Grants	Student Activities	Scholarships	Totals June 30, 2022
REVENUE:							
State Sources	\$ 112,116	\$ 5,922	\$ 8,462				\$ 263,910
Federal Sources				\$ 110,899	\$ 567,677	\$ 2,516	2,065,441
Local Sources							681,092
Total Revenue	112,116	5,922	8,462	110,899	567,677	2,516	3,010,443
EXPENDITURES:							
Instruction:							
Salaries of Teachers							157,182
Other Purchased Services				64,571			1,222,450
General Supplies			8,462	46,328			50,147
Textbooks							8,462
Total Instruction			8,462	110,899			1,438,241
Support Services:							
Purchased Professional/Educational Services							154,876
Purchased Professional/Technical Services		5,922					184,543
Personal Services - Employee Benefits							12,025
Other Purchased Professional Services							2,545
Supplies and Materials							15,736
Other Objects					509,528		7,192
Student Activities						3,016	509,528
Scholarships Awarded							3,016
Total Support Services		5,922			509,528	3,016	889,461
Facilities Acquisition:							
Non Instructional Equipment	112,116						625,092
Total Facilities Acquisition	112,116						625,092
Total Expenditures	\$ 112,116	\$ 5,922	\$ 8,462	\$ 110,899	\$ 509,528	\$ 3,016	\$ 2,952,794

CAPITAL PROJECTS FUND

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

Revenue:	
Interest Income - Bond Proceeds	\$ 6,396
Total Revenue	6,396
Expenditures:	
Other Purchased Professional Technical Services	21,669
Construction Services	4,072,552
Total Expenditures	4,094,221
(Deficit) of Revenues (Under) Expenditures	(4,087,825)
Other Financing Uses:	
Transfer Out - General Fund - Interest Earnings	(6,396)
Total Other Financing Uses	(6,396)
(Deficit) of Revenues (Under) Expenditures and Other Financing Uses	(4,094,221)
Fund Balance - Beginning Balance	4,619,740
Fund Balance - Ending Balance	\$ 525,519
<u>Recapitulation of Fund Balance:</u>	
Restricted	\$ 9,176
Restricted - Year End Encumbrances	516,343
	\$ 525,519

RANDOLPH TOWNSHIP SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE PROJECT OF REVENUES, EXPENDITURES, PROJECT BALANCES AND PROJECT STATUS -
BUDGETARY BASIS
VARIOUS SCHOOL BUILDING IMPROVEMENTS
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Total</u>	<u>Authorized Cost</u>
Revenue and Other Financing Sources:				
Bond Proceeds	\$ 24,495,000		\$ 24,495,000	\$ 24,495,000
Total Revenues and Other Financing Sources	24,495,000		24,495,000	24,495,000
Expenditures:				
Other Purchased Professional Technical Services	1,722,805	\$ 21,669	1,744,474	2,029,140
Construction Services	18,152,455	4,072,552	22,225,007	22,465,860
Total Expenditures	19,875,260	4,094,221	23,969,481	24,495,000
Excess of Revenue and Other Financing Sources Over Expenditures	<u>\$ 4,619,740</u>	<u>\$ (4,094,221)</u>	<u>\$ 525,519</u>	<u>\$ - 0 -</u>

Additional Project Information:

Project Number(s)	4330-057-18-1000
Project Number(s)	4330-057-18-2000
Project Number(s)	4330-065-18-2000
Project Number(s)	4330-065-18-3000
Project Number(s)	4330-070-18-2000
Project Number(s)	4330-070-18-1000
Project Number(s)	4330-080-18-1000
Project Number(s)	4330-080-18-2000
Project Number(s)	4330-075-18-1000
Project Number(s)	4330-075-18-3000
Project Number(s)	4330-075-18-2000
Project Number(s)	4330-050-18-4000
Project Number(s)	4330-050-18-4000
Grant Date	N/A
Bond Authorization Date	10/2/2018
Bonds Authorized	\$ 24,495,000
Bonds Issued	\$ 24,495,000
Original Authorized Cost	\$ 24,495,000
% Increase over Original Authorized Cost	0%
% Completion	98%
Original Target Completion Date	August 2021
Revised Target Completion Date	June 2023

PROPRIETARY FUNDS

RANDOLPH TOWNSHIP SCHOOL DISTRICT
ENTERPRISE FUNDS
COMBINING STATEMENT OF NET POSITION
JUNE 30, 2022

	Major Funds		Total
	Community School	Food Service	
<u>ASSETS:</u>			
Current assets:			
Cash and cash equivalents	\$ 1,030,773	\$ 434,605	\$ 1,465,378
Accounts receivable:			
State		2,339	2,339
Federal		115,342	115,342
Other	390	37	427
Inventories		22,116	22,116
Total current assets	<u>1,031,163</u>	<u>574,439</u>	<u>1,605,602</u>
Non-current assets:			
Machinery and Equipment	484,646	733,783	1,218,429
Less: Accumulated depreciation	<u>(132,956)</u>	<u>(567,822)</u>	<u>(700,778)</u>
Total non-current assets	<u>351,690</u>	<u>165,961</u>	<u>517,651</u>
Total Assets	<u>1,382,853</u>	<u>740,400</u>	<u>2,123,253</u>
<u>DEFERRED OUTFLOWS OF RESOURCES:</u>			
Changes in Assumptions - Pension	3,040		3,040
Changes in Proportion - Pension	30,720		30,720
Difference Between Expected and Actual Experience - Pension	9,207		9,207
District Contribution Subsequent to the Measurement Date - Pension	<u>61,294</u>		<u>61,294</u>
Total Deferred Outflows of Resources	<u>104,261</u>		<u>104,261</u>

RANDOLPH TOWNSHIP SCHOOL DISTRICT
ENTERPRISE FUNDS
COMBINING STATEMENT OF NET POSITION
JUNE 30, 2022

	Major Funds		Total
	Community School	Food Service	
<u>LIABILITIES:</u>			
Current liabilities:			
Accounts payable	\$ 81,427		\$ 81,427
Interfund payable		\$ 35,563	35,563
Unearned revenue		42,883	42,883
Long-term liabilities:			
Net Pension Liability	583,778		583,778
Total Liabilities	<u>665,205</u>	<u>78,446</u>	<u>743,651</u>
<u>DEFERRED INFLOWS OF RESOURCES:</u>			
Changes in Assumptions - Pension	207,829		207,829
Changes in Proportion - Pension	12,429		12,429
Difference Between Expected and Actual Experience - Pension	4,179		4,179
Difference Between Projected and Actual Earnings on Investments - Pension	153,782		153,782
Total Deferred Inflows of Resources	<u>378,219</u>		<u>378,219</u>
<u>NET POSITION:</u>			
Investment in capital assets	351,690	165,961	517,651
Unrestricted	92,000	495,993	587,993
Total Net Position	<u>\$ 443,690</u>	<u>\$ 661,954</u>	<u>\$ 1,105,644</u>

RANDOLPH TOWNSHIP SCHOOL DISTRICT
ENTERPRISE FUNDS
COMBINING STATEMENT OF REVENUE, EXPENSES
AND CHANGES IN FUND NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Major Funds		Total
	Community School	Food Service	
Operating revenue:			
Local sources:			
Daily sales - non-reimbursable programs:			
School lunch program		\$ 325,174	\$ 325,174
Community School - regular programs	\$ 1,087,493		1,087,493
Total operating revenue	1,087,493	325,174	1,412,667
Operating expenses:			
Cost of sales (Reimbursable) Programs		771,157	771,157
Cost of sales (Non-Reimbursable) Programs		76,268	76,268
Salaries	650,399	617,567	1,267,966
Employee benefits	753,088	179,386	932,474
Purchased professional/technical services	18,325	7,317	25,642
Other purchased services	59,705	5,353	65,058
Supplies and materials	65,738	145,862	211,600
Management Fee		61,800	61,800
Miscellaneous	4,304	426	4,730
Depreciation	75,218	22,730	97,948
Total operating expenses	1,626,777	1,887,866	3,514,643
Operating (loss)	(539,284)	(1,562,692)	(2,101,976)
Non-operating revenue:			
State sources:			
COVID-19 Seamless Summer Option		35,693	35,693
Federal sources:			
COVID-19 Seamless Summer Option		1,794,024	1,794,024
COVID-19 Pandemic P-EBT Administrative Costs		1,242	1,242
COVID-19 Emergency Operational Costs Reimbursement Program		6,182	6,182
Food distribution program		92,423	92,423
Local sources:			
Interest income	5,021		5,021
Total non-operating revenue	5,021	1,929,564	1,934,585
Total Other Items			
Change in net position	(534,263)	366,872	(167,391)
Net position - beginning of year	977,953	295,082	1,273,035
Net position - end of year	\$ 443,690	\$ 661,954	\$ 1,105,644

RANDOLPH TOWNSHIP SCHOOL DISTRICT
ENTERPRISE FUNDS
COMBINING STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Major Funds		Total
	Community School	Food Service	
Cash flows from operating activities:			
Receipts from customers	\$ 1,087,493	\$ 283,327	\$ 1,370,820
Payments to employees	(769,981)	(796,953)	(1,566,934)
Payments to suppliers	(136,298)	(971,017)	(1,107,315)
Net cash provided by / (used for) operating activities	<u>181,214</u>	<u>(1,484,643)</u>	<u>(1,303,429)</u>
Cash flows from investing activities:			
Interest income	5,021		5,021
Net cash provided by investing activities	<u>5,021</u>		<u>5,021</u>
Cash flows from capital and related financing activities:			
Acquisition and construction of capital assets		(8,006)	(8,006)
Net cash used for capital and related financing activities		<u>(8,006)</u>	<u>(8,006)</u>
Cash flows from noncapital financing activities:			
Cash received from state and federal reimbursements		1,813,574	1,813,574
Net cash provided by noncapital financing activities		<u>1,813,574</u>	<u>1,813,574</u>
Net increase in cash and cash equivalents	186,235	320,925	507,160
Cash and cash equivalents, July 1	844,538	113,680	1,169,086
Cash and cash equivalents, June 30	<u>\$ 1,030,773</u>	<u>\$ 434,605</u>	<u>\$ 1,676,246</u>
Reconciliation of operating (loss) to net cash provided by / (used for) operating activities:			
Operating (loss)	\$ (539,284)	\$ (1,562,692)	\$ (2,101,976)
Adjustment to reconcile operating (loss) to cash provided by / (used for) operating activities:			
Depreciation	75,218	22,730	97,948
Federal food distribution program		92,423	92,423
Changes in assets and liabilities:			
Increase/(Decrease) in accounts receivable	(390)	1,493	1,103
Decrease in inventory		4,743	4,743
Increase in accounts payable	11,774		11,774
(Decrease) in unearned revenue		(43,340)	(43,340)
(Decrease) in compensated absences payable	(7,002)		(7,002)
Increase in net pension liability	372,891		372,891
Increase in changes in assumptions - pension	123,329		123,329
(Increase) in difference between expected and actual Experience - pension	(1,934)		(1,934)
Increase in difference between projected and actual Earnings in investments - pensions	160,990		160,990
(Decrease) in changes in proportions - pensions	(14,378)		(14,378)
Net cash provided by / (used for) operating activities:	<u>\$ 181,214</u>	<u>\$ (1,484,643)</u>	<u>\$ (1,303,429)</u>

Non-Cash Investing, Capital and Financing Activities:

The Food Service Enterprise Fund received \$94,675 and utilized \$92,423 of commodities from the Federal Food Distribution Program for the fiscal year ended June 30, 2022.

RANDOLPH TOWNSHIP SCHOOL DISTRICT
INTERNAL SERVICE FUND
STATEMENT OF NET POSITION
JUNE 30, 2022

	<u>Health Benefits</u>
ASSETS:	
Current Assets:	
Cash and Cash Equivalents	<u>\$ 813,054</u>
Total Assets	<u>813,054</u>
NET POSITION:	
Unrestricted	<u>813,054</u>
Total Net Position	<u><u>\$ 813,054</u></u>

RANDOLPH TOWNSHIP SCHOOL DISTRICT
INTERNAL SERVICE FUND
STATEMENT OF REVENUE, EXPENSES
AND CHANGES IN NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	<u>Health Benefits</u>
Operating Revenue:	
Local Sources:	
Charges and Fees	\$ 3,760,068
Total Operating Revenue	<u>3,760,068</u>
Operating Expenses:	
Benefits	<u>3,253,254</u>
Total Operating Expenses	<u>3,253,254</u>
Operating Income	<u>506,814</u>
Non-Operating Revenue:	
Local Sources:	
Interest Income	<u>5,182</u>
Total Non-Operating Revenue	<u>5,182</u>
Change in Net Position	511,996
Net Position - Beginning of Year	<u>301,058</u>
Net Position - End of Year	<u><u>\$ 813,054</u></u>

RANDOLPH TOWNSHIP SCHOOL DISTRICT
INTERNAL SERVICE FUND
STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	<u>Health Benefits</u>
Cash Flows from Operating Activities:	
Receipts from Customers	\$ 3,760,068
Payments for Health Benefit Claims and Expenses	<u>(3,253,254)</u>
Net Cash Provided by Operating Activities	<u>506,814</u>
Cash Flows from Investing Activities:	
Interest Income	<u>5,182</u>
Net Cash Provided by Investing Activities	<u>5,182</u>
Net Increase in Cash and Cash Equivalents	511,996
Cash and Cash Equivalents, July 1	<u>301,058</u>
Cash and Cash Equivalents, June 30	<u><u>\$ 813,054</u></u>
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:	
Operating Income	<u>\$ 506,814</u>
Net Cash Provided by Operating Activities	<u><u>\$ 506,814</u></u>

**FIDUCIARY ACTIVITIES
(NOT APPLICABLE)**

LONG-TERM DEBT

RANDOLPH TOWNSHIP SCHOOL DISTRICT
LONG-TERM DEBT
SCHEDULE OF SERIAL BONDS

Purpose	Date of Issue	Original Issue	Maturities of Bonds			Int. Rate	Balance July 1, 2021	Matured	Balance June 30, 2022
			Date	Amount	Outstanding June 30, 2022				
Various School Building Improvements	02/08/2012	\$ 11,667,000				\$ 825,000	\$ 825,000		
Advance Refunding of School Bonds	01/23/2013	10,425,000	02/01/2023	\$ 1,145,000	5.000%	2,235,000	1,090,000	\$ 1,145,000	
Various School Building Improvements	12/18/2018	12,250,000	08/01/2022	380,000	3.250%	11,470,000	380,000	11,090,000	
			08/01/2023	380,000	3.250%				
			08/01/2024	380,000	3.250%				
			08/01/2025	750,000	3.250%				
			08/01/2026	750,000	3.250%				
			08/01/2027	750,000	3.250%				
			08/01/2028	700,000	3.250%				
			08/01/2029	700,000	3.250%				
			08/01/2030	700,000	3.250%				
			08/01/2031	700,000	3.250%				
			08/01/2032	700,000	3.375%				
			08/01/2033	700,000	3.500%				
			08/01/2034	700,000	3.500%				
			08/01/2035	700,000	4.000%				
08/01/2036	700,000	4.000%							
08/01/2037	700,000	4.000%							
08/01/2038	700,000	4.000%							
Various School Building Improvements	08/15/2019	12,245,000	08/01/2022	500,000	2.000%				
			08/01/2023	535,000	2.000%				
			08/01/2024	625,000	2.000%				
			08/01/2025	700,000	2.000%				
			08/01/2026	700,000	2.000%				
			08/01/2027	700,000	2.000%				
			08/01/2028	700,000	2.000%				
			08/01/2028	700,000	2.000%				
			08/01/2029	700,000	2.000%				

RANDOLPH TOWNSHIP SCHOOL DISTRICT
LONG-TERM DEBT
SCHEDULE OF SERIAL BONDS

Purpose	Date of Issue	Original Issue	Maturities of Bonds			Int. Rate	Balance July 1, 2021	Matured	Balance June 30, 2022	
			Date	Amount	Outstanding June 30, 2022					
Various School Building Improvements	08/15/2019	\$ 12,245,000	08/01/2030	\$ 700,000		2.000%				
			08/01/2031	700,000		2.125%				
			08/01/2032	700,000		2.250%				
			08/01/2033	700,000		2.250%				
			08/01/2034	700,000		2.750%				
			08/01/2035	700,000		3.000%				
			08/01/2036	700,000		3.000%				
			08/01/2037	700,000		3.000%				
			08/01/2038	675,000		3.000%	\$ 11,895,000	\$ 460,000	\$ 11,435,000	
Advance Refunding of School Bonds	04/13/2021	9,385,000	08/01/2022	960,000		0.350%				
			08/01/2023	2,155,000		0.410%				
			08/01/2024	2,125,000		0.670%				
			08/01/2025	1,000,000		1.100%				
			08/01/2026	1,015,000		1.270%				
			08/01/2027	1,000,000		1.620%				
				08/01/2028	985,000		1.820%	9,385,000	145,000	9,240,000
								\$ 35,810,000	\$ 2,900,000	\$ 32,910,000

RANDOLPH TOWNSHIP SCHOOL DISTRICT
LONG-TERM DEBT
SCHEDULE OF OBLIGATIONS UNDER FINANCED PURCHASES
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Item	Interest Rate	Original Issue	Balance June 30, 2021	Issued	Matured	Balance June 30, 2022
LED Lighting	1.84%	\$ 550,000	\$ 112,404		\$ 112,404	
Various Equipment Purchases	1.49%	1,520,000	309,911		309,911	
Various Equipment and Vehicles	2.44%	1,415,000	852,125		277,216	\$ 574,909
Various Equipment and Vehicles	2.96%	1,543,000	629,981		310,183	319,798
Various Equipment and Vehicles	0.87%	1,539,663	1,226,330		302,579	923,751
Various Equipment and Vehicles	0.92%	2,446,320	2,446,320		493,657	1,952,663
Various Equipment and Vehicles	2.60%	2,200,000		\$ 2,200,000		2,200,000
			\$ 5,577,071	\$ 2,200,000	\$ 1,805,950	\$ 5,971,121

RANDOLPH TOWNSHIP SCHOOL DISTRICT
LONG-TERM DEBT
SCHEDULE OF OBLIGATIONS UNDER LEASES
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Purpose	Interest Rate	Original Issue	(Restated) Balance June 30, 2021	Issued	Matured	Balance June 30, 2022
Lease of Garage	2.975%	\$ 1,166,000	\$ 635,000		\$ 59,000	\$ 576,000
Copiers	2.60%	729,206		\$ 729,206	138,371	590,835
Postage Machine	2.60%	10,399		10,399	1,973	8,426
Lease of Business Office	2.60%	8,964		8,964	681	8,283
			<u>\$ 635,000</u>	<u>\$ 748,569</u>	<u>\$ 200,025</u>	<u>\$ 1,183,544</u>

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

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUE:					
Local Sources:					
Local Tax Levy	\$ 3,422,519		\$ 3,422,519	\$ 3,422,519	
State Sources:					
Debt Service Aid Type II	336,542		336,542	336,542	
Total Revenue	<u>3,759,061</u>		<u>3,759,061</u>	<u>3,759,061</u>	
EXPENDITURES:					
Regular Debt Service:					
Interest	859,061		859,061	859,061	
Redemption of Principal	2,900,000		2,900,000	2,900,000	
Total Regular Debt Service	<u>3,759,061</u>		<u>3,759,061</u>	<u>3,759,061</u>	
Total Expenditures	<u>3,759,061</u>		<u>3,759,061</u>	<u>3,759,061</u>	
Excess/(Deficiency) of Revenue Over/(Under) Expenditures					
Fund Balance, July 1	1		1	1	
Fund Balance, June 30	<u>\$ 1</u>	<u>\$ -0-</u>	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ -0-</u>
<u>Recapitulation:</u>					
Restricted				<u>\$ 1</u>	

STATISTICAL SECTION
(UNAUDITED)

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

Contents

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

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

RANDOLPH TOWNSHIP SCHOOL DISTRICT
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
UNAUDITED

	June 30,									
	2013	2014	2015	2016	2017	2018	2019	2020	2021*	2022
Governmental Activities/(Deficit):										
Net Investment in Capital Assets	\$ 14,806,909	\$ 21,304,920	\$ 24,938,166	\$ 26,813,419	\$ 30,521,849	\$ 34,768,233	\$ 37,185,834	\$ 29,596,447	\$ 39,716,230	\$ 42,677,809
Restricted	5,180,874	2,337,580	3,091,754	7,278,673	8,189,973	9,031,858	10,153,394	25,397,299	14,513,379	10,400,662
Unrestricted/(Deficit)	1,193,886	989,899	(25,495,859)	(28,084,241)	(30,707,410)	(32,545,649)	(31,497,754)	(31,458,302)	(25,803,408)	(15,887,294)
Total Governmental Activities Net Position	\$ 21,181,669	\$ 24,632,399	\$ 2,534,061	\$ 6,007,851	\$ 8,004,412	\$ 11,254,442	\$ 15,841,474	\$ 23,535,444	\$ 28,426,201	\$ 37,191,177
Business-Type Activities/(Deficit):										
Investment in Capital Assets	\$ 255,800	\$ 218,029	\$ 182,884	\$ 184,434	\$ 191,134	\$ 192,583	\$ 209,051	\$ 685,982	\$ 607,593	\$ 517,651
Unrestricted/(Deficit)	(128,277)	(121,106)	99,173	282,891	672,163	1,059,763	1,357,448	116,119	665,442	587,993
Total Business-Type Activities Net Position	\$ 127,523	\$ 96,923	\$ 282,057	\$ 467,325	\$ 863,297	\$ 1,252,346	\$ 1,566,499	\$ 802,101	\$ 1,273,035	\$ 1,105,644
District-Wide/(Deficit):										
Net Investment in Capital Assets	\$ 15,062,709	\$ 21,522,949	\$ 25,121,050	\$ 26,997,853	\$ 30,712,983	\$ 34,960,816	\$ 37,394,885	\$ 30,282,429	\$ 40,323,823	\$ 43,195,460
Restricted	5,180,874	2,337,580	3,091,754	7,278,673	8,189,973	9,031,858	10,153,394	25,397,299	14,513,379	10,400,662
Unrestricted/(Deficit)	1,065,609	868,793	(25,396,686)	(27,801,350)	(30,035,247)	(31,485,886)	(30,140,306)	(31,342,183)	(25,137,966)	(15,299,301)
Total District Net Position	\$ 21,309,192	\$ 24,729,322	\$ 2,816,118	\$ 6,475,176	\$ 8,867,709	\$ 12,506,788	\$ 17,407,973	\$ 24,337,545	\$ 29,699,236	\$ 38,296,821

* Restated

RANDOLPH TOWNSHIP SCHOOL DISTRICT
CHANGES IN NET POSITION, LAST NINE FISCAL YEARS
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
UNAUDITED

	Fiscal Year Ending June 30,									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Expenses:										
Governmental Activities:										
Instruction	\$ 51,450,418	\$ 50,316,817	\$ 57,734,945	\$ 59,841,609	\$ 67,203,433	\$ 66,930,471	\$ 64,104,624	\$ 63,478,496	\$ 63,981,466	\$ 59,961,900
Support Services:										
Tuition	3,351,439	2,956,830	3,098,614	3,203,254	2,753,229	2,313,188	2,079,770	1,821,734	1,808,429	1,329,021
Student and Instruction Related Services	11,609,882	12,944,340	14,107,962	14,981,637	16,425,489	17,078,051	16,824,414	16,379,630	16,405,042	16,280,032
General Administrative Services	2,099,006	2,006,284	2,307,620	2,203,248	2,111,311	2,315,993	2,084,831	1,911,716	1,700,948	1,735,320
School Administrative Services	4,173,926	4,042,276	4,606,622	4,907,706	5,600,331	5,691,607	5,242,486	5,232,898	5,319,840	4,708,836
Plant Operations and Maintenance	7,812,140	8,498,204	8,711,530	9,070,455	10,200,716	10,352,578	10,825,560	10,900,943	10,978,153	11,290,821
Pupil Transportation	5,396,970	5,244,313	5,511,833	6,060,369	6,204,447	5,895,069	5,538,887	5,614,814	5,842,737	5,641,834
Central Services	2,407,754	2,805,224	1,750,958	1,830,671	2,150,154	2,322,964	2,324,433	2,419,123	2,609,096	2,447,752
Administrative Information Technology			1,642,192	1,764,253	2,364,061	2,564,380	2,630,451	2,737,008	2,923,272	3,055,627
Capital Outlay						2,277,293	68,954			
Charter Schools	79,867	77,337	78,078	138,358	160,683	159,347	81,242	218,103	108,960	177,722
Interest on Long-Term Debt	1,456,974	933,891	1,073,055	738,379	671,920	583,980	703,392	1,132,002	1,135,611	846,538
Unallocated Depreciation						6,159	3,090	8,527	4,715	7,139
Total Governmental Activities Expenses	89,838,376	89,825,516	100,623,409	104,739,939	115,845,774	118,491,080	112,512,134	111,874,994	112,818,269	107,482,542
Business-Type Activities:										
Food Service	1,435,661	1,262,229	1,114,686	1,129,914	1,151,145	1,213,129	1,301,419	1,092,108	1,274,717	1,887,866
Community School	1,399,385	1,421,136	1,346,504	1,003,106	988,610	1,066,325	1,211,220	1,642,010	(167,515)	1,626,777
Total Business-Type Activities Expense	2,835,046	2,683,365	2,461,190	2,133,020	2,139,755	2,279,454	2,512,639	2,734,118	1,107,202	3,514,643
Total District Expenses	92,673,422	92,508,881	103,084,599	106,872,959	117,985,529	120,770,534	115,024,773	114,609,112	113,925,471	110,997,185
Program Revenues:										
Governmental Activities:										
Charges for Services:										
Tuition	146,116	93,274	115,096	80,702	121,699	136,842	296,800	466,962	688,684	1,066,807
Student & Instruction Related Services										
Operating Grants and Contributions	13,991,860	12,956,363	22,156,600	26,341,339	33,501,405	35,914,350	30,525,467	30,561,607	29,529,671	27,451,137
Capital Grants and Contributions			273,876	1,492,431						
Total Governmental Activities Program Revenues	14,137,976	13,049,637	22,545,572	27,914,472	33,623,104	36,051,192	30,822,267	31,028,569	30,488,818	29,088,137
Business-Type Activities:										
Charges for Services:										
Food Service	969,860	924,316	883,319	943,710	958,378	1,015,042	1,065,759	770,553	15,326	325,174
Community School	1,311,139	1,398,216	1,543,180	1,137,087	1,311,996	1,369,867	1,478,336	1,192,146	182,116	1,087,493
Operating Grants and Contributions	197,754	243,439	232,571	236,566	261,899	277,838	267,979	266,533	1,376,301	1,929,564
Total Business-Type Activities Program Revenues	2,478,753	2,565,971	2,659,070	2,317,363	2,532,273	2,662,747	2,812,074	2,229,232	1,573,743	3,342,231
Total District Program Revenues	16,616,729	15,615,608	25,204,642	30,231,835	36,155,377	38,713,939	33,634,341	33,257,801	32,062,561	32,430,368

RANDOLPH TOWNSHIP SCHOOL DISTRICT
CHANGES IN NET POSITION, LAST NINE FISCAL YEARS
LAST TEN FISCAL YEARS
(ACCURAL BASIS OF ACCOUNTING)
UNAUDITED
(CONTINUED)

	Fiscal Year Ending June 30,									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Net (Expense)/Revenue:										
Governmental Activities	\$ (75,700,400)	\$ (76,775,879)	\$ (78,077,837)	\$ (76,825,467)	\$ (82,222,670)	\$ (82,439,888)	\$ (81,689,867)	\$ (80,846,425)	\$ (82,329,451)	\$ (78,394,405)
Business-Type Activities	(356,293)	(117,394)	197,880	184,343	392,518	383,293	299,435	(504,886)	466,541	(172,412)
Total District-Wide Net Expense	(76,056,693)	(76,893,273)	(77,879,957)	(76,641,124)	(81,830,152)	(82,056,595)	(81,390,432)	(81,351,311)	(81,862,910)	(78,566,817)
General Revenues and Other Changes in Net Position:										
Governmental Activities:										
Property Taxes Levied for General Purposes, Net	65,794,455	67,110,344	68,452,559	69,821,601	71,218,033	72,642,394	74,095,242	75,577,147	77,088,690	78,630,464
Taxes Levied for Debt Service	3,800,473	3,773,292	3,780,553	3,735,257	3,570,887	3,538,186	3,601,775	3,591,051	3,532,432	3,422,519
Unrestricted Grants and Contributions	9,073,851	9,113,822	9,196,218	9,214,347	9,288,244	9,295,437	8,171,939	7,358,732	6,500,139	4,733,976
Investment Earnings	25,764	13,699	11,435	13,712	42,613	24,429	182,874	678,976	93,932	127,606
Miscellaneous Income	34,209	289,378	301,757	391,817	128,064	189,472	225,069	178,934	8,848	244,816
Transfers	(162,967)	(73,926)								
Other Item - SDA Grants Cancelled					(28,610)					
Total Governmental Activities	78,565,785	80,226,609	81,742,522	83,176,734	84,219,231	85,689,918	86,276,899	87,384,840	87,224,041	87,159,381
Business-Type Activities:										
Investment Earnings	816	763	1,452	925	3,454	5,756	14,718	39,591	4,393	5,021
Transfers & Other Special Items	268,047	86,031	(14,198)							
Total Business-Type Activities	268,863	86,794	(12,746)	925	3,454	5,756	14,718	39,591	4,393	5,021
Total District-Wide	78,834,648	80,313,403	81,729,776	83,177,659	84,222,685	85,695,674	86,291,617	87,424,431	87,228,434	87,164,402
Change in Net Position:										
Governmental Activities	2,865,385	3,450,730	3,664,685	6,351,267	1,996,561	3,250,030	4,587,032	6,538,415	4,894,590	8,764,976
Business-Type Activities	(87,430)	(30,600)	185,134	185,268	395,972	389,049	314,153	(465,295)	470,934	(167,391)
Total District	\$ 2,777,955	\$ 3,420,130	\$ 3,849,819	\$ 6,536,535	\$ 2,392,533	\$ 3,639,079	\$ 4,901,185	\$ 6,073,120	\$ 5,365,524	\$ 8,597,585

RANDOLPH TOWNSHIP SCHOOL DISTRICT
 FUND BALANCES, GOVERNMENTAL FUNDS
 LAST TEN FISCAL YEARS
 (MODIFIED ACCRUAL BASIS OF ACCOUNTING)
 UNAUDITED

	June 30,									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Fund:										
Restricted	\$ 895,000	\$ 1,817,247	\$ 2,307,853	\$ 6,490,635	\$ 8,044,070	\$ 9,026,598	\$ 10,148,133	\$ 12,717,000	\$ 14,138,503	\$ 9,968,137
Assigned	2,209,265	1,672,916	1,488,916	911,639	1,201,640	723,104	2,138,748	1,059,518	3,719,231	7,810,653
Unassigned	1,172,632	473,247	537,606	661,787	767,852	777,047	1,045,451	1,431,047	3,357,261	4,051,119
Total General Fund	\$ 4,276,897	\$ 3,963,410	\$ 4,334,375	\$ 8,064,061	\$ 10,013,562	\$ 10,526,749	\$ 13,332,332	\$ 15,207,565	\$ 21,214,995	\$ 21,829,909
All Other Governmental Funds:										
Restricted:										
Special Revenue Fund								\$ 430,298	\$ 374,875	\$ 432,524
Capital Projects Fund	\$ 4,280,004	\$ 627,463	\$ 620,315	\$ 620,315	\$ 60,000		\$ 11,113,879	16,463,524	4,619,740	525,519
Debt Service Fund	5,870	5,870	163,586	167,723	85,930	\$ 5,260	5,261	1	1	1
Committed for:										
Capital Projects Fund	164,399	633,785	455,099	139,898						
Total All Other Governmental Funds	\$ 4,450,273	\$ 1,267,118	\$ 1,239,000	\$ 927,936	\$ 145,930	\$ 5,260	\$ 11,119,140	\$ 16,893,823	\$ 4,994,616	\$ 958,044

Source: School District Financial Reports

RANDOLPH TOWNSHIP SCHOOL DISTRICT
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
UNAUDITED

	Fiscal Year Ending June 30,									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Revenues:										
Tax Levy	\$ 69,594,928	\$ 70,883,636	\$ 72,233,112	\$ 73,556,858	\$ 74,788,920	\$ 76,180,580	\$ 77,697,017	\$ 79,168,198	\$ 80,621,122	\$ 82,052,983
Tuition Charges	146,116	93,274	115,096	80,702	121,699	136,842	296,800	466,962	688,684	1,066,807
Interest Earned on Capital Reserve Funds		2,725	3,668	635	2,135	24,429	72,607	109,029	35,315	34,955
Miscellaneous	256,365	385,640	416,128	475,780	236,606	225,294	472,255	798,248	419,959	1,017,032
State Sources	21,839,353	20,631,743	21,935,667	24,648,552	24,131,728	25,830,879	27,465,208	27,242,507	30,316,033	32,793,005
Federal Sources	1,167,365	1,553,154	1,260,253	1,271,505	1,298,939	1,229,779	1,266,769	1,231,620	1,748,885	1,582,408
Total Revenue	93,004,127	93,350,172	95,963,924	100,034,032	100,580,027	103,627,803	107,270,656	109,016,564	113,829,998	118,547,190
Expenditures:										
Instruction:										
Regular Instruction	28,012,692	26,657,433	26,959,447	27,058,070	27,680,631	27,789,726	28,054,804	28,095,155	27,592,436	27,894,538
Special Education Instruction	6,298,927	6,735,639	7,355,460	7,677,704	7,845,729	7,991,633	7,815,273	8,092,926	8,360,172	9,050,822
Other Special Instruction	608,576	521,113	447,351	471,503	422,353	428,261	463,141	503,134	485,815	461,341
Other Instruction	1,347,313	1,436,012	1,581,357	1,578,121	1,715,257	1,654,039	1,749,351	1,614,150	1,593,586	1,737,487
Support Services:										
Tuition	3,267,823	2,874,772	2,985,625	3,087,997	2,649,171	2,223,370	2,001,734	1,821,734	1,808,429	1,329,021
Student and Instruction Related Services	8,878,110	9,436,182	9,315,987	9,501,167	9,527,883	9,807,331	10,256,660	10,180,764	10,379,317	11,289,139
General Administrative Services	1,765,298	1,637,379	1,832,393	1,745,206	1,657,190	1,790,004	1,652,067	1,531,420	1,357,609	1,430,812
School Administrative Services	2,798,957	2,774,016	2,804,146	2,915,406	2,990,649	3,008,723	2,974,271	3,034,036	3,104,487	2,960,879
Plant Operations and Maintenance	6,293,030	6,694,656	6,269,627	6,382,368	6,721,058	6,761,941	7,569,177	7,755,688	7,652,309	8,376,889
Pupil Transportation	4,256,804	4,212,495	4,062,684	4,387,574	4,333,191	3,966,533	3,840,010	3,851,774	3,767,731	4,381,363
Central Services & Administrative IT	1,462,388	1,843,607	1,948,440	2,086,379	2,575,718	2,777,050	2,993,154	3,192,453	3,375,439	3,556,972
Unallocated Benefits	21,254,637	21,586,383	22,196,694	22,310,571	23,855,457	26,069,220	28,986,800	27,894,961	32,752,640	37,146,190
Charter Schools	79,867	77,337	78,078	138,358	160,683	159,347	81,242	218,103	108,960	177,722
Debt Service:										
Principal	2,732,000	2,825,000	2,940,000	3,170,000	3,120,000	3,165,000	3,230,000	2,905,000	2,600,000	2,900,000
Interest and Other Charges	1,355,929	1,229,321	1,115,206	828,520	783,769	703,619	610,987	995,291	1,277,404	859,061
Capital Outlay	8,923,453	6,684,667	3,891,808	5,990,717	3,345,183	7,029,489	4,737,522	13,898,357	17,491,424	11,365,181
Total Expenditures	99,335,804	97,226,012	95,784,303	99,329,661	99,383,922	105,325,286	107,016,193	115,584,946	123,707,758	124,917,417
Excess (Deficiency) of Revenues Over (Under) Expenditures	(6,331,677)	(3,875,840)	179,621	704,371	1,196,105	(1,697,483)	254,463	(6,568,382)	(9,877,760)	(6,370,227)

RANDOLPH TOWNSHIP SCHOOL DISTRICT
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
UNAUDITED
(CONTINUED)

	Fiscal Year Ending June 30,									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Other Financing Sources (Uses)										
Refunding Bonds Issued	\$ 10,425,000		\$ 6,230,000						\$ 9,385,000	
School Bonds Defeased	(11,047,000)		(6,205,000)						(8,895,000)	
Premium on Refunding Bonds	1,591,671		213,367						(120,921)	
Costs of Refunding Bond Issue	(137,399)		(102,707)						(369,079)	
Deferred Amount on Refunding	(832,272)		(135,660)							
Bond Proceeds							\$ 12,250,000	\$ 12,245,000		
Cancellation of SDA grant					\$ (28,610)					
Leases (Non-Budgeted)										\$ 748,569
Financed Purchases (Non-Budgeted)						\$ 2,070,000	1,415,000	1,543,000	3,985,983	2,200,000
Transfers In	5,870	\$ 453,124	\$ 163,226	\$ 2,714,251	88,468	5,260	110,267	306,336	7,362	6,396
Transfers Out	(168,837)	(543,312)	(2,563,501)	(88,468)	(88,468)	(5,260)	(110,267)	(306,336)	(7,362)	(6,396)
Total Other Financing Sources (Uses)	(162,967)	379,198	163,226	2,714,251	(28,610)	2,070,000	13,665,000	13,788,000	3,985,983	2,948,569
Net Change in Fund Balances	\$ (6,494,644)	\$ (3,496,642)	\$ 342,847	\$ 3,418,622	\$ 1,167,495	\$ 372,517	\$ 13,919,463	\$ 7,219,618	\$ (5,891,777)	\$ (3,421,658)
Debt Service as a Percentage of Noncapital Expenditures	4.74 %	4.69 %	4.62 %	4.48 %	4.24 %	4.10 %	3.90 %	3.99 %	3.79 %	3.42 %

Source: School District Financial Reports

RANDOLPH TOWNSHIP SCHOOL DISTRICT
GENERAL FUND - OTHER LOCAL REVENUE BY SOURCE
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
UNAUDITED

<u>Fiscal Year</u> <u>Ending June 30,</u>	<u>Interest on</u> <u>Investments</u>	<u>Rentals</u>	<u>Miscellaneous</u>	<u>Tuition</u>	<u>Total</u>
2013	\$ 25,764	\$ 28,230	\$ 137,508	\$ 146,116	\$ 337,618
2014	13,874	77,745	211,458	93,274	396,351
2015	11,435	58,479	243,278	115,096	428,288
2016	13,712	60,045	331,772	80,702	486,231
2017	42,613	44,722	83,342	121,699	292,376
2018	58,692	78,814	76,395	136,842	350,743
2019	141,622	76,880	79,174	296,800	594,476
2020	372,640	54,242	124,692	466,962	1,018,536
2021	93,932		1,486	688,684	784,102
2022	121,210	67,671	177,145	1,066,807	1,432,833

Source: School District Records

RANDOLPH TOWNSHIP SCHOOL DISTRICT
 ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
 LAST TEN YEARS
 UNAUDITED

Year Ended December 31,	Vacant Land	Residential	Farm Regular	Farm Qualified	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities ^a	Net Valuation Taxable	Tax-Exempt Property	Total Direct School Tax Rate ^b	Estimated Actual (County Equalized Value)
2012	\$ 36,267,600	\$ 2,417,902,900	\$ 5,072,500	\$ 176,900	\$ 238,095,600	\$ 115,600,100	\$ 94,295,000	\$ 2,907,410,600	\$ 5,143,748	\$ 2,912,554,348	\$ 201,392,000	\$ 2.37	\$ 4,433,621,393
2013	35,168,100	2,415,061,300	5,072,500	177,400	235,543,200	113,465,500	93,539,900	2,898,027,900	4,985,453	2,903,013,353	202,514,300	2.42	4,269,940,784
2014	31,354,900	2,418,508,300	5,072,500	168,100	233,408,600	113,226,000	93,539,900	2,895,278,300	4,132,679	2,899,410,979	203,726,300	2.47	4,221,259,506
2015	29,795,600	2,427,224,200	4,719,600	168,100	232,632,500	112,101,700	96,019,900	2,902,661,600	4,128,427	2,906,790,027	203,840,100	2.51	4,343,879,678
2016	35,642,100	2,430,447,000	3,942,800	158,900	230,059,300	110,779,400	108,212,100	2,919,241,600	4,104,796	2,923,346,396	204,592,900	2.54	4,317,919,193
2017	* 44,356,600	3,531,145,300	6,182,600	141,400	378,893,900	161,254,400	165,584,900	4,287,559,100	6,034,741	4,293,593,841	458,007,200	1.76	4,350,992,211
2018	45,597,100	3,551,491,800	6,325,500	141,400	373,212,200	156,100,300	165,584,900	4,298,453,200	5,831,399	4,304,143,199	458,381,900	1.79	4,419,539,013
2019	42,097,600	3,583,681,500	6,577,400	142,200	367,157,900	157,814,600	166,276,200	4,323,747,400	5,766,106	4,329,513,506	461,004,700	1.81	4,557,325,915
2020	41,646,500	3,592,449,000	6,578,900	142,200	366,628,500	159,557,900	166,276,200	4,333,279,200	5,720,144	4,338,999,344	464,329,000	1.84	4,585,649,783
2021	38,890,800	3,600,974,100	6,578,900	142,200	368,798,200	159,980,600	166,276,200	4,341,641,000	5,810,134	4,347,451,134	478,314,900	1.87	4,566,641,267

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

^b Tax rates are per \$100

* Revaluation/reassessment effective in this year.

Note: Real property is required to be assessed at some percentage of true value (fair or market value) established by each county board of taxation. Reassessment occurs when ordered by the County Board of Taxation

Source: Municipal Tax Assessor

RANDOLPH TOWNSHIP SCHOOL DISTRICT
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN YEARS
(RATE PER \$100 OF ASSESSED VALUE)
UNAUDITED

Year Ended December 31,	Township of Randolph School District Direct Rate			Overlapping Rates		Total Direct and Overlapping Tax Rate
	Basic Rate ^a	General Obligation Debt Service ^b	Total Direct	Township of Randolph	Morris County	
2012	\$ 2.24	\$ 0.13	\$ 2.37	\$ 0.68	\$ 0.37	\$ 3.42
2013	2.29	0.13	2.42	0.70	0.37	3.49
2014	2.34	0.13	2.47	0.72	0.37	3.56
2015	2.38	0.13	2.51	0.73	0.37	3.62
2016	2.42	0.12	2.54	0.75	0.38	3.66
2017	* 1.68	0.08	1.76	0.51	0.26	2.53
2018	1.71	0.08	1.79	0.51	0.27	2.56
2019	1.73	0.08	1.81	0.51	0.28	2.59
2020	1.76	0.08	1.84	0.49	0.28	2.61
2021	1.79	0.08	1.87	0.51	0.27	2.65

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

^b Rates for debt service are based on each year's requirements.

* Revaluation/reassessment effective in this year.

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

Source: Municipal Tax Collector and School Business Administrator

RANDOLPH TOWNSHIP SCHOOL DISTRICT
PRINCIPAL PROPERTY TAX PAYERS,
CURRENT YEAR AND NINE YEARS AGO
UNAUDITED

Taxpayer	2022	
	Taxable Assessed Value	% of Total District Net Assessed Value
Center Grove Associates	\$ 85,956,900	1.98 %
Brightview Randolph, LLC	23,829,200	0.55 %
Randolph Village	21,574,000	0.50 %
Sussex Turnpike	20,050,300	0.46 %
Pal-Pike	18,000,000	0.41 %
Canfield Mews	17,723,000	0.41 %
Center Grove Village, LLC	17,602,200	0.41 %
Randolph Grocery	14,250,000	0.33 %
Quaker Village LTD	13,107,600	0.30 %
Progressive Properties, Inc	12,462,800	0.29 %
Total	<u>\$ 244,556,000</u>	<u>5.64 %</u>

Taxpayer	2013	
	Taxable Assessed Value	% of Total District Net Assessed Value
Center Grove Associate	\$ 46,880,000	1.61 %
Beta Realty	26,046,700	0.90 %
Pal-Pike	23,911,200	0.82 %
Carco Development	22,654,400	0.78 %
A&P Food Stores	12,289,900	0.42 %
Randolph Village	10,540,000	0.36 %
Canfield Mews	9,942,000	0.34 %
Heritage USA	8,657,300	0.30 %
Randolph CSC	7,600,000	0.26 %
Canfield Business Park	7,540,000	0.26 %
Total	<u>\$ 176,061,500</u>	<u>6.04 %</u>

Note: A revaluation was effective in 2017.

Source: Municipal Tax Assessor

RANDOLPH TOWNSHIP SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
UNAUDITED

<u>Fiscal Year Ended June 30,</u>	<u>Taxes Levied for the Fiscal Year</u>	<u>Collected within the Fiscal Year of the Levy^a</u>		<u>Collections in Subsequent Years</u>
		<u>Amount</u>	<u>Percentage of Levy</u>	
2013	\$ 69,594,928	\$ 69,594,928	100.00 %	-0-
2014	70,883,636	70,883,636	100.00 %	-0-
2015	72,233,112	72,233,112	100.00 %	-0-
2016	73,556,858	73,556,858	100.00 %	-0-
2017	74,788,920	74,788,920	100.00 %	-0-
2018	76,180,580	76,180,580	100.00 %	-0-
2019	77,697,017	77,697,017	100.00 %	-0-
2020	79,168,198	79,168,198	100.00 %	-0-
2021	80,621,122	80,621,122	100.00 %	-0-
2022	82,052,983	82,052,983	100.00 %	-0-

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

Source: Township of Randolph records including the Certificate and Report of School Taxes (A4F form).

RANDOLPH TOWNSHIP SCHOOL DISTRICT
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
UNAUDITED

Fiscal Year Ended June 30,	Governmental Activities		Total District	Percentage of Personal Income ^a	Per Capita ^a
	General Obligation Bonds	Financed Purchases/ Leases			
2013	\$ 34,755,000		\$ 34,755,000	1.66 %	\$ 1,346
2014	31,930,000	\$ 358,694	32,288,694	1.49 %	1,252
2015	29,015,000	401,006	29,416,006	1.30 %	1,144
2016	25,845,000	2,557,505	28,402,505	1.22 %	1,110
2017	22,725,000	1,890,013	24,615,013	1.03 %	962
2018	19,560,000	2,873,251	22,433,251	0.90 %	877
2019	28,580,000	3,306,417	31,886,417	1.27 %	1,257
2020	37,920,000	3,164,088	41,084,088	1.59 %	1,626
2021	35,810,000	5,577,071	41,387,071	1.53 %	1,563
2022	32,910,000	7,154,665	40,064,665	1.48 %	1,513

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

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

Source: School District Financial Reports

RANDOLPH TOWNSHIP SCHOOL DISTRICT
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS
UNAUDITED

Fiscal Year Ended June 30,	General Bonded Debt Outstanding			Percentage of Actual Taxable Value ^a of Property	Per Capita ^b
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding		
2013	\$ 34,755,000	\$ -0-	\$ 34,755,000	1.19 %	\$ 1,346
2014	31,930,000	-0-	31,930,000	1.10 %	1,238
2015	29,015,000	-0-	29,015,000	1.00 %	1,129
2016	25,845,000	-0-	25,845,000	0.89 %	1,010
2017	22,725,000	-0-	22,725,000	0.78 %	888
2018	19,560,000	-0-	19,560,000	0.46 %	765
2019	28,580,000	-0-	28,580,000	0.66 %	1,127
2020	37,920,000	-0-	37,920,000	0.88 %	1,501
2021	35,810,000	-0-	35,810,000	0.83 %	1,352
2022	32,910,000	-0-	32,910,000	0.76 %	1,243

^a See Exhibit J-6 for property tax data. This ratio is calculated using valuation data for the prior calendar year.

^b See Exhibit J-14 for population data. This ratio is calculated using population for the prior calendar year.

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

Source: School District Financial Reports

RANDOLPH TOWNSHIP SCHOOL DISTRICT
RATIOS OF OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF DECEMBER 31, 2021
UNAUDITED

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable ^a</u>	<u>Estimated Share of Overlapping Debt</u>
Debt Repaid with Property Taxes			
Township of Randolph	\$ 18,522,827	100.00 %	\$ 18,522,827
County of Morris General Obligation Debt	235,030,042	4.68 %	<u>10,996,249</u>
Subtotal, Overlapping Debt			29,519,076
Township of Randolph School District Direct Debt			<u>34,825,000</u>
Total Direct and Overlapping Debt			<u><u>\$ 64,344,076</u></u>

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

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

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

RANDOLPH TOWNSHIP SCHOOL DISTRICT
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
UNAUDITED

Legal Debt Margin Calculation for Fiscal Year 2022

	Equalized Valuation Basis	
2021	\$	4,591,899,524
2020		4,544,126,678
2019		4,561,877,400
		\$ 13,697,903,602
Average Equalized Valuation of Taxable Property	\$	4,565,967,867
Debt Limit (4% of Average Equalization Value)	\$	182,638,715 ^a
Net Bonded School Debt Issued and Unissued		32,910,000
Legal Debt Margin	\$	149,728,715

	Fiscal Year				
	2018	2019	2020	2021	2022
Debt Limit	\$ 173,327,002	\$ 176,469,928	\$ 179,648,009	\$ 181,639,138	\$ 182,638,715
Total Net Debt Applicable to Limit	19,560,000	28,580,000	37,920,000	35,810,000	32,910,000
Legal Debt Margin	\$ 153,767,002	\$ 147,889,928	\$ 141,728,009	\$ 145,829,138	\$ 149,728,715
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	11.29 %	16.20 %	21.11 %	19.71 %	18.02 %

	Fiscal Year				
	2013	2014	2015	2016	2017
Debt Limit	\$ 177,026,307	\$ 172,212,209	\$ 170,711,585	\$ 170,861,710	\$ 172,304,483
Total Net Debt Applicable to Limit	34,755,000	31,930,000	29,015,000	25,845,000	22,725,000
Legal Debt Margin	\$ 142,271,307	\$ 140,282,209	\$ 141,696,585	\$ 145,016,710	\$ 149,579,483
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	19.63 %	18.54 %	17.00 %	15.13 %	13.19 %

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

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

RANDOLPH TOWNSHIP SCHOOL DISTRICT
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS
UNAUDITED

Year	Population ^a	Morris County Per Capita Personal Income ^b	Personal Income ^c	Unemployment Rate ^d
2013	25,822	\$ 81,026	\$ 2,092,253,372	6.10%
2014	25,782	84,287	2,173,087,434	4.60%
2015	25,705	88,298	2,269,700,090	4.00%
2016	25,590	91,252	2,335,138,680	3.80%
2017	25,600	93,544	2,394,726,400	3.40%
2018	25,573	97,244	2,486,820,812	3.00%
2019	25,370	99,140	2,515,181,800	2.70%
2020	25,265	102,227	2,582,765,155	7.50%
2021	26,480	102,227 *	2,706,970,960	4.80%
2022	26,480 **	102,227 *	2,706,970,960 ***	N/A

N/A - Not Available

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

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

*** - Latest available population data (2021) and latest available Morris County per capita personal income (2020) was used for calculation purposes.

Source: ^a Population information provided by the NJ Dept of Labor and Workforce Development
^b Per capita personal income by municipality estimated based upon the 2000 Census published by the US Bureau of Economic Analysis.
^c Personal income has been estimated based upon the municipal population and per capita personal income presented
^d Unemployment data provided by the NJ Dept of Labor and Workforce Development

RANDOLPH TOWNSHIP SCHOOL DISTRICT
PRINCIPAL EMPLOYERS - MORRIS COUNTY
CURRENT YEAR AND NINE YEARS AGO
UNAUDITED

<u>2022</u>		<u>2013</u>	
<u>Employer</u>	<u>Employees</u>	<u>Employer</u>	<u>Employees</u>
	<u>Percentage of Total Employment</u>		<u>Percentage of Total Employment</u>
Atlantic Health System	10,516	Novartis	6,200
Picatinny Arsenal	6,000	U.S. Army Armament Research and Development	5,841
Novartis	5,200	Atlantic Health Systems	5,576
Bayer	3,483	Automatic Data Processing Inc	1,947
Barelays	3,000	County of Morris	1,838
ADP	2,200	Saint Clare's	1,662
Accenture	2,009	Wyndham Worldwide Corporation	1,546
Deloitte & Touche	1,492	BASF Corporation	1,500
Saint Clare's Health	1,491	Accenture	1,498
County of Morris	1,438	Chilton Memorial	1,440
Total	36,829	Total	29,048
	249,700		255,907

* - Employment data provided by the NJ Department of Labor and Workforce Development.

Source: County of Morris

RANDOLPH TOWNSHIP SCHOOL DISTRICT
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS
UNAUDITED

<u>Function/Program</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Instruction:										
Regular	357	360	325	331	360	350	339	329	338	305
Special education	112	117	147	138	117	127	128	123	125	144
Support Services:										
Student & instruction related services	101	101	99	93	90	92	97	100	107	108
School administrative services	32	32	27	26	29	29	29	29	29	29
General and business administrative services	26	26	41	63	62	63	61	60	61	52
Plant operations and maintenance	53	53	52	53	50	51	49	55	51	54
Pupil transportation	46	47	46	48	50	48	48	47	49	52
Total	<u>727</u>	<u>736</u>	<u>737</u>	<u>752</u>	<u>758</u>	<u>760</u>	<u>751</u>	<u>743</u>	<u>760</u>	<u>744</u>

Source: District Personnel Records

RANDOLPH TOWNSHIP SCHOOL DISTRICT
OPERATING STATISTICS
LAST TEN FISCAL YEARS
UNAUDITED

Fiscal Year	Enrollment ^d	Operating Expenditures ^a	Cost Per Pupil ^b	Percentage Change	Teaching Staff ^c	Pupil/Teacher Ratio			Average Daily Enrollment (ADE) ^d	Average Daily Attendance (ADA) ^d	% Change in Average Daily Enrollment	Student Attendance Percentage
						Elementary	Middle School	High School				
2013	5,038	\$ 86,324,422	\$ 17,135	6.10%	501	10.5	9.8	9.7	5,038	4,811	-3.30%	95.49%
2014	4,919	86,487,024	17,582	2.61%	477	10.3	9.8	9.7	4,919	4,691	-2.36%	95.36%
2015	4,819	87,837,289	18,227	3.67%	472	13.1	11.8	12.4	4,819	4,607	-2.03%	95.60%
2016	4,797	89,340,424	18,624	2.18%	469	12.5	11.0	12.0	4,797	4,603	-0.46%	95.96%
2017	4,688	92,134,970	19,653	5.53%	456	10.4	11.1	10.1	4,688	4,484	-2.27%	95.65%
2018	4,700	94,427,178	20,091	2.23%	477	11.4	11.1	11.1	4,700	4,501	0.26%	95.77%
2019	4,607	98,437,684	21,367	6.35%	467	10.9	11.1	11.1	4,607	4,407	-1.98%	95.66%
2020	4,514	97,786,298	21,663	1.38%	452	10.8	11.0	11.0	4,522	4,396	-1.84%	97.22%
2021	4,298	102,338,930	23,811	9.92%	463	10.5	11.0	11.0	4,307	4,203	-4.76%	97.59%
2022	4,287	109,793,175	25,611	7.56%	449	11.4	11.1	11.1	4,300	4,079	-0.16%	94.86%

^a Operating expenditures equal total expenditures less debt service and capital outlay.
^b The Cost per Pupil calculated above is the sum of the operating expenditures divided by enrollment. This Cost per Pupil may be different from other Cost per Pupil calculations.
^c Teaching staff includes only full-time equivalents of certificated staff.
^d Average daily enrollment and average daily attendance are obtained from the School Register Summary (SRS).

Note: Enrollment based on annual October district count.

Source: School District records

RANDOLPH TOWNSHIP SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS
UNAUDITED

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<u>District Buildings</u>										
Center Grove School										
Square Feet	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000
Capacity (students)	608	608	608	608	608	608	608	608	608	608
Enrollment	501	550	479	484	492	496	520	501	466	500
Fernbrook School										
Square Feet	75,569	75,569	75,569	75,569	75,569	75,569	75,569	75,569	75,569	75,569
Capacity (students)	567	567	567	567	567	567	567	567	567	567
Enrollment	576	570	555	541	520	530	548	531	501	504
Ironia School										
Square Feet	63,764	63,764	63,764	63,764	63,764	63,764	63,764	63,764	63,764	63,764
Capacity (students)	643	643	643	643	643	643	643	643	643	643
Enrollment	496	482	448	448	429	451	451	435	437	450
Shongum School										
Square Feet	69,283	69,283	69,283	69,283	69,283	69,283	69,283	69,283	69,283	69,283
Capacity (students)	567	567	567	567	567	567	567	567	567	567
Enrollment	624	541	510	476	458	467	443	449	416	444
Middle School										
Square Feet	170,243	170,243	170,243	170,243	170,243	170,243	170,243	170,243	170,243	170,243
Capacity (students)	893	893	893	893	893	893	893	893	893	893
Enrollment	1,222	1,271	1,230	1,239	1,193	1,138	1,069	1,032	1,009	985
High School										
Square Feet	276,337	276,337	276,337	276,337	276,337	276,337	276,337	276,337	276,337	276,337
Capacity (students)	1,877	1,877	1,877	1,877	1,877	1,877	1,877	1,877	1,877	1,877
Enrollment	1,639	1,573	1,620	1,610	1,596	1,618	1,576	1,566	1,469	1,404

Number of Schools at June 30, 2022

Elementary = 4

Middle School = 1

High School = 1

Source: School District Facilities Office

RANDOLPH TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF REQUIRED MAINTENANCE
LAST TEN FISCAL YEARS
UNAUDITED

Undistributed Expenditures - Required Maintenance for School Facilities
Account # 11-000-261-xxx

Fiscal Year Ended June 30,	Center Grove	Fernbrook	Ironia	Shongum	Middle	High	Total
	School	School	School	School	School	School	
2013	\$ 128,042	\$ 232,294	\$ 114,382	\$ 133,452	\$ 252,899	\$ 638,733	\$ 1,499,802
2014	236,486	220,917	176,640	193,086	213,299	494,440	1,534,868
2015	154,266	178,357	134,519	156,214	239,693	397,367	1,260,416
2016	207,294	237,654	151,057	156,096	171,991	366,809	1,290,901
2017	248,727	224,208	173,544	163,405	221,317	424,050	1,455,251
2018	250,189	196,996	164,655	149,156	239,352	385,540	1,385,888
2019	271,738	255,567	175,822	205,517	343,557	533,889	1,786,090
2020	227,450	275,024	259,781	258,334	389,683	492,598	1,902,870
2021	229,534	301,845	229,751	208,506	274,410	483,730	1,727,776
2022	333,103	153,718	316,835	238,770	290,743	398,760	1,731,929

Source: School District records.

RANDOLPH TOWNSHIP SCHOOL DISTRICT
INSURANCE SCHEDULE
JUNE 30, 2022
UNAUDITED

	<u>Coverage</u>	<u>Deductible</u>
Multi Peril Package Policy- SAIF		
Property, Inland Marine, Automobile Physical Damage	\$ 500,000,000	\$ 2,500
Security Guard/Law Enforcement	1,000,000	5,000
Crime - Employee Dishonesty	500,000	1,000
Comprehensive General Liability	10,000,000	
Excess/Umbrella	10,000,000	
Comprehensive Automobile Liability - SAIF		
Limit of Liability	10,000,000	1,000
Aggregate	46,000,000	
Public Official Bonds -Utica/Selective Insurance		
Business Administrator	420,000	None
Assistant Business Administrator - Katie DeRiso	400,000	None
Assistant Business Administrators - Elizabeth Moreland	420,000	None
Student Accident - Maximum Limit - Zurich American	6,000,000	
Environmental Policy - SAIF		
Limit of Liability	1,000,000	50,000
Aggregate	10,000,000	50,000
School Leaders - SAIF		
Limit of Liability	5,000,000	
Retention	10,000	
CAP Excess - Fireman's Fund		
Limit of Liability	25,000,000	
Workers' Compensation- NJSIG		
Workers' Compensation	3,000,000	

Source: School District records.

SINGLE AUDIT SECTION

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

Independent Auditors' Report

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and the audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey (the "Office"), the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Board of Education of the Randolph Township School District, in the County of Morris (the "District") as of and for the fiscal year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated November 16, 2022. That report included a qualified opinion on the financial statements as the District's note disclosure on postemployment benefits other than pensions (OPEB) contains the June 30, 2020 information and not the June 30, 2021 information as the report for Governmental Accounting Standards Board ("GASB") Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions, for the State of New Jersey State Health Benefits Local Education Retired Employees Plan ("SHBP") has not been released by the Division of Pensions and Benefits, Department of the Treasury, State of New Jersey, as of the date of this report. In our opinion, disclosure of this information is required by accounting principles generally accepted in the United States of America.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

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

November 16, 2022
Mount Arlington, New Jersey

NISIVOCCIA LLP

Francis Jones of Nisivoccia LLP
Francis Jones
Licensed Public School Accountant #1154
Certified Public Accountant



Report on Compliance For Each Major Federal and State Program;
 Report on Internal Control Over Compliance Required by the Uniform Guidance and NJOMB 15-08

Independent Auditors' Report

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

Report on Compliance for Each Major Federal and State Program

Opinion on Each Major Federal and State Program

We have audited the Board of Education of the Randolph Township School District's (the "District's") 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 District's major federal and state programs for the fiscal year ended June 30, 2022. The District's major federal and state programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

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

Basis for Opinion on Each Major Federal and State Program

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

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

Responsibilities of Management for Compliance

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

Auditors' Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control Over Compliance

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

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

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

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

November 16, 2022
Mount Arlington, New Jersey

NISIVOCCIA LLP

Francis Jones of Nisivoccia LLP
Francis Jones
Licensed Public School Accountant #1154
Certified Public Accountant

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

Federal Grantor/Pass Through Grantor/ Program Title/Cluster Title	Assistance Listing Number	Grant or State Project Number	Grant Period	Award Amount	Balance at June 30, 2021		Cash Received	Budgetary Expendi- tures	Balance at June 30, 2022	
					Unearned Revenue/ (Accounts Receivable)	Due to Grantor			Budgetary Unearned Revenue	Budgetary Accounts Receivable
U.S. Department of Agriculture:										
Passed-through State Department of Education:										
Child Nutrition Cluster:										
Federal Food Distribution Program	10.555	N/A	7/1/21-6/30/22	\$ 94,675		\$ 94,675	\$ (88,493)	\$ 6,182		
Federal Food Distribution Program	10.555	N/A	7/1/20-6/30/21	57,694	3,930		(3,930)			
COVID-19:										
Seamless Summer Option	10.555	N/A	7/1/21-6/30/22	1,794,024		1,678,682	(1,794,024)		\$ (115,342)	
Seamless Summer Option	10.555	N/A	7/1/20-6/30/21	1,279,529	(89,970)	89,970				
Emergency Operational Costs										
Reimbursement Program	10.555	N/A	7/1/21-6/30/22	6,182	(86,040)	6,182	(6,182)	6,182	(115,342)	
Total Child Nutrition Cluster						1,869,509	(1,892,629)	6,182		
COVID-19 Pandemic P-EBT										
Administrative Costs										
Total U.S. Department of Agriculture	10.649	N/A	7/1/21-6/30/22	1,242	(86,040)	1,242	(1,242)	6,182	(115,342)	
U.S. Department of Health and Human Services:										
General Fund:										
Medicaid Cluster:										
Medical Assistance Program	93.778	N/A	7/1/21-6/30/22	40,205		40,205	(40,205)			
Total General Fund/Medicaid Cluster						40,205	(40,205)			
U.S. Department of Education:										
Passed-through State Department of Education:										
Special Revenue Fund:										
ESEA:										
Title I	84.010	ESEA-0820-22	7/1/21-9/30/22	118,959		80,634	(113,974)		(33,340)	
Title I	84.010	ESEA-0820-21	7/1/20-9/30/21	109,213	(47,435)	47,435			(33,340)	
Total Title I					(47,435)	128,069	(113,974)			
Title IIA	84.367A	ESEA-0820-22	7/1/21-9/30/22	72,766		37,211	(71,107)		(33,896)	
Title IIA	84.367A	ESEA-0820-21	7/1/20-9/30/21	79,764	(27,664)	27,664			(33,896)	
Total Title IIA					(27,664)	64,875	(71,107)			
Title III	84.365	ESEA-0820-22	7/1/21-9/30/22	28,424	(8,738)	3,405	(19,817)		(16,412)	
Title III	84.365	ESEA-0820-21	7/1/20-9/30/21	21,570	(8,738)	8,738			(16,412)	
Total Title III					(264)	12,143	(19,817)			
Title III Immigrant	84.365	ESEA-0820-21	7/1/20-9/30/21	264	(264)	264				
Total Title III Immigrant					(264)	264				
Special Education Cluster:										
I.D.E.A. Part B, Basic	84.027	IDEA-0820-22	7/1/21-9/30/22	958,947		915,737	(954,298)		(38,561)	
I.D.E.A. Part B, Basic	84.027	IDEA-0820-21	7/1/20-9/30/21	1,006,023	249,766	249,766				
COVID-19 - ARP - I.D.E.A. Part B, Basic	84.027X	IDEA-0820-22	7/1/21-9/30/22	195,450		171,421	(187,078)		(15,657)	
I.D.E.A. Preschool	84.173	IDEA-0820-22	7/1/21-9/30/22	45,721		45,721	(45,721)		(54,218)	
Total Special Education Cluster					249,766	1,382,645	(1,187,097)			

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

Federal Grantor/Pass Through Grantor/ Program Title/Cluster Title	Assistance Listing Number	Grant or State Project Number	Grant Period	Award Amount	Balance at June 30, 2021		Cash Received	Budgetary Expendi- tures	Balance at June 30, 2022		Amounts Paid to Subrecipients	
					Unearned/ Revenue/ (Accounts Receivable)	Due to Grantor			Budgetary Unearned Revenue	Budgetary Accounts Receivable		
U.S. Department of Education:												
Passed-through State Department of Education:												
Special Revenue Fund:												
Education Stabilization Fund:												
COVID 19 - CRRSA:												
ESSER II	84.425D	S425D210027	3/13/20-9/30/23	\$ 345,841	\$ (32,865)	\$ 32,865	\$ (312,976)	\$ (312,976)	\$ (4,216)	\$ (312,976)		
Learning Acceleration (ESSR)	84.425D	S425D210027	3/13/20-9/30/23	25,000			(4,216)			(4,216)		
COVID 19 - ARP:												
ESSER III	84.425U	S425D210027	3/13/20-9/30/24	777,255			(228,003)	(228,003)		(228,003)		
Accelerated Learning	84.425U	S425D210027	3/13/20-9/30/24	352,617			(30,150)	(30,150)		(30,150)		
Beyond the School Day	84.425U	S425D210027	3/13/20-9/30/24	40,000			(170)	(170)		(170)		
Total Education Stabilization Fund					(32,865)	32,865	(575,515)	(575,515)		(575,515)		
Total U.S. Department of Education					132,800	1,620,861	(1,967,510)	(1,967,510)		(713,381)		
U.S. Department of Treasury:												
Passed-through State Department of Education:												
COVID-19 ACSERS (Additional or Compensatory												
Special Education and Related Services to												
Students with Disabilities)												
Total U.S. Department of Treasury	21.027	N/A	7/1/21-6/30/22	97,931			(97,931)	(97,931)		(97,931)		
Total Special Revenue Fund					132,800	1,620,861	(2,065,441)	(2,065,441)		(811,312)		
Total Federal Awards					\$ 46,760	\$ 3,531,817	\$ (3,999,517)	\$ (3,999,517)		\$ (926,654)	\$ -0-	

N/A - Not Available/Applicable

RANDOLPH TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF STATE AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance June 30, 2021		Cash Received	Budgetary Expenditures	Repayment of Prior Years' Balances	Balance June 30, 2022		Memo Budgetary Receivable	Cumulative Total Expenditures
				Unearned Revenue/(Accounts Receivable)	Due to Grantor				GAAP Accounts Receivable	Due to Grantor		
State Department of Education:												
General Fund:												
Equalization Aid	22-495-034-5120-078	7/1/21-6/30/22	\$ 4,438,751	\$ (588,605)	\$ 4,001,285	\$ (4,438,751)			\$ (2,478,260)	\$ (437,466)	\$ 4,438,751	
Equalization Aid	21-495-034-5120-078	7/1/20-6/30/21	5,979,464		588,605					(123,106)	5,979,464	
Transportation Aid	22-495-034-5120-014	7/1/21-6/30/22	1,249,097	(122,958)	1,125,991	(1,249,097)					1,249,097	
Transportation Aid	21-495-034-5120-014	7/1/20-6/30/21	1,249,097		122,958						1,249,097	
Special Education Aid	22-495-034-5120-089	7/1/21-6/30/22	3,234,926	(318,439)	2,916,104	(3,234,926)					3,234,926	
Special Education Aid	21-495-034-5120-089	7/1/20-6/30/21	3,234,926		318,439						3,234,926	
Security Aid	22-495-034-5120-084	7/1/21-6/30/22	103,893	(10,227)	93,654	(103,893)					103,893	
Security Aid	21-495-034-5120-084	7/1/20-6/30/21	103,893		10,227						103,893	
Extraordinary Aid	22-495-034-5120-044	7/1/21-6/30/22	2,478,260	(2,171,291)	2,171,291	(2,478,260)					2,478,260	
Extraordinary Aid	21-495-034-5120-044	7/1/20-6/30/21	2,478,260		2,171,291						2,478,260	
Other State Aid - Non Public Transportation	22-495-034-5120-014	7/1/21-6/30/22	67,176	(59,819)	59,819	(67,176)					67,176	
Other State Aid - Non Public Transportation	21-495-034-5120-014	7/1/20-6/30/21	59,819								59,819	
School Development Authority: Securing Our Children's Future Bond Act	N/A	7/1/20-6/30/21	261,862	(261,862)							261,862	
Reimbursed TPAF Social Security Contributions	22-495-034-5094-003	7/1/21-6/30/22	2,805,439	(3,533,201)	11,408,373	(11,572,103)					24,632,455	
On-Behalf TPAF Post Retirement Contributions	22-495-034-5094-001	7/1/21-6/30/22	3,344,328		2,530,494	(2,805,439)					2,805,439	
On-Behalf TPAF Pension Contributions	22-495-034-5094-002	7/1/21-6/30/22	14,114,853		3,344,328	(3,344,328)					3,344,328	
On-Behalf TPAF Non-Contributory Insurance	22-495-034-5094-004	7/1/21-6/30/22	199,141		14,114,853	(14,114,853)					14,114,853	
On-Behalf TPAF Long-Term Disability Insurance	22-495-034-5094-004	7/1/21-6/30/22	6,093		199,141	(199,141)					199,141	
Subtotal - General Fund			31,603,282	(3,533,201)	31,603,282	(32,041,957)			(3,082,243)	(3,971,876)	45,102,309	
Special Revenue Fund:												
NJ Nonpublic Aid:												
Textbook Aid	22-100-034-5120-064	7/1/21-6/30/22	8,462		8,462	(8,462)					8,462	
Technology Initiative Aid	22-100-034-5120-373	7/1/21-6/30/22	5,922		5,922	(5,922)					5,922	
Auxiliary Services:												
Compensatory Education	22-100-034-5120-067	7/1/21-6/30/22	37,355		37,355	(34,309)					34,309	
Compensatory Education	21-100-034-5120-067	7/1/20-6/30/21	20,031						\$ 6,056		13,975	
Handicapped Services:												
Examination & Classification	22-100-034-5120-066	7/1/21-6/30/22	30,331		30,331	(29,191)					29,191	
Examination & Classification	21-100-034-5120-066	7/1/20-6/30/21	23,972							1,140	21,372	
Corrective Speech	22-100-034-5120-066	7/1/21-6/30/22	13,950		13,950	(13,671)					13,671	
Corrective Speech	21-100-034-5120-066	7/1/20-6/30/21	12,213							279	11,301	
Supplemental Instruction	22-100-034-5120-066	7/1/21-6/30/22	21,724		21,724	(20,072)					20,072	
Supplemental Instruction	21-100-034-5120-066	7/1/20-6/30/21	20,237							1,652	17,161	
Nursing Services	22-100-034-5120-070	7/1/21-6/30/22	15,792		15,792	(15,792)					15,792	
Security	22-100-034-5120-509	7/1/21-6/30/22	24,675		24,675	(24,375)					24,375	
Security	21-100-034-5120-509	7/1/20-6/30/21	23,625							300	23,389	
School Development Authority - Emergent and Capital Maintenance Needs	N/A	7/1/21-6/30/22	112,116		112,116	(112,116)					112,116	
Subtotal - Special Revenue Fund			270,327	12,880	270,327	(263,910)				6,417	351,108	

RANDOLPH TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF STATE AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance June 30, 2021		Cash Received	Budgetary Expenditures	Repayment of Prior Years' Balances	Balance June 30, 2022		Memo	
				Unearned Revenue/(Accounts Receivable)	Due to Grantor				GAAP Accounts Receivable	Due to Grantor		
Debt Service Fund:												
Debt Service Aid II	22-495-034-5120-075	7/1/21-6/30/22	\$ 336,542			\$ 336,542	\$ (336,542)				\$ 336,542	
Subtotal - Debt Service Fund						336,542	(336,542)				336,542	
Enterprise Fund:												
COVID-19 Seamless Summer Option	N/A	7/1/21-6/30/22	35,693			33,354	(35,693)	\$ (2,339)			35,693	
COVID-19 Seamless Summer Option	N/A	7/1/20-6/30/21	36,269	\$ (4,144)		4,144					36,269	
Subtotal - Enterprise Fund				(4,144)		37,498	(35,693)	(2,339)			71,962	
Total State Awards Subject to Single Audit Determination				\$ (3,537,345)	\$ 12,880	\$ 32,247,649	\$ (32,678,102)	\$ 12,880	\$ (3,084,582)	\$ 6,417	\$ (3,971,876)	\$ 45,861,921
Less: State Awards Not Subject to Single Audit Major Program Determination												
On-Behalf TPAF Pension System Contributions:												
Post Retirement Contributions	22-495-034-5094-001	7/1/21-6/30/22	(3,344,328)				3,344,328					
Pension Contributions	22-495-034-5094-002	7/1/21-6/30/22	(14,114,853)				14,114,853					
Non-Contributory Insurance	22-495-034-5094-004	7/1/21-6/30/22	(199,141)				199,141					
Long-Term Disability Insurance	22-495-034-5094-004	7/1/21-6/30/22	(6,093)				6,093					
Subtotal - On-Behalf TPAF Pension System Contributions							17,664,415.00					
Total State Awards Subject to Single Audit Major Program Determination							\$ (15,013,687)					

N/A - Not Available/Applicable

RANDOLPH TOWNSHIP SCHOOL DISTRICT
NOTES TO SCHEDULES OF FEDERAL AND STATE AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

NOTE 1. BASIS OF PRESENTATION

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

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

NOTE 3. INDIRECT COST RATE

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

NOTE 4. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

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

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$150,596 for the general fund and (\$524,765) for the special revenue fund (of which \$1,527 applies to encumbrances of local grants). See Note 1 D for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds.

RANDOLPH TOWNSHIP SCHOOL DISTRICT
NOTES TO SCHEDULES OF FEDERAL AND STATE AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
(Continued)

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

Revenue from federal and state awards is reported in the Board’s basic financial statements on a GAAP basis as presented below:

	Federal	State	Total
General Fund	\$ 40,205	\$32,192,553	\$32,232,758
Special Revenue Fund	1,542,203	263,910	1,806,113
Debt Service Fund		336,542	336,542
Food Service Fund	1,893,871	35,693	1,929,564
Total Financial Assistance	\$ 3,476,279	\$32,828,698	\$36,304,977

NOTE 5. RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

NOTE 6. OTHER

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

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

Summary of Auditors' Results:

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

<u>State:</u>	<u>Assistance Listing/ State Grant Number</u>	<u>Grant Period</u>	<u>Award Amount</u>	<u>Budgetary Expenditures</u>
General Fund State Aid:				
Equalization Aid	22-495-034-5120-078	7/1/21-6/30/22	\$ 4,438,751	\$ 4,438,751
Special Education Aid	22-495-034-5120-089	7/1/21-6/30/22	3,234,926	3,234,926
Security Aid	22-495-034-5120-084	7/1/21-6/30/22	103,893	103,893

RANDOLPH TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
(Continued)

Summary of Auditors' Results: (Cont'd)

	<u>Assistance Listing/ State Grant Number</u>	<u>Grant Period</u>	<u>Award Amount</u>	<u>Budgetary Expenditures</u>
<u>Federal:</u>				
Special Education Cluster:				
IDEA Part B, Basic COVID-19 - ARP -	84.027	7/1/21-9/30/22	958,947	954,298
IDEA Part B, Basic	84.027X	7/1/21-9/30/22	195,450	187,078
IDEA Part B Preschool	84.173	7/1/21-9/30/22	45,721	45,721
Education Stabilization Fund:				
COVID-19 CRRSA :				
ESSER II	84.425D	3/13/20-9/30/23	345,841	312,976
Learning Acceleration Mental Health	84.425D	3/13/20-9/30/23	25,000	4,216
COVID-19 ARP:				
ESSER III	84.425U	3/13/20-9/30/24	777,255	228,003
Accelerated Learning Coaching and Educator Support	84.425U	3/13/20-9/30/24	352,617	30,150
Evidence-Based Comprehensive Beyond the School Day	84.425U	3/13/20-9/30/24	40,000	170

- The threshold used for distinguishing between Type A and Type B federal and state programs was \$750,000.
- The District was determined to be a "low-risk" auditee for both federal and state programs.

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

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

Findings and Questioned Costs for Federal Awards:

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

Findings and Questioned Costs for State Awards:

- The audit did not disclose any findings or questioned costs for state awards as defined in 2 CFR 200.516(a) of the Uniform Guidance and New Jersey's OMB Circular 15-08.

RANDOLPH TOWNSHIP SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2022

Status of Prior Year Findings:

There were no prior year findings.