

RUMSON-FAIR HAVEN REGIONAL SCHOOL DISTRICT

Rumson, New Jersey
County of Monmouth

**ANNUAL COMPREHENSIVE FINANCIAL REPORT
YEAR ENDED JUNE 30, 2022**

**ANNUAL COMPREHENSIVE FINANCIAL REPORT
OF THE
RUMSON-FAIR HAVEN REGIONAL SCHOOL DISTRICT
RUMSON, NEW JERSEY**

YEAR ENDED JUNE 30, 2022

**PREPARED BY DISTRICT FINANCE OFFICER
SCHOOL BUSINESS ADMINISTRATOR/BOARD SECRETARY**

TABLE OF CONTENTS

	PAGE
INTRODUCTORY SECTION	
(First Section)	
Letter of Transmittal	1
Organizational Chart	7
Roster of Officials	9
Consultants and Advisors	11
FINANCIAL SECTION	
(Second Section)	
Independent Auditor’s Report	15
REQUIRED SUPPLEMENTARY INFORMATION – PART I	
Management’s Discussion and Analysis	21
BASIC FINANCIAL STATEMENTS	
A. Government-Wide Financial Statements:	
A-1 Statement of Net Position	33
A-2 Statement of Activities	34
B. Fund Financial Statements:	
B-1 Balance Sheet	39
B-2 Statement of Revenues, Expenditures and Changes in Fund Balances	40
B-3 Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	41
Proprietary Funds:	
B-4 Statement of Net Position	45
B-5 Statement of Revenues, Expenditures and Changes in Fund Net Position	46
B-6 Statement of Cash Flows	47
Fiduciary Funds:	
B-7 Statement of Fiduciary Assets and Liabilities	N/A
B-8 Statement of Changes in Fiduciary Net Position	N/A
Notes to Basic Financial Statements	53
REQUIRED SUPPLEMENTARY INFORMATION – PART II	
C. Budgetary Comparison Schedules	
C-1 Budgetary Comparison Schedule – General Fund	93
C-2 Budgetary Comparison Schedule – Special Revenue Fund	98
Notes to the Required Supplementary Information - Part II	
C-3 Budget-to-GAAP Reconciliation	101
REQUIRED SUPPLEMENTARY INFORMATION – PART III	
L. Schedules Related to Accounting and Reporting for Pensions (GASB 68)	
L-1 Schedule of the District’s Proportionate Share of the Net Pension Liability - PERS	107
L-2 Schedule of the School District Contributions - PERS	108
L-3 Schedule of the District’s Proportionate Share of the Net Pension Liability - TPAF	109

TABLE OF CONTENTS

	PAGE
M. Schedules Related to Accounting and Reporting for Other Post Employment Benefits (GASB 75)	
M-1 Schedule of Changes in the Net OPEB Liability and Related Ratios - OPEB	113
Notes to the Required Supplementary Information - Part III	117
OTHER SUPPLEMENTARY INFORMATION	
D. School Based Budget Schedules Fund (if applicable):	
D-1 Combining Balance Sheet	N/A
D-2 Blended Resource Fund - Schedule of Expenditures Allocated by Resource Type - Actual	N/A
D-3 Blended Resource Fund - Schedule of Blended Expenditures - Budget and Actual	N/A
E. Special Revenue Fund:	
E-1 Combining Schedule of Program Revenues & Expenditures - Special Revenue Fund – Budgetary Basis	125
E-2 Preschool Education Aid Schedule(s) of Expenditures - Budgetary Basis	N/A
F. Capital Projects Fund:	
F-1 Summary Schedule of Project Expenditures	131
F-2 Summary Schedule of Revenues, Expenditures and Changes in Fund Balance – Budgetary Basis	132
F-2a Summary Schedule of Revenues, Expenditures and Changes in Fund Balance - Alterations, Renovations, & Additions	133
F-2b Summary Schedule of Revenues, Expenditures and Changes in Fund Balance - Site Improvements	134
G. Proprietary Funds:	
Enterprise Fund:	
G-1 Combining Schedule of Net Position	N/A
G-2 Combining Schedule of Revenues, Expenses & Changes in in Fund Net Position	N/A
G-3 Combining Schedule of Cash Flows	N/A
Internal Service Fund –	
G-4 Combining Schedule of Net Position	N/A
G-5 Combining Schedule of Revenues, Expenses & Changes in Fund Net Position	N/A
G-6 Combining Schedule of Cash Flows	N/A
H. Fiduciary Funds:	
H-1 Combining Statement of Fiduciary Net Position	N/A
H-2 Combining Statement of Changes in Fiduciary Net Position	N/A
H-3 Student Activity Agency Fund - Schedule of Receipts & Disbursements	N/A
H-4 Payroll Agency Fund - Schedule of Receipts & Disbursements	N/A

TABLE OF CONTENTS

	PAGE
I. Long-Term Debt:	
I-1 Schedule of Serial Bonds Payable	139
I-2 Schedule of Obligations Under Capital Leases	N/A
I-3 Debt Service Fund - Budgetary Comparison Schedule	140
I-4 Schedule of Early Retirement Incentive Plan Loans Payable	N/A

STATISTICAL SECTION (Unaudited)
(Third Section)

Financial Trends:	
J-1 Net Position by Component	145
J-2 Changes in Net Position	146
J-3 Fund Balances – Governmental Funds	148
J-4 Changes in Fund Balances – Governmental Funds	149
J-5 General Fund - Other Local Revenue by Source	150
Revenue Capacity:	
J-6 Assessed Value & Actual Value of Taxable Property	153
J-7 Direct and Overlapping Property Tax Rates	155
J-8 Principal Property Taxpayers	156
J-9 Property Tax Levies and Collections	157
Debt Capacity:	
J-10 Ratios of Outstanding Debt by Type	161
J-11 Ratios of Net General Bonded Debt Outstanding	162
J-12 Ratios of Overlapping Governmental Activities Debt	163
J-13 Legal Debt Margin Information	164
Demographic & Economic Information:	
J-14 Demographic & Economic Statistics	167
J-15 Principal Employers	168
Operating Information:	
J-16 Full-Time Equivalent District Employees by Function/Program	171
J-17 Operating Statistics	172
J-18 School Building Information	173
J-19 Schedule of Required Maintenance	174
J-20 Insurance Schedule	175

SINGLE AUDIT SECTION
(Fourth Section)

K-1 Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With Government Auditing Standards	179
K-2 Independent Auditor's Report on Compliance for Each Major Program and on Internal Control Over Compliance in Accordance with Uniform Guidance and New Jersey OMB Circular Letter 15-08	181
K-3 Schedule of Expenditures of Federal Awards, Schedule A	185
K-4 Schedule of Expenditures of State Financial Assistance, Schedule B	187
K-5 Notes to Schedules of Expenditures of Federal Awards and State Financial Assistance	189
K-6 Schedule of Findings and Questioned Cost - Part I	191
K-7 Summary Schedule of Prior Year Audit Findings	195

This page intentionally left blank

INTRODUCTORY SECTION

This page intentionally left blank

**BOARD OF EDUCATION
RUMSON-FAIR HAVEN REGIONAL HIGH SCHOOL
74 RIDGE ROAD
RUMSON, NEW JERSEY 07760-1896
TELEPHONE (732) 842-1597
FAX (732) 842-3908**

February 25, 2023

Honorable President and
Members of the Board of Education
Rumson- Fair Haven Regional School District
Rumson, New Jersey

Dear Member of the Rumson-Fair Haven Regional High School Board of Education:

It is with pleasure we submit the Annual Comprehensive Financial Report (ACFR) of the Rumson-Fair Haven Regional High School District (District) for the fiscal year ended June 30, 2022. This ACFR includes the District's basic financial statements prepared in accordance with generally accepted accounting principles for local governments. Responsibility for both the Accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the management of the District. To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities, have been included.

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

- The Introductory Section contains a letter of transmittal, organizational chart, the roster of officials, and a list of consultants, and advisors.
- The Financial Section begins with the Independent Auditors' Report and includes the Management's Discussion and Analysis, the Basic Financial Statements and Notes the Basic Financial Statements providing an overview of the District's financial position and operating results, and other schedules providing detailed budgetary information.
- The Statistical Section includes selected economic and demographic information, financial trends, presented on a multi-year basis.
- The Single Audit Section; the District is required to undergo an annual Single Audit in conformity with the provisions of Title 2 U.S. Code of Federal Regulations Part 200, "Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards (Uniform Guidance)" and the New Jersey State Treasury Circular Letter 15-08 0 MB, "Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid." Information related to this Single Audit, including the independent auditors' report on the internal control and compliance with applicable laws, regulations, contracts and grants, along with findings and questioned costs, if any, is included in the Single Audit Section of this report.

REPORTING ENTITY AND ITS SERVICES

The Rumson-Fair Haven Regional High School District is an independent reporting entity within the criteria adopted by the Generally Accepted Standards Board (GASB), as established by Statement No. 14 as amended by GASB Statement No. 39, 61 and 80. All funds and the government wide financial statements of the District are included in this report. The Rumson-Fair Haven Regional Board of Education and its High School constitute the District's reporting entity.

The District continues to maintain a high quality of education and provides a full range of programs and services appropriate to grade levels 9 through 12. These include regular education, as well as programs for students with disabilities both in and out of District. The District completed the 2021-2022 fiscal year with an average daily enrollment of 925.46 students. The following details the changes in the average student enrollment of the District over the last ten years.

<u>Fiscal Year</u>	<u>Average Daily Enrollment</u>	<u>Percent Change</u>
2021-2022	925.46	-3.99%
2020-2021	963.94	-2.17%
2019-2020	985.31	-0.21%
2018-2019	987.36	0.44%
2017-2018	983.01	-0.25%
2016-2017	985.50	-0.01%
2015-2016	986.50	5.43%
2014-2015	935.70	2.04%
2013-2014	917.00	2.46%
2012-2013	895.00	-1.53%

The Board of Education. Comprised of nine members, each elected to three-year terms, meet twice monthly for regular monthly meetings. During its meetings the board determines District goals and priorities and conducts other business. Board meetings are open to the public and begin at 7:00 PM.

Various parent groups, including the Rumson-Fair Haven Education Foundation, the Performing Arts Society, the Booster Club and the PTO, are highly active in the District and provide community support for a variety of programs and activities for the students.

To maintain effective communications, the District uses several options to ensure a consistent flow of information to our stakeholders. During the budget review process, information about the budget was posted on the District website. The District website is updated regularly with important information for parents, such as school closures, delayed openings, medical/health alerts, new curriculum initiatives, new board projects, and more. The District also communicates with parents via Blackboard, a system that provides both phone and e-mail contact. The ability to contact the entire parent population within minutes in order to update them in an emergency situation, is a vital component in ensuring that our communication efforts are timely, accurate, and effective.

MAJOR INITIATIVES:

MAINTAINING OUR SCHOOL SYSTEM

Our first priority is maintaining current educational programming and opportunities for students. The 2021-2022 budget reflected a balance between maintaining the rich history and tradition of our school system with moving our programs and procedures into the future. The budget made a commitment to expanding offerings in all curricular areas, offering content-specific professional development and continued commitment to student athletic and activity programs.

RAISING STANDARDS AND EXPANDING OPPORTUNITIES

Raising standards and expanding opportunities were two of the most viable commitments for the 2021-2022 school year. Expanded offerings in all curricular areas was addressed. The addition of ten new electives, advanced placement courses, and computer science courses were added. Additionally, we expanded programs for students for students with disabilities ensuring strong content focused teaching in all resource room settings.

BUILDING PROFESSIONALISM

Resources were set aside for curriculum writing in every subject area. A commitment to teacher leadership and professional growth were established by providing resources for onsite expert training as well as funds for teachers and administrators to attend expert lead conferences in their subject area. Stipends for teacher leads, known as Innovative Specialists continued. This team of teachers provides for support to student-centered pedagogical strategies, the purposeful use of technology and foster a culture of collaboration. We continue to build upon the strong focus on professional development in our school, by allowing for three professional development days, led by teachers, as well as a mentoring and induction program for non-tenured teachers.

