

**SCHOOL DISTRICT
OF**

RIVERTON



**Riverton Board of Education
Riverton, New Jersey**

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

**Annual Comprehensive
Financial Report**

of the

Riverton Board of Education

Riverton, New Jersey

For the Fiscal Year Ended June 30, 2022

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

RIVERTON SCHOOL DISTRICT

INTRODUCTORY SECTION

	<u>Page</u>
Letter of Transmittal	2
Organizational Chart	8
Roster of Officials	9
Consultants and Advisors	10

FINANCIAL SECTION

Independent Auditor's Report	12
-------------------------------------	----

Required Supplementary Information - Part I Management's Discussion and Analysis	16
---	----

Basic Financial Statements

A. District-wide Financial Statements:

A-1 Statement of Net Position	25
A-2 Statement of Activities	26

B. Fund Financial Statements:

Governmental Funds:

B-1 Balance Sheet	28
B-2 Statement of Revenues, Expenditures, and Changes in Fund Balances	29
B-3 Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	30

Proprietary Funds:

B-4 Statement of Net Position	31
B-5 Statement of Revenues, Expenses, and Changes in Fund Net Position	32
B-6 Statement of Cash Flows	33

Fiduciary Funds:	N/A
------------------	-----

Notes to the Financial Statements	34
--	----

Required Supplementary Information - Part II

C.	Budgetary Comparison Schedules	
C-1	Budgetary Comparison Schedule - General Fund	66
C-1a	Combining Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual (if applicable)	N/A
C-2	Budgetary Comparison Schedule - Special Revenue Fund	72

Notes to the Required Supplementary Information

C-3	Budget-to-GAAP Reconciliation	73
-----	-------------------------------	----

Required Supplementary Information - Part III

L.	Schedules Related to Accounting and Reporting for Pensions (GASB-68)	
L-1	Schedule of the District's Proportionate Share of the Net Pension Liability - Public Employees Retirement System	75
L-2	Schedule of the District Contributions - Public Employees Retirement System	76
L-3	Schedule of the District's Proportionate Share of the Net Pension Liability - Teachers' Pension and Annuity Fund	77
M.	Schedule Related to Accounting and Reporting for OPEB (GASB-75)	
M-1	Schedule of Changes in the District's Total OPEB Liability Share of the Net OPEB Liability and Related Ratios	78
	Notes to the Required Supplementary Information - Part III	79

Other Supplementary Information

D.	School Level Schedules :	N/A
E.	Special Revenue Fund:	
E-1	Combining Schedule of Revenues and Expenditures Special Revenue Fund - Budgetary Basis	82
E-2	Preschool Education Aid Expenditures - Budgetary Basis	N/A
F.	Capital Projects Fund:	N/A
G.	Proprietary Fund:	
G-1	Combining Statement of Net Position	85
G-2	Combining Statement of Revenues, Expenses and Changes in Fund Net Position	86
G-3	Statement of Cash Flows	87
	Internal Service Fund	N/A
H.	Fiduciary Funds	N/A

I. Long-Term Debt:

I-1	Schedule of Serial Bonds	N/A
I-2	Schedule of Obligations under Leases	89
I-3	Budgetary Comparison Schedule - Debt Service Fund	N/A

STATISTICAL SECTION (Unaudited)

J-1	Net Position by Component	91
J-2	Changes in Net Position, Last Ten Fiscal Years	92
J-3	Fund Balances, Governmental Funds, Last Ten Fiscal Years	93
J-4	Changes in Fund Balances, Governmental Funds, Last Ten Fiscal Years	94
J-5	General Fund - Other Local Revenue by Source, Last Ten Fiscal Years	95
J-6	Assessed Value and Actual Value of Taxable Property, Last Ten Fiscal Years	96
J-7	Direct and Overlapping Property Tax Rates, Last Ten Fiscal Years	97
J-8	Principal Property Tax Payers, Current Year and Nine Years Ago	98
J-9	Property Tax Levies and Collections, Last Ten Fiscal Years	99
J-10	Ratios of Outstanding Debt by Type, Last Ten Fiscal Years	100
J-11	Ratios of Net General Bonded Debt Outstanding, Last Ten Fiscal Years	101
J-12	Ratios of Overlapping Governmental Activities Debt, As of December 31, 2020	102
J-13	Legal Debt Margin Information, Last Ten Fiscal Years	103
J-14	Demographic and Economic Statistics	104
J-15	Principal Employers, Current Year & Nine Years Ago (information not available)	N/A
J-16	Full-time Equivalent District Employees by Function/Program, Last Ten Fiscal Years	105
J-17	Operating Statistics, Last Ten Fiscal Years	106
J-18	School Building Information, Last Ten Fiscal Years	107
J-19	Schedule of Required Maintenance, Last Ten Fiscal Years	108
J-20	Insurance Schedule	109

SINGLE AUDIT SECTION

K-1	Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards	111
K-2	Report on Compliance for Each Program and Report on Internal Control Over Compliance Required by the Uniform Guidance and New Jersey Circular 15-08-OMB	113
K-3	Schedule of Expenditures of Federal Awards, Schedule A	116
K-4	Schedule of Expenditures of State Financial Assistance, Schedule B	117
K-5	Notes to the Schedules of Awards and Financial Assistance	118
K-6	Schedule of Findings and Questioned Costs	
	Section 1 - Financial Statement Findings	120
	Section 2 - Schedule of Financial Statement Findings	122
	Section 3 - Schedule of Federal Awards and State Financial Assistance Findings and Questioned Costs	123
K-7	Summary Schedule of Prior Year Audit Findings and Questioned Costs as Prepared by Management	124

Introductory Section

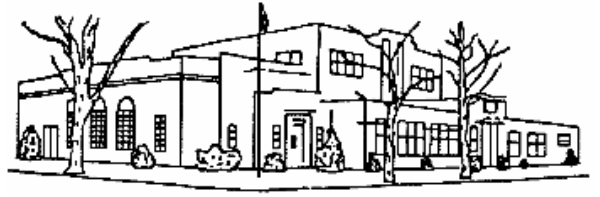
RIVERTON PUBLIC SCHOOL

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JOSHUA ZAGORSKI

Superintendent

January 30, 2023

Honorable President, Board of Education
and Riverton Citizens
Borough of Riverton School District
Riverton, Burlington County, New Jersey

Dear Citizens:

The annual comprehensive financial report of the Riverton School District for the fiscal year ending June 30, 2022 is hereby submitted. Responsibility for the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Board of Education. To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner intended to present fairly the financial position and results of operations of the various funds and account groups of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The annual comprehensive financial report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter, the District's organizational chart and a list of principal officials. The financial section includes the general purpose financial statements and schedules, as well as the auditor's report thereon. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The District is required to undergo an annual single audit in conformity with the provisions of the Title 2 U.S. Code of Federal Regulations, cost principles, and audit requirements for federal awards (uniform guidance), and State of New Jersey Circular OMB 15-08. Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws, regulations, findings and recommendations, is included in the single audit section of this report.

1. REPORTING ENTITY AND ITS SERVICES: Riverton School District is an independent reporting entity within the criteria adopted by the Governmental Accounting Standards Board (GASB) as established by NCGA Statement No.3. All funds and account groups of the District are included in this report. The Riverton Board of Education and its school constitute the District's reporting entity.

The District provides a full range of educational services appropriate to grade levels Preschool (not universal program) through eight. This includes programming for students eligible for special education services, students identified as gifted and talented and others identified as at risk in specific academic areas. It also includes a comprehensive physical education, health, fine arts, music, media, computer and Spanish instruction. The District completed the 2021/2022 fiscal year with an enrollment of 297 students, which is 8 students more than the previous year's end-of-year enrollment. The budget supports 58 students attending Palmyra High School, our receiving district. The following details the changes in the elementary student enrollment of the District over the last ten years:

Average Daily Enrollment

<u>Fiscal Year</u>	<u>Student Enrollment</u>	<u>Percent Change</u>
2012-13	286	(0.70%)
2013-14	302	5.59%
2014-15	293	(2.93%)
2015-16	311	6.14%
2016-17	292	(6.11%)
2017-18	295	1.03%
2018-19	301	2.04%
2019-20	305	1.33%
2020-21	289	(5.25%)
2021-22	297	2.77%

2. ECONOMIC CONDITION AND OUTLOOK: The Riverton School district is a one building district, which is located on the Delaware River in close proximity to Philadelphia and considered part of western Burlington County. Riverton School is a Kindergarten through eighth grade district, but also has a Preschool. K-8 Enrollment is approximately 300 students.

The State funding formula makes it difficult for The Riverton Board of Education to budget long term. Each year we face the challenge of paying special education costs and high school tuition while working to maintain an overall effective school program. With a mandated limited surplus, it is difficult to meet the unanticipated costs associated with students with

special needs or those who have been placed by another agency, moving into our district. In addition, facility issues have added to the challenge. We feel confident that our work on the HVAC and roof will sustain our building for many years.

Currently, we are providing an excellent education where students perform at the top of the county on state mandated tests while maintaining an efficient budget. The taxpayers in Riverton support more than 84% of the current expense budget. The members of our town have remained supportive and involved even as we moved the election to November.

We continue to share services whenever possible. We currently share services for a Learning Disabilities Teacher/Consultant, transportation, media/technology, related services, food services, insurance services, energy services, communications services and professional development.

Our PTO continues to support the school with contributions to our educational programs through materials and programming. They are most active in helping to rally the community's support and making field trips a reality for all students.

The school strives to serve as a community focal point for many educational and civic activities. The town values the children's education and uses the facility on a regular basis.

3. Major Initiatives: Throughout the school, an emphasis continues to be placed on a strong academic foundation, reading real literature in a Literacy program, the integration of subject matter, and the use of technology as a tool to enhance learning. A strong emphasis is on the Student Learning Standards as well as the 21st Century themes. Our science and social studies programs are inquiry based and use non-fiction and authentic documents to enrich studies. In math, we combine a traditional approach with the skill mastery with constructivist activities for concept development. The teachers and specialists work cooperatively to provide meaningful educational programs for all students. Each professional share his/her expertise in planning and implementing effective lessons and programs. Classroom teachers, special education teachers, and specialists meet monthly across grade levels to ensure communication of goals and objectives as well as to develop interventions and enriching approaches.

Riverton School District offers a 2.5 hour Preschool Program (not universal) and a full day Kindergarten Program. The instruction of both programs is thematically based and focuses on academic, social and emotional development. We have found the transition to Kindergarten and grade 1 to be smooth and students are eager for the full day program.

All students in grades K-8 benefit from weekly instruction from the fine arts teacher, the physical education teacher and from the music teacher. Our media specialist meets with the elementary school students and the middle school students weekly to provide library/media skills instruction. The media specialist also coordinates lessons weekly with the computer teacher for research projects.

In our Fine Arts program, all students use a variety of media to create art while learning about art concepts, other cultures, famous artists, and their world. The students benefit from weekly sessions.

In our Music program, students learn songs focusing on social, cultural, and historic values. Programs include a holiday concert, Arbor Day celebration, spring program, Kindergarten graduation, 8th Grade graduation; as well as other performance opportunities as they relate to classroom themes.

Sixth, seventh, and eighth grade students have the opportunity to participate in chorus. The chorus performs at the Veteran's Day event and other school events, as well as in the community. Students in the middle school may also choose to participate in small group instrumental lessons after school.

Technology is a one to one initiative, and although we teach concepts and skills in a computer class, we are most proud of the integration.

Riverton students continue to benefit from a departmentalized middle school in grades six through eight with certified teachers in each subject area.

We used formative assessments to best diagnose students needs and fine tune instruction. We used Title I funds to provide after school academic support. Riverton students historically score in the top quartile on all nationally normed tests. Third through eighth grade students take State-mandated assessments. All grades perform at the top of our county. Scores are used as part of a rubric to determine eligibility for a Gifted and Talented Services and our Basic Skills Improvement Services.

Extracurricular activities are offered to all students' grades 5 through 8. They consist of kickball, flag football, volleyball, cheerleading, field hockey, soccer, and basketball. Clubs include Drama, Newspaper, Student Council, Chess, Technology and Safety Patrol.

In summary, the strong community involvement in our district, our small size, and our quality programming allow active participation in a very positive vein through the school board, the administration, the teaching staff, and a supportive PTA.

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

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

As part of the District's single audit, tests are made to determine the adequacy of the internal control structure, including that portion related to federal and state financial assistance programs, as well as to determine that the District has complied with applicable laws and regulations.

5. BUDGETARY CONTROLS: In addition to internal accounting controls, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the voters of the municipality. Annual appropriated budgets are adopted for the general fund, the special revenue fund and the debt service fund. Project-length budgets are approved for the capital improvements accounted for in the capital projects fund. The final budget amount as amended for the fiscal year is reflected in the financial section.

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end either are canceled or are included as reappropriations of fund balance in the subsequent year. Those amounts to be reappropriated are reported as reservations of fund balance at June 30, 2022.

6. ACCOUNTING SYSTEM AND REPORTS: The District's accounting records reflect GAAP, as promulgated by the GASB. The accounting system of the District is organized based on funds and account groups. These funds and account groups are explained in "Notes to the Financial Statements", Note 1.

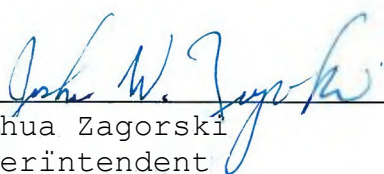
7. CASH MANAGEMENT: The investment policy of the District is guided in large part by state statute and detailed in "Notes to the Financial Statements", Note 2. The District has adopted a cash management plan, which requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (GUDPA). GUPDA 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, automobile liability and comprehensive/collision, hazard and theft insurance on property and contents, and fidelity bonds.


9. OTHER INFORMATION: Independent Audit - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Inverso & Stewart, CPAs, was selected by the Board. In addition to meeting the requirements set forth in state statutes, the audit was also designed to meet the requirements of the Title 2 U.S. Code of Federal Regulations, cost principles, and audit requirements for federal awards (uniform guidance), and State of New Jersey Circular OMB 15-08. The auditor's report on the general-purpose financial statements and combining and individual fund statements and schedules is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section of this report.

10. ACKNOWLEDGEMENTS: We would like to express our appreciation to the members of the Riverton School Board for their dedication 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 our office staff.

Respectfully submitted,



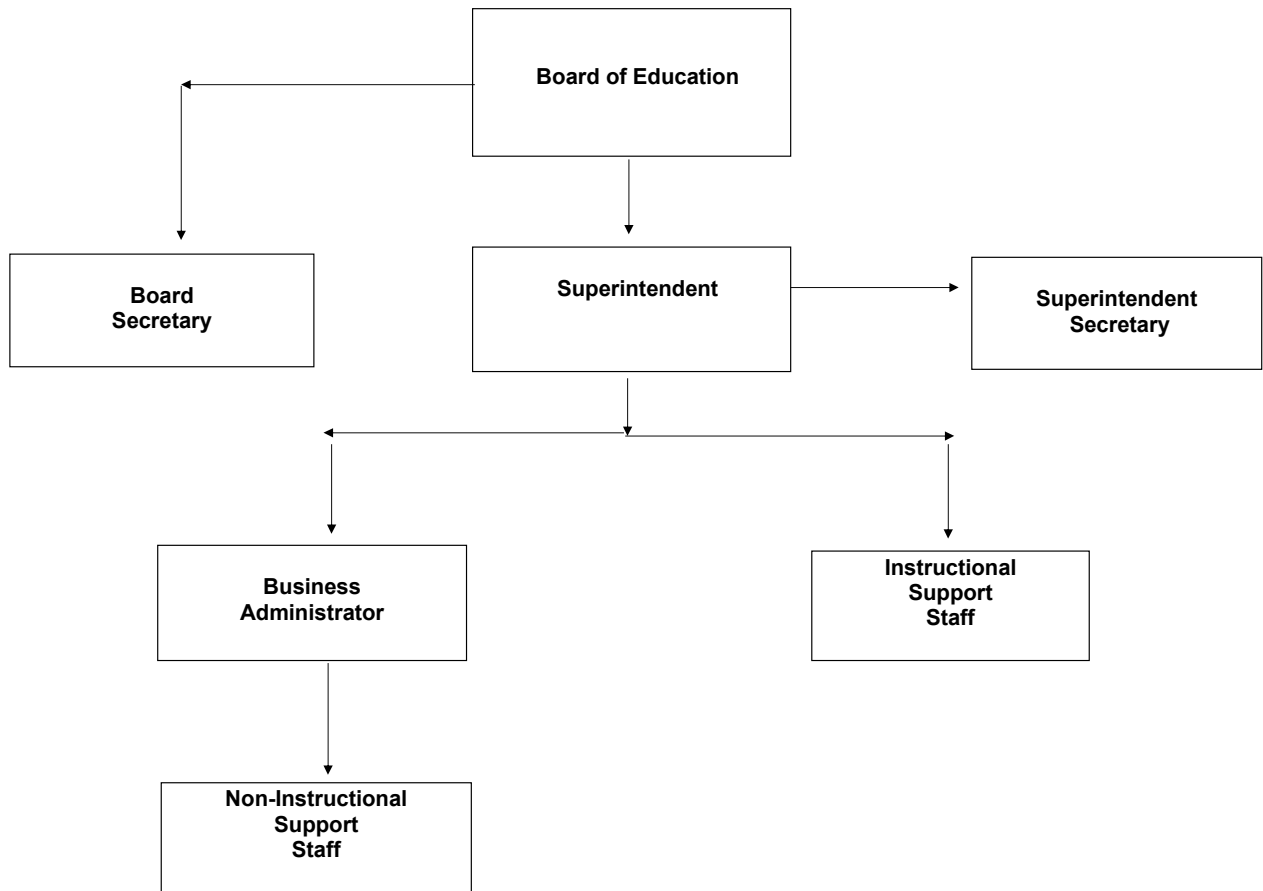
Joshua Zagorski
Superintendent



Nikolas Vrettos
Board Secretary/Business Administrator

RIVERTON BOARD OF EDUCATION

Organizational Chart (UNIT CONTROL)



RIVERTON SCHOOL DISTRICT

Roster of Officials June 30, 2022

Members of the Board of Education:

Term Expires

Walter Croft, President	November 2024
Robin McGinnis, Vice President	November 2022
JoAnn Corbi	November 2023
Jeffrey Elliot	November 2024
Leah Falicki	November 2023
Erin Matzelle	November 2023
Paul Papenberg	November 2022
Felicia Quinzi	November 2022
Michael V. Sencindiver	November 2024

Mary Ellen Eck, Superintendent
Nikolas Vrettos, Business Administrator/Board Secretary
Thomas Egan, Treasurer
Frank Cavallo, Esq., Solicitor

**RIVERTON SCHOOL DISTRICT
Consultants and Advisors**

Audit Firm

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

Attorney

Stephen J. Mushinski, Esquire
Frank P. Cavallo, Jr., Esquire
Parker McCay
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Mount Laurel, NJ 08054

Official Depository

1st Colonial Bank
1150 Haddon Avenue
Collingswood, NJ 08108

Financial Section

INVERSO & STEWART, LLC

Certified Public Accountants

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

INDEPENDENT AUDITOR'S REPORT

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

Report on the Audit of the Financial Statements

Opinions

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

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

Basis for Opinions

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

Emphasis of Matter

Adoption of New Accounting Principle

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

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

Supplementary Information

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

The accompanying combining statements and related major fund supporting statements and schedules and schedules of expenditures of federal awards and state financial assistance are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the accompanying combining statements and related major fund supporting statements and schedules and schedules of expenditures of federal awards and state financial assistance are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

Other Reporting Required by Government Auditing Standards

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

Respectfully submitted,

INVERSO & STEWART, LLC
Certified Public Accountants



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

Marlton, New Jersey
January 30, 2023

Required Supplementary Information - Part I

Management's Discussion and Analysis

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

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

Financial Highlights

- The assets of the School District exceeded its liabilities at the close of the most recent fiscal year by \$2,161,535 (*net position*).
- Governmental activities have a deficit unrestricted balance of \$369,368. The accounting treatments in the governmental funds for compensated absences payable, net pension liability, and the June state aid payments, and state statutes that prohibit school districts from maintaining more than 4% of its adopted budget as unrestricted fund balance are primarily responsible for this minimal amount.
- The total net position of the School District increased by \$151,113, or a 7.52% increase from the prior fiscal year-end balance. The majority of this increase is attributable to the results of general fund activity.
- Fund balance of the School District's governmental funds increased by \$131,590 resulting in an ending fund balance of \$1,568,128. This was a result of results of operations in the general fund.
- Business-type activities have an unrestricted balance of \$13,069, which may be used to meet the School District's ongoing obligations of the Food Service Fund.

Overview of the Basic Financial Statements

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

District-wide Financial Statements

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

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

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

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

Fund Financial Statements

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

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

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

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

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

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

The School District's one enterprise fund (Food Service Fund) is listed individually and is considered to be a major fund.

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

Notes to the Basic Financial Statements

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

Other Information

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

District-wide Financial Analysis

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

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

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

The assets of the primary government activities exceeded liabilities by \$2,145,138 with a deficit unrestricted balance of \$369,368. The net position of the primary government does not include internal balances.

A balance of \$1,110,264 has been restricted as follows:

Reserve for Excess Surplus	\$	25,821
Reserve for Scholarships		8,471
Reserve for Student Activities		26,369
Reserve for Unemployment		82,166
Restricted for Future Maintenance Projects		241,091
Restricted for Tuition		192,000
Restricted for Future Capital Projects		<u>534,346</u>
Total	\$	<u>1,110,264</u>

**Comparative Summary of Net Position
As of June 30, 2022 and 2021**

	Governmental Activities		Business-Type Activities		District-Wide	
	2022	2021	2022	2021	2022	2021
ASSETS						
Current assets	\$ 1,641,805	\$ 1,598,892	\$ 16,754	\$ 8,005	\$ 1,658,559	\$ 1,606,897
Capital assets	1,438,432	1,459,667	3,328	4,723	1,441,760	1,464,390
Total assets	<u>3,080,237</u>	<u>3,058,559</u>	<u>20,082</u>	<u>12,728</u>	<u>3,100,319</u>	<u>3,071,287</u>
Deferred Outflows of Resources	<u>182,560</u>	<u>187,187</u>	<u>-</u>	<u>-</u>	<u>182,560</u>	<u>187,187</u>
LIABILITIES						
Current liabilities	136,063	213,891	3,685	4,800	139,748	218,691
Noncurrent liabilities	645,492	731,023	-	-	645,492	731,023
Total liabilities	<u>781,555</u>	<u>944,914</u>	<u>3,685</u>	<u>4,800</u>	<u>785,240</u>	<u>949,714</u>
Deferred Inflows of Resources	<u>336,104</u>	<u>298,339</u>	<u>-</u>	<u>-</u>	<u>336,104</u>	<u>298,339</u>
Net Position	<u>\$ 2,145,138</u>	<u>\$ 2,002,493</u>	<u>\$ 16,397</u>	<u>\$ 7,928</u>	<u>\$ 2,161,535</u>	<u>\$ 2,010,421</u>
Net Position Consists of:						
Invested in Capital Assets	\$ 1,404,242	\$ 1,459,667	\$ 3,328	\$ 4,723	\$ 1,407,570	\$ 1,464,390
Restricted Assets	1,110,264	1,226,157	-	-	1,110,264	1,226,157
Unrestricted Assets	<u>(369,368)</u>	<u>(683,330)</u>	<u>13,069</u>	<u>3,205</u>	<u>(356,299)</u>	<u>(680,125)</u>
Net Position	<u>\$ 2,145,138</u>	<u>\$ 2,002,494</u>	<u>\$ 16,397</u>	<u>\$ 7,928</u>	<u>\$ 2,161,535</u>	<u>\$ 2,010,422</u>

Governmental Activities

Governmental activities increased the net position of the School District by \$142,644 during the current fiscal year, thereby accounting for almost all the total increase in the net position of the School District. Key elements of the increase in net position for governmental activities are as follows:

- Reduction of net pension liability.
- Fixed asset additions.
- Results of operations in the general fund.

Business-type Activities

Business-type activities increased the School District's net position by \$8,469. Operations of the Food Service Fund produced a gain for the current fiscal year.

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

	Governmental Activities		Business-Type Activities		District-Wide	
	2022	2021	2022	2021	2022	2021
Revenues:						
Charges for services		\$ -	\$ 7,122	\$ -	\$ 7,122	\$ -
Operating grants and contributions	2,622,080	2,699,374	85,716	6,614	2,707,796	2,705,988
Property taxes	5,621,675	5,621,675	-	-	5,621,675	5,621,675
Debt service taxes		-	-	-	-	-
State aid	782,173	535,348	-	-	782,173	535,348
Other revenues	63,925	45,971	-	-	63,925	45,971
Total Revenues	9,089,853	8,902,368	92,838	6,614	9,182,691	8,908,982
Expenses:						
Governmental Activities:						
Instruction	2,763,542	2,456,543	-	-	2,763,542	2,456,543
Tuition	1,527,359	1,363,025	-	-	1,527,359	1,363,025
Related services	592,580	631,795	-	-	592,580	631,795
Administrative services	476,896	474,283	-	-	476,896	474,283
Operations and Maintenance	678,149	598,202	-	-	678,149	598,202
Transportation	172,559	146,774	-	-	172,559	146,774
Employee benefits	2,729,481	3,137,222	-	-	2,729,481	3,137,222
Interest on debt		-	-	-	-	-
Other	6,643	6,644	-	-	6,643	6,644
Business-Type Activities:						
Food Service	-	-	84,369	15,645	84,369	15,645
Total Expenses	8,947,209	8,814,488	84,369	15,645	9,031,578	8,830,133
Increase (Decrease) in Net						
Position before transfers	142,644	87,880	8,469	(9,031)	151,113	78,849
Transfers	-	-	-	-	-	-
Change in Net Position	142,644	87,880	8,469	(9,031)	151,113	78,849
Net Position July 1	2,002,494	1,795,080	7,928	16,959	2,010,422	1,812,039
Prior Period Adjustment	-	119,534	-	-	-	119,534
Net Position, July 1 Restated	2,002,494	1,914,614	7,928	16,959	2,010,422	1,931,573
Net Position June 30	\$ 2,145,138	\$ 2,002,494	\$ 16,397	\$ 7,928	\$ 2,161,535	\$ 2,010,422

Financial Analysis of the Governmental Funds

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

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

As of the end of the current fiscal year, the School District's governmental funds reported a combined ending fund balance of \$1,568,128, an increase of \$131,590 in comparison with the prior year.

The School District has an unassigned fund balance for the General Fund of \$195,342. The remainder of the fund balance is restricted to indicate that it is not available for new spending because it has already been assigned, as follows: 1) \$262,522 reserved for encumbrances, 2) \$241,091 restricted for future maintenance costs, 3) \$192,000 restricted for future tuition costs, 4) \$534,346 restricted for future capital projects, 5) \$82,166 restricted for unemployment, 6) \$8,471 restricted for scholarships, 7) \$26,369 restricted for student activities, and 8) excess surplus of \$25,821.

The General Fund is the chief operating fund of the School District. The balance in the unreserved fund balance is limited primarily, due to the accounting treatment of the June state aid payments and state statutes that prohibit New Jersey school districts from maintaining more than 4% of its adopted budget as unreserved fund balance.

Revenue in the Special Revenue Fund is generally recognized at the time that the outlays are identified; therefore, no fund balances are normally generated.

General Fund Budgetary Highlights

There was a slight increase in the original budget to the final amended budget.

At the end of the current fiscal year, unassigned fund balance (budgetary basis) of the General Fund was \$250,277 while total fund balance (budgetary basis) was \$1,588,223. As a measure of the General Fund's liquidity, it may be useful to compare both unreserved fund balance (budgetary basis) and total fund balance (budgetary basis) to total General Fund expenditures. Actual (budgetary basis) expenditures of the General Fund including other financing uses amounted to \$7,599,275. Unassigned fund balance (budgetary basis) represents 3.29% of expenditures while total fund balance (budgetary basis) represents 20.90% of that same amount.

Capital Asset and Debt Administration

The School District's investment in capital assets for its governmental activities as of June 30, 2022, totaled \$1,405,251 (net of accumulated depreciation). This investment in capital assets includes land, improvements, buildings and equipment. The total decrease in the District's investment in capital assets for the current fiscal year was \$54,416 or a 3.73% decrease.

Major capital assets events during the current fiscal year included the following:

- Depreciation expense for the current fiscal year was \$66,425.
- The District purchased equipment of \$12,009 during the current fiscal year.

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

	Governmental Activities		Business-type Activities		District-Wide	
	2022	2021	2022	2021	2022	2021
Land	\$ 649,600	\$ 649,600	\$ -	\$ -	\$ 649,600	\$ 649,600
Site Improvements	20,273	23,178	-	-	20,273	23,178
Building and Building Improvements	631,896	671,385	-	-	631,896	671,385
Equipment	103,482	115,504	3,328	4,723	106,810	120,227
Leases	33,181	45,173			33,181	45,173
Total	\$ 1,438,432	\$ 1,504,840	\$ 3,328	\$ 4,723	\$ 1,441,760	\$ 1,509,563

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

Economic Factors and Next Year's Budgets and Rates

For the 2022-2023 school year, the School District will be able to sustain its budget through the tax levy, federal aid, state aid, and miscellaneous revenue sources. One of the most important factors affecting the School District's budget is the amount of state aid it will receive in comparison to its enrollment. The 2022-2023 budget was adopted based on a increase of \$215,814 in aid from the State of New Jersey. The School District continues to examine its costs in an effort to prevent additional burden on the taxpayers of the municipality. The 2022 tax rate increased slightly over the previous year to \$2.314.

Requests for Information

This financial report is designed to provide a general overview of the School District's finances for all those with an interest in the School District. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Riverton School District Business Administrator, 600 Fifth Street, Riverton, New Jersey, 08077, Telephone Number: (856) 829-0974.

Basic Financial Statements

District-Wide Financial Statements

RIVERTON SCHOOL DISTRICT
Statement of Net Position
June 30, 2022

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
ASSETS:			
Cash and cash equivalents	\$ 734,045	\$ 11,755	\$ 745,800
Accounts Receivables, net	132,323	4,999	137,322
Restricted Assets:			
Cash and Cash Equivalents	775,437		775,437
Capital assets, net	1,405,251	3,328	1,408,579
Right-to-use lease assets, net	33,181		33,181
Total Assets	<u>3,080,237</u>	<u>20,082</u>	<u>3,100,319</u>
DEFERRED OUTFLOWS OF RESOURCES:			
Deferred outflows of resources from pensions	<u>182,560</u>		<u>182,560</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>3,262,797</u>	<u>20,082</u>	<u>3,282,879</u>
LIABILITIES:			
Accounts payable			
Related to pension	50,754		50,754
Other	71,677	28	71,705
Unearned revenue	2,000	3,657	5,657
Noncurrent liabilities:			
Due within one year	11,632		11,632
Due beyond one year	645,492		645,492
Total Liabilities	<u>781,555</u>	<u>3,685</u>	<u>785,240</u>
DEFERRED INFLOWS OF RESOURCES:			
Deferred Inflows of resources from pensions	<u>336,104</u>		<u>336,104</u>
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	<u>1,117,659</u>	<u>3,685</u>	<u>1,121,344</u>
NET POSITION:			
Net Investment in Capital Assets	1,404,242	3,328	1,407,570
Restricted for:			
Capital projects	534,346		534,346
Maintenance	241,091		241,091
Tuition	192,000		192,000
Excess surplus	25,821		25,821
Unemployment compensation	82,166		82,166
Scholarships	8,471		8,471
Student Activities	26,369		26,369
Unrestricted	<u>(369,368)</u>	<u>13,069</u>	<u>(356,299)</u>
	<u>\$ 2,145,138</u>	<u>\$ 16,397</u>	<u>\$ 2,161,535</u>

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

RIVERTON SCHOOL DISTRICT
Statement of Changes in Net Position
For the Fiscal Year Ended June 30, 2022

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental Activities:							
Instruction:							
Regular	\$ 2,018,813	\$ -	\$ 64,373	\$ -	\$ (1,954,440)	\$ -	\$ (1,954,440)
Special education	501,008		100,462		(400,546)		(400,546)
Other instruction	243,721				(243,721)		(243,721)
Support Services:							
Tuition	1,527,359				(1,527,359)		(1,527,359)
Student & instruction related services	592,580		62,648		(529,932)		(529,932)
General administrative services	476,896				(476,896)		(476,896)
Plant operations and maintenance	678,149		236,979		(441,170)		(441,170)
Pupil transportation	172,559				(172,559)		(172,559)
Allocated and unallocated benefits	2,729,481		2,149,117		(580,364)		(580,364)
Interest on long-term debt							
Unallocated depreciation and amortization	6,643		8,501		1,858		1,858
Total Governmental Activities	<u>8,947,209</u>		<u>2,622,080</u>		<u>(6,325,129)</u>		<u>(6,325,129)</u>
Business-Type Activities:							
Food service	84,369	7,122	85,716			8,469	8,469
Total Business-Type Activities	<u>84,369</u>	<u>7,122</u>	<u>85,716</u>			<u>8,469</u>	<u>8,469</u>
Total Primary Government	<u>\$ 9,031,578</u>	<u>\$ 7,122</u>	<u>\$ 2,707,796</u>	<u>\$ -</u>	<u>(6,325,129)</u>	<u>8,469</u>	<u>(6,316,660)</u>
General revenues:							
Taxes:							
Property taxes levied for general purposes, net					5,621,675		5,621,675
Federal and State aid not restricted					782,173		782,173
Interest and Investment Income - Restricted					87		87
Miscellaneous					63,838		63,838
Total general revenues, special items, extraordinary items and transfers					<u>6,467,773</u>		<u>6,467,773</u>
Change in Net Position					142,644	8,469	151,113
Net Position - July 1					2,002,494	7,928	2,010,422
Net Position - June 30, 2022					<u>\$ 2,145,138</u>	<u>\$ 16,397</u>	<u>\$ 2,161,535</u>

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

Fund Financial Statements

RIVERTON SCHOOL DISTRICT
Balance Sheet
Governmental Funds
June 30, 2022

ASSETS	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
Assets:					
Cash and cash equivalents	\$ 1,474,642	\$ 34,840	\$ -	\$ -	\$ 1,509,482
Interfunds Account Receivable:					
Special Revenue Fund	60,839				60,839
Receivables from Other Governments:					
Federal		67,625			67,625
State	61,956				61,956
Other	2,742				2,742
					-
Total Assets	<u>1,600,179</u>	<u>102,465</u>	<u>-</u>	<u>-</u>	<u>1,702,644</u>
 LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable:					-
Payroll deductions and withholdings payable	29,349				29,349
Unemployment compensation claims payable	9,434				9,434
Other	26,108	6,786			32,894
Interfunds Account Payable:					
General Fund		60,839			60,839
Unearned revenue	2,000				2,000
Total Liabilities	<u>66,891</u>	<u>67,625</u>	<u>-</u>	<u>-</u>	<u>134,516</u>
 Fund Balances:					
Restricted:					
Capital reserve	534,346				534,346
Maintenance reserve	241,091				241,091
Tuition Reserve	192,000				192,000
Excess surplus	25,821				25,821
Unemployment compensation	82,166				82,166
Scholarships		8,471			8,471
Student Activities		26,369			26,369
Assigned to:					
Other purposes	262,522				262,522
Unassigned	195,342				195,342
Total Fund Balances	<u>1,533,288</u>	<u>34,840</u>	<u>-</u>	<u>-</u>	<u>1,568,128</u>
Total Liabilities and Fund Balances	<u>\$ 1,600,179</u>	<u>\$ 102,465</u>	<u>\$ -</u>	<u>\$ -</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. The cost of the assets is \$3,563,999 and the accumulated depreciation is \$2,158,748. 1,405,251

Leased assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$45,173 and the accumulated amortization is \$11,992. 33,181

Accounts payable related to the April 1, 2023 required PERS contribution that is not to be liquidated with current financial resources. (50,754)

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

Deferred Outflows of resources from Pensions	\$ 182,560	
Net Pension Liability	(521,326)	
Deferred Inflows of resources from Pensions	<u>(336,104)</u>	(674,870)

Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds

Leases Payable	(34,190)	
Compensated Absences Payable	<u>(101,608)</u>	(135,798)

Net Position of Governmental Activities **\$ 2,145,138**

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

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
REVENUES:					
Local sources:					
Local property tax levy	\$ 5,621,675	\$ -	\$ -	\$ -	\$ 5,621,675
Tuition	56,236				56,236
Interest earned on capital reserve funds	404				404
Interest earned on maintenance reserve funds	208				208
Restricted miscellaneous revenues	87				87
Unrestricted miscellaneous revenues	6,990				6,990
Federal sources		438,443			438,443
State sources	2,045,563	12,085			2,057,648
Local sources		22,435			22,435
Total Revenues	7,731,163	472,963	-	-	8,204,126
EXPENDITURES:					
Current expense:					
Regular instruction	1,871,827	64,373			1,936,200
Special education instruction	400,546	100,462			501,008
Other instruction	243,721				243,721
Support services and undistributed costs:					
Tuition	1,527,359				1,527,359
Student & instruction related services	529,634	62,946			592,580
General administrative services	314,921				314,921
Central services	145,785				145,785
Admin information technology	7,749				7,749
Plant operations and maintenance	368,973				368,973
Pupil transportation	172,559				172,559
Unallocated benefits	1,927,654	8,501			1,936,155
Capital outlay	88,547	236,979			325,526
Debt service:					
Principal					-
Interest and other charges					-
Total Expenditures	7,599,275	473,261	-	-	8,072,536
Excess (deficiency) of revenues over (under) expenditures	131,888	(298)	-	-	131,590
Other Financing Sources/(Uses):					
Total other financing sources/(Uses)	-				
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Sources (Uses):	131,888	(298)	-	-	131,590
Fund Balances - July 1	1,401,400	35,138			1,436,538
Fund Balances - June 30	<u>\$ 1,533,288</u>	<u>\$ 34,840</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,568,128</u>

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

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

Total net change in fund balances - governmental funds (from B-2) \$ 131,590

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

Governmental Funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.

Depreciation expense	\$ (66,425)	
Fixed assets additions	<u>12,009</u>	(54,416)

Capital outlays related to leases are reported in the governmental funds as expenditures. However, on the statement of activities, the cost of those assets is allocated over their estimated useful lives as amortization expense. This is the amount by which capital outlays exceeded amortization in the current fiscal year.

Amortization expense	\$ (11,992)	
Fixed Asset Additions	<u> </u>	(11,992)

Repayment of the financed purchases is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is reported in the statement of activities. 10,983

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. This amount is the net effect of the difference in the treatment of interest on long-term debt. -

Net differences between pension system contributions recognized in the fund statement of revenues, expenditures and changes in fund balances and the statement of activities. 92,401

In the statement of activities, certain operating expenses, (e.g. compensated absences) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is a reduction in the reconciliation (-); when the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+) (25,922)

Change in Net Position of Governmental Activities \$ 142,644

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

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

	Food Service Fund
ASSETS:	
Current Assets:	
Cash and cash equivalents	\$ 11,755
Intergovernmental receivables:	
State	113
Federal	4,886
	16,754
Total current assets	16,754
Non-current assets:	
Machinery and equipment (net of accumulated depreciation)	3,328
Total non-current assets	3,328
Total assets	\$ 20,082
LIABILITIES:	
Current liabilities:	
Accounts payable	\$ 28
Unearned revenues	3,657
	3,685
Total Current liabilities	3,685
NET POSITION:	
Net investment in capital assets	3,328
Unrestricted	13,069
	16,397
Total net position	\$ 16,397

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

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

	Food Service Fund
Operating Revenues:	
Charges for services:	
Daily sales:	
Reimbursable programs	\$ -
Non-reimbursable programs	7,122
	7,122
Total operating revenue	7,122
Operating Expenses:	
Salaries and wages	10,246
Supplies and materials	4,940
Cost of sales - reimbursable programs	52,235
Cost of sales - nonreimbursable programs	4,340
Depreciation	1,395
Direct expenses	11,213
	84,369
Total operating expenses	84,369
Operating income (loss)	(77,247)
Non-Operating Revenues (Expenses):	
State sources:	
State school lunch program	3,010
Federal sources:	
National school lunch program	82,706
Miscellaneous	-
	85,716
Total non-operating revenues	85,716
Income (loss) before contributions and transfers	8,469
Contributed Capital	-
Changes in net position	8,469
Net Position - July 1, 2021	7,928
Net Position - June 30, 2022	\$ 16,397

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

RIVERTON SCHOOL DISTRICT
Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended June 30, 2022

	<u>Food Service Fund</u>
Cash Flows from Operating Activities:	
Cash receipts from customers	\$ 5,979
Cash payments to employees	(10,218)
Cash payments to suppliers for goods and services	<u>(72,728)</u>
Net cash used by operating activities	<u>(76,967)</u>
Cash Flows from Non-capital Financing Activities:	
Cash received from state sources	2,921
Cash received from federal sources	<u>78,145</u>
Net cash provided by non-capital financing activities	<u>81,066</u>
Cash Flows From Capital and Related Financing Activities	
Purchase of capital assets	<u>-</u>
Cash Flow From Investing Activities:	
Interest on cash equivalents	<u>-</u>
Net increase (decrease) in cash and cash equivalents	4,099
Cash and cash equivalents - July 1, 2021	<u>7,656</u>
Cash and cash equivalents - June 30, 2022	<u>\$ 11,755</u>
Reconciliation of Operating Income (Loss)	
to Net Cash Provided (used) by Operating Activities:	
Operating Income (Loss)	\$ (77,247)
Adjustments to Reconcile Operating Income (Loss) to Net Cash	
Provided by (used for) Operating Activities:	
Depreciation	1,395
Increase (decrease) in accounts payable	28
Increase (decrease) in deferred revenues	<u>(1,143)</u>
Net cash provided by (used for) operating activities	<u>\$ (76,967)</u>
Noncash Non-capital Financing Activities:	
During the year the District did not receive any food commodities from the U.S. Department of Agriculture.	

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity - The Riverton School District (“School District”) is a Type II district located in the County of Burlington, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education. The Board of Education is comprised of nine members elected to three-year terms. These terms are staggered so that three member’s terms expire each year. The purpose of the School District is to provide educational services for resident students in grades K through 8. Student in grades 9 through 12 attend the Palmyra School District, on a tuition basis. The Riverton School District has an approximate enrollment at June 30, 2022 of 297 students.

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

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

Basis of Presentation

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

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

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

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

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

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

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

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

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

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

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Proprietary Funds (Continued) –

The School District's enterprise funds are:

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

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

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

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

Measurement Focus

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

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

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

Basis of Accounting

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

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

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

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

Formal budgetary integration into the accounting system is employed as a management control device during the fiscal year. For governmental funds there are no substantial differences between the budgetary basis of accounting and accounting principles generally accepted in the United States of America with the exception of the legally mandated revenue recognition of the one or more June state aid payments for budgetary purposes only and the special revenue fund. Encumbrance accounting is also employed as an extension of formal budgetary integration in the governmental fund types. Unencumbered appropriations lapse at fiscal year-end.

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

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

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

Encumbrances - Under encumbrance accounting purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve a portion of the applicable appropriation. Encumbrances are a component of fund balance

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

at fiscal year-end as they do not constitute expenditures or liabilities but rather commitments related to unperformed contracts for goods and services. Open encumbrances in governmental funds, other than the special revenue fund, which have not been previously restricted, committed, or assigned, should be included within committed or assigned fund balance, as appropriate.

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

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

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

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

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

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

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

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

The proprietary fund type does not maintain any inventories as the School District has contracted with another governmental entity to purchase prepared lunches.

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

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

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

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

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the fiscal year. Donated fixed assets are recorded at their fair market value as of the date received. The School District maintains a capitalization threshold of \$2,000.00. The School District does not possess any infrastructure. Improvements are capitalized; the cost of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not. All reported capital assets except land and construction in progress are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets.

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

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

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

Accrued Salaries and Wages - Certain School District employees, who provide services to the School District over the ten-month academic year, have the option to have their salaries evenly disbursed during the twelve-month year. New Jersey statutes require that these earned, but undisbursed amounts be retained in a separate bank account.

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

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

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

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

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

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

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

It is the School District's policy to apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted assets are available.

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

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

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

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

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

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

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

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

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

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

In June 2022 the GASB issued Statement 100, *Accounting Changes and Error Corrections- An Amendment of GASB Statement No. 62* The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. The requirements of this Statement are effective for reporting periods beginning after June 15, 2023.

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

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

2. CASH AND CASH EQUIVALENTS

Custodial Credit Risk Related to Deposits – Custodial credit risk refers to the risk that, in the event of a bank failure, the School District’s deposits may not be recovered. Although the School District does not have a formal policy regarding custodial credit risk, N.J.S.A. 17.9-41 et seq. requires that governmental units shall deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Unit (GUDPA). Under the Act, the first \$250,000.00 of governmental deposits in each insured depository is protected by the Federal Deposit Insurance Corporation (FDIC). Public funds owned by the School District in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds such as salary withholdings of funds that pass to the School District relative to the happening of a future condition. Such funds are classified as uninsured and uncollateralized. Of the School District’s amount on deposit of \$1,855,066 as of June 30, 2022, \$250,000 was insured under FDIC and the remaining balance of \$1,605,066 was collateralized under GUDPA.

3. CAPITAL RESERVE ACCOUNT

A capital reserve account was established by the School District for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget. Funds placed in the capital reserve account are restricted to capital projects in the School District’s approved Long-Range Facilities Plan (LRFP). Upon submission of the LRFP to the New Jersey Department of Education, a school district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes or by transfer by board resolution at fiscal year-end (June 1 to June 30) of any unanticipated revenue or unexpended line-item appropriation amounts, or both. A school district may also appropriate additional amounts when the express approval of the voters has been obtained either by a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to N.J.S.A. 19:60-2. Pursuant to N.J.A.C. 6:23A-14.1(g), the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

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

Balance July 1, 2021		\$	579,815
Increased by:			
Interest Earned	\$	404	
Unspent Budget Appropriation		131,199	
Board Resolution		138,500	
			270,103
			849,918
Decreased by:			
Budget Withdrawal			315,572
Balance June 30, 2022		\$	534,346

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

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

4. ACCOUNTS RECEIVABLES

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

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

	General Fund	Special Revenue Fund	Proprietary Fund	Total
Intergovernmental				
State	\$ 61,956	\$ -	\$ 113	\$ 62,069
Federal		67,625	4,886	72,511
Other	2,742		-	2,742
	<u>64,698</u>	<u>67,625</u>	<u>4,999</u>	<u>137,322</u>
Total	<u>\$ 64,698</u>	<u>\$ 67,625</u>	<u>\$ 4,999</u>	<u>\$ 137,322</u>

5. CAPITAL ASSETS

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

	<u>Balance June 30, 2021</u>	<u>Additions</u>	<u>Disposals</u>	<u>Balance June 30, 2022</u>
Governmental Activities:				
<i>Capital Assets, not being depreciated:</i>				
Land	\$ 649,600	\$ -	\$ -	\$ 649,600
Construction in progress				
Total capital assets, not being Depreciated	<u>649,600</u>			<u>649,600</u>
<i>Capital Assets, being depreciated:</i>				
Site Improvements	82,054			82,054
Building and Building Improvements	1,934,384			1,934,384
Equipment	885,952	12,009		897,961
Totals at historical cost	<u>2,902,390</u>	<u>12,009</u>		<u>2,914,399</u>
<i>Less Accumulated Depreciation:</i>				
Site Improvements	58,876	2,905		61,781
Building and Building Improvements	1,262,999	39,489		1,302,488
Equipment	770,448	24,031		794,479
Totals accumulated depreciation	<u>2,092,323</u>	<u>66,425</u>		<u>2,158,748</u>
Total Capital Assets, being depreciated, net	<u>810,067</u>	<u>(54,416)</u>		<u>755,651</u>
Governmental Activities Capital Assets, Net	<u>\$ 1,459,667</u>	<u>\$ (54,416)</u>	<u>\$ -</u>	<u>\$ 1,405,251</u>
Business-Type Activities:				
<i>Capital Assets, being depreciated:</i>				
Equipment	\$ 21,951	\$ -	\$ -	\$ 21,951
<i>Less Accumulated Depreciation:</i>	17,228	1,395	-	18,623
Governmental Activities Capital Assets, Net	<u>\$ 4,723</u>	<u>\$ (1,395)</u>	<u>\$ -</u>	<u>\$ 3,328</u>

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

6. CAPITAL ASSETS (Continued)

Depreciation expense in the amount of \$66,425 was charged to governmental functions as follows:

Function	Amount
Regular Instruction	\$ 46,498
General Administration	6,642
Plant Operations and Maintenance	6,642
Unallocated	6,643
Total depreciation expense	\$ 66,425

7. LEASE ASSETS

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

	(Restated) Balance June 30, 2021	Additions	Deletions	Balance June 30, 2022
Governmental Activities:				
Lease Assets, being Amortized:				
Machinery and Equipment	\$ 45,173	\$ -	\$ -	\$ 45,173
Total Lease Assets Being Amortized	45,173	-	-	45,173
Governmental Activities Lease Assets	45,173	-	-	45,173
Less Accumulated Amortization for:				
Machinery and Equipment		(11,992)	-	(11,992)
Total Accumulated Amortization	-	(11,992)	-	(11,992)
Governmental Activities Lease Assets, Net	\$ 45,173	\$ (11,992)	\$ -	\$ 33,181

Amortization expense in the amount of \$11,992 was charged to governmental functions as follows:

Function	Amount
Regular Instruction	\$ 10,193
Administration	600
Central Services	1,199
	\$ 11,992

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

8. LONG-TERM OBLIGATIONS

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

	(Restated)			Balance June 30, 2022	Due Within One Year
	Balance June 30, 2021	Additions	Reductions		
Governmental Activities:					
Compensated Absences	\$ 75,686	\$ 29,098	\$ 3,176	\$ 101,608	\$ -
Leases Payable	45,173		10,983	34,190	11,632
Net Pension Liability	655,337	-	134,011	521,326	-
	<u>\$ 776,196</u>	<u>\$ 29,098</u>	<u>\$ 148,170</u>	<u>\$ 657,124</u>	<u>\$ 11,632</u>

As of June 30, 2022, the School District had no authorizations to issue additional bonded debt.

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

Leases Payable

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

On June 1, 2019, the School District entered a 60-month lease as lessee for the use of a postage meter. As of July 1, 2021, an initial lease liability was recorded in the amount of \$5,242. The School District is required to make quarterly payments of \$455. The lease has an interest rate of 3.00%. The value of the right to use asset as of June 30, 2022, was \$3,445 with accumulated amortization of \$1,797.

On June 1, 2020, the School District entered a 60-month lease as lessee for the use of copiers. As of July 1, 2021, an initial lease liability was recorded in the amount of \$39,931. The School District is required to make monthly payments of \$955. The lease has an interest rate of 6.25%. The value of the right to use asset as of June 30, 2022, was \$29,736 with accumulated amortization of \$10,195.

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

<u>Purpose</u>	<u>Commencement Date</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Total Value</u>
Postage Meter	June 1, 2019	May 1, 2024	3.00%	\$ 30,643
Copiers	June 1, 2020	May 1, 2025	6.25%	3,547
Total				<u>\$ 34,190</u>

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

<u>Year ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 11,632	\$ 1,649	\$ 13,281
2024	12,321	960	13,281
2025	<u>10,237</u>	<u>268</u>	<u>10,505</u>
Total	<u>\$ 34,190</u>	<u>\$ 2,877</u>	<u>\$ 37,067</u>

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

9. PENSION PLANS

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

Teachers' Pension and Annuity Fund (TPAF)

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

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

The following represents the membership tiers for TPAF:

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

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

Contributions - The contribution requirements of plan members are determined by N.J.S.A. 18A:66 and requires contributions by active members and contributing employers. Pursuant to the provisions of Chapter 78, P.L. 2011, the member contribution rate was 7.50% in State fiscal year 2022. The State's pension contribution is based on an actuarially determined amount which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid.

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

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

9. PENSION PLANS (Continued)

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

Based on the most recent TPAF measurement date of June 30, 2021, the State’s contractually required contribution, on-behalf of the School District, to the pension plan for the fiscal year ended June 30, 2022 was \$583,361 and was paid by April 1, 2022. School District employee contributions to the pension plan during the fiscal year ended June 30, 2022 were \$203,431.

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

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

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

For the year ended June 30, 2022, the School District recognized pension expense of \$225,188 and revenue of \$225,188 for support provided by the State. Although the School District does not report net pension liability or deferred outflows or inflows related to the TPAF, the following schedule illustrates the collective net pension liability and deferred items and the State’s portion of the net pension liability associated with the School District.

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

	<u>06/30/21</u>	<u>06/30/20</u>
Collective deferred outflows of resources	\$ 6,230,825,389	\$ 9,458,881,999
Collective deferred inflows of resources	27,221,092,460	14,424,322,612
Collective net pension liability (Non-Employer – State of New Jersey)	48,165,991,182	65,993,498,688
State’s portion of the net pension liability that was associated with the School District	9,570,058	12,814,794
State’s portion of the net pension liability that was associated with the School District as a percentage of the collective net pension liability	.0199064397%	.0194609385%

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%

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

9. PENSION PLANS (Continued)

Pre-retirement mortality rates were based on the Pub-2010 Teachers Above-Median Income Employee mortality tables with a 93.9% adjustment for males and 85.3% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 Teachers Above Median Income Healthy Retiree mortality table with a 114.7% adjustment for males and 99.6% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability mortality rates were based on the Pub-2010 Non-Safety Disabled Retiree mortality table with a 106.3% adjustment for males and 100.3% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2020.

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

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

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

Best estimates of arithmetic real rates of return for each major asset class included in TPAF's target asset allocation as of June 30, 2021 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
US Equity	27.00%	8.09%
Non-U.S. Developed Markets Equity	13.50%	8.71%
Emerging Markets Equity	5.50%	10.96%
Private Equity	13.00%	11.30%
Real Estate	8.00%	9.15%
Real Assets	3.00%	7.40%
High Yield	2.00%	3.75%
Private Credit	8.00%	7.60%
Investment Grade Credit	8.00%	1.68%
Cash Equivalents	4.00%	0.50%
U.S. Treasuries	5.00%	.95%
Risk Mitigation Strategies	3.00%	3.35%
	<u>100.00%</u>	

Discount rate. The discount rate used to measure the State's total pension liability was 7.000% as of June 30, 2021. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers (State of New Jersey) will be based on 100% of the actuarially determined contributions for the State. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied rate was applied to projected benefit payments after that date in determining the total pension liability.

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

9. PENSION PLANS (Continued)

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

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
District's proportionate share of the net pension liability	\$ -	\$ -	\$ -
State's proportionate share of the net pension liability associated with the School District	11,322,977	9,570,058	8,097,716
	\$ 11,322,977	\$ 9,570,058	\$ 8,097,716

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

Public Employees' Retirement System

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

Vesting and Benefit Provisions – The vesting and benefit provisions are set by N.J.S.A. 43:15A. PERS provides retirement, death and disability benefits. All benefits vest after ten years of service, except medical benefits, which vest after 25 years of service or under the disability provisions of PERS.

The following represents the membership tiers for PERS:

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

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

9. PENSION PLANS (Continued)

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

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

Based on the most recent PERS measurement date of June 30, 2021, the School Districts contractually required contribution to the pension plan for the fiscal year ended June 30, 2022 was \$51,537 and was paid by April 1, 2022. School District employee contributions to the pension plan during the fiscal year ended June 30, 2022 were \$25,453.

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

Public Employees' Retirement System (PERS) (Continued)

<u>Fiscal Year</u>	<u>Normal Contributions</u>	<u>Accrued Liability</u>	<u>Non Contributory Life</u>	<u>Long-Term Disability</u>	<u>Total Liability Paid by District</u>
2022	\$ 6,240	\$ 42,921	\$ 2,376	\$ -	\$ 51,537
2021	5,019	36,818	2,125	-	43,962
2020	3,417	31,618	1,888	233	37,156

Pension Liabilities, Pension Expense, and Deferred Outflow of Resources and Deferred Inflows of Resources Related to Pensions – For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the PERS and additions to/deductions from PERS fiduciary net position have been determined on the same basis as they are reported by PERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

At June 30, 2022, the School District reported a liability of \$521,236 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2020. The School District's proportion of the of the net pension liability was based on a projection of the School District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined.

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

9. PENSION PLANS (Continued)

For the year ended June 30, 2022, the School District recognized pension expense of (\$40,864). At June 30, 2022, the School District reported a liability of \$521,326 for its proportionate share of the PERS net pension liability and deferred outflows of resources related to PERS from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 8,222	\$ 3,732
Changes of assumptions	2,715	185,595
Net Difference between projected and actual earnings on pension plan investments		137,331
Changes in proportion	120,869	9,446
District contributions subsequent to the measurement date	50,754	
Total	\$ 182,560	\$ 336,104

\$50,754 reported as deferred outflows of resources related to pensions resulting from school district contributions subsequent to the measurement date (i.e. for the school year ending June 30, 2022, the plan measurement date is June 30, 2021) will be recognized as a reduction of the net liability in the year ended June 30, 2022.

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

Public Employees' Retirement System (PERS) (Continued)

For the year ended:	Net Deferred Outflows (Inflows) of Resources
2023	\$ (66,275)
2024	(72,384)
2025	(38,272)
2026	(29,238)
2027	1,871
Total	\$ (204,298)

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

9. PENSION PLANS (Continued)

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

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

Additional Information

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

	<u>6/30/2021</u>	<u>6/30/2020</u>
Collective deferred outflows of resources	\$ 818,359,815	\$ 2,590,600,991
Collective deferred inflows of resources	\$ 11,243,411,487	\$ 12,009,239,423
Collective net pension liability	\$ 11,972,782,878	\$ 16,435,616,426
School District's Proportion	.0044006734%	.0040186496%

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

9. PENSION PLANS (Continued)

Public Employees' Retirement System (PERS) (Continued)

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

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

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

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

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

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

Best estimates of arithmetic rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2021 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
US Equity	27.00%	8.09%
Non-U.S. Developed Market Equity	13.50%	8.71%
Emerging Market Equity	5.50%	10.96%
Private Equity	13.00%	11.30%
Real Estate	8.00%	9.15%
Real Assets	3.00%	7.40%
High Yield	2.00%	3.75%
Private Credit	8.00%	7.60%
Investment Grade Credit	8.00%	1.68%
Cash Equivalents	4.00%	0.50%
U.S. Treasuries	5.00%	1.95%
Risk Mitigation Strategies	3.00%	3.35%
Total	100.00%	

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

9. PENSION PLANS (Continued)

Public Employees' Retirement System (PERS) (Continued)

Discount rate. The discount rate used to measure the State's total pension liability was 7.00% as of June 30, 2021. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and nonemployer contributing entity will be made based on 78% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied all projected benefit payments to determining the total pension liability.

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

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
School District's proportionate share of the net pension liability	\$ 709,940	\$ 521,326	\$ 361,260

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

Defined Contribution Retirement Program (DCRP)

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

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

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

Fiscal Year	Total Liability	Paid by School District
2022	\$ 3,424	\$ 3,424
2021	11,310	11,310
2020	8,185	8,185

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

10. OTHER POSTEMPLOYMENT BENEFITS (OPEB)

Plan Description and Benefits Provided

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

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

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

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

Contributions

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

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

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

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

10. OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)

Plan Membership

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

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

Total Non-Employer OPEB Liability

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

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

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

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

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

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

10. OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)

Health Care Trend Assumptions - For pre-Medicare medical benefits, the trend rate is initially 5.65% and decreases to a 4.50% long-term trend rate after seven years. For post-65 medical benefits, the actual fully-insured Medicare Advantage trend rates for fiscal year 2022 through 2023 are reflected. For PPO the trend is initially 5.74% in fiscal year 2024, increasing to 12.93% in fiscal year 2025 and decreases to 4.50% after 11 years. For HMO the trend is initially 6.01% in fiscal year 2024, increasing to 15.23% in fiscal year 2025 and decreases to 4.5% after 11 years. For prescription drug benefits, the initial trend rate is 6.75% and decreases to a 4.50% long-term trend rate after seven years. For the Medicare Part B reimbursement, the trend rate is 5.00%.

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

Changes in the Total Nonemployer OPEB Liability

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

	Total OPEB Liability
Balance as of June 30, 2020	\$ 15,409,971
Changes for the years'	
Service Cost	701,695
Interest	342,638
Changes of benefit terms	(14,059)
Differences between expected and actual experience	(2,983,802)
Changes in assumptions	13,031
Gross Benefit Payments	(269,903)
Contributions from the Non-employer	N/A
Contributions from the Member	8,760
Net Investment Income	N/A
Administrative Expense	N/A
Net Changes	\$ (2,201,640)
Balance at 06/30/2021	\$ 13,208,331

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

	1% Decrease (1.16%)	Current Discount Rate (2.16%)	1% Increase (3.16%)
State of New Jersey's Proportionate Share of the Total Nonemployer OPEB Liability Associated with the School District	\$ 15,821,507	\$ 13,208,331	\$ 11,150,612

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

10. OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)

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

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
State of New Jersey's Proportionate Share of the Total Nonemployer OPEB Liability Associated with the School District	\$ 10,692,187	\$ 13,208,331	\$ 16,587,327

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

For the year ended June 30, 2021, the School District recognized \$701,403 in OPEB expense and revenue, in the government-wide financial statements, for the State's proportionate share of the OPEB Plan's OPEB Expense, associated with the School District. This expense and revenue were based on the OPEB Plan's June 30, 2021 measurement date.

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

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Change in Proportion	\$ 63,196	\$ (411,341)
Differences between expected and actual experience	1,991,097	(3,964,055)
Changes of assumptions	2,240,626	(1,417,131)
Total	\$ 4,294,919	\$ (5,792,527)

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

For the year ended:		
2022	\$	(339,058)
2023		(339,058)
2024		(339,058)
2025		(339,058)
2026		(241,065)
Thereafter		99,689
Total	\$	(1,497,608)

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

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

11. ON-BEHALF PAYMENTS

For the fiscal year ended June 30, 2022, the School District has recognized as revenues and expenditures on-behalf payments made by the state for normal retirement costs, post-retirement medical costs and long-term disability insurance related to TPAF, in the fund statements. The amounts recognized as revenues and expenditures in the fund financial statements for normal costs, post-retirement medical costs and long-term disability insurance were \$866,194, \$202,378, and \$276. In addition, \$194,542 on-behalf payments were made by the state for the employer’s share of social security contributions for TPAF members, as calculated on their base salaries.

12. RISK MANAGEMENT

The School District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; employee health and accident claims; and natural disasters.

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

Joint Insurance Pool - The School District is a member of the School Alliance Insurance Fund. Insurance coverage as provided by the Fund can be found in the Statistical Section of this Annual Comprehensive Financial Report.

Annual contributions to the Fund are determined by the Fund’s Board of Trustees. The School District is jointly and personally liable for claims insured by the Fund and its members during the period of its membership, including liability for supplemental assessments, if necessary. The Fund’s Board of Trustees may authorize refunds to its members in any fund year for which contributions exceed the amount necessary to fund all obligations for that year.

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

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

The following is a summary of the School District’s unemployment compensation contributions, employee contributions, reimbursements to the State for benefits paid and the ending balance of the current and previous two fiscal years:

<u>Fiscal Year</u>	<u>District Contributions</u>	<u>Employee Contributions</u>	<u>Interest Earned</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2022	\$ -	\$ -	\$ 87	\$ -	\$ 82,166
2021	-	-	165	-	82,079
2020	-	4,918	388	34	81,914

13. DEFERRED COMPENSATION

The School District offers its employees a choice of various deferred compensation plans created in accordance with Internal Revenue Code Section 403(b) and 457. The plans, available to all permanent School District employees, permit participants to defer a portion of their current salary to future years. Participation in the plans is optional. The deferred compensation is not available to the participants until termination, retirement, death, or an unforeseeable emergency occurs. The plan assets are held in trust for the benefit of the employee and are administered by a third party therefore they are not reflected on the financial statements of the School District.

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

14. FLEXIBLE BENEFITS PROGRAM

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

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

<u>Fiscal Year</u>	<u>District Contributions</u>	<u>Employee Contributions</u>	<u>Interest Earned</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2022	\$ -	\$ 17,405	\$ 3	\$ 17,181	\$ 3,408
2021	-	14,650	5	14,259	3,181
2020	-	12,403	10	12,393	2,785

15. COMPENSATED ABSENCES

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

School District employees are granted varying amounts of vacation and sick leave in accordance with the School District's personnel policy. Upon termination, employees are paid for accrued vacation. The School District's policy permits employees to accumulated unused sick leave and carry forward the full amount to subsequent years.

Upon retirement employees shall be paid by the School District for the unused sick leave in accordance with the School District's agreements with the various employee unions.

The liability for vested compensated absences is recorded within those funds as the benefits accrued to the employees. As of June 30, 2022, the liability for compensated absences in the governmental activities was \$101,608.

16. INTERFUND BALANCES AND TRANSFERS

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

<u>Fund</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
General	\$ 60,839	\$ -
Special Revenue	-	60,839
	<u>\$ 60,839</u>	<u>\$ 60,839</u>

17. CONTINGENCIES

The School District participates in a number of federal and state programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the School District may be required to reimburse the grantor government.

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

17. CONTINGENCIES (Continued)

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

18. TAX ABATEMENTS

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

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

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

The municipality recognized revenue of \$20,229 from the annual service charge in lieu of payment of taxes in 2021. The assessed value on these tax exemption properties amounted to \$6,609,600 which would have resulted in 2021 taxes billed in full of \$241,317. Of this amount \$153,409 would have been allocated to the district.

19. DEFICIT UNRESTRICTED NET POSITION

As of June 30, 2022, a deficit of \$369,368 existed in the Unrestricted Net Position of the Governmental Activities. A reconciliation of Unreserved Fund Balance reported on Exhibit B-1 to Unrestricted Net Position reported on Exhibited A-1 is as follows:

Balances, June 30, 2022:	
Fund Balance (Deficit)	
(Exclusive of Capital Projects and Debt Service Funds)	
Fund Balance - Unassigned	\$ 195,342
Fund Balance - Assigned	262,522
Liabilities:	
Net Pension Differences	(725,624)
Compensated Absences	(101,608)
Unrestricted Net Position (Deficit)	\$ (369,368)

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

20. FUND BALANCES

RESTRICTED

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

General Fund:

Excess Surplus – In accordance with N.J.S.A. 18A:7F-7, as amended, the designation of restricted fund balance - excess surplus is the result of 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 years' budget. The excess fund balance at June 30, 2022 is \$-0- presented on the budgetary basis of accounting (Exhibit C-1). Additionally, \$25,821 of excess fund balance generated during the 2020-2021 fiscal year has been restricted and designated for utilization in the 2022-2023 budget.

Capital Reserve – As of June 30, 2022, the balance in the capital reserve account is \$534,346. This amount is restricted for future capital outlay expenditures for capital projects in the School District's approved Long-Range Facilities Plan.

Maintenance Reserve Account – As of June 30, 2022, the balance in the maintenance reserve account is \$241,091. These funds are restricted for the required maintenance of school facilities in accordance with the Educational Facilities Construction and Financing Act (EFCFA) (N.J.S.A. 18A:7G-9) as amended by P.L. 2004, c. 73 (S1701).

Tuition Reserve – In accordance with N.J.A.C. 6A:23-3.1(f)(8), the School District has restricted fund balance at June 30, 2022 in the amount of \$192,000 for tuition adjustments. This reserve represents foreseeable future tuition adjustments up to a maximum of 10% of the estimated cost of the respective contract year.

Unemployment Compensation Reserve – As of June 30, 2022, the balance in the unemployment compensation reserve is \$82,166. These funds are restricted for the purpose of financing unemployment claims.

Special Revenue Fund:

Student Activities – As of June 30, 2022, the balance in student activities is \$26,369.

Scholarships – As of June 30, 2022, the balance in student activities is \$8,471.

ASSIGNED

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

General Fund:

Other Purposes – As of June 30, 2022 the School District has \$262,522 of encumbrances outstanding for purchase orders and contracts signed by the School District, but not completed, as of the close of the fiscal year.

UNASSIGNED

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

General Fund – As of June 30, 2022, \$195,342 of general fund balance was unassigned.

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

21. PRIOR PERIOD ADJUSTMENT

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

	Balance June 30, 2021 as Previously Reported	Retroactive Adjustments	Balance June 30, 2021 as Restated
<u>Statement of Net Position - Governmental Activities:</u>			
Assets:			
Right-to-Use Lease Assets, Net	\$ -	\$ 45,173	\$ 45,173
Total Assets	3,058,559	45,173	3,103,732
Noncurrent Liabilities:			
Due Within One Year		10,983	10,983
Due Beyond One Year	731,023	34,190	765,213
Total Liabilities	944,914	45,173	990,087

Required Supplementary Information - Part II

Budgetary Comparison Schedules

RIVERTON SCHOOL DISTRICT
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2022

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES:					
Local sources:					
Local Tax Levy	\$ 5,621,675	\$ -	\$ 5,621,675	\$ 5,621,675	\$ -
Tuition - from other LEA's				27,416	27,416
Tuition - individuals	22,400	-	22,400	28,820	6,420
Interest on capital reserve	300	-	300	404	104
Interest on maintenance reserve				208	208
Other restricted misc. revenues				87	87
Unrestricted misc. revenues	2,000	-	2,000	6,990	4,990
Total local sources	5,646,375	-	5,646,375	5,685,600	39,225
State sources:					
Special education aid	204,103	-	204,103	204,103	
Equalization aid	478,264	-	478,264	478,264	
Transportation aid	19,613	-	19,613	19,613	
Security aid	33,553	-	33,553	33,553	
Extraordinary aid				61,956	61,956
On-behalf TPAF pension contrib. (non-budgeted)				866,194	866,194
On-behalf TPAF post retirement medical (non-budgeted)				202,378	202,378
On-behalf TPAF - LTDI (non-budgeted)				276	276
Reimbursed TPAF social security contribution (non-budgeted)				194,542	194,542
Total state sources	735,533	-	735,533	2,060,879	1,325,346
TOTAL REVENUES	6,381,908	-	6,381,908	7,746,479	1,364,571
EXPENDITURES:					
CURRENT EXPENSE:					
Regular Programs - Instruction:					
Salaries of teachers					
Preschool	20,176	(2,311)	17,865	17,617	248
Kindergarten	197,047	(962)	196,085	196,040	45
Grades 1-5	1,018,867	5,831	1,024,698	1,023,086	1,612
Grades 6-8	567,795	(78,014)	489,781	489,781	
Regular Programs - Home Instruction:					
Salaries of teachers	400	-	400		400
Purchased professional - educational services	400	3,137	3,537	1,037	2,500
Regular Programs - Undistributed Instruction:					
Purchased professional - educational services	8,257	(4,347)	3,910	3,910	
Purchased technical services	9,978	(9,960)	18		18
Other purchased services	6,221	(2,485)	3,736	3,736	
General supplies	50,846	52,194	103,040	98,137	4,903
Textbooks	10,000	23,841	33,841	33,841	
Other objects	8,000	(3,358)	4,642	4,642	
Total - Regular Programs - Instruction	1,897,987	(16,434)	1,881,553	1,871,827	9,726

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RIVERTON SCHOOL DISTRICT
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2022

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Special Education Instruction:					
Resource room/resource center:					
Salaries of teachers	\$ 268,115	\$ 6,506	\$ 274,621	\$ 274,533	\$ 88
Other salaries for instruction	110,026	(23,395)	86,631	86,499	132
General supplies	2,000	(453)	1,547	1,541	6
Textbooks	400	-	400	400	
Total resource room/resource center	380,541	(17,342)	363,199	362,973	226
Preschool disabilities - Part time:					
Salaries of teachers	20,656	(2,054)	18,602	18,602	
Other salaries for instruction	14,261	(2,152)	12,109	12,049	60
General supplies	600	(147)	453	453	
Total preschool disabilities - part time	35,517	(4,353)	31,164	31,104	60
Home Instruction:					
Salaries of teachers	2,000	4,469	6,469	6,469	
Purchased professional-educational services	2,000	(2,000)			
Total home instruction	4,000	2,469	6,469	6,469	
Total Special Education - Instruction	420,058	(19,226)	400,832	400,546	286
Basic Skills/Remedial - Instruction					
Salaries of teachers	87,906	67,866	155,772	155,772	
General supplies	2,269	3,616	5,885	5,885	
Total basic skills/remedial - instruction	90,175	71,482	161,657	161,657	
School-Sponsored Cocurricular Act - Instruction:					
Salaries	65,328	7,059	72,387	72,387	
Purchased services	5,800	(1,430)	4,370	4,370	
Supplies and materials	4,000	1,474	5,474	5,307	167
Total school-sponsored cocurr. act. - instruct.	75,128	7,103	82,231	82,064	167
Summer School - Instruction:					
Salaries	3,900	(3,900)			
Purchased professional-technical services	1,500	(1,500)			
Total summer school - instruction	5,400	(5,400)			
Total Instruction	2,488,748	37,525	2,526,273	2,516,094	10,179

(CONTINUED TO NEXT PAGE)

RIVERTON SCHOOL DISTRICT
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2022

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undistributed Expenditures - Instruction					
Tuition to other LEAs within the state - reg.	\$ 783,895	\$ 4,582	\$ 788,477	\$ 788,477	\$ -
Tuition to other LEAs within the state - spec	185,629	149,443	335,072	335,072	
Tuition to county vocational school - reg	46,635	(14,352)	32,283	32,283	
Tuition to county vocational school - special	10,762	3,586	14,348	14,348	
Tuition to CSSD & Reg. Day schools	110,383	(25,509)	84,874	84,874	
Tuition to priv. sch. for the disabled in state	362,671	(129,660)	233,011	232,433	578
Tuition - State Facilities	39,872	-	39,872	39,872	
Total undistributed expenditures - instruction	<u>1,539,847</u>	<u>(11,910)</u>	<u>1,527,937</u>	<u>1,527,359</u>	<u>578</u>
Attendance and Social Work Services:					
Salaries	5,218	18	5,236	5,236	
Purchased professional and technical services	2,835	2	2,837	2,837	
Total Attendance and Social Work Services	<u>8,053</u>	<u>20</u>	<u>8,073</u>	<u>8,073</u>	
Health Services:					
Salaries	68,105	8,206	76,311	76,311	
Purchased professional and technical services	1,005	(106)	899	700	199
Other purchased services	305	166	471	471	
Supplies and materials	2,500	(265)	2,235	1,631	604
Total health services	<u>71,915</u>	<u>8,001</u>	<u>79,916</u>	<u>79,113</u>	<u>803</u>
Speech, OT, PT & Related Services					
Salaries	66,183	9,575	75,758	67,223	8,535
Purchased professional - educational services	10,875	10,764	21,639	21,639	
Supplies and materials	1,253	791	2,044	910	1,134
Total speech, ot, pt, & related services	<u>78,311</u>	<u>21,130</u>	<u>99,441</u>	<u>89,772</u>	<u>9,669</u>
Guidance:					
Other Objects	3,600	(370)	3,230	314	2,916
Total guidance	<u>3,600</u>	<u>(370)</u>	<u>3,230</u>	<u>314</u>	<u>2,916</u>
Child Study Teams:					
Salaries of other professional staff	172,418	1	172,419	159,092	13,327
Salaries of secretarial and clerical assistants	35,016	1,968	36,984	36,984	
Purchased professional - educational services	30,550	(3,562)	26,988	23,958	3,030
Other purchased professional and tech services	7,900	8,287	16,187	16,187	
Misc. purchased services	600	(600)			
Supplies and materials	4,638	-	4,638	2,740	1,898
Total child study teams	<u>251,122</u>	<u>6,094</u>	<u>257,216</u>	<u>238,961</u>	<u>18,255</u>

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RIVERTON SCHOOL DISTRICT
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2022

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Improvement of Instructional Services:					
Salaries of supervisor of instruction	\$ 27,000	\$ -	\$ 27,000	\$ 16,706	\$ 10,294
Salaries of other professional staff	29,000	-	29,000	12,443	16,557
Purchased professional - educational services	2,500	-	2,500		2,500
Other purchased services (400-500 series)	40	-	40		40
Supplies and materials	760	-	760		760
Total improvement of instructional services	59,300	-	59,300	29,149	30,151
Educational Media Services/School Library:					
Salaries	54,154	13,301	67,455	66,805	650
Salaries of Technology Coordinators	4,260	-	4,260	3,875	385
Purchased professional and technical services	450	15	465	465	
Other purchased services (400-500 series)	1,250	(15)	1,235	1,060	175
Supplies and materials	3,500	2,194	5,694	4,151	1,543
Total educational media services/school library	63,614	15,495	79,109	76,356	2,753
Instructional Staff Training Services:					
Purchased professional - educational services	7,500	(7)	7,493	5,847	1,646
Other purchased services	4,000	(186)	3,814	1,507	2,307
Supplies and materials	350	192	542	542	
Total instructional staff training services	11,850	(1)	11,849	7,896	3,953
Support Services - General Administration:					
Salaries	233,304	457	233,761	233,761	
Legal services	9,000	(4,126)	4,874	4,108	766
Audit Fees	23,600	-	23,600	23,600	
Other purchased professional services	3,865	1,869	5,734	5,076	658
Communications / telephone	12,780	1,129	13,909	13,909	
Miscellaneous purchased services	15,176	6,070	21,246	21,093	153
General supplies	4,500	2,470	6,970	6,862	108
Miscellaneous expenditures	8,000	(597)	7,403	6,512	891
Total support services - general administration	310,225	7,272	317,497	314,921	2,576
Central Services					
Salaries	132,098	44	132,142	131,514	628
Purchased professional services	11,975	239	12,214	10,717	1,497
Miscellaneous purchased services	900	(238)	662	500	162
General supplies	2,469	48	2,517	1,939	578
Miscellaneous expenditures	1,050	65	1,115	1,115	
Total Central Services	148,492	158	148,650	145,785	2,865
Admin Information Technology					
Salaries	8,520	(771)	7,749	7,749	
Total Admin Info Technology	8,520	(771)	7,749	7,749	
Required Maintenance School Facilities:					
Cleaning, repair and maintenance services	120,470	(34,029)	86,441	44,966	41,475
General supplies	20,395	16,676	37,071	7,514	29,557
Total required maintenance school facilities	140,865	(17,353)	123,512	52,480	71,032

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RIVERTON SCHOOL DISTRICT
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2022

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Custodial Services:					
Salaries	\$ 139,806	\$ (3,229)	\$ 136,577	\$ 132,242	\$ 4,335
Salaries of non-instructional aides	16,129	(2,201)	13,928	7,254	6,674
Purchased prof. and technical services	31,325	3,289	34,614	34,125	489
Cleaning, repair and maintenance services	1,036	2,517	3,553	3,553	
Rental of land & bldg. other than lease purch.	2,040	-	2,040	2,020	20
Other purchased property services	2,600	1,237	3,837	3,837	
Insurance	55,000	474	55,474	55,474	
General Supplies	15,845	(2,183)	13,662	6,175	7,487
Energy (Natural Gas)	15,500	247	15,747	14,986	761
Energy (Electricity)	66,000	(10,000)	56,000	55,426	574
Energy (Gasoline)	400	200	600	441	159
Other Objects	525	-	525	525	
Total custodial services	<u>346,206</u>	<u>(9,649)</u>	<u>336,557</u>	<u>316,058</u>	<u>20,499</u>
Security:					
General Supplies	2,000	-	2,000	435	1,565
Total Security	<u>2,000</u>	<u>-</u>	<u>2,000</u>	<u>435</u>	<u>1,565</u>
Total operation & maint. of plant services	<u>489,071</u>	<u>(27,002)</u>	<u>462,069</u>	<u>368,973</u>	<u>93,096</u>
Student Transportation Services:					
Contr. serv. (between home & sch) - Joint Agree.	24,900	(7,500)	17,400	14,969	2,431
Contr. Serv. (Spl. Ed. Students) - Joint Agree.	138,300	19,290	157,590	157,590	
Total student transportation services	<u>163,200</u>	<u>11,790</u>	<u>174,990</u>	<u>172,559</u>	<u>2,431</u>
Unallocated Benefits - Employee Benefits:					
Group Insurance	4,353	(1,249)	3,104	2,428	676
Social security contributions	57,486	1,249	58,735	57,234	1,501
Other retirement contri. - PERS	39,290	12,247	51,537	51,537	
Other retirement contri. - regular	8,045	-	8,045	2,441	5,604
Health benefits	647,139	(81,464)	565,675	493,348	72,327
Tuition reimbursement	6,000	(4,500)	1,500	1,500	
Other employee benefits	51,923	903	52,826	52,826	
Unused sick pay to term/retired staff		3,484	3,484	2,950	534
Total unallocated benefits	<u>814,236</u>	<u>(69,330)</u>	<u>744,906</u>	<u>664,264</u>	<u>80,642</u>
On-behalf TPAF pension contr. (non-budgeted)				866,194	(866,194)
On-behalf TPAF post retirement medical (non-budgeted)				202,378	(202,378)
On-behalf TPAF - LTDI (non-budgeted)				276	(276)
Reimbursed TPAF social security contr. (non-budgeted)				194,542	(194,542)
Total Undistributed Expenditures	<u>4,021,356</u>	<u>(39,424)</u>	<u>3,981,932</u>	<u>4,994,634</u>	<u>(1,012,702)</u>
Total General Current Expense	<u>6,510,104</u>	<u>(1,899)</u>	<u>6,508,205</u>	<u>7,510,728</u>	<u>(1,002,523)</u>
CAPITAL OUTLAY:					
Equipment:					
Undist. expend. - instruction	16,156	59,629	75,785	71,961	3,824
Undist. expend. - required maintenance		-			
Total Equipment	<u>16,156</u>	<u>59,629</u>	<u>75,785</u>	<u>71,961</u>	<u>3,824</u>
Facilities Acquisition and Construction Services					
Legal Services	6,000		6,000	4,489	1,511
Architectural/Engineering Services	31,958		31,958	3,089	28,869
Construction Services	290,000	-	290,000	355	289,645
Assessment for Debt Service on SDA Funding	8,653	-	8,653	8,653	
Total Equipment	<u>336,611</u>	<u>-</u>	<u>336,611</u>	<u>16,586</u>	<u>320,025</u>
Total Capital Outlay	<u>352,767</u>	<u>59,629</u>	<u>412,396</u>	<u>88,547</u>	<u>323,849</u>

RIVERTON SCHOOL DISTRICT
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2022

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
TOTAL EXPENDITURES	\$ 6,862,871	\$ 57,730	\$ 6,920,601	\$ 7,599,275	\$ (678,674)
Excess (Deficiency) of Revenues Over (Under) Expenditures:	(480,963)	(57,730)	(538,693)	147,204	685,897
Other Financing Sources/(Uses):	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total other financing sources/(Uses)	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Sources (Uses):	(480,963)	(57,730)	(538,693)	147,204	685,897
Fund Balance - July 1	<u>1,441,019</u>	<u> </u>	<u>1,441,019</u>	<u>1,441,019</u>	<u> </u>
Fund Balance - June 30, 2022	<u>\$ 960,056</u>	<u>\$ (57,730)</u>	<u>\$ 902,326</u>	<u>\$ 1,588,223</u>	<u>\$ 685,897</u>
Recapitulation:					
Restricted:					
Capital Reserve					
Designated for Susequent Year's Expenditures				\$ -	
Capital Reserve				534,346	
Maintenance Reserve				241,091	
Tuition Reserve - Prior Year				96,000	
Tuition Reserve - Current Year				96,000	
Excess Surplus:					
Excess Surplus Designated for Subsequent Years Expenditures				25,821	
Excess Surplus				-	
Unemployment Compensation				82,166	
Assigned Fund Balance:					
Year-End Encumbrances				262,522	
Unassigned				<u>250,277</u>	
				1,588,223	
Reconciliation to Governmental Funds Statement (GAAP):					
Last State Aid Payment Not Recognized on GAAP Basis				<u>(54,935)</u>	
Fund Balance per Governmental Funds (GAAP)				<u>\$ 1,533,288</u>	

RIVERTON SCHOOL DISTRICT
Required Supplementary Information
Budgetary Comparison Schedule
Special Revenue Fund
For the Fiscal Year Ended June 30, 2022

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES:					
Local sources	\$ -	\$ -	\$ -	\$ 22,435	\$ 22,435
State sources	6,735	5,350	12,085	12,085	-
Federal sources	113,194	367,872	481,066	438,443	(42,623)
Tuition - from other LEA's					
Total Revenues	<u>119,929</u>	<u>373,222</u>	<u>493,151</u>	<u>472,963</u>	<u>(20,188)</u>
EXPENDITURES:					
Instruction:					
Salaries	31,777	16,842	48,619	48,619	-
Other purchased services	60,503	21,018	81,521	81,521	-
Textbooks	364	116	480	480	-
Supplies and materials	3,167	31,048	34,215	34,215	-
Total instruction	<u>95,811</u>	<u>69,024</u>	<u>164,835</u>	<u>164,835</u>	<u>-</u>
Support services:					
Salaries	4,374	30,718	35,092	13,719	21,373
Personal Serv - Empl Ben	1,749	23,308	25,057	8,501	16,556
Purchased professional - educ. services	2,109	4,281	6,390	6,390	-
Purchased professional - tech. services	11,883	8,036	19,919	15,225	4,694
Purchased professional services	4,003	876	4,879	4,879	-
Other purchased services		-			-
General supplies		-			-
Scholarships awarded				750	(750)
Student activities				21,983	(21,983)
Total support services	<u>24,118</u>	<u>67,219</u>	<u>91,337</u>	<u>71,447</u>	<u>19,890</u>
Facilities acquisition and construction services:					
Non-Instructional equipment	-	236,979	236,979	236,979	-
Total facilities acq. and const. services	<u>-</u>	<u>236,979</u>	<u>236,979</u>	<u>236,979</u>	<u>-</u>
Total expenditures	<u>119,929</u>	<u>373,222</u>	<u>493,151</u>	<u>473,261</u>	<u>19,890</u>
Excess (Deficiency) of revenues over (under) expenditures and other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(298)</u>	<u>(40,078)</u>
Fund Balance, July 1				<u>35,138</u>	
Fund Balance, June 30				<u>\$ 34,840</u>	
Recapitulation:					
Restricted:					
Scholarships				\$ 8,471	
Student Activities				<u>26,369</u>	
Total Fund Balance				<u>\$ 34,840</u>	

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

RIVERTON SCHOOL DISTRICT
Notes to Required Supplementary Information
Budgetary Comparison
For the Fiscal Year Ended June 30, 2022

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

	<u>General Fund</u>	<u>Special Revenue Fund</u>
Sources/inflows of resources		
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedules	\$ 7,746,479	\$ 472,963
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		
Difference - budget to GAAP:		
State aid payment recognized for GAAP statements in current year, previously recognized for budgetary purposes.	39,619	-
State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year.	<u>(54,935)</u>	<u>-</u>
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	<u>\$ 7,731,163</u>	<u>\$ 472,963</u>
Uses/outflows of resources		
Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule	\$ 7,599,275	\$ 473,261
Differences - budget to GAAP		
Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.	<u>-</u>	<u>-</u>
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	<u>\$ 7,599,275</u>	<u>\$ 473,261</u>

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

RIVERTON SCHOOL DISTRICT
Required Supplementary Information
Schedule of the District's Proportionate Share of the Net Pension Liability
Public Employees Retirement System
Last Nine Fiscal Years

	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
District's proportion of the net pension liability (asset)	0.0044006734%	0.0040186496%	0.0037959508%	0.0038942293%	0.0035656566%	0.0034805827%	0.0038693462%	0.0034650048%	0.0034408365%
District's proportionate share of the net pension liability (asset)	\$ 521,326	\$ 655,337	\$ 683,965	\$ 766,754	\$ 830,028	\$ 1,030,849	\$ 868,591	\$ 648,744	\$ 657,612
District's covered-employee payroll	336,142	294,216	315,505	301,558	290,643	272,313	254,096	228,062	221,076
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	155.09%	222.74%	216.78%	254.26%	285.58%	378.55%	341.84%	284.46%	297.46%
Plan fiduciary net position as a percentage of the total pension liability	51.51%	42.90%	42.04%	40.45%	36.78%	31.20%	38.21%	42.74%	40.71%

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

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

	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
Contractually required contribution	\$ 50,754	\$ 51,537	\$ 43,962	\$ 37,156	\$ 38,735	\$ 33,032	\$ 30,921	\$ 33,266	\$ 28,565
Contributions in relation to the contractually required contributions	<u>(50,754)</u>	<u>(51,537)</u>	<u>(43,962)</u>	<u>(37,156)</u>	<u>(38,735)</u>	<u>(33,032)</u>	<u>(30,921)</u>	<u>(33,266)</u>	<u>(28,565)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered-employee payroll	\$ 336,142	\$ 294,216	\$ 315,505	\$ 301,558	\$ 290,643	\$ 272,313	\$ 254,096	\$ 228,062	\$ 221,076
Contributions as a percentage of covered-employee payroll	15.10%	17.52%	13.93%	12.32%	13.33%	12.13%	12.17%	14.59%	12.92%

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

RIVERTON SCHOOL DISTRICT
Required Supplementary Information
Schedule of the District's Proportionate Share of the Net Pension Liability
Teachers' Pension and Annuity Fund
Last Nine Fiscal Years

	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
District's proportion of the net pension liability (asset)	0.0199064397%	0.0194609385%	0.0206711394%	0.0215822799%	0.0205013111%	0.0193082669%	0.0186633683%	0.0192872381%	0.0188367568%
District's proportionate share of the net pension liability (asset)								\$ -	\$ -
State's proportionate share of the net pension liability (asset) associated with the District	<u>\$ 9,570,058</u>	<u>\$ 12,814,794</u>	<u>\$ 12,686,073</u>	<u>\$ 13,730,508</u>	<u>\$ 13,822,723</u>	<u>\$ 15,189,112</u>	<u>\$ 11,796,046</u>	<u>\$ 10,308,401</u>	<u>\$ 9,519,949</u>
Total	<u>\$ 9,570,058</u>	<u>\$ 12,814,794</u>	<u>\$ 12,686,073</u>	<u>\$ 13,730,508</u>	<u>\$ 13,822,723</u>	<u>\$ 15,189,112</u>	<u>\$ 11,796,046</u>	<u>\$ 10,308,401</u>	<u>\$ 9,519,949</u>
District's covered-employee payroll	\$ 2,690,251	\$ 2,424,705	\$ 2,338,159	\$ 2,196,400	\$ 2,072,203	\$ 2,291,688	\$ 2,239,460	\$ 2,110,830	\$ 2,046,171
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the total pension liability	35.52%	24.60%	26.95%	26.49%	25.41%	22.33%	28.71%	33.64%	33.76%

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

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

	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018
State's proportion of the net OPEB liability (asset) associated with the District	0.02%	0.02%	0.02%	0.02%	0.02%
District's proportionate share of the net OPEB liability	\$ -	\$ -	\$ -	\$ -	\$ -
State's proportionate share of the net OPEB liability associated with the District	\$ 13,208,331	\$ 15,409,971	\$ 9,467,763	\$ 10,433,407	\$ 12,105,711
Total proportionate share of the net OPEB liability (asset) associated with the District	<u>\$ 13,208,331</u>	<u>\$ 15,409,971</u>	<u>\$ 9,467,763</u>	<u>\$ 10,433,407</u>	<u>\$ 12,105,711</u>
Plan fiduciary net position as a percentage of the total OPEB Liability	0.00%	0.00%	0.00%	0.00%	0.00%
	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018
Total OPEB Liability					
Service Cost	\$ 701,695	\$ 365,727	\$ 365,690	\$ 402,859	\$ 488,285
Interest	342,638	339,659	412,520	443,028	382,805
Changes in benefit terms	(14,059)				
Differences between expected and actual experiences	(2,983,802)	2,682,094	(1,603,002)	(1,051,561)	
Changes of assumptions and other inputs	13,031	2,814,872	141,165	(1,197,286)	(1,572,851)
Member Contributions	8,760	8,131	8,615	9,642	10,325
Benefit payments	(269,903)	(268,275)	(290,632)	(278,986)	(280,394)
Net Change in total OPEB Liability	<u>\$ (2,201,640)</u>	<u>\$ 5,942,208</u>	<u>\$ (965,644)</u>	<u>\$ (1,672,304)</u>	<u>\$ (971,830)</u>
Total OPEB Liability - beginning	<u>\$ 15,409,971</u>	<u>\$ 9,467,763</u>	<u>\$ 10,433,407</u>	<u>\$ 12,105,711</u>	<u>\$ 13,077,541</u>
Total OPEB Liability - ending	<u>\$ 13,208,331</u>	<u>\$ 15,409,971</u>	<u>\$ 9,467,763</u>	<u>\$ 10,433,407</u>	<u>\$ 12,105,711</u>
District's covered-employee payroll	3,026,393	2,718,921	2,653,664	2,497,958	2,362,846
Total OPEB Liability as a percentage of covered-employee payroll	436.44%	566.77%	356.78%	417.68%	512.34%

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

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

Teacher's Pension and Annuity Fund (TPAF)

Changes of benefit term: There were none.

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

Public Employees' Retirement System (PERS)

Changes of benefit term: There were none.

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

State Health Benefit Local Education Retired Employees Plan (OPEB)

Changes of benefit term: There were none.

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

Other Supplementary Information

Special Revenue Fund

RIVERTON SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Revenues and Expenditures
Budgetary Basis
For the Fiscal Year Ended June 30, 2022

	Title I	Title II A	Title IV	IDEA Basic	ARP IDEA Basic	IDEA Preschool	ARP IDEA Preschool	CRRSA Mental Health	ARP ESSER III	Brought Forward (Exh. E-1B)	Total
REVENUES:											
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 22,435	\$ 22,435
State sources	-	-	-	-	-	-	-	-	-	12,085	12,085
Federal sources	14,047	5,720	10,000	84,297	13,936	3,234	1,188	21,032	186,956	98,033	438,443
Total Revenues	14,047	5,720	10,000	84,297	13,936	3,234	1,188	21,032	186,956	132,553	472,963
EXPENDITURES:											
Instruction:											
Salaries	13,447	-	-	-	-	3,234	1,188	-	12,000	18,750	48,619
Other purchased services	-	-	-	69,854	11,667	-	-	-	-	-	81,521
Textbooks	-	-	-	-	-	-	-	-	-	480	480
Supplies	600	-	1,500	12,250	2,269	-	-	-	2,192	15,404	34,215
Total instruction	14,047	-	1,500	82,104	13,936	3,234	1,188	-	14,192	34,634	164,835
Support Services:											
Salaries	-	-	-	1,188	-	-	-	12,531	-	-	13,719
Personal Serv. - Emp. Benefits	-	-	-	-	-	-	-	8,501	-	-	8,501
Purchased prof. educ. services	-	-	-	-	-	-	-	-	-	6,390	6,390
Purchased prof. tech. services	-	5,720	8,500	1,005	-	-	-	-	-	-	15,225
Purchased professional services	-	-	-	-	-	-	-	-	-	4,879	4,879
Other professional services	-	-	-	-	-	-	-	-	-	-	-
General supplies	-	-	-	-	-	-	-	-	-	-	-
Scholarships awarded	-	-	-	-	-	-	-	-	-	750	750
Student activities	-	-	-	-	-	-	-	-	-	21,983	21,983
Total support services	-	5,720	8,500	2,193	-	-	-	21,032	-	34,002	71,447
Facilities acquisition and const. serv.:											
Non-Instructional equipment	-	-	-	-	-	-	-	-	172,764	64,215	236,979
Total facilities acq. and const. serv.	-	-	-	-	-	-	-	-	172,764	64,215	236,979
Total Expenditures	14,047	5,720	10,000	84,297	13,936	3,234	1,188	21,032	186,956	132,851	473,261
Excess (deficiency) of revenues over (under) expenditures and other financing sources (uses)	-	-	-	-	-	-	-	-	-	(298)	(298)
Fund Balance July 1	-	-	-	-	-	-	-	-	-	35,138	35,138
Fund Balance, June 30	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 34,840	\$ 34,840

RIVERTON SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Revenues and Expenditures
Budgetary Basis
For the Fiscal Year Ended June 30, 2022

	Nonpublic Textbook Aid	Nonpublic Nursing Services	Nonpublic Technology Aid	Student Activity Fund	Scholarship Fund	Nonpublic Security Aid	Nonpublic Supplemental Instruction	Nonpublic Exam/ Classification	CRRSA ESSER II	CRRSA Learning Acceleration	Total Carried Forward
REVENUES:											
Local sources	\$ -	\$ -	\$ -	\$ 21,826	\$ 609	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 22,435
State sources	480	1,904	336	-	-	2,975	1,652	4,738	-	-	12,085
Federal sources	-	-	-	-	-	-	-	-	79,283	18,750	98,033
Total Revenues	480	1,904	336	21,826	609	2,975	1,652	4,738	79,283	18,750	132,553
EXPENDITURES:											
Instruction:											
Salaries	-	-	-	-	-	-	-	-	-	18,750	18,750
Other purchased services	-	-	-	-	-	-	-	-	-	-	-
Textbooks	480	-	-	-	-	-	-	-	-	-	480
Supplies	-	-	336	-	-	-	-	-	15,068	-	15,404
Total instruction	480	-	336	-	-	-	-	-	15,068	18,750	34,634
Support Services:											
Salaries	-	-	-	-	-	-	-	-	-	-	-
Purchased prof. educ. services	-	-	-	-	-	-	1,652	4,738	-	-	6,390
Purchased prof. tech. services	-	-	-	-	-	-	-	-	-	-	-
Purchased professional services	-	1,904	-	-	-	2,975	-	-	-	-	4,879
Other professional services	-	-	-	-	-	-	-	-	-	-	-
General supplies	-	-	-	-	-	-	-	-	-	-	-
Scholarships awarded	-	-	-	-	750	-	-	-	-	-	750
Student activities	-	-	-	21,983	-	-	-	-	-	-	21,983
Total support services	-	1,904	-	21,983	750	2,975	1,652	4,738	-	-	34,002
Facilities acquisition and const. serv.:											
Non- Instructional equipment	-	-	-	-	-	-	-	-	64,215	-	64,215
Total facilities acq. and const. serv.	-	-	-	-	-	-	-	-	64,215	-	64,215
Total Expenditures	480	1,904	336	21,983	750	2,975	1,652	4,738	79,283	18,750	132,851
Excess (deficiency) of revenues over (under) expenditures and other financing sources (uses)	-	-	-	(157)	(141)	-	-	-	-	-	(298)
Fund Balance July 1	-	-	-	26,526	8,612	-	-	-	-	-	35,138
Fund Balance, June 30	\$ -	\$ -	\$ -	\$ 26,369	\$ 8,471	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 34,840

Proprietary Funds

RIVERTON SCHOOL DISTRICT
Enterprise Funds
Statement of Net Position
June 30, 2022

	<u>Food Service Fund</u>
ASSETS:	
Current Assets:	
Cash and cash equivalents	\$ 11,755
Accounts receivable:	
State	113
Federal	<u>4,886</u>
Total current assets	<u>16,754</u>
Noncurrent Assets:	
Equipment	21,951
Accumulated depreciation	<u>(18,623)</u>
Total noncurrent assets	<u>3,328</u>
Total Assets	<u><u>\$ 20,082</u></u>
LIABILITIES:	
Current liabilities:	
Accounts payable	\$ 28
Unearned revenue	<u>3,657</u>
Total current liabilities	<u>3,685</u>
NET POSITION:	
Net investment in capital assets	3,328
Unrestricted	<u>13,069</u>
Total Net Position	<u><u>\$ 16,397</u></u>

RIVERTON SCHOOL DISTRICT
Enterprise Funds
Statement of Revenues, Expenses
and Changes in Fund Net Position
For the Fiscal Year Ended June 30, 2022

	Food Service Fund
OPERATING REVENUES:	
Charges for services:	
Daily sales reimbursable programs	\$ -
Daily sales non-reimbursable programs:	
Adult and a la carte sales	7,122
	7,122
Total Operating Revenue	7,122
OPERATING EXPENSES:	
Salaries and wages	10,246
Supplies and materials	4,940
Cost of sales - reimbursable programs	52,235
Cost of sales - nonreimbursable programs	4,340
Depreciation	
Other purchased services	11,213
Other expenses	-
	82,974
Total Operating Expenses	82,974
Operating Income (Loss)	(75,852)
Non-Operating Revenues:	
State sources:	
State school lunch program	3,010
Federal sources:	
National school lunch program	82,706
Miscellaneous	-
	85,716
Total Non-Operating Revenues	85,716
Income (Loss) before Contributions and Transfers	9,864
Capital Contributions	-
Changes in Net Position	9,864
Net Position - July 1, 2021	7,928
Net Position - June 30, 2022	\$ 17,792

RIVERTON SCHOOL DISTRICT
Enterprise Funds
Statement of Cash Flows
For the Fiscal Year Ended June 30, 2022

	<u>Food Service Fund</u>
Cash Flows from Operating Activities:	
Cash receipts from customers	\$ 5,979
Cash payments to employees	(10,218)
Cash payments to suppliers for goods and services	<u>(72,728)</u>
Net cash used by operating activities	<u>(76,967)</u>
Cash Flows from Noncapital Financing Activities:	
Cash received from state sources	2,921
Cash received from federal sources	<u>78,145</u>
Net cash provided by noncapital financing activities	<u>81,066</u>
Cash Flows Used by Capital and Related Financing Activities:	
Purchase of equipment	<u>-</u>
Cash Flow Provided by Investing Activities:	
Interest on cash equivalents	<u>-</u>
Net increase (decrease) in cash and cash equivalents	4,099
Cash and cash equivalents - July 1, 2021	<u>7,656</u>
Cash and cash equivalents - June 30, 2022	<u><u>\$ 11,755</u></u>
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:	
Operating income (loss)	\$ (75,852)
Adjustments to reconcile operating income (loss) to cash provided by (used for) operating activities:	
Change in Assets and Liabilities:	
Depreciation	
Increase (decrease) in accounts payable	28
Increase (decrease) in deferred revenue	<u>(1,143)</u>
Net cash provided by (used for) operating activities	<u><u>\$ (76,967)</u></u>

Long-Term Debt Schedules

RIVERTON SCHOOL DISTRICT
Schedule of Obligations Under Leases
June 30, 2022

Purpose	Interest Rate	Original Issue	(Restated) Balance June 30, 2021	Issued	Retired	Balance June 30, 2022
Copiers	6.25%	\$ 49,361	\$ 39,931		\$ 9,288	\$ 30,643
Postage Machine	3.00%	7,778	5,242		1,695	3,547
			<u>\$ 45,173</u>	<u>\$ -</u>	<u>\$ 10,983</u>	<u>\$ 34,190</u>

Statistical Section

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

EXHIBIT J-1

	Fiscal Year Ending June 30,									
	<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>
Governmental activities:										
Invested in capital assets, net of related debt	\$ 569,595	\$ 807,842	\$ 924,534	\$ 986,371	\$ 892,548	\$ 1,376,105	\$ 1,469,287	\$ 1,461,025	\$ 1,459,667	\$ 1,404,242
Restricted for:										
Special revenue	-	-	-	-	-	-	-	-	35,138	34,840
Capital projects	128,530	284,020	358,311	431,664	61,118	365,162	501,400	471,858	579,815	534,346
Other purposes	335,355	270,521	274,096	313,205	908,397	365,300	428,580	573,071	611,204	541,078
Unrestricted	95,468	127,527	(502,907)	(517,994)	(633,870)	(661,014)	(708,123)	(710,874)	(683,330)	(369,368)
Total governmental activities net position	<u>\$ 1,128,948</u>	<u>\$ 1,489,910</u>	<u>\$ 1,054,034</u>	<u>\$ 1,213,246</u>	<u>\$ 1,228,193</u>	<u>\$ 1,445,553</u>	<u>\$ 1,691,144</u>	<u>\$ 1,795,080</u>	<u>\$ 2,002,494</u>	<u>\$ 2,145,138</u>
Business-type activities:										
Invested in capital assets, net of related debt	\$ -	\$ 15,404	\$ 13,350	\$ 13,737	\$ 14,411	\$ 11,989	\$ 9,567	\$ 7,145	\$ 4,723	\$ 3,328
Unrestricted	21,524	13,537	26,782	17,574	12,982	21,633	13,082	9,814	3,205	13,069
Total business-type activities net position	<u>\$ 21,524</u>	<u>\$ 28,941</u>	<u>\$ 40,132</u>	<u>\$ 31,311</u>	<u>\$ 27,393</u>	<u>\$ 33,622</u>	<u>\$ 22,649</u>	<u>\$ 16,959</u>	<u>\$ 7,928</u>	<u>\$ 16,397</u>
District-wide:										
Invested in capital assets, net of related debt	\$ 569,595	\$ 823,246	\$ 937,884	\$ 1,000,108	\$ 906,959	\$ 1,388,094	\$ 1,478,854	\$ 1,468,170	\$ 1,464,390	\$ 1,407,570
Restricted for:										
Special revenue	-	-	-	-	-	-	-	-	35,138	34,840
Capital projects	128,530	284,020	358,311	431,664	61,118	365,162	501,400	471,858	579,815	534,346
Other purposes	335,355	270,521	274,096	313,205	908,397	365,300	428,580	573,071	611,204	541,078
Unrestricted	116,992	141,064	(476,125)	(500,420)	(620,888)	(639,381)	(695,041)	(701,060)	(680,125)	(356,299)
Total district net position	<u>\$ 1,150,472</u>	<u>\$ 1,518,851</u>	<u>\$ 1,094,166</u>	<u>\$ 1,244,557</u>	<u>\$ 1,255,586</u>	<u>\$ 1,479,175</u>	<u>\$ 1,713,793</u>	<u>\$ 1,812,039</u>	<u>\$ 2,010,422</u>	<u>\$ 2,161,535</u>

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

EXHIBIT J-2

	Fiscal Year Ending June 30,									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Expenses:										
Governmental activities:										
Instruction:										
Regular	\$ 1,335,602	\$ 1,508,251	\$ 1,646,890	\$ 1,654,757	\$ 1,652,459	\$ 1,703,918	\$ 1,827,620	\$ 1,864,838	\$ 1,877,134	\$ 2,018,813
Special education	347,908	337,929	341,943	354,564	380,849	418,051	464,781	424,626	460,954	501,008
Other instruction	119,759	138,494	134,798	137,638	138,994	124,347	126,288	171,091	118,455	243,721
Support Services:										
Tuition	1,350,683	1,230,509	1,137,815	1,252,490	1,181,723	1,318,444	1,241,432	1,347,677	1,363,025	1,527,359
Student & instruction related services	481,126	515,034	529,087	563,948	547,144	500,995	526,530	548,075	631,795	592,580
General and business administrative services	345,853	357,607	382,415	423,464	406,293	416,502	455,554	460,426	474,283	476,896
Plant operations and maintenance	375,243	365,400	512,904	410,143	543,645	426,099	402,668	504,092	598,202	678,149
Pupil transportation	130,989	93,104	99,009	103,463	101,508	88,184	80,351	99,572	146,774	172,559
Employee benefits	977,396	928,785	930,058	1,049,827	1,313,100	3,131,179	2,790,637	2,663,647	3,137,222	2,729,481
Interest on long-term debt	20,826	16,748	11,310	2,827	-	-	-	-	-	-
Unallocated depreciation	5,564	8,392	10,514	11,184	9,048	9,891	8,814	7,062	6,644	6,643
Total governmental activities expenses	<u>5,490,949</u>	<u>5,500,253</u>	<u>5,736,743</u>	<u>5,964,305</u>	<u>6,274,763</u>	<u>8,137,610</u>	<u>7,924,675</u>	<u>8,091,106</u>	<u>8,814,488</u>	<u>8,947,209</u>
Food service	61,492	46,631	42,518	67,875	61,083	48,198	65,854	46,950	15,645	84,369
Total business-type activities expense	<u>61,492</u>	<u>46,631</u>	<u>42,518</u>	<u>67,875</u>	<u>61,083</u>	<u>48,198</u>	<u>65,854</u>	<u>46,950</u>	<u>15,645</u>	<u>84,369</u>
Total district expenses	<u>\$ 5,552,441</u>	<u>\$ 5,546,884</u>	<u>\$ 5,779,261</u>	<u>\$ 6,032,180</u>	<u>\$ 6,335,846</u>	<u>\$ 8,185,808</u>	<u>\$ 7,990,529</u>	<u>\$ 8,138,056</u>	<u>\$ 8,830,133</u>	<u>\$ 9,031,578</u>
Program Revenues:										
Governmental activities:										
Operating grants and contributions	\$ 515,485	\$ 127,305	\$ 531,525	\$ 629,092	\$ 708,401	\$ 2,532,469	\$ 2,189,660	\$ 2,127,195	\$ 2,699,374	\$ 2,622,080
Charges for services	17,132	-	-	-	-	-	-	-	-	-
Total governmental activities program revenues	<u>532,617</u>	<u>127,305</u>	<u>531,525</u>	<u>629,092</u>	<u>708,401</u>	<u>2,532,469</u>	<u>2,189,660</u>	<u>2,127,195</u>	<u>2,699,374</u>	<u>2,622,080</u>
Business-type activities:										
Charges for services:										
Food service	\$ 30,799	\$ 38,594	\$ 40,782	\$ 41,824	\$ 38,360	\$ 38,472	\$ 39,410	\$ 26,062	\$ -	\$ 7,122
Operating grants and contributions	15,795	15,454	12,927	17,230	15,809	15,955	15,471	15,198	6,614	85,716
Capital grants and contributions	-	-	-	-	-	-	-	-	-	-
Total business-type activities program revenues	<u>46,594</u>	<u>54,048</u>	<u>53,709</u>	<u>59,054</u>	<u>54,169</u>	<u>54,427</u>	<u>54,881</u>	<u>41,260</u>	<u>6,614</u>	<u>92,838</u>
Total district program revenues	<u>\$ 579,211</u>	<u>\$ 181,353</u>	<u>\$ 585,234</u>	<u>\$ 688,146</u>	<u>\$ 762,570</u>	<u>\$ 2,586,896</u>	<u>\$ 2,244,541</u>	<u>\$ 2,168,455</u>	<u>\$ 2,705,988</u>	<u>\$ 2,714,918</u>
Net (Expense)/Revenue:										
Governmental activities	\$ (4,958,332)	\$ (5,372,948)	\$ (5,205,218)	\$ (5,335,213)	\$ (5,566,362)	\$ (5,605,141)	\$ (5,735,015)	\$ (5,963,911)	\$ (6,115,114)	\$ (6,325,129)
Business-type activities	(14,898)	7,417	11,191	(8,821)	(6,914)	6,229	(10,973)	(5,690)	(9,031)	8,469
Total district-wide net expense	<u>\$ (4,973,230)</u>	<u>\$ (5,365,531)</u>	<u>\$ (5,194,027)</u>	<u>\$ (5,344,034)</u>	<u>\$ (5,573,276)</u>	<u>\$ (5,598,912)</u>	<u>\$ (5,745,988)</u>	<u>\$ (5,969,601)</u>	<u>\$ (6,124,145)</u>	<u>\$ (6,316,660)</u>
General Revenues and Other Changes in Net Position:										
Governmental activities:										
Property taxes levied for general purposes, net	\$ 4,499,585	\$ 4,642,321	\$ 4,668,552	\$ 4,739,666	\$ 4,981,583	\$ 5,232,745	\$ 5,393,027	\$ 5,500,888	\$ 5,621,675	\$ 5,621,675
Taxes levied for debt service	147,185	141,748	141,310	135,655	-	-	-	-	-	-
Unrestricted grants and contributions	536,860	893,988	546,370	570,294	543,989	535,255	546,699	535,602	535,348	782,173
Investment Earnings	-	-	-	-	-	-	-	-	-	87
Miscellaneous income	5,402	55,853	44,796	48,810	55,707	54,531	40,880	31,357	45,971	63,838
Transfers	-	-	-	-	-	-	-	-	-	-
Total governmental activities	<u>5,189,032</u>	<u>5,733,910</u>	<u>5,401,028</u>	<u>5,494,425</u>	<u>5,581,279</u>	<u>5,822,531</u>	<u>5,980,606</u>	<u>6,067,847</u>	<u>6,202,994</u>	<u>6,467,773</u>
Business-type activities:										
Investment earnings	-	-	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	2,996	-	-	-	-	-
Total business-type activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,996</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total district-wide	<u>\$ 5,189,032</u>	<u>\$ 5,733,910</u>	<u>\$ 5,401,028</u>	<u>\$ 5,494,425</u>	<u>\$ 5,584,275</u>	<u>\$ 5,822,531</u>	<u>\$ 5,980,606</u>	<u>\$ 6,067,847</u>	<u>\$ 6,202,994</u>	<u>\$ 6,467,773</u>
Change in Net Position:										
Governmental activities	\$ 230,700	\$ 360,962	\$ 195,810	\$ 159,212	\$ 14,917	\$ 217,390	\$ 245,591	\$ 103,936	\$ 87,880	\$ 142,644
Business-type activities	(14,898)	7,417	11,191	(8,821)	(3,918)	6,229	(10,973)	(5,690)	(9,031)	8,469
Total district-wide	<u>\$ 215,802</u>	<u>\$ 368,379</u>	<u>\$ 207,001</u>	<u>\$ 150,391</u>	<u>\$ 10,999</u>	<u>\$ 223,619</u>	<u>\$ 234,618</u>	<u>\$ 98,246</u>	<u>\$ 78,849</u>	<u>\$ 151,113</u>

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

EXHIBIT J-3

	Fiscal Year Ending June 30,									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Fund:										
Restricted for:										
Capital reserve	\$ 128,530	\$ 284,020	\$ 358,311	\$ 431,664	\$ 61,118	\$ 365,162	\$ 501,400	\$ 471,858	\$ 579,815	\$ 534,346
Future tuition payments	-	-	-	59,000	59,000	-	-	96,000	192,000	192,000
Maintenance reserve	241,613	241,613	241,613	241,613	163,138	241,613	241,613	241,613	241,613	241,091
Unemployment compensation	-	-	-	-	-	-	-	-	82,079	82,166
Excess surplus	-	12,265	-	-	-	47,167	47,283	39,755	25,821	-
Excess surplus - designated for subsequent year's budget	-	-	12,265	-	-	-	47,167	47,283	39,755	25,821
Assigned for:										
Year-end Encumbrances	40,242	16,643	20,218	12,592	686,229	76,520	92,517	148,420	29,936	262,522
Subsequent year's budget	53,500	-	-	-	-	-	-	-	-	-
Unrestricted	223,887	22,497	223,137	245,388	216,941	204,226	209,097	224,699	210,381	195,342
Total general fund	<u>\$ 687,772</u>	<u>\$ 577,038</u>	<u>\$ 855,544</u>	<u>\$ 990,257</u>	<u>\$ 1,186,426</u>	<u>\$ 934,688</u>	<u>\$ 1,139,077</u>	<u>\$ 1,269,628</u>	<u>\$ 1,401,400</u>	<u>\$ 1,533,288</u>
All Other Governmental Funds										
Reserved:										
Encumbrances	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved, reported in:										
Special revenue fund	-	-	-	-	-	-	-	-	35,138	34,840
Debt service fund	-	-	-	-	-	-	-	-	-	-
Total all other governmental funds	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 35,138</u>	<u>\$ 34,840</u>

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

EXHIBIT J-4

	Fiscal Year Ending June 30,									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Revenues										
Tax levy	\$ 4,646,770	\$ 4,784,069	\$ 4,809,862	\$ 4,875,321	\$ 4,981,583	\$ 5,232,745	\$ 5,393,027	\$ 5,500,888	\$ 5,621,675	\$ 5,621,675
Tuition charges	17,132	50,162	39,706	44,601	49,782	39,656	30,574	17,200		56,236
Interest										612
Miscellaneous	5,402	6,691	5,090	5,959	5,925	14,875	10,306	14,157	45,971	7,077
Local sources									5,206	22,435
State sources	942,705	900,587	966,761	1,080,320	1,136,453	1,225,818	1,314,197	1,304,734	1,490,829	2,057,648
Federal sources	109,640	119,706	111,134	117,316	115,937	118,621	125,013	149,431	182,889	438,443
Total revenue	5,721,649	5,861,215	5,932,553	6,123,517	6,289,680	6,631,715	6,873,117	6,986,410	7,346,570	8,204,126
Expenditures										
Instruction										
Regular Instruction	1,327,093	1,472,085	1,576,751	1,571,992	1,591,251	1,650,947	1,771,872	1,804,333	1,825,501	1,936,200
Special education instruction	347,908	337,929	341,943	354,564	380,849	418,051	464,781	424,626	460,954	501,008
Other special instruction	119,759	138,494	134,798	137,638	138,994	124,347	126,288	171,091	118,455	243,721
Support Services:										
Tuition	1,350,683	1,230,509	1,137,815	1,252,490	1,181,723	1,318,444	1,241,432	1,347,677	1,363,025	1,527,359
Student & instruction related services	481,126	515,034	529,087	563,948	547,144	500,995	526,530	548,075	631,795	592,580
General and business admin.services	340,288	347,856	371,900	412,281	395,912	406,613	446,739	453,363	467,639	460,706
Admin Info Technology										7,749
Plant operations and maintenance	364,916	396,311	495,661	384,269	489,181	313,232	435,161	442,300	451,480	368,973
Pupil transportation	130,989	93,104	99,009	103,463	101,508	88,184	80,351	99,572	146,774	172,559
Employee benefits	977,396	928,785	927,205	1,014,142	1,214,219	1,377,210	1,435,784	1,447,728	1,635,448	1,936,155
Capital outlay	115,234	170,094	98,568	58,362	52,730	685,430	140,020	117,094	205,162	325,526
Debt service:										
Principal	125,000	125,000	130,000	130,000	-	-	-	-	-	-
Interest and other charges	22,185	16,748	11,310	5,655	-	-	-	-	-	-
Total expenditures	5,702,577	5,771,949	5,854,047	5,988,804	6,093,511	6,883,453	6,668,958	6,855,859	7,306,233	8,072,536
Excess (Deficiency) of revenues over (under) expenditures	19,072	89,266	78,506	134,713	196,169	(251,738)	204,159	130,551	40,337	131,590
Other Financing sources (uses)										
Proceeds from borrowing	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-
Net change in fund balances	\$ 19,072	\$ 89,266	\$ 78,506	\$ 134,713	\$ 196,169	\$ (251,738)	\$ 204,159	\$ 130,551	\$ 40,337	\$ 131,590
Debt service as a percentage of noncapital expenditures	2.63%	2.53%	2.46%	2.29%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Source: District records

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

EXHIBIT J-5

<u>Fiscal Year Ending June 30,</u>	<u>Interest on Investments</u>	<u>Tuition</u>	<u>Donations</u>	<u>Prior Year Refunds</u>	<u>Miscellaneous</u>	<u>Total</u>
2013	\$ 4,229	\$ 17,132	\$ -	\$ 854	\$ 319	\$ 22,534
2014	4,382	50,162	-	-	2,309	56,853
2015	3,200	39,706	-	-	1,890	44,796
2016	3,727	44,601	-	-	482	48,810
2017	3,576	49,782	-	1,762	587	55,707
2018	4,284	39,656	160	8,910	1,521	54,531
2019	7,740	30,574	-	-	2,566	40,880
2020	8,751	17,200	-	1,397	4,009	31,357
2021	3,533	-	-	41,444	994	45,971
2022	991	56,236	-	921	5,777	63,925
	<u>\$ 44,413</u>	<u>\$ 345,049</u>	<u>\$ 160</u>	<u>\$ 55,288</u>	<u>\$ 20,454</u>	<u>\$ 465,364</u>

Source: District records

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

EXHIBIT J-6

Fiscal Year Ended June 30,	Vacant Land	Residential	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities a	Net Valuation Taxable	Tax-Exempt Property	Total Direct School Tax Rate b	Estimated Actual (County Equalized) Value
2013	\$ 791,600	\$ 218,189,400	\$ 15,361,900	\$ 1,358,900	\$ 6,058,500	\$ 241,760,300	\$ 210,986	\$ 241,971,286	\$ 26,449,800	\$ 1.977	\$ 258,962,003
2014	791,600	218,089,800	15,361,900	1,358,900	6,058,500	241,660,700	157,848	241,818,548	26,449,800	1.989	257,409,225
2015	692,300	218,345,700	15,361,900	1,358,900	6,058,500	241,817,300	100	241,817,400	26,449,800	2.016	255,483,001
2016	692,300	218,445,800	15,586,900	1,358,900	6,058,500	242,142,400	100	242,142,500	26,449,800	2.057	263,576,762
2017	744,000	218,261,100	15,586,900	1,358,900	6,058,500	242,009,400	100	242,009,500	26,449,800	2.162	274,264,126
2018	744,000	217,984,300	15,586,900	1,358,900	6,058,500	241,732,600	86	241,732,686	26,660,500	2.231	280,151,090
2019	744,000	217,958,100	15,586,900	1,358,900	6,058,500	241,706,400	86	241,706,486	26,911,300	2.275	279,283,334
2020	719,200	218,014,200	15,957,700	650,000	6,058,500	241,399,600	100	241,399,700	26,877,600	2.328	287,837,670
2021	719,200	218,716,500	15,982,700	650,000	6,058,500	242,126,900	100	242,127,000	27,057,600	2.321	293,772,250
2022	719,200	219,514,500	15,982,700	650,000	6,058,500	242,924,900	100	242,925,000	26,847,400	2.314	304,543,588

Source: Municipal Tax Assessor

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

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

b Tax rates are per \$100 of assessed valuation.

R Revaluation

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

EXHIBIT J-7

Fiscal Year Ended June 30,	Riverton School District Direct Rate			Overlapping Rates		Total Direct and Overlapping Tax Rate
	Basic Rate	General Obligation Debt Service	Total Direct	Borough of Riverton	Burlington County	
2012	\$ 1.592	\$ 0.050	\$ 1.642	\$ 0.606	\$ 0.373	\$ 2.621
2013	1.919	0.058	1.977	0.754	0.406	3.137
2014	1.931	0.058	1.989	0.796	0.407	3.192
2015	1.960	0.056	2.016	0.818	0.438	3.272
2016	2.057	-	2.057	0.837	0.444	3.338
2017	2.162	-	2.162	0.854	0.462	3.478
2018	2.231	-	2.231	0.854	0.464	3.549
2019	2.275	-	2.275	0.854	0.461	3.590
2020	2.328	-	2.328	0.854	0.471	3.653
2021	2.321	-	2.321	0.854	0.476	3.651
2022	2.314	-	2.314	0.860	0.472	3.646

Source: Municipal Tax Collector

Riverton School District
Principal Property Tax Payers,
Current Year and Nine Years Ago

EXHIBIT J-8

Taxpayer	2022		Taxpayer	2013	
	Taxable Assessed Value	% of Total District Net Assessed Value		Taxable Assessed Value	% of Total District Net Assessed Value
Individual #1	\$ 2,966,400	1.22%	The Shops at Riverton, LLC	\$ 4,177,400	1.73%
ARCP CV Riverton NH, LLC	2,450,100	1.01%	GOCO Real Estate, LLC	1,540,500	0.64%
Cedar Lane Manor Apt., LLC	1,417,600	0.58%	National Casein Sales	1,505,900	0.62%
PHK Reality LLC	1,224,900	0.50%	Cedar Lane manor Apt., LLC	1,417,600	0.59%
APK Properties, LLC	1,192,000	0.49%	DiLeo, Mark and Paula	1,378,200	0.57%
Individual #2	1,038,500	0.43%	Riverton Square, LLC	1,192,000	0.49%
Individual #3	945,600	0.39%	Moccia Properties, LLC	1,128,200	0.47%
Individual #4	930,200	0.38%	Riverton Country Club	855,200	0.35%
K&P1 Realty, LLC	911,300	0.38%	Lawrence & Lisa Antonucci	798,600	0.33%
Individual #5	906,500	0.37%	Michael A & Cathleen Spinelli	794,200	0.33%
Total	<u>\$ 13,983,100</u>	<u>5.76%</u>	Total	<u>\$ 14,787,800</u>	<u>6.11%</u>

Source: Municipal Tax Assessor

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

EXHIBIT J-9

<u>Fiscal Year Ended June 30,</u>	<u>Taxes Levied for the Calendar 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	\$ 4,646,770	\$ 4,646,770	100.00%	\$ -
2014	4,784,069	4,784,069	100.00%	-
2015	4,809,862	4,809,862	100.00%	-
2016	4,875,321	4,875,321	100.00%	-
2017	4,981,583	4,981,583	100.00%	-
2018	5,232,745	5,232,745	100.00%	-
2019	5,393,027	5,393,027	100.00%	-
2020	5,500,888	5,500,888	100.00%	-
2021	5,621,675	5,621,675	100.00%	-
2022	5,621,675	5,621,675	100.00%	-

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

a School taxes are collected by the Municipal Tax Collector. Under New Jersey State Statutes, 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.

Riverton School District
 Ratios of Outstanding Debt by Type
 Last Ten Fiscal Years

EXHIBIT J-10

Fiscal Year Ended June 30,	Governmental Activities		Total District	Percentage of Personal Income ^b	Per Capita ^c
	General Obligation Bonds ^a	Financed Purchases/ Leases			
2013	\$ 385,000	\$ -	\$ 385,000	0.27%	\$ 140
2014	260,000	-	260,000	0.18%	95
2015	130,000	-	130,000	0.09%	48
2016	-	-	-	-	-
2017	-	-	-	-	-
2018	-	-	-	-	-
2019	-	-	-	-	-
2020	-	-	-	-	-
2021	-	-	-	-	-
2022	-	34,190	34,190	d	d

Sources:

- a District Records
- b Personal Income has been estimated based upon the municipal population and per capita personal income.
- c Per Capita Personal Income Data provided by the NJ Dept. of Labor and Workforce.
- d Unavailable.

Riverton School District
 Ratios of Net General Bonded Debt Outstanding
 Last Ten Fiscal Years

EXHIBIT J-11

Fiscal Year Ended June 30,	General Bonded Debt Outstanding			Percentage of Net Assessed Valuation Taxable ^b	Per Capita ^c
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding ^a		
2013	\$ 385,000	\$ -	\$ 385,000	0.16%	\$ 139
2014	260,000	-	260,000	0.11%	94
2015	130,000	-	130,000	0.05%	47
2016	-	-	-	-	-
2017	-	-	-	-	-
2018	-	-	-	-	-
2019	-	-	-	-	-
2020	-	-	-	-	-
2021	-	-	-	-	-
2021	-	-	-	-	-

Sources:

- a District Records
- b Net Assessed Valuation provided by Abstract of Ratables, County Board of Taxation
- c Per Capita Personal Income Data provided by the NJ Dept. of Labor and Workforce.
- d Unavailable.

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

EXHIBIT J-12

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes:			
Borough of Riverton (1)	\$ 2,461,549	100.000%	\$ 2,461,549
Burlington County General Obligation Debt (1)	182,924,161	0.588% (2)	1,075,594
			<hr/>
Subtotal, overlapping debt			3,537,143
Riverton School District Direct Debt			<hr/> -
Total direct and overlapping debt			<hr/> \$ 3,537,143 <hr/>

Sources:

- (1) Annual Debt Statement.
- (2) The County percentage is based upon a calculation reflecting the Borough's share of the 2021 Equalized Valuation. The source for this computation was the 2021 County Abstract of Ratables, provided by the County Board of Taxation.

Legal Debt Margin Calculation for Fiscal Year 2022

	Equalized valuation basis	
	2019	\$ 287,711,463
	2020	292,392,926
	2021	303,037,422
		<u>\$ 883,141,811</u>
	Average equalized valuation of taxable property	\$ 294,380,604
	Debt limit (3% of average equalized valuation) (2)	8,831,418
	Net bonded school debt	-
	Legal debt margin	<u>\$ 8,831,418</u>

	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Debt limit	\$ 8,219,233	\$ 7,914,354	\$ 7,691,025	\$ 7,743,761	\$ 7,914,562	\$ 8,166,213	\$ 8,327,056	\$ 8,465,003	\$ 8,589,194	\$ 8,831,418
Total net debt applicable to limit (3)	385,000	260,000	130,000	-	-	-	-	-	-	-
Legal debt margin	<u>\$ 7,834,233</u>	<u>\$ 7,654,354</u>	<u>\$ 7,561,025</u>	<u>\$ 7,743,761</u>	<u>\$ 7,914,562</u>	<u>\$ 8,166,213</u>	<u>\$ 8,327,056</u>	<u>\$ 8,465,003</u>	<u>\$ 8,589,194</u>	<u>\$ 8,831,418</u>
Total net debt applicable to the limit as a percentage of debt limit	4.68%	3.29%	1.69%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Sources:

- (1) Equalized valuation bases were obtained from the Annual Report of the State of New Jersey, Department of Treasury, Division of Taxation.
- (2) Limit set by NJSA 18A:24-19 for a K through 8 district.
- (3) District Records

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

EXHIBIT J-14

Year	Population ^a	Personal Income (thousands of dollars) ^b	Per Capita Personal Income ^c	Unemployment Rate ^d
2013	2,749	\$ 141,966,607	\$ 51,643	7.4%
2014	2,740	146,787,280	53,572	5.5%
2015	2,724	152,339,700	55,925	4.7%
2016	2,706	155,819,598	57,583	3.5%
2017	2,697	159,853,887	59,271	3.4%
2018	2,689	164,405,460	61,140	3.2%
2019	2,689	170,826,792	63,528	2.6%
2020	2,686	180,375,644	67,154	6.8%
2021	2,758	e	e	4.3%
2022	e	e	e	e

Source:

- ^a Population information provided by the NJ Dept of Labor and Workforce Development
- ^b Personal income has been established based upon the municipal population and per capita personal income presented.
- ^c Per Capita personal income provided by the NJ Dept. of Labor and Workforce Development.
- ^d Unemployment data provided by the NJ Dept of Labor and Workforce Development
- ^e Information not available

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

EXHIBIT J-16

<u>Function/Program</u>	<u>Fiscal Year Ending June 30,</u>									
	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Instruction										
Regular	20	20	21	22	24	24	24	27	25	27
Special education	3	3	3	3	3	3	3	3	4	4
Support Services:										
Student & instruction related services	4	4	4	4	4	3	3	3	7	8
General and business administrative services	3	3	3	3	3	3	3	3	3	3
Plant operations and maintenance	2	2	2	2	2	2	2	2	3	3
Business and other support services	2	2	2	2	2	2	2	2	3	3
Total	<u>34</u>	<u>34</u>	<u>35</u>	<u>36</u>	<u>38</u>	<u>37</u>	<u>37</u>	<u>40</u>	<u>45</u>	<u>48</u>

Source:
 District Personnel Records

Riverton School District
 Operating Statistics,
 Last Ten Fiscal Years

EXHIBIT J-17

<u>Fiscal Year</u>	<u>Enrollment</u>	<u>Operating Expenditures^a</u>	<u>Cost Per Pupil</u>	<u>Percentage Change</u>	<u>Teaching Staff^b</u>	<u>Pupil/Teacher Ratio Elementary</u>	<u>Average Daily Enrollment (ADE)^c</u>	<u>Average Daily Attendance (ADA)^c</u>	<u>% Change in Average Daily Enrollment</u>	<u>Student Attendance Percentage</u>
2013	283	\$ 5,440,158	\$ 19,223	4.22%	23	1:12	284.0	274.3	0.25%	96.58%
2014	304	5,460,107	17,961	-6.57%	23	1:13	302.9	293.8	6.65%	97.02%
2015	295	5,614,169	19,031	5.96%	24	1:12	293.1	282.9	-3.24%	96.52%
2016	306	5,794,787	18,937	-0.49%	25	1:12	308.6	297.7	5.29%	96.47%
2017	291	6,040,781	20,759	9.62%	27	1:11	291.0	279.3	-5.70%	95.99%
2018	296	6,198,023	20,939	0.87%	27	1:11	295.0	283.6	1.37%	96.13%
2019	290	6,528,938	22,514	7.52%	27	1:11	294.6	284.6	-0.14%	96.61%
2020	303	6,738,765	22,240	-1.21%	30	1:10	303.4	293.7	2.99%	96.80%
2021	290	7,101,071	24,486	10.10%	30	1:10	288.8	281.9	-4.81%	97.61%
2022	297	7,747,010	26,084	6.53%	30	1:10	297.4	281.5	2.98%	94.65%

Sources: District records

Note: Enrollment based on annual October district count.

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

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

EXHIBIT J-18

	Fiscal Year Ending June 30,									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
District Building										
<u>Elementary</u>										
Riverton Elementary (1910)										
Square Feet	42,240	42,240	42,240	42,240	42,240	42,240	42,240	42,240	42,240	42,240
Capacity (students)	322	322	322	322	322	322	322	322	322	322
Enrollment	283	303	295	306	291	296	290	303	289	297

Number of Schools at June 30, 2022
 Elementary = 1
 Middle School = 0
 Senior High School = 0
 Other = 0

Source: District Facilities Office

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

	Fiscal Year Ending June 30,										Total
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	
* School Facilities											
Riverton Public School	\$ 87,011	\$ 108,440	\$ 180,608	\$ 103,544	\$ 147,853	\$ 33,474	\$ 127,189	\$ 132,841	\$ 156,894	\$ 52,480	\$ 1,130,334
Project # (s)											
Total School Facilities	<u>\$ 87,011</u>	<u>\$ 108,440</u>	<u>\$ 180,608</u>	<u>\$ 103,544</u>	<u>\$ 147,853</u>	<u>\$ 33,474</u>	<u>\$ 127,189</u>	<u>\$ 132,841</u>	<u>\$ 156,894</u>	<u>\$ 52,480</u>	<u>\$ 1,130,334</u>

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

Source: District records

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

EXHIBIT J-20

	<u>Coverage</u>	<u>Deductible</u>
School Package Policy (1)		
Property (Buildings and Contents Blanketed)	\$ 8,560,709	\$ 2,500
General Liability	5,000,000	2,500
Automobile	5,000,000	1,000
Pollution Liability	1,000,000	
Workers' Compensation	Statutory	
Cyber Liability	2,000,000	10,000
Blanket Dishonesty Bond	500,000	1,000
Student Accident (2)	1,000,000	
School Board Legal Liability(1)	10,000,000	5,000
Surety Bonds (3)		
Treasurer	175,000	
Board Secretary/Business Administrator	80,000	

- (1) School Alliance Insurance Fund
- (2) National Union Fire Insurance Company
- (3) Selective Insurance Company

Source: District records

Single Audit Section

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

INDEPENDENT AUDITOR'S REPORT

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

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

Report on Internal Control Over Financial Reporting

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

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

My consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during my audit I did not identify any deficiencies in internal control that I consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District’s financial statements are free from material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey.

Purpose of this Report

The purpose of this report is solely to describe the scope of my testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity’s internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, and federal and state awarding agencies and pass-through entities, in considering the entity’s internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

INVERSO & STEWART, LLC
Certified Public Accountants



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

Marlton, New Jersey
January 30, 2023

INVERSO & STEWART, LLC

Certified Public Accountants

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

INDEPENDENT AUDITOR'S REPORT

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

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

I have audited Riverton School District's (the "District"), in the County of Burlington, State of New Jersey, compliance with the types of compliance requirements identified as subject to audit in the OMB Compliance Supplement and the New Jersey State Grant Compliance Supplement that could have a direct and material effect on the District's major state programs for the year ended June 30, 2022. The District's major state programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned costs.

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

Basis for Opinion on Each Major State Program

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a 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 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 state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

My consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during my audit I did not identify any deficiencies in internal control over compliance that I consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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

Purpose of this Report

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

INVERSO & STEWART, LLC
Certified Public Accountants



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

Marlton, New Jersey
January 30, 2023

RIVERTON SCHOOL DISTRICT
Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2022

Federal Grantor/Pass-Through Grantor/ Program Title	Assistance Listing Number	Federal FAIN Number	Grant or State Project Number	Program or Award Amount	Grant Period From - To	Balance June 30, 2021			Carryover (Walkover)	Cash Received	Budgetary Expenditures	Repayment of Prior Years' Balances	Balance June 30, 2022		
						(Accounts Receivable)	Deferred Revenue	Due to Grantor					(Accounts Receivable)	Deferred Revenue	Due to Grantor
U.S. Department of Education															
Passed-through State Department of Education:															
Special Revenue Fund:															
Title I:															
Fiscal Year 2022	84.010	S010A210030	ESSA446022	\$ 14,047	7/1/21 - 9/30/22	\$ -	\$ -	\$ -	\$ -	\$ 14,047	\$ (14,047)	\$ -	\$ -	\$ -	
Fiscal Year 2021	84.010	S010A200030	ESSA446021	34,187	7/1/20 - 9/30/21	(15,242)				15,242					
Title II A:															
Fiscal Year 2022	84.367A	S367A210029	ESSA446022	5,720	7/1/21 - 9/30/22					4,201	(5,720)		(1,519)		
Fiscal Year 2021	84.367A	S367A200029	ESSA446021	11,480	7/1/20 - 9/30/21	(705)				705			-		
Title IV:															
Fiscal Year 2022	84.424	S424A210029	ESSA446022	10,000	7/1/21 - 9/30/22					10,000	(10,000)				
I.D.E.A. Part B - Basic:															
Fiscal Year 2022	84.027A	H027A210100	IDEA446022	92,002	7/1/21 - 9/30/22					72,047	(84,297)		(12,250)		
Fiscal Year 2021	84.027A	H027A200100	IDEA446021	84,305	7/1/20 - 9/30/21	(3,875)				3,875			-		
ARP I.D.E.A. Part B - Basic:															
Fiscal Year 2022	84.027X	H027X210100	IDEA446022	13,936	7/1/21 - 9/30/22					11,667	(13,936)		(2,269)		
I.D.E.A. Part B - Preschool:															
Fiscal Year 2022	84.173A	H173A210114	IDEA446022	3,234	7/1/21 - 9/30/22					3,234	(3,234)		-		
ARP I.D.E.A. Part B - Preschool:															
Fiscal Year 2022	84.173X	H173X210114	IDEA446022	1,188	7/1/21 - 9/30/22					1,188	(1,188)		-		
CARES Act - ESSER I															
Fiscal Year 2021	84.425D	S425D210027	N/A	170,253	3/13/20 - 9/30/22	(21,107)				21,107					
CRRSA - ESSER II															
Fiscal Year 2022	84.425D	S425D210027	N/A	79,283	3/13/20 - 9/30/23					79,283	(79,283)				
CRRSA - Learning Acceleration															
Fiscal Year 2022	84.425D	S425D210027	N/A	25,000	3/13/20 - 9/30/23					18,750	(18,750)		-		
CRRSA - Mental Health															
Fiscal Year 2022	84.425D	S425D210027	N/A	40,700	3/13/20 - 9/30/23					12,531	(21,032)		(8,501)		
ARP ESSER III															
Fiscal Year 2022	84.425U	S425U210027	N/A	195,956	3/13/20 - 9/30/24					143,870	(186,956)		(43,086)		
Total U.S. Department of Education						(40,929)				411,747	(438,443)		(67,625)		
U.S. Department of Agriculture															
Passed-through State Department of Education:															
Enterprise Fund															
National School Lunch Program															
Fiscal Year 2022	10.555	221NJ304N1099	N/A	82,706	7/1/21 - 6/30/22					77,819	(82,706)		(4,887)		
Fiscal Year 2021	10.555	211NJ304N1099	N/A	6,136	7/1/20 - 6/30/21	(326)				326					
Total U.S. Department of Agriculture						(326)				78,145	(82,706)		(4,887)		
Total Federal Awards						\$ (41,255)	\$ -	\$ -	\$ -	\$ 489,892	\$ (521,149)	\$ -	\$ (72,512)	\$ -	

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

RIVERTON SCHOOL DISTRICT
Schedule of Expenditures of State Financial Assistance
For the Fiscal Year Ended June 30, 2022

State Grantor / Program Title	Grant or State Project Number	Program or Award Amount	Grant Period From - To	Balance June 30, 2021			Cash Received	Budgetary Expenditures	Repayment of Prior Years' Balances	Balance June 30, 2022		
				(Accounts Receivable)	Deferred Revenue	Due to Grantor				(Accounts Receivable)	Deferred Revenue	Due to Grantor
State Department of Education												
General Fund:												
Equalization Aid	22-495-034-5120-078	\$ 478,264	7/1/21- 6/30/22	\$ -	\$ -	\$ -	\$ 442,544	\$ (478,264)	\$ -	\$ (35,720)	\$ -	\$ -
Equalization Aid	21-495-034-5120-078	281,217	7/1/20- 6/30/21	(20,690)			20,690			-		
Special Education Categorical Aid	22-495-034-5120-089	204,103	7/1/21- 6/30/22				188,859	(204,103)		(15,244)		
Special Education Categorical Aid	21-495-034-5120-089	204,103	7/1/20- 6/30/21	(15,017)			15,017			-		
Transportation Aid	22-495-034-5120-014	19,613	7/1/21- 6/30/22				18,148	(19,613)		(1,465)		
Transportation Aid	21-495-034-5120-014	19,613	7/1/20- 6/30/21	(1,443)			1,443			-		
Security Aid	22-495-034-5120-084	33,553	7/1/21- 6/30/22				31,047	(33,553)		(2,506)		
Security Aid	21-495-034-5120-084	33,553	7/1/20- 6/30/21	(2,469)			2,469			-		
Extraordinary Aid	22-495-034-5120-044	61,956	7/1/21- 6/30/22					(61,956)		(61,956)		
On behalf TPAF Pension Contribution	22-495-034-5094-002	866,194	7/1/21- 6/30/22				866,194	(866,194)		-		
On behalf TPAF Post Retirement Medical	22-495-034-5094-001	202,378	7/1/21- 6/30/22				202,378	(202,378)		-		
On behalf TPAF LTDI	22-495-034-5094-004	276	7/1/21- 6/30/22				276	(276)		-		
Reimbursed TPAF Social Security Contr.	22-495-034-5094-003	194,542	7/1/21- 6/30/22				194,542	(194,542)		-		
Total General Fund				<u>(39,619)</u>			<u>1,983,607</u>	<u>(2,060,879)</u>		<u>(116,891)</u>		
Special Revenue Fund:												
Nonpublic:												
Textbook Aid	22-100-034-5120-064	480	7/1/21- 6/30/22				480	(480)				
Nursing Services	22-100-034-5120-070	1,904	7/1/21- 6/30/22				1,904	(1,904)				
Security	22-100-034-5120-509	2,975	7/1/21- 6/30/22				2,975	(2,975)				-
Technology	22-100-034-5120-373	336	7/1/21- 6/30/22				336	(336)				
Handicapped Services:												
Supplemental Instruction	22-100-034-5120-066	1,652	7/1/21- 6/30/22				1,652	(1,652)				-
Supplemental Instruction	21-100-034-5120-066	809	7/1/20- 6/30/21	485					485			
Examination & Classification	22-100-034-5120-066	4,738	7/1/21- 6/30/22				4,738	(4,738)				-
Examination & Classification	21-100-034-5120-066	2,044	7/1/20- 6/30/21	1,299					1,299			
School Security Grant	EG-0133-DO2	20,000	7/1/20 - 9/30/21	(20,000)			20,000					
Total Special Revenue Fund				<u>(18,216)</u>			<u>32,085</u>	<u>(12,085)</u>	<u>1,784</u>			
State Department of Agriculture												
National School Lunch Program (State Share)												
Fiscal Year 2022	22-100-010-3350-023	3,010	7/1/20- 6/30/21				2,898	(3,010)		(112)		
Fiscal Year 2021	21-100-010-3350-023	478	7/1/20- 6/30/21	(23)			23					
Total Enterprise Fund				<u>(23)</u>			<u>2,921</u>	<u>(3,010)</u>		<u>(112)</u>		
Total State Financial Assistance				<u>\$ (57,858)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,018,613</u>	<u>\$ (2,075,974)</u>	<u>\$ 1,784</u>	<u>\$ (117,003)</u>	<u>\$ -</u>	<u>\$ -</u>
Less: State Financial Expenditures Not Subject to Major Program Determination												
On-Behalf TPAF Contribution - Pension (Non-Budgeted)								(866,194)				
On-Behalf TPAF Contribution - Post-Retirement Medical (Non-Budgeted)								(202,378)				
On-Behalf TPAF Contribution - LTDI (Non-Budgeted)								(276)				
Total State Financial Expenditures Subject to Major Program Determination								<u>\$ (1,007,126)</u>				

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

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

I. GENERAL

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

2. BASIS OF ACCOUNTING

The accompanying schedules of expenditures of federal awards and state financial assistance are presented using the budgetary basis of accounting with the exception of programs recorded in the food service fund, which are presented using the accrual basis of accounting. These bases of accounting are described in Note 1 to the School District's basic financial statements. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and State of New Jersey Circular 15-08-OMB, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements. The school district has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

3. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

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

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

The net adjustment to reconcile expenditures from the budgetary basis to the GAAP basis is (\$15,316) in the general fund and \$-0- in the special revenue fund. See Exhibit C-3, Notes to Required Supplementary Information for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds.

Fund	Federal	State	Total
General	\$ -	\$ 2,045,563	\$ 2,045,563
Special Revenue	438,443	12,085	450,528
Food Service	82,706	3,010	85,716
	\$ 521,149	\$ 2,060,658	\$ 2,581,807

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

4. RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

5. OTHER

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

6. MAJOR PROGRAMS

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

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

Section I --Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

1) Material weaknesses identified? _____ yes X no

2) Significant deficiencies identified? _____ yes X none reported

Noncompliance material to basic financial statements noted? _____ yes X no

Federal Awards **NOT APPLICABLE**

Internal Control over major programs:

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

2) Significant deficiencies identified? _____ yes _____ none reported

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

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

Identification of major programs:

<u>AL Number(s)</u>	<u>FAIN Number(s)</u>	<u>Name of Federal Program or Cluster</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

Dollar threshold used to distinguish between type A and type B programs: _____

Auditee qualified as low-risk auditee? _____ yes _____ no

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

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

State Awards Section

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

Auditee qualified as low-risk auditee? X yes no

Internal Control over major programs:

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

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

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

Any audit findings disclosed that are required to be reported in accordance with N.J. OMB Circular Letter 15-08 as applicable? yes X no

Identification of major programs:

<u>State Grant/Project Number(s)</u>	<u>Name of State Program</u>
22-495-034-5120-078	State Aid Public Cluster: Equalization Aid
22-495-034-5120-089	Special Education Categorical Aid
22-495-034-5120-084	Security Aid

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

Section 2 -- Schedule of Financial Statement Findings

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

No findings identified.

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

**Section 3 -- Schedule of Federal Awards and State Financial Assistance
Findings and Questioned Costs**

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

FEDERAL AWARDS:

A federal single audit was not required.

STATE AWARDS:

No findings and/or questioned costs identified.

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

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

FINANCIAL STATEMENT FINDINGS

There were no prior year audit findings.

FEDERAL AWARDS

A federal single audit was not required.

STATE AWARDS

There were no prior year audit findings.