PROTECTING OUR INVESTMENT - CAPITAL AND MAINTENANCE RESERVE

The 2018-2019 school year marked the Rumson-Fair Haven community's approval of a \$12.59 million referendum. These funds provide for a five-year implementation of improvements to our facilities. During the 2018-2019 school year, a great deal of time was spent planning for phasing in the construction activities. Teachers and leaders joined Board members in planning for the first phase of the referendum, which included renovations to the classrooms on the third floor, the rooms used by our self-contained special education programs, and a new world language lab. Construction began as soon as the students graduated in June, 2019. During the 2019-2020 school year, the 300 wing was updated and several classrooms were reconfigured to create additional classroom space. Planning for construction during 2020-2021 was conducted. During school year 2020-2021 the 600 wing science classrooms and labs were renovated to include utilities, the auditorium was upgraded and an addition of a new state of the art woodshop was completed. The replacement of the stadium turf and track were also completed during 2020-2021. During the 2021-2022 school year the 500 wing was renovated and the girls physical education locker room and turf fields for baseball, softball, and field hockey were all updated. A maintenance plan has been written for existing facilities and equipment. In conjunction with the improvements delineated in the referendum, funds from maintenance reserve and capital reserve were used to make improvements to the site. Our budgeted funds allowed for the continuation of our preventive program, in addition to new locks, cameras and systems designed to protect not only our students and staff, but our property.

PLANNING FOR THE FUTURE

Every summer the entire administrative team meets with the Rumson-Fair Haven Regional High School Board of Education to plan for the future. Every initiative is discussed and goals are written in the ensuing months. Every topic, including budget, facilities, curricula, wellness, community relations, etc. is discussed and plans are developed.

MATH

Honors College Pre-calculus and Honors College Calculus courses were introduced in conjunction with Stockton University. These courses give students the opportunity to earn college credit while enrolled at the High School. In continuing to grow our computer science course selection, we introduced Introduction to Computer Science and AP Computer Science Principles.

SCIENCE

The referendum included funds for renovations to science labs and classrooms, which has improved the curriculum and course offerings. All grade nine students currently take a Physics course, and all juniors are taking Biology. As part of the school- wide initiative to offer more, diverse electives, we introduced the Forensic Science course.

ENGLISH AND LANGUAGE ARTS

We successfully implemented dual- enrollment courses with Rutgers University in the English department. Teachers were trained to teach Expository Writing. Students were successful in the course, and writing skills taught in this course are also being explored in other courses. We also have implemented writing across the curriculum initiative and English teachers have served as models and mentors. In addition, we've not only piloted choice reading in each level of instruction but offered a new elective course, Dynamic Public Speaking, to prepare our students for not only academic endeavors but to successfully communicate in a competitive and modern workforce. Vocabulary has shifted to focus more on vocabulary in context and practice rather than recitation. Articulation with sending districts is ongoing to ensure smooth transitions for our incoming 9th graders.

SOCIAL STUDIES

The Social Studies department is in the third year of a sequence switch that began in September of 2020. United States History I and II have been repositioned before World History and US II History course has been replaced with AP United States History marking it more accessible to all. Articulation with sending districts is ongoing and Social Studies course continue to support the English department's efforts in prompting writing across the curriculum.

21st CENTURY LIFE AND CAREERS

We maintain high standards in digital literacy for our students. We have continued our certification as a Common Sense Media school and increased available career-oriented courses in English, STEM, and Health/physical Education. Our state-of-the -art world language lab and woodshop provides students with access to these new spaces for their scheduled classes and after-school activities.

VISUAL AND PERFORMING ARTS

We revised the curriculum to reflect the 2020 New Jersey Student Learning Standards. We also revamped our sequence of course to allow for increased student access. The new sequence and curriculum focus on the creative process and career-ready skills.

HEALTH AND PHYSICAL EDUCATION

We reviewed the Health and Physical Education Curriculum to identify future revisions that will reflect the 2020 New Jersey Student Learning Standards to be implemented by September 2022. We are

continuing work to develop curricula that provide life skills and training to all students.

WORLD LANGUAGES

We revised our curriculum to reflect the 2020 New Jersey Student Learning Standards. We continued to support our cultural exchange programs through online media.

TECHNOLOGY

The technology focus was on 1-to-1 devices for all students. Technology was implemented to maintain high level instruction during hybrid and remote school days. We purchased additional web-based applications for teachers and students to enhance the curriculum and support the hybrid and remote instruction. Technology for daily school operations was increased to automate and reduce touchpoints for students and staff with new hardware and software.

INTERNAL ACCOUNTING CONTROLS

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

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

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

BUDGETARY CONTROLS

In addition to internal controls, the District maintains budgetary controls. The objective of these 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 funds, and the debt service fund. The final budget amount, as amended for the fiscal year, is reflected in the financial section. P.L. 2011, c 202 allowed school districts to elect to eliminate the budget vote and adopt a budget approved by the Board of Education and the New Jersey Department of Education (NJDOE) providing that tax levy increase does not exceed 2% plus any allowable waivers.

ACCOUNTING SYSTEM AND REPORTS

The District's financial statements are presented in conformity with accounting principles generally accepted in the United States, as promulgated by the Governmental Accounting Standards Board (GASB). The accounting system of the District is an encumbrance accounting system that is used to

record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either canceled or are included as re-appropriations of fund balance at fiscal year-end. These funds are explained in "Notes to the Basic Financial Statements," Note 1.

INDEPENDENT AUDIT


Independent Audit - State statutes require an annual audit by independent certified public accounts or registered municipal accountants. The accounting firm of Holman Frenia Allison, P.C. was selected by the Board of Education. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal awards (Uniform Guidance) and New Jersey OMB's Circular 15-08, Single Audit Policy for Federal Grants, State Grants and State Aid. The auditor's report on the basic 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 section of this report.

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

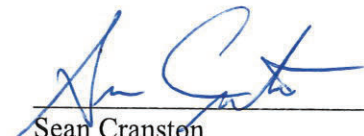
ACKNOWLEDGMENTS

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

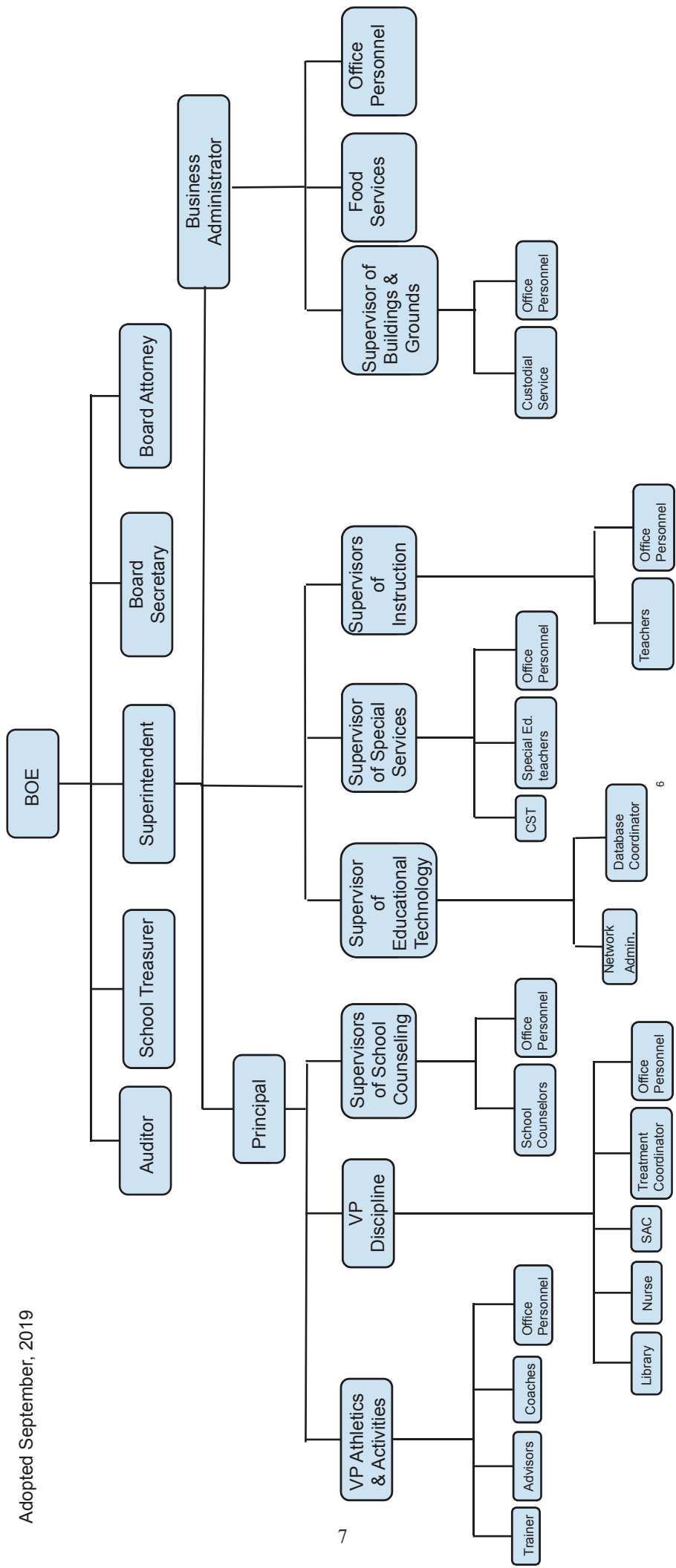
Respectfully submitted,



Darren Groh
Superintendent of Schools



Sean Cranston
School Business Administrator



This page intentionally left blank

**RUMSON-FAIR HAVEN REGIONAL SCHOOL DISTRICT
RUMSON, NEW JERSEY
ROSTER OF OFFICIALS
JUNE 30, 2022**

Members of the Board of Education

TERM EXPIRES

Anne Marie McGinty, President	2023
Joseph T. Kenney, Vice President	2025
Eileen Hickey	2024
Jane Pattwell	2022
Jennifer Halcrow	2025
Suzanne McCabe	2025
Steve Page	2024
Katie Thompson	2022
Dorothy Whitehouse	2022

Other Officials

Anne Facendo, Interim Superintendent of Schools

Sean Cranston, School Business Administrator/Board Secretary

This page intentionally left blank

**RUMSON-FAIR HAVEN REGIONAL SCHOOL DISTRICT
RUMSON, NEW JERSEY
CONSULTANTS AND ADVISORS
JUNE 30, 2022**

AUDITOR/AUDIT FIRM

Robert Allison, CPA, PSA
Holman Frenia Allison, P. C.
1985 Cedar Bridge Avenue
Lakewood, New Jersey 08701

ATTORNEY

Sciarrillo, Cornell, Merlino, McKeever & Osborne, LLC
238 St. Paul Street
Westfield, New Jersey 07090

BOND & SPECIAL COUNCIL

McManimom, Scotland & Baurmann, LLC
75 Livingston Ave
Roseland, New Jersey 07068

OFFICIAL DEPOSITORY

Wells Fargo (primary depository)
1st Constitution Bank
State of New Jersey Cash Management Fund

ARCHITECT

Spiezle Architectural Group
1395 Yardville Hamilton Square Road
Hamilton Township, New Jersey 08691

This page intentionally left blank

FINANCIAL SECTION

Second Section

This page intentionally left blank



INDEPENDENT AUDITOR'S REPORT

Honorable President and Members
of the Board of Education
Rumson-Fair Haven Regional School District
County of Monmouth
Rumson, NJ 07760

Report on the Audit of the Financial Statements

Opinions

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the School 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

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibility

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and audit requirements 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, *Government Auditing Standards* and audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey, we:

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

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

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School District's basic financial statements. The 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 Division of Administration and Finance, Department of Education, State of New Jersey, and are not a required part of the basic financial statements. The accompanying schedules of expenditures of federal awards and state financial assistance, as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid* are presented for purposes of additional analysis and are not a required part of the basic financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying 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.

Other Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards* , we have also issued our report dated February 25, 2023 on our consideration of the School District’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School District’s internal control over financial reporting and compliance.

Respectfully Submitted,

HOLMAN FRENIA ALLISON, P.C.

Robert W. Allison
Certified Public Accountant
Public School Accountant, No. 897

Lakewood, New Jersey
February 25, 2023

This page intentionally left blank

REQUIRED SUPPLEMENTARY INFORMATION - PART I

Management's Discussion and Analysis

This page intentionally left blank

RUMSON-FAIR HAVEN REGIONAL SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS YEAR ENDED JUNE 30, 2022

This section of the Rumson-Fair Haven Regional High School Districts' Annual Comprehensive Financial Report presents our discussion and analysis of the District's financial performance during the fiscal year that ended on June 30, 2022. Please read it in conjunction with the transmittal letter at the front of this report and the District's financial statements, which immediately follow this section.

Management's Discussion and Analysis (MD&A) is an element of Required Supplementary Information specified in the Governmental Accounting Standards Board's (GASB) Statement No. 34 - *Basic Financial Statements-Management's Discussion and Analysis-for State and Local Governments* issued in June 1999 that is also required by the New Jersey State Department of Education. Certain comparative information between the current fiscal year (2021-2022) and the prior fiscal year (2020-2021) is required to be presented in the MD&A.

FINANCIAL HIGHLIGHTS

Key financial highlights for 2022 are as follows:

- In total, net position of governmental activities increased \$1,158,914.35, which represents a 7.66% increase from 2021. Total net position of business-type activities increased \$67,566.61, which represents an 26.10% increase from 2021.
- General revenues accounted for \$22,793,072.97 in revenue or 68.84% of all revenues. Program specific revenues in the form of charges for services, operating grants and contributions, and capital grants and contributions accounted for \$10,315,202.95 or 31.16% of total revenues of \$33,108,275.92.
- Total assets of governmental activities decreased by \$547,848.44 as cash and cash equivalents decreased by \$6,629,522.88, receivables decreased by \$78,012.27, restricted cash and cash equivalents increased by \$1,863,152.79, and total capital assets increased by \$3,352,177.48.
- Total liabilities of governmental activities increased by \$3,565,230.09 as non-current liabilities due beyond one year decreased by \$1,316,029.35.
- The District had \$30,664,768.84 in governmental activity expenses; only \$9,030,610.22 of these expenses were offset by program specific charges for services, grants, or contributions.
- In the governmental funds, the general fund had \$26,740,046.14 in revenues and \$25,675,363.70 in expenditures and transfers. The general fund's fund balance increased by \$1,064,682.44 over 2021.

USING THIS ANNUAL COMPREHENSIVE FINANCIAL REPORT (ACFR)

This annual report consists of a series of financial statements and notes to these financial statements. These statements are organized in a way to allow the reader to understand the Rumson-Fair Haven Regional High School District as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

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

Government-Wide Financial Statements. The government-wide financial statements are designed to provide readers with an overview of the District's finances, in a manner similar to a private-sector business.

The Statement of Net Position (A-1) presents information on the difference between assets plus deferred outflows of resources and liabilities plus deferred inflows of resources reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The Statement of Changes in Net Position (A-2) presents information showing how the net position of the District changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods of the district.

The government-wide financial statements can be found as Exhibits A-1 and A-2 in this report.

Fund Financial Statements. A fund is a group of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on the near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the District's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the District's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balance provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The District maintains four individual governmental funds. Information is presented separately in the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balance for the general fund, special revenue fund, capital projects fund, and debt service fund, all of which are considered to be major funds.

The general and special revenue funds utilize a legally adopted annual budget. A budgetary comparison statement has been provided for the general fund and special revenue fund to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found as Exhibits B-1 through B-3 in this report.

Proprietary Funds

The District maintains one proprietary fund type, an enterprise fund. The enterprise fund is used to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent of the District is that the costs of providing goods or services be financed through user charges. The food services enterprise fund provides for the operation of food services in all schools within the District. The proprietary fund has been included within business-type activities in the district-wide financial statements.

The food services fund detail financial statements can be found as Exhibits B-4 through B-6 in this report.

Fiduciary Funds

Fiduciary fund financial statements include a Statement of Fiduciary Net Position and a Statement of Changes in Fiduciary Net Position. The School District's fiduciary funds include Custodial Funds, which are used to report fiduciary activities where the School District controls assets that are collected on behalf of other entities. These assets are not held in a trust and are distributed in accordance with applicable policies. The Custodial Funds are accounted for on a spending or "economic resources" measurement focus and the accrual basis of accounting in accordance with GASBS No. 84, *Fiduciary Activities*.

The School District had no fiduciary funds to report during the year.

Notes to the Financial Statements. The notes provide additional information that is essential for a full understanding of the data provided in the district-wide and fund financial statements. The notes to the financial statements can be found after the fund financial statements in this report.

Other Information. The combining and individual fund statements referred to earlier in connection with governmental and enterprise funds are presented immediately following the notes to the financial statements.

Government-Wide Financial Analysis

The District's financial position is the result of several types of financial transactions, including the net results of activities, the acquisition and payment of debt, the acquisition and disposal of capital assets, and the depreciation of capital assets.

As noted earlier, net position may serve over time as a useful indicator of the District's financial position. The following table provides a summary of net position for June 30, 2022 and 2021, respectively:

Net Position
June 30, 2022

	Governmental Activities		Business-Type Activities	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Assets				
Current and Other				
Assets	\$ 11,949,107.23	\$ 15,849,133.15	\$ 305,155.83	\$ 249,885.45
Capital Assets, Net	19,406,288.26	16,054,110.78	46,172.67	43,569.00
Total Assets	<u>31,355,395.49</u>	<u>31,903,243.93</u>	<u>351,328.50</u>	<u>293,454.45</u>
Deferred Outflows of Resources				
Deferred Outflows				
Relating to Pension	489,679.00	752,776.00	-	-
Total Deferred Outflows of Resources	<u>489,679.00</u>	<u>752,776.00</u>	<u>-</u>	<u>-</u>
Liabilities				
Long-Term Liabilities	13,842,357.46	15,161,527.59	-	-
Other Liabilities	182,308.36	920,495.02	24,930.36	34,622.92
Total Liabilities	<u>14,024,665.82</u>	<u>16,082,022.61</u>	<u>24,930.36</u>	<u>34,622.92</u>
Deferred Inflows of Resources				
Deferred Inflows				
Relating to Pension	1,523,619.00	1,436,122.00	-	-
Total Deferred Inflows of Resources	<u>1,523,619.00</u>	<u>1,436,122.00</u>	<u>-</u>	<u>-</u>
Net Position				
Net Investment in				
Capital Assets	8,171,288.26	4,334,110.78	46,172.67	43,569.00
Restricted	9,875,419.82	13,467,667.97	-	-
Unrestricted	(1,749,918.41)	(2,663,903.43)	280,225.47	215,262.53
Total Net Position	<u>\$ 16,296,789.67</u>	<u>\$ 15,137,875.32</u>	<u>\$ 326,398.14</u>	<u>\$ 258,831.53</u>

The District's largest net position component is the Restricted portion as shown above. Restricted balances represent resources that are subject to external restrictions on how they may be used.

Restricted net position decreased \$3,592,248.15 from the prior year to 9,875,419.82 at June 30, 2022.

Unrestricted net position may be used to meet the District's ongoing operating obligations to vendors, debtors and employees. The unrestricted net position includes the unassigned General Fund balance netted with the amount of long-term obligations that are not invested in capital assets. The (\$1,749,918.41) is shown as unrestricted net position for Governmental Activities.

The following table provides a summary of revenues and expenses for the District's governmental and business-type activities and the change in net position for June 30, 2022 and 2021. Significant variances in revenues and expenditures from year to year, and explanations thereof, are detailed in the 'Financial Analysis of the District's Funds' section later in this report.

	<u>June 30, 2022</u>		
	Governmental <u>Activities</u>	Business-Type <u>Activities</u>	<u>Total</u>
Revenues:			
Program Revenues:			
Charges for Services	\$ -	\$ -	\$ -
Operating Grants and Contributions	9,030,610.22	1,284,592.73	10,315,202.95
General Revenues:			
Property Taxes	20,803,926.00	-	20,803,926.00
Federal and State Aid	1,083,089.20	-	1,083,089.20
Miscellaneous	906,057.77	-	906,057.77
Total Revenues	<u>31,823,683.19</u>	<u>1,284,592.73</u>	<u>33,108,275.92</u>
Expenses:			
Instructional Services	17,489,644.46	-	17,489,644.46
Support Services	12,769,910.63	1,217,026.12	13,986,936.75
Interest and Other Charges	405,213.75	-	405,213.75
Total Expenses	<u>30,664,768.84</u>	<u>1,217,026.12</u>	<u>31,881,794.96</u>
Change in Net Position	<u>1,158,914.35</u>	<u>67,566.61</u>	<u>1,226,480.96</u>
Net Position, Beginning	15,137,875.32	258,831.53	15,396,706.85
Net Position, Ending	<u>\$ 16,296,789.67</u>	<u>\$ 326,398.14</u>	<u>\$ 16,623,187.81</u>
<u>June 30, 2021</u>			
	Governmental <u>Activities</u>	Business-Type <u>Activities</u>	<u>Total</u>
Revenues:			
Program Revenues:			
Charges for Services	\$ -	\$ 266,140.82	\$ 266,140.82
Operating Grants and Contributions	10,081,025.96	-	10,081,025.96
General Revenues:			
Property Taxes	20,414,152.00	-	20,414,152.00
Federal and State Aid	1,076,624.52	-	1,076,624.52
Miscellaneous	868,461.35	-	868,461.35
Total Revenues	<u>32,440,263.83</u>	<u>266,140.82</u>	<u>32,706,404.65</u>
Expenses:			
Instructional Services	18,540,036.76	-	18,540,036.76
Support Services	13,202,254.57	346,453.29	13,548,707.86
Interest and Other Charges	663,072.39	-	663,072.39
Total Expenses	<u>32,405,363.72</u>	<u>346,453.29</u>	<u>32,751,817.01</u>
Change in Net Position	34,900.11	(80,312.47)	(45,412.36)
Net Position, Beginning	15,102,975.21	339,144.00	15,442,119.21
Net Position, Ending	<u>\$ 15,137,875.32</u>	<u>\$ 258,831.53</u>	<u>\$ 15,396,706.85</u>

Financial Analysis of the District's Funds

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

Governmental Funds. The focus of the 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 District's financing requirements. The unassigned fund balance is divided between designated balances and undesignated balances. The capital projects fund is restricted by state law to be spent for the purpose of the fund and is not available for spending at the District's discretion.

Financial Information at Fiscal Year-End

The following schedule presents a summary of the general fund, special revenue fund, and debt service fund revenues for the fiscal year ended June 30, 2022 and 2021 and the amount and percentage of increases and (decreases) in relation to prior year revenues.

	June 30, 2022			
	Amount	Percent Of Total	Increase (Decrease) From 2021	Percent of Increase (Decrease)
Current Expenditures:				
Instruction	\$ 8,981,133.81	28.43%	\$ 317,666.28	3.67%
Undistributed	17,137,911.66	54.26%	1,177,763.33	7.38%
Capital Outlay	4,524,949.18	14.33%	1,386,433.99	44.17%
Debt Service:				
Principal	485,000.00	1.54%	10,000.00	2.11%
Interest	457,534.76	1.45%	(15,437.50)	-3.26%
Total	\$ 31,586,529.41	100%	\$ 2,876,426.10	10.02%

	June 30, 2021			
	Amount	Percent Of Total	Increase (Decrease) From 2020	Percent of Increase (Decrease)
Current Expenditures:				
Instruction	\$ 8,663,467.53	30.18%	\$ (306,647.47)	-3.42%
Undistributed	15,960,148.33	55.59%	3,774,867.33	30.98%
Capital Outlay	3,138,515.19	10.93%	250,500.19	8.67%
Debt Service:				
Principal	475,000.00	1.65%	74,000.00	18.45%
Interest	472,972.26	1.65%	(24,351.74)	-4.90%
Total	\$ 28,710,103.31	100%	\$ 3,768,368.31	15.11%

Instruction costs increased primarily due to negotiated salary increases and additional instructional positions being added.

General Fund Budgetary Highlights

Throughout the year, as necessary, budget transfers were effectuated between budget accounts to re-align the 2021-2022 budget. Budget transfers were effectuated based on expected positive and negative budget variances. The budget is continually managed and revised with budget transfers as necessary or practical to do so.

Significant Budget Transfers and Variations:

- TPAF, which is the state’s contribution to the pension fund, is an “on-behalf” revenue and expenditure item to the district and is required to be reflected in the financial statements.
- Reallocations were made among the various salary budget accounts to reflect changes in the personnel budget for the 2021-2022 year.

Proprietary Funds. The District’s proprietary fund provides the same type of information found in the district-wide financial statements, but in more detail.

The Food Services Enterprise Fund showed an increase in net position of \$67,562.88 in 2021-2022 as compared to a decrease in net position of \$75,437.30 in 2020-2021. The primary factor(s) affecting the change in net position of the food service fund is an increase in food serviced to the students due to a return to full-time in-person learning following a hybrid schedule in 2020-2021.

Capital Assets

At June 30, 2022 the District has capital assets of \$19,406,288.26, net of depreciation, which includes land, construction in progress, land improvements, buildings/construction, machinery and equipment.

	<u>June 30, 2022</u>	
	Governmental Activities	Business-Type Activities
Land	\$ 7,500.00	\$ -
Construction In Progress	6,104,652.86	-
Land Improvements	11,989,265.34	-
Buildings	598,054.82	2,618.00
Machinery and Equipment	706,815.24	43,554.67
Total	<u>\$ 19,406,288.26</u>	<u>\$ 46,172.67</u>
	<u>June 30, 2021</u>	
	Governmental Activities	Business-Type Activities
Land	\$ 7,500.00	\$ -
Construction In Progress	1,866,717.98	-
Land Improvements	12,785,731.18	-
Buildings	672,621.06	3,133.00
Machinery and Equipment	721,540.56	40,436.00
Total	<u>\$ 16,054,110.78</u>	<u>\$ 43,569.00</u>

Additional information on the District's capital assets can be found in Note 5 to the basic financial statements.

Debt Administration and Other Obligations

At June 30, 2022 and 2021, the District’s outstanding debt issues included \$11,235,000.00 of general obligation bonds and \$272,119.46 in compensated absences payable.

Additional information on the District's debt administration and other obligations can be found in Note 7 to the basic financial statements.

Economic Factors and Subsequent Year's Budgets

For the 2022-2023 school year, the School Board was able to sustain its budget through the local tax levy, state education aid and local revenue sources. Approximately 25% of the School Board's revenue is from federal, state and local aid (restricted and not restricted), while 75% of total revenue is from local tax levy.

The \$(1,749,918.41) in unrestricted net position for all governmental activities represents the accumulated results of all past years' operations. It means that if the School Board had to pay off all bills today, including all of the School Board's non-capital liabilities (compensated absences, etc.), the School Board would have that much in value.

The 2022-2023 budget was adopted on April 26, 2022 based in part on the state education aid the School Board anticipated receiving. Due to the economic condition in the State of New Jersey funding from the State for the current year remained below the previous year. Any future increases based on the enrollment formula, originally formulated to allocate state education aid amongst school boards, will be minimal. Future decreases in local revenue and state education aid will place additional burden on the Borough's of Rumson and Fair Haven for increased aid.

The School Board anticipates a slight decrease in enrollment for the 2022-2023 fiscal year. If the School Board were to experience a significant increase in enrollment with no appreciable increase in state aid for future budgets, the School Board will be faced with the following alternatives: (a) reduce programs and services, (b) increase local tax levy or (c) seek alternative sources of funding.

In general, the Rumson-Fair Haven Regional High School district has consistently committed itself to sound, conservative fiscal management, providing the most efficient and effective education possible given the demands and challenges associated with the need to improve students' academic performance.

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 School Business Administrator/Board Secretary at Rumson-Fair Haven Regional High School District, 74 Ridge Road, Rumson, NJ 07760.

BASIC FINANCIAL STATEMENTS

This page intentionally left blank

A. Government-Wide Financial Statements

This page intentionally left blank

RUMSON-FAIR HAVEN REGIONAL SCHOOL DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2022

	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
ASSETS			
Cash & Cash Equivalents	\$ 6,592,510.48	\$ 302,924.78	\$ 6,895,435.26
Receivables, Net (Note 4)	685,934.73	-	685,934.73
Inventory	-	2,231.05	2,231.05
Restricted Cash & Cash Equivalents	4,670,662.02	-	4,670,662.02
Capital Assets, Net (Note 5):			
Non-Depreciable	6,112,152.86	-	6,112,152.86
Depreciable	13,294,135.40	46,172.67	13,340,308.07
Total Assets	<u>31,355,395.49</u>	<u>351,328.50</u>	<u>31,706,723.99</u>
DEFERRED OUTFLOWS OF RESOURCES			
Related to Pensions (Note 8)	731,325.00	-	731,325.00
Total Deferred Outflow of Resources	<u>731,325.00</u>	<u>-</u>	<u>731,325.00</u>
LIABILITIES			
Due to Other Governments	241,646.00	-	241,646.00
Payroll Deductions and Withholdings Payable	2,380.39	-	2,380.39
Unemployment Trust Fund Liability	13,754.52	-	13,754.52
Unearned Revenue	6,807.89	24,930.36	31,738.25
Accrued Interest	159,365.56	-	159,365.56
Noncurrent Liabilities (Note 7):			
Due Within One Year	500,000.00	-	500,000.00
Due in More Than One Year	13,342,357.46	-	13,342,357.46
Total Liabilities	<u>14,266,311.82</u>	<u>24,930.36</u>	<u>14,291,242.18</u>
DEFERRED INFLOWS OF RESOURCES			
Related to Pensions (Note 8)	1,523,619.00	-	1,523,619.00
Total Deferred Inflow of Resources	<u>1,523,619.00</u>	<u>-</u>	<u>1,523,619.00</u>
NET POSITION			
Net Investment in Capital Assets	8,171,288.26	46,172.67	8,217,460.93
Restricted for:			
Capital Projects	7,749,000.35	-	7,749,000.35
Debt Service	1.33	-	1.33
Emergency Reserve	25,015.00	-	25,015.00
Maintenance Reserve	981,863.09	-	981,863.09
Unemployment Reserve	253,559.21	-	253,559.21
Student Activities	414,452.73	-	414,452.73
Scholarship	451,528.11	-	451,528.11
Unrestricted (Deficit)	<u>(1,749,918.41)</u>	<u>280,225.47</u>	<u>(1,469,692.94)</u>
Total Net Position	<u>\$ 16,296,789.67</u>	<u>\$ 326,398.14</u>	<u>\$ 16,623,187.81</u>

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

RUMSON-FAIR HAVEN REGIONAL SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2022

FUNCTIONS/PROGRAMS	PROGRAM REVENUES			NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION		
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS & CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
Governmental Activities:						
Instruction:						
Regular Instruction	\$ 12,603,308.03	\$ -	\$ 5,159,816.52	\$ (7,443,491.51)	\$ -	\$ (7,443,491.51)
Special Education Instruction	2,490,223.36	-	957,958.28	(1,532,265.08)	-	(1,532,265.08)
Other Instruction	2,396,113.07	-	921,663.19	(1,474,449.88)	-	(1,474,449.88)
Support Services:						
Tuition	2,189,224.07	-	442,926	(1,746,298.07)	-	(1,746,298.07)
Student & Instruction Related Services	4,427,326.83	-	694,676.23	(3,732,650.60)	-	(3,732,650.60)
General Administrative	1,148,041.66	-	232,223.10	(915,818.56)	-	(915,818.56)
School Administrative Services	580,867.94	-	117,612.98	(463,254.96)	-	(463,254.96)
Central Services	556,806.20	-	112,608.18	(444,198.02)	-	(444,198.02)
Administrative Info. Technology	12,930.39	-	1,251.20	(11,679.19)	-	(11,679.19)
Plant Operations & Maintenance	2,224,511.12	-	224,966.12	(1,999,545.00)	-	(1,999,545.00)
Pupil Transportation	1,630,202.42	-	164,908.42	(1,465,294.00)	-	(1,465,294.00)
Interest & Other Charges	405,213.75	-	-	(405,213.75)	-	(405,213.75)
Total Governmental Activities	30,664,768.84	-	9,030,610.22	(21,634,158.62)	-	(21,634,158.62)
Business-Type Activities:						
Food Service	1,196,384.31	1,263,947.19	-	-	67,562.88	67,562.88
Other Enterprise Fund	20,641.81	20,645.54	-	-	3.73	3.73
Total Business-Type Activities	1,217,026.12	1,284,592.73	-	-	67,566.61	67,566.61
Total Primary Government	\$ 31,881,794.96	\$ 1,284,592.73	\$ 9,030,610.22	(21,634,158.62)	67,566.61	(21,566,592.01)
General Revenues:						
Taxes:						
Property Taxes, Levied for General Purposes				20,098,727.00	-	20,098,727.00
Property Taxes, Levied for Debt Service				705,199.00	-	705,199.00
Federal & State Aid Restricted				182,744.00	-	182,744.00
Federal & State Aid Not Restricted				900,345.20	-	900,345.20
Tuition Charges				391,080.40	-	391,080.40
Miscellaneous				514,977.37	-	514,977.37
Total General Revenues				22,793,072.97	-	22,793,072.97
Change In Net Position				1,158,914.35	67,566.61	1,226,480.96
Net Position - Beginning				15,137,875.32	258,831.53	15,396,706.85
Net Position - Ending				\$ 16,296,789.67	\$ 326,398.14	\$ 16,623,187.81

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

B. Fund Financial Statements

This page intentionally left blank

Governmental Funds

This page intentionally left blank

**RUMSON-FAIR HAVEN REGIONAL SCHOOL DISTRICT
GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2022**

	MAJOR FUNDS				TOTAL GOVERNMENTAL FUNDS
	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	DEBT SERVICE FUND	
ASSETS					
Cash & Cash Equivalents	\$ 2,465,116.55	\$ 670,786.95	3,456,605.65	\$ 1.33	\$ 6,592,510.48
Receivables, Net:					
Interfund Receivable	4,640.51	166,346.57	-	-	170,987.08
Due from Other Governments:					
Federal	-	35,655.21	-	-	35,655.21
State	639,279.52	-	-	-	639,279.52
Other	11,000.00	-	-	-	11,000.00
Restricted Cash & Cash Equivalents	4,670,662.02	-	-	-	4,670,662.02
Total Assets	<u>\$ 7,790,698.60</u>	<u>\$ 872,788.73</u>	<u>\$ 3,456,605.65</u>	<u>\$ 1.33</u>	<u>\$ 12,120,094.31</u>
LIABILITIES & FUND BALANCES					
Interfund Payable	\$ 166,346.57	\$ -	\$ 4,640.51	\$ -	\$ 170,987.08
Payroll Deductions and Withholdings Payable	2,380.39	-	-	-	2,380.39
Unemployment Trust Fund Liability	13,754.52	-	-	-	13,754.52
Unearned Revenue	-	6,807.89	-	-	6,807.89
Total Liabilities	<u>182,481.48</u>	<u>6,807.89</u>	<u>4,640.51</u>	<u>-</u>	<u>193,929.88</u>
Fund Balances:					
Restricted for:					
Capital Reserve	4,297,035.21	-	-	-	4,297,035.21
Maintenance Reserve	981,863.09	-	-	-	981,863.09
Emergency Reserve	25,015.00	-	-	-	25,015.00
Unemployment Reserve	253,559.21	-	-	-	253,559.21
Student Activities	-	414,452.73	-	-	414,452.73
Scholarship	-	451,528.11	-	-	451,528.11
Capital Projects	-	-	3,451,965.14	-	3,451,965.14
Debt Service	-	-	-	1.33	1.33
Assigned to:					
Designated for Subsequent Year	500,000.00	-	-	-	500,000.00
Other Purposes	192,138.97	-	-	-	192,138.97
Unassigned	1,358,605.64	-	-	-	1,358,605.64
Total Fund Balances	<u>7,608,217.12</u>	<u>865,980.84</u>	<u>3,451,965.14</u>	<u>1.33</u>	<u>11,926,164.43</u>
Total Liabilities & Fund Balances	<u>\$ 7,790,698.60</u>	<u>\$ 872,788.73</u>	<u>\$ 3,456,605.65</u>	<u>\$ 1.33</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 \$39,603,139.16 and the accumulated depreciation is \$20,196,850.90.					
					19,406,288.26
Deferred outflows and inflows of resources related to pensions and deferred charges or credits on debt refunding are applicable to future reporting periods and therefore are not reported in the funds.					
					731,325.00
					(1,523,619.00)
Accrued interest on long-term debt is not due and payable in the current period and therefore is not reported as a liability in the funds.					
					(159,365.56)
Accrued pension contributions for the June 30, 2022 plan year are not paid with current economic resources and are therefore not reported as a liability in the funds, but are included in accounts payable in the government-wide statement of net position.					
					(241,646.00)
Long-term liabilities, including net pension liability and bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds.					
					(13,842,357.46)
Net Position of Governmental Activities					<u>\$ 16,296,789.67</u>

RUMSON-FAIR HAVEN REGIONAL SCHOOL DISTRICT
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
YEAR ENDED JUNE 30, 2022

	MAJOR FUNDS				TOTAL GOVERNMENTAL FUNDS
	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	DEBT SERVICE FUND	
Revenues:					
Local Sources:					
Local Tax Levy	\$ 20,098,727.00	\$ -	\$ -	\$ 705,199.00	\$ 20,803,926.00
Tuition Charges	391,080.40	-	-	-	391,080.40
Miscellaneous	45,713.09	469,264.28	-	-	514,977.37
Total Local Sources	20,535,520.49	469,264.28	-	705,199.00	21,709,983.77
State Sources	6,201,553.09	-	-	182,744.00	6,384,297.09
Federal Sources	2,972.56	320,949.77	-	-	323,922.33
Total Revenues	26,740,046.14	790,214.05	-	887,943.00	28,418,203.19
Expenditures:					
Instruction:					
Regular Instruction	6,159,991.41	312,073.59	-	-	6,472,065.00
Special Education Instruction	1,278,656.94	-	-	-	1,278,656.94
Other Instruction	1,230,411.87	-	-	-	1,230,411.87
Support Services:					
Tuition	1,642,009.21	-	-	-	1,642,009.21
Attendance & Social Work Services	32,486.09	-	-	-	32,486.09
Health Services	92,968.64	-	-	-	92,968.64
Student & Instruction Related Services	2,722,480.81	473,213.48	-	-	3,195,694.29
General Administrative	861,140.30	-	-	-	861,140.30
School Administrative Services	435,562.31	-	-	-	435,562.31
Central Services	417,683.78	-	-	-	417,683.78
Administrative Information Technology	9,838.78	-	-	-	9,838.78
Plant Operations & Maintenance	1,668,639.75	-	-	-	1,668,639.75
Pupil Transportation	1,222,728.30	-	-	-	1,222,728.30
Unallocated Benefits	2,945,785.12	-	-	-	2,945,785.12
On Behalf TPAF Pension and Social Security Contributions	4,613,375.09	-	-	-	4,613,375.09
Capital Outlay	287,014.30	-	4,237,934.88	-	4,524,949.18
Debt Service:					
Principal	-	-	-	485,000.00	485,000.00
Interest & Other Charges	54,591.00	-	-	402,943.76	457,534.76
Total Expenditures	25,675,363.70	785,287.07	4,237,934.88	887,943.76	31,586,529.41
Excess/(Deficiency) of Revenues Over Expenditures	1,064,682.44	4,926.98	(4,237,934.88)	(0.76)	(3,168,326.22)
Fund Balance, July 1	6,543,534.68	861,053.86	7,689,900.02	2.09	15,094,490.65
Fund Balance, June 30	\$ 7,608,217.12	\$ 865,980.84	\$ 3,451,965.14	\$ 1.33	\$ 11,926,164.43

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

**RUMSON-FAIR HAVEN REGIONAL SCHOOL DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2022**

Total Net Changes in Fund Balances - Governmental Funds (B-2)		\$ (3,168,326.22)
Amounts reported for governmental activities in the statement of activities (A-2) are different because:		
Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation exceeded capital outlays in the period.		
Depreciation Expense	\$ (1,172,771.70)	
Capital Outlay	<u>4,524,949.18</u>	3,352,177.48
Governmental funds report School District pension contributions as expenditures. However in the statement of activities, the cost of pension benefits earned is reported as pension expense. This is the amount by which pension benefits earned exceeded the School District's pension contributions in the current period.		437,742.08
Repayment of long-term debt principal and obligation of lease purchase agreements are an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is not reported in the statement of activities.		485,000.00
In the statement of activities, interest on long-term debt in the statement of activities is accrued, regardless of when due. In the governmental funds, interest is reported when due. The accrued interest is an addition in the reconciliation (+).		6,487.88
In the statement of activities, certain operating expenses, e.g., compensated absences (vacations) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is reduction in the reconciliation (-); when the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+).		<u>45,833.13</u>
Change in Net Position of Governmental Activities		<u>\$ 1,158,914.35</u>

This page intentionally left blank

Proprietary Funds

This page intentionally left blank

**RUMSON-FAIR HAVEN REGIONAL SCHOOL DISTRICT
 PROPRIETARY FUNDS
 STATEMENT OF NET POSITION
 JUNE 30, 2022**

	MAJOR FUNDS		
	BUSINESS-TYPE		
	ACTIVITIES -		
	ENTERPRISE		
	FUNDS		
	FOOD	OTHER	TOTALS
	SERVICE	ENTERPRISE	
ASSETS			
Current Assets:			
Cash & Cash Equivalents	\$ 292,464.22	\$ 10,460.56	\$ 302,924.78
Inventories	2,231.05	-	2,231.05
Total Current Assets	294,695.27	10,460.56	305,155.83
Noncurrent Assets:			
Capital Assets	188,842.00	-	188,842.00
Less: Accumulated Depreciation	(142,669.33)	-	(142,669.33)
Total Capital Assets, Net	46,172.67	-	46,172.67
Total Noncurrent Assets	46,172.67	-	46,172.67
Total Assets	\$ 340,867.94	\$ 10,460.56	\$ 351,328.50
LIABILITIES			
Current Liabilities:			
Unearned Revenue	\$ 24,930.36	-	24,930.36
Total Current Liabilities	24,930.36	-	24,930.36
NET POSITION			
Net Investment in Capital Assets	46,172.67	-	46,172.67
Unrestricted	269,764.91	10,460.56	280,225.47
Total Net Position	\$ 315,937.58	\$ 10,460.56	\$ 326,398.14

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

**RUMSON-FAIR HAVEN REGIONAL SCHOOL DISTRICT
 PROPRIETARY FUNDS
 STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
 YEAR ENDED JUNE 30, 2022**

	MAJOR FUNDS		
	BUSINESS-TYPE		
	ACTIVITIES -		
	ENTERPRISE		
	FUNDS		
	FOOD	OTHER	
	SERVICE	ENTERPRISE	TOTALS
Operating Revenues:			
Charges for Services:			
Daily Sales - Non-Reimbursable Programs	\$ 1,248,986.03	\$ -	\$ 1,248,986.03
Special Functions	14,891.00	-	14,891.00
Miscellaneous	70.16	20,645.54	20,715.70
Total Operating Revenues	1,263,947.19	20,645.54	1,284,592.73
Operating Expenses:			
Cost of Sales - Non-Reimbursable Programs	486,157.16	-	486,157.16
Salaries	553,762.73	19,175.00	572,937.73
Employee Benefits	64,567.94	1,466.81	66,034.75
Supplies and Materials	45,681.71	-	45,681.71
Depreciation	5,696.33	-	5,696.33
Management and Administrative Fees/Purchase Technical	40,518.44	-	40,518.44
Total Operating Expenses	1,196,384.31	20,641.81	1,217,026.12
Operating Loss	67,562.88	3.73	67,566.61
Change in Net Position	67,562.88	3.73	67,566.61
Total Net Position - Beginning	248,374.70	10,456.83	258,831.53
Total Net Position - Ending	\$ 315,937.58	\$ 10,460.56	\$ 326,398.14

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

**RUMSON-FAIR HAVEN REGIONAL SCHOOL DISTRICT
 PROPRIETARY FUNDS
 STATEMENT OF CASH FLOWS
 YEAR ENDED JUNE 30, 2022**

	MAJOR FUNDS		
	BUSINESS-TYPE		
	ACTIVITIES -		
	ENTERPRISE		
	FUNDS		
	FOOD	OTHER	TOTALS
	SERVICE	ENTERPRISE	
Cash Flows From Operating Activities:			
Receipts from Customers	\$ 1,269,029.63	\$ 20,645.54	\$ 1,289,675.17
Payments to Employees	(553,762.73)	(19,175.00)	(572,937.73)
Payments for Employee Benefits	(64,567.94)	(1,466.81)	(66,034.75)
Payments to Suppliers	(587,314.63)	-	(587,314.63)
Net Cash Used for Operating Activities	63,384.33	3.73	63,388.06
Cash Flows From Capital & Related Financing Activities:			
Purchases of Capital Assets	(8,300.00)	-	(8,300.00)
Net Cash Used for Capital & Related Financing Activities	(8,300.00)	-	(8,300.00)
Net Decrease in Cash & Cash Equivalents	55,084.33	3.73	55,088.06
Balances - Beginning of Year	237,379.89	10,456.83	247,836.72
Balances - End of Year	\$ 292,464.22	\$ 10,460.56	\$ 302,924.78
Reconciliation of Operating Loss to Net Cash Used for Operating Activities:			
Operating Loss	\$ 67,562.88	\$ 3.73	\$ 67,566.61
Adjustments to Reconcile Operating Loss to Net Cash Provided by Operating Activities:			
Depreciation	5,696.33	-	5,696.33
Decrease in Inventories	(182.32)	-	(182.32)
Increase in Unearned Revenue	5,082.44	-	5,082.44
Increase in Accounts Payable	(14,775.00)	-	(14,775.00)
Total Adjustments	(4,178.55)	-	(4,178.55)
Net Cash Used by Operating Activities	\$ 63,384.33	\$ 3.73	\$ 63,388.06

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

This page intentionally left blank

Fiduciary Fund
Not Applicable

This page intentionally left blank

RUMSON-FAIR HAVEN REGIONAL SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2022

This page intentionally left blank

RUMSON-FAIR HAVEN REGIONAL SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

Note 1. Summary of Significant Accounting Policies

Basis of Presentation

The financial statements of the Rumson-Fair Haven Regional School District (hereafter referred to as the School District) have been prepared in conformity with generally accepted accounting principles (GAAP) as prescribed by the Governmental Accounting Standards Board (GASB). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations).

Reporting Entity

The School District is a Type II district located in the County of Monmouth, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education. The Board is comprised of nine members appointed to three-year terms. These terms are staggered so that three members' terms expire each year. The District provides a full range of educational services appropriate to grades levels nine (9) through twelfth (12th) grade. The School District has an approximate enrollment at June 30, 2022 of 923 students.

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

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

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.

Component Units

GASB Statement No.14, *The Financial Reporting Entity*, provides guidance that all entities associated with a primary government are potential component units and should be evaluated for inclusion in the financial reporting entity. A primary government is financially accountable not only for the organizations that make up its legal entity but also for legally separate organizations that meet the criteria established by GASB Statement No. 14, as amended by GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units*, and GASB Statement No. 61, *The Financial Reporting Entity: Omnis – an Amendment of GASB Statements No. 14 and No. 34*, GASB Statement No. 80, *Blending Requirements for certain component Units - an Amendment of GASB Statement No. 14* and GASB Statement No. 97, *Certain Component Unit Criteria and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plan- an Amendment of GASB Statements No. 14 and No. 84*. The School District had no component units as of for the year ended June 30, 2022.

RUMSON-FAIR HAVEN REGIONAL SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)

Note 1. Summary of Significant Accounting Policies (Continued)

Basis of Accounting, Measurement Focus and Financial Statement Presentation

The accounts of the School District are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund equity, revenues and expenditures or expenses, as appropriate. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

A. Government-Wide Financial Statements

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

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

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

B. Governmental Fund Financial Statements

Governmental fund financial statements include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances for all major governmental funds and non-major funds aggregated. The School District has presented all major funds that met those qualifications.

RUMSON-FAIR HAVEN REGIONAL SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)

Note 1. Summary of Significant Accounting Policies (Continued)

All governmental funds are accounted for on a spending or “current financial resources” measurement focus and the modified accrual basis of accounting. Accordingly, only current assets and current liabilities are included on the Balance Sheets. (The School District’s deferred outflows of resources and deferred inflows of resources are noncurrent.) The Statement of Revenues, Expenditures and Changes in Fund Balances present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. Accordingly, revenues are recorded when received in cash, except that revenues subject to accrual (generally 60 days after year-end) are recognized when due. The primary revenue sources, which have been treated as susceptible to accrual by the School District, are property tax and intergovernmental revenues. Expenditures are recorded in the accounting period in which the related fund liability is incurred. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Interest on invested funds is recognized when earned. Intergovernmental revenues that are reimbursements for specific purposes or projects are recognized in the period in which the expenditures are recorded. All other revenue items are considered to be measurable and available only when cash is received by the School District. Transfers between governmental funds are recorded when the related liability is incurred. These transfers do not represent revenues (expenditures) to the School District and are, therefore, reported as other financing sources (uses) in the governmental fund financial statements.

Since the fund level statements are presented using a different measurement focus and basis of accounting than the government-wide statements, a reconciliation is presented on the page following each fund level statement that summarizes the adjustments necessary to convert the fund level statements into the government-wide presentations.

The School District funds outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. When both restricted and unrestricted resources are available for use, it is the School District’s policy to use restricted resources first, then unrestricted resources as they are needed. In order to calculate the amounts to report as restricted, committed, assigned and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the School District’s policy to consider restricted fund balance to have been depleted before any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

RUMSON-FAIR HAVEN REGIONAL SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)

Note 1. Summary of Significant Accounting Policies (Continued)

The School District reports the following 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 noninstructional equipment which are classified in the capital outlay sub-fund.

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

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

Special Revenue Fund – The special revenue fund is used to account for the proceeds of specific revenue from state and federal government, other than major capital projects, debt service or proprietary funds, and local appropriations that are restricted or committed to expenditures for specified purposes.

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

Debt Service Fund – The debt service fund is used to account for the accumulation of financial resources that are restricted, committed, or assigned to an expenditure for the payment of general long-term debt principal, interest and related costs of governmental funds.

C. Proprietary Fund Financial Statements

Proprietary fund financial statements include a Statement of Net Position, a Statement of Revenues, Expenses and Changes in Fund Net Position, and a Statement of Cash Flows for each major proprietary fund and for the non-major funds aggregated.

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

RUMSON-FAIR HAVEN REGIONAL SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)

Note 1. Summary of Significant Accounting Policies (Continued)

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

The School District reports the following major proprietary funds:

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

Other proprietary funds – The Other proprietary funds accounts for financial transactions relating to technology shared service and a summer academic enrichment program.

D. Fiduciary Fund Financial Statements

Fiduciary fund financial statements include a Statement of Fiduciary Net Position and a Statement of Changes in Fiduciary Net Position. The School District’s fiduciary funds include Custodial Funds, which are used to report fiduciary activities where the School District controls assets that are collected on behalf of other entities. These assets are not held in a trust and are distributed in accordance with applicable policies. The Custodial Funds are accounted for on a spending or “economic resources” measurement focus and the accrual basis of accounting in accordance with GASBS No. 84, *Fiduciary Activities*.

The School District reports no fiduciary funds.

Budgets/Budgetary Control

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue and debt service funds. The budgets are submitted to the county office. In accordance with *P.L.2011 c.202*, which became effective January 17, 2012, the School District eliminated the April annual voter referendum on budgets which met the statutory tax levy cap limitations and the board of education members are elected at the November general election. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in *N.J.A.C. 6A:23-2-2(f)1*. Transfers of appropriations may be made by School Board resolution at any time during the fiscal year in accordance with *N.J.A.C. 6A:23-2-11*.

RUMSON-FAIR HAVEN REGIONAL SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)

Note 1. Summary of Significant Accounting Policies (Continued)

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

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

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

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

Encumbrances

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

Open encumbrances in the special revenue fund for which the School District has received advances are reflected in the balance sheet as a reduction of the accounts receivables or as unearned revenue at fiscal year-end.

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

RUMSON-FAIR HAVEN REGIONAL SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)

Note 1. Summary of Significant Accounting Policies (Continued)

Cash, Cash Equivalents and Investments

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

Investments are stated at fair value in accordance with Governmental Accounting Standards Board (GASB). New Jersey school districts are limited as to the types of investments and types of financial institutions they may invest in. *N.J.S.18A:20-37* provides a list of permissible investments that may be purchased by New Jersey school districts.

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”). GUDPA was enacted in 1970 to protect governmental units from loss of funds on deposit with a failed banking institution in New Jersey. Public depositories include Savings and Loan institutions, banks (both state and national banks) and savings banks the deposits of which are federally insured. All public depositories must pledge collateral, having a market value at least equal to five percent of the average daily balance of collected public funds, to secure the deposits of governmental units. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the full amount of their deposits to the governmental units.

For purposes of the statement of cash flows, the School District considers all highly liquid investments (including restricted assets) with a maturity when purchased of twelve months or less and all local government investment pools to be cash equivalents.

Tuition Receivable/Payable

Tuition rates were established by the receiving School District based on estimated costs. The charges are subject to adjustment when the actual costs are determined.

Inventories

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

Interfund Receivables/Payables

Interfund receivables/payables represent amounts that are owed, other than charges for goods or services rendered to/from a particular fund in the School District and that are due within one year. As previously mentioned, 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 in the Statement of Net Position.

RUMSON-FAIR HAVEN REGIONAL SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)

Note 1. Summary of Significant Accounting Policies (Continued)

Capital Assets

Capital assets are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Purchased or constructed assets are recorded at actual cost or estimated historical cost if actual cost is unavailable. Donated capital assets are recorded at acquisition value. All reported capital assets except land and construction in progress are depreciated. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. The School District does not possess any infrastructure. The School District has established a threshold of \$2,000 for capitalization of depreciable assets.

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

Description:	Governmental Activities Estimated Lives	Business-Type Activities Estimated Lives
	<hr/>	<hr/>
Building and Improvements	20-50 Years	N/A
Furniture and Equipment	5-20 Years	5-12 Years
Vehicles	5-10 Years	4-6 Years

Compensated Absences

Compensated absences are those absences for which employees will be paid, such as vacation, sick leave and sabbatical leave. A liability for compensated absences that are attributable to services already rendered, and that are not contingent on a specific event that is outside the control of the 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 absences liability is reported on the government-wide financial statements and proprietary fund financial statements. Compensated absences liability is not recorded in the governmental funds. Instead expenditures are recognized in the governmental funds as payments come due each period, for example, as a result of resignations or retirements.

Unearned Revenue

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

RUMSON-FAIR HAVEN REGIONAL SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)

Note 1. Summary of Significant Accounting Policies (Continued)

Accrued Liabilities and Long-Term Obligations

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

Accounting Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumption that affect certain reported amounts reported in the financial statements and accompanying note disclosures. Actual results could differ from those estimates.

Interfund Activity

Transfers between governmental and business-type activities on the government-wide statements are reported in the same manner as general revenues. Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after non-operating revenues/expenses in proprietary funds. Reimbursements from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements. As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements.

Deferred Outflows and Deferred Inflows of Resources

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

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

RUMSON-FAIR HAVEN REGIONAL SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)

Note 1. Summary of Significant Accounting Policies (Continued)

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the pension plan's fiduciary net position of the Public Employees' Retirement System (PERS) and Teacher's Pension and Annuity Fund (TPAF) and additions to/deductions from the PERS's and TPAF's fiduciary net position have been determined on the same basis as they are reported by the plans. 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.

Fund Balance

In accordance with Government Accounting Standards Board 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, fund balances in the governmental funds financial statements are classified into the following five categories, as defined below:

Non-spendable – This classification includes amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact. Non-spendable items are not expected to be converted to cash or are not expected to be converted to cash within the next year.

Restricted – This classification includes amounts for which constraints have been placed on the use of the resources either externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.

Committed – This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Board of Education. These amounts cannot be used for any other purpose unless the Board of Education removes or changes the specified use by taking the same type of action (resolution) that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements.

Assigned – This classification includes amounts that are constrained by the School District's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the Board of Education or through the Board of Education delegating this responsibility to the business administrator through the budgetary process.

Unassigned – This classification includes the residual fund balance for the General Fund. The Unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of Assigned fund balance amounts.

RUMSON-FAIR HAVEN REGIONAL SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)

Note 1. Summary of Significant Accounting Policies (Continued)

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, it is the School District's policy to consider restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, it is the School District's policy to consider amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Board has provided otherwise in its commitment or assignment actions.

Net Position

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

Net Investment in Capital Assets – This components represents capital assets, net of accumulated depreciation, net of outstanding balances of borrowings used for acquisition, construction, or improvement of those assets.

Restricted – This component of 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 laws or regulations of other governments.

Unrestricted – This component of net position is reported as unrestricted when it does not meet the criteria of the other two components of net position.

Subsequent Events

Management has reviewed and evaluated all events and transactions that occurred between June 30, 2022 and February 25, 2023, the date that the financial statements were available for issuance, for possible disclosure and recognition in the financial statements, and no items have come to the attention of the School District that would require disclosure.

RUMSON-FAIR HAVEN REGIONAL SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2019 (Continued)

Note 1. Summary of Significant Accounting Policies (Continued)

Impact of Recently Issued Accounting Principles

Adopted Accounting Pronouncements

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

Statement No. 87, *Leases*. This statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about government's leasing activities.

Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*. This Statement requires that additional essential information related to debt be disclosed in notes to financial statements, including unused lines of credit; assets pledged as collateral for the debt; and terms specified in debt agreements related to significant events of default with finance-related consequences, significant termination events with finance-related consequences, and significant subjective acceleration clauses.

Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*. This Statement establishes accounting requirements for interest cost incurred before the end of a construction period. Such interest cost includes all interest that previously was accounted for in accordance with the requirements of paragraphs 5–22 of Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*, which are superseded by this Statement. This Statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in a business-type activity or enterprise fund.

Statement No. 93, *Replacement of Interbank Offered Rates*. This Statement establishes accounting and financial reporting requirements related to the replacement of interbank offered rates in hedging derivative instruments and leases in addition to identifying appropriate benchmark interest rates for hedging derivative instruments. Requirements of this pronouncement related to paragraph 11b will be effective for reporting periods ending after December 31, 2021, and requirements related to paragraphs 13 and 14 will be effective for fiscal years beginning after June 15, 2021.

Statement No. 98, *The Annual Comprehensive Report*. This Statement establishes the term annual comprehensive financial report and its acronym ACFR. That new term and acronym replace instances of comprehensive annual financial report and its acronym in generally accepted accounting principles for state and local governments.

Management has determined the implementation these statements did not have a significant impact on the Districts' financial statements.

Accounting Pronouncements Effective in Future Reporting Periods

Statement No. 99, *Omnibus 2022*. The requirements related to the extension of the use of LIBOR, accounting for SNAP distributions, disclosures of nonmonetary transactions, pledges of future revenues by pledging governments, clarification of certain provisions in Statement 34, as amended, and terminology updates related to Statement 53 and Statement 63 are effective upon issuance. The requirements related to leases, PPPs, and SBITA are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter.

Statement No. 100, *Accounting Changes and Error Corrections- an amendment of GASB Statement No. 62*. This Statement defines accounting changes as changes in accounting principles, changes in accounting estimates, and changes to or within the financial reporting entity and describes the transactions or other events that constitute those changes. This Statement also addresses corrections of errors in previously issued financial statements. The effective date is for fiscal years beginning after June 15, 2023, and all reporting periods thereafter. Earlier application is encouraged.

Statement No. 101, *Compensated Absences*. This Statement amends the existing requirement to disclose the gross increases and decreases in a liability for compensated absences to allow governments to disclose only the net change in the liability (as long as they identify it as a net change). In addition, governments are no longer required to disclose which governmental funds typically have been used to liquidate the liability for compensated absences. The requirements of this Statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter. Earlier application is encouraged.

Management has yet to determine the potential impact of these pronouncements on the District's financial statements.

**RUMSON-FAIR HAVEN REGIONAL SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)**

Note 2. Deposits and Investments

Deposits

Custodial Credit Risk – Custodial credit risk is the risk that, in the event of a bank failure, the Board’s deposits may not be recovered. Although the Board does not have a formal policy regarding custodial credit risk, NJSA 17:9-41 et seq. requires that the governmental units shall deposit public funds in public depositories protected from loss under the provisions of GUDPA. Under the Act, the first \$250,000 of governmental deposits in each insured depository is protected by FDIC. Public fund owned by the Board in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds such as salary withholdings, student activity fund or other funds that may pass to the Board relative to the happening of a future condition. Such funds are shown as Uninsured and Uncollateralized in the schedule below. As of June 30, 2021, the School District’s bank balance of \$12,812,616.30 was exposed to custodial credit risk as follows:

Insured under FDIC and GUDPA	\$ 11,963,406.72
Uninsured and Uncollateralized	849,209.58
Total	\$ 12,812,616.30

Investments

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

Note 3. Reserve Accounts

Capital Reserve

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 department, 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 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 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.

RUMSON-FAIR HAVEN REGIONAL SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)

Note 3. Reserve Accounts (Continued)

Capital Reserve (continued)

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

Beginning Balance, July 1, 2021	\$	3,756,389.70
Increased by:		
Interest Earnings		185.00
Deposits Approved by Board		675,460.51
		675,645.51
Decreased by:		
Budget Withdrawals		135,000.00
		135,000.00
Ending Balance, June 30, 2022	\$	4,297,035.21

Emergency Reserve

The School District established an emergency reserve account in the 2012-2013 school year for the accumulation of funds for use in accordance with N.J.S.A. 18A: 7F-41c(1) to finance unanticipated general fund expenditures.

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

Beginning Balance, July 1, 2021	\$	25,000.00
Increased by:		
Interest Earnings		15.00
Ending Balance, June 30, 2022	\$	25,015.00

Maintenance Reserve

The School District established a maintenance reserve account for the accumulation of funds for use as required maintenance of a facility in subsequent fiscal years.

Funds placed in the maintenance reserve account are restricted to maintenance projects in the School District's approved Maintenance Plan (M-1). A School District may increase the balance in the maintenance reserve account by appropriating funds in the annual general fund budget certified for taxes or by transfer by Board resolution at year-end of any unanticipated revenue or unexpended line-item appropriation amounts, or both. The balance in the account cannot at any time exceed four percent of the replacement cost of the school district's school facilities for the current year.

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

Beginning Balance, July 1, 2021	\$	881,763.09
Increased by:		
Interest Earnings		100.00
Deposits Approved by Board		100,000.00
		100,100.00
Ending Balance, June 30, 2022	\$	981,863.09

RUMSON-FAIR HAVEN REGIONAL SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)

Note 3. Reserve Accounts (Continued)

Unemployment Reserve

Unemployment reserve funds are restricted pursuant to *N.J.S.A. 43:21-7.3(g)*, which requires that employer and employee contributions be held in a trust fund maintained by the governmental entity or instrumentally for unemployment benefit cost purposes and any surplus remaining in this trust fund must be retained in reserve for payment of benefit costs in subsequent years.

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

Beginning Balance, July 1, 2021	\$	253,559.21
Ending Balance, June 30, 2022	\$	<u>253,559.21</u>

Note 4. Accounts Receivable

Accounts receivable at June 30, 2022 consisted of accounts and intergovernmental grants. All receivables are considered collectible in full due to the stable condition of state and federal programs, the current fiscal year guarantee of federal funds and the budgetary control of New Jersey governmental entities. Accounts receivable in the School District's governmental and business-type activities as of June 30, 2022, consisted of the following:

Description:	Governmental Funds		
	General Fund	Special Revenue Fund	Total Governmental Activities
Federal Awards	\$ -	\$ 35,655.21	\$ 35,655.21
State Awards	639,279.52	-	639,279.52
Other	11,000.00	-	11,000.00
Total	\$ 650,279.52	\$ 35,655.21	\$ 685,934.73

RUMSON-FAIR HAVEN REGIONAL SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)

Note 5. Capital Assets

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

	Governmental Activities			Balance June 30, 2022
	Balance July 1, 2021	Additions	Retirements and Transfers	
Governmental Activities:				
Capital Assets not Being Depreciated:				
Land	\$ 7,500.00	\$ -	\$ -	\$ 7,500.00
Construction in Progress	1,866,717.98	4,237,934.88	-	6,104,652.86
Total Capital Assets not Being Depreciated	1,874,217.98	4,237,934.88	-	6,112,152.86
Capital Assets Being Depreciated:				
Buildings and Building Improvements	29,277,800.10	259,145.65	-	29,536,945.75
Machinery and Equipment	2,284,553.02	27,868.65	-	2,312,421.67
Site Improvements	1,641,618.88	-	-	1,641,618.88
Total Capital Assets Being Depreciated	33,203,972.00	287,014.30	-	33,490,986.30
Less: Accumulated Depreciation:				
Buildings and Building Improvements	(16,492,068.92)	(1,055,611.49)	-	(17,547,680.41)
Machinery and Equipment	(1,611,931.96)	(102,434.89)	-	(1,714,366.85)
Site Improvements	(920,078.32)	(14,725.32)	-	(934,803.64)
Total Accumulated Depreciation	(19,024,079.20)	(1,172,771.70)	-	(20,196,850.90)
Total Capital Assets Being Depreciated, Net	14,179,892.80	(885,757.40)	-	13,294,135.40
Total Governmental Activities Capital Assets, Net	\$16,054,110.78	\$ 3,352,177.48	\$ -	\$19,406,288.26
	Business-Type Activities			Balance June 30, 2022
	Balance July 1, 2021	Additions	Retirements and Transfers	
Business-Type Activities:				
Capital Assets Being Depreciated:				
Building Improvements	\$ 12,875.00	\$ -	\$ -	\$ 12,875.00
Equipment	167,667.00	8,300.00	-	175,967.00
Total Capital Assets Being Depreciated	180,542.00	8,300.00	-	188,842.00
Less: Accumulated Depreciation:				
Building Improvements	(9,742.00)	(515.00)	-	(10,257.00)
Equipment	(127,231.00)	(5,181.33)	-	(132,412.33)
Total Capital Assets being depreciated, net	(136,973.00)	(5,696.33)	-	(142,669.33)
Total Business-Type Activities Capital Assets, Net	\$ 43,569.00	\$ 2,603.67	\$ -	\$ 46,172.67

RUMSON-FAIR HAVEN REGIONAL SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)

Note 5. Capital Assets (Continued)

Depreciation expense was charged to functions/programs of the School District as follows:

Governmental Activities:

Instruction:

Regular Instruction	\$ 408,945.49
Special Education Instruction	80,803.97
Other Instruction	77,754.76

Support Services:

Tuition	103,790.30
Student & Instruction Related Services	209,808.86
General Administrative	54,416.61
School Administrative Services	27,560.13
Central Services	26,387.36
Administrative Info. Technology	586.39
Plant Operations & Maintenance	105,432.18
Pupil Transportation	77,285.66

Total Depreciation Expense - Governmental Activities	\$ 1,172,771.71
--	-----------------

Note 6. Interfund Receivables, Payables and Transfers

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

Fund:	Interfund Receivables	Interfund Payables
General Fund	\$ 4,640.51	\$ 166,346.57
Special Revenue Fund	166,346.57	-
Capital Projects Fund	-	4,640.51
	\$ 170,987.08	\$ 170,987.08

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

There were no interfund transfers for the year ended June 30, 2022.

**RUMSON-FAIR HAVEN REGIONAL SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)**

Note 7. Long-Term Obligations

During the fiscal year-ended June 30, 2022 the following changes occurred in long-term obligations for the governmental and business-type activities:

	Balance June 30, 2021	Additions	Reductions	Balance June 30, 2022	Balance Due Within One Year
Governmental Activities:					
General Obligation Bonds	\$ 11,720,000.00	\$ -	\$ 485,000.00	\$ 11,235,000.00	\$ 500,000.00
Compensated Absences	317,952.59	-	45,833.13	272,119.46	-
Net Pension Liability	3,123,575.00	1,718,915.00	2,507,252.00	2,335,238.00	-
Total	\$ 15,161,527.59	\$ 1,718,915.00	\$ 3,038,085.13	\$ 13,842,357.46	\$ 500,000.00

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

Bonds Payable

The voters of the municipality through referendums authorize bonds in accordance with State Law. All bonds are retired in serial installments within the statutory period of usefulness.

On October 2, 2018 the School District issued \$12,596,000.00 of General Obligation Bonds. The General Obligation Bonds were issued at varying interest rates and mature on February, 2039. The following is a schedule of the remaining future minimum payments under General Obligations Bonds:

Fiscal Year Ending June 30,	Principal	Interest	Total
2023	\$ 500,000.00	387,181.26	\$ 887,181.26
2024	520,000.00	370,931.26	890,931.26
2025	535,000.00	354,031.26	889,031.26
2026	550,000.00	336,643.76	886,643.76
2027	570,000.00	318,768.76	888,768.76
2028 - 2032	3,180,000.00	1,301,493.80	4,481,493.80
2033 - 2037	3,800,000.00	716,425.00	4,516,425.00
2038 - 2039	1,580,000.00	88,875.00	1,668,875.00
	\$ 11,235,000.00	\$ 3,874,350.10	\$ 15,109,350.10

Bonds Authorized but not Issued

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

RUMSON-FAIR HAVEN REGIONAL SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)

Note 8. Pension Plans

A. Public Employees' Retirement System (PERS)

Plan Description – The State of New Jersey, Public Employees' Retirement System (PERS) is a cost-sharing multiple-employer defined benefit pension plan administered by the State of New Jersey, Division of Pensions and Benefits (the Division). For additional information about PERS, please refer to Division's Annual Comprehensive Financial Report (ACFR) which can be found at <http://www.nj.gov/treasury/pensions/financial-reports.shtml>.

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

The following represents the membership tiers for PERS:

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

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

Contributions – The contribution policy for PERS is set by *N.J.S.A. 43:15A* and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid. For fiscal year 2021, the State's pension contribution was less than the actuarial determined amount.

**RUMSON-FAIR HAVEN REGIONAL SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)**

Note 8. Pension Plans (Continued)

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

Pension Liability, Pension Expense and Deferred Outflows/Inflows of Resources – At June 30, 2022, the School District reported a liability of \$2,335,238.00 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2021. The total pension liability used to calculate the net pension liability was determined using update procedures to roll forward the total pension liability from an actuarial valuation as of July 1, 2020, to the measurement date of June 30, 2021. The School District's proportion of the net pension liability was based on the School District's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2021. The School District's proportion measured as of June 30, 2021, was 0.0197124756%, which was an increase of 0.000558119% from its proportion measured as of June 30, 2020.

For the year ended June 30, 2022, the School District recognized full accrual pension benefit of \$206,886.00 in the government-wide financial statements. This pension benefit was based on the pension plans June 30, 2021 measurement date. At June 30, 2022 the School District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between Expected and Actual Experience	\$ 36,830.00	\$ 16,718.00
Changes of Assumptions	12,162.00	831,360.00
Net Difference between Projected and Actual Earnings on Pension Plan Investments	-	615,163
Changes in Proportion and Differences between School District Contributions and Proportionate Share of Contributions	440,687.00	60,378.00
School District contributions subsequent to measurement date	241,646.00	-
	\$ 731,325.00	\$ 1,523,619.00

\$241,646.00 reported as deferred outflows of resources resulting from school district contributions subsequent to the measurement date is estimated based on unadjusted 2021-2022 total salaries for PERS employees multiplied by an employer pension contribution rate of 17.11%. The payable is due on April 1, 2023 and will be recognized as a reduction of the net pension liability in the year ended June 30, 2023. The other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

RUMSON-FAIR HAVEN REGIONAL SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)

Note 8. Pension Plans (Continued)

Year Ending June 30,		
2023	\$	(278,441.00)
2024		(195,508.00)
2025		(145,402.00)
2026		(394,936.00)
2027		(19,653.00)
	<u>\$</u>	<u>(1,033,940.00)</u>

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

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

**RUMSON-FAIR HAVEN REGIONAL SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)**

Note 8. Pension Plans (Continued)

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

Inflation 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%

Mortality Rate of Return:

PERS	Pub-2010 General Below-Median Income Employee mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021
------	---

Period of Actuarial Experience

Study upon which Actuarial Assumptions were Based:	July 1, 2014 - June 30, 2018
---	------------------------------

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

The actuarial assumptions used in the July 1, 2020 valuation were based on the results of an actuarial experience study for the period July 1, 2014 to June 30, 2018. It is likely that future experience will not exactly conform to these assumptions. To the extent that actual experience deviates from these assumptions, the emerging liabilities may be higher or lower than anticipated. The more the experience deviates, the larger the impact on future financial statements.

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:

RUMSON-FAIR HAVEN REGIONAL SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)

Note 8. Pension Plans (Continued)

Asset Class:	Target Allocation	Long-Term Expected Real Rate of Return
U.S. Equity	27.00%	8.09%
Non-U.S. Developed Markets Equity	13.50%	8.71%
Emerging Markets Equity	5.50%	10.96%
Private Equity	13.00%	11.30%
Real Assets	3.00%	9.15%
Real Estate	8.00%	7.40%
High Yield	2.00%	3.75%
Private Credit	8.00%	7.60%
Investment Grade Credit	8.00%	1.68%
Cash Equivalents	4.00%	0.50%
U.S. Treasuries	5.00%	0.95%
Risk Mitigation Strategies	3.00%	3.35%
	100.00%	

Discount Rate – The discount rate used to measure the total pension liability was 7.00% as of June 30, 2021. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity will be 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 projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments to determine the total pension liability.

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

RUMSON-FAIR HAVEN REGIONAL SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)

Note 8. Pension Plans (Continued)

	At 1% Decrease (6.00%)	At Current Discount Rate (7.00%)	At 1% Increase (8.00%)
School District's Proportionate Share of the Net Pension Liability	\$ 3,214,021.00	\$ 2,335,238.00	\$ 1,635,486.00

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

	6/30/2022	6/30/2021
Collective Deferred Outflows of Resources	\$ 1,164,738,169.00	\$ 2,347,583,337.00
Collective Deferred Inflows of Resources	8,339,123,762.00	7,849,949,467.00
Collective Net Pension Liability	11,972,782,878.00	16,435,616,426.00
School District's portion	0.01917%	0.01915%

B. Teachers' Pension and Annuity Fund (TPAF)

Plan Description – TPAF is a cost sharing multiple-employer defined benefit pension plan with a special-funding situation, by which the State is responsible to fund 100% of the employer contributions, excluding any local employer early retirement incentive (ERI) contributions. TPAF is administered by the Division. For additional information about TPAF, please refer to the Division's annual financial statements which can be found at www.nj.gov/treasury/pensions/financial-reports.shtml.

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

The following represents the membership tiers for TPAF:

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

RUMSON-FAIR HAVEN REGIONAL SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)

Note 8. 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 before age 62 with 25 or more years of service credit, and tier 5 before age 65 with 30 or more years of service credit. Benefits are reduced by a fraction of a percent for each month that a member retires prior to the retirement age for his/her respective tier. Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for the respective tier.

Contributions – The contribution policy for TPAF is set by *N.J.S.A 18A:66* and requires contributions by active members and contributing employers. Pursuant to the provisions of Chapter 78, P.L. 2011, the active member contribution rate increased from 5.5% of annual compensation to 6.5% plus an additional 1% phased-in over 7 years beginning in July 2012. The member contribution rate was 7.5% in State fiscal year 2018. The State's pension contribution is based on an actuarially determined amount which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid. For fiscal year 2021, the State's pension contribution was less than the actuarial determined amount.

As mentioned previously, the employer contributions for local participating employers are legally required to be funded by the State in accordance with *N.J.S.A 18:66-33*. Therefore, the School District is considered to be in a special funding situation as defined by GASB Statement No. 68 and the State is treated as a nonemployer contributing entity. Since the School District does not contribute directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to report in the financial statements of the local participating employers.

Pension Liability and Pension Expense – The State's proportionate share of the TPAF net pension liability, attributable to the School District as of June 30, 2021 was \$38,379,053.00. The School District's proportionate share was \$0.

The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2020, which was rolled forward to June 30, 2021. The State's proportionate share of the net pension liability associated with the District was based on projection of the State's long-term contributions to the pension plan associated with the District relative to the projected contributions by the State associated with all participating school districts, actuarially determined. At June 30, 2021, the State proportionate share of the TPAF net pension liability attributable to the School District was 0.0798313113%, which was an increase of 0.0039062351% from its proportion measured as of June 30, 2020.

For the fiscal year ended June 30, 2022, the State recognized a pension expense in the amount of \$903,076.00 for the State's proportionate share of the TPAF pension expense attributable to the School District. This pension expense was based on the pension plans June 30, 2021 measurement date.

RUMSON-FAIR HAVEN REGIONAL SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)

Note 8. Pension Plans (Continued)

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

Inflation Rate:

Price	2.75%
Wage	3.25%

Salary Increases:

Through 2026	1.55% - 4.45% Based on Years of Service
Thereafter	2.75% - 5.65% Based on Years of Service

Investment Rate of Return: 7.00%

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

The actuarial assumptions used in the July 1, 2021 valuation were based on the results of an actuarial experience study for the period July 1, 2015 to June 30, 2018.

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

**RUMSON-FAIR HAVEN REGIONAL SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)**

Note 8. Pension Plans (Continued)

Asset Class:	Target Allocation	Long-Term Expected Real Rate of Return
U.S. Equity	27.00%	8.09%
Non-U.S. Developed Markets Equity	13.50%	8.71%
Emerging Markets Equity	5.50%	10.96%
Private Equity	13.00%	11.30%
Real Assets	3.00%	9.15%
Real Estate	8.00%	7.40%
High Yield	2.00%	3.75%
Private Credit	8.00%	7.60%
Investment Grade Credit	8.00%	1.68%
Cash Equivalents	4.00%	0.50%
U.S. Treasuries	5.00%	0.95%
Risk Mitigation Strategies	3.00%	3.35%
	<u>100.00%</u>	

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

Sensitivity of the School District’s proportionate share of the Net Pension Liability to Changes in the Discount Rate – As previously mentioned, TPAF has a special funding situation where the State pays 100% of the School District’s annual required contribution. The following represents the State’s proportionate share of the net pension liability, attributable to the School District calculated using the discount rate of 7.00% as well as what the State’s proportionate share of the net pension liability, attributable to the School District’s would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

**RUMSON-FAIR HAVEN REGIONAL SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)**

Note 8. Pension Plans (Continued)

	At 1% Decrease (6.00%)	At Current Discount Rate (7.00%)	At 1% Increase (8.00%)
State of New Jersey's Proportionate Share of Net Pension Liability associated with the School District	\$ 45,408,830.00	\$ 38,379,053.00	\$ 32,474,482.00

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

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

	6/30/2022	6/30/2021
Collective Deferred Outflows of Resources	\$ 6,373,530,834.00	\$ 9,626,548,228.00
Collective Deferred Inflows of Resources	27,363,906.00	14,591,988,841.00
Collective Net Pension Liability	48,165,991,182.00	65,993,498,688.00
School District's portion	0.07983%	0.07593%

C. Defined Contribution Retirement Plan (DCRP)

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

Individuals eligible for membership in the DCRP include:

- State or local officials who are elected or appointed on or after July 1, 2007;
- Employees enrolled in the Public Employees’ Retirement System (PERS) or Teachers’ Pension and Annuity Fund (TPAF) on or after July 1, 2007, who earn salary in excess of established “maximum compensation” limits;
- Employees enrolled in the Police and Firemen’s Retirement System (PFRS) or State Police Retirement System (SPRS) after May 21, 2010, who earn salary in excess of established “maximum compensation” limits;
- Employees otherwise eligible to enroll in the PERS or TPAF on or after November 2, 2008, who do not earn the minimum annual salary for PERS or TPAF Tier 3 enrollment but who earn salary of at least \$5,000 annually. The minimum salary in 2020 is \$8,400 and is subject to adjustment in future years.
- Employees otherwise eligible to enroll in the PERS or TPAF after May 21, 2010, who do not work the minimum number of hours per week required for PERS or TPAF Tier 4 or Tier 5 enrollment but who earn salary of at least \$5,000 annually. The minimum number is 35 hours per week for State employees, or 32 hours per week for local government or local education employees.

RUMSON-FAIR HAVEN REGIONAL SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)

Note 8. Pension Plans (Continued)

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

For the year ended June 30, 2022, employee contributions totaled \$5,233.20, and the School District recognized an expense for payments made to the Defined Contribution Retirement program in the amount of \$9,086.60.

Note 9. Other Post-Retirement Benefits

General Information about the OPEB Plan

The State of New Jersey reports a liability as a result of its statutory requirements to pay other postemployment (health) benefits for State Health Benefit Local Education Retired Employees Plan. The State Health Benefit Local Education Retired Employees Plan is a multiple-employer defined benefit OPEB plan that is administered on a pay-as-you-go basis. Accordingly, no assets are accumulated in a qualifying trust that meets the criteria in paragraph 4 of GASB Statement No. 75, *Accounting and Financial Reporting for the Postemployment Benefits Other Than Pensions*. The State Health Benefit Local Education Retired Employees Plan provides medical, prescription drug, and Medicare Part B reimbursement to retirees and their covered dependents of local education employers.

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

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

Basis of Presentation

The Schedule presents the State of New Jersey's obligation under NJSA 52:14-17.32f. The Schedule does not purport to be a complete presentation of the financial position or changes in financial position of the State Health Benefit Local Education Retired Employees Plan or the State of New Jersey. The accompanying Schedule was prepared in accordance with U.S. generally accepted accounting principles. Such preparation requires management of the State of New Jersey to make a number of estimates and assumptions relating to the reported amounts. Due to the inherent nature of these estimates, actual results could differ from those estimates.

RUMSON-FAIR HAVEN REGIONAL SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)

Note 9. Other Post-Retirement Benefits (continued)

Total Nonemployer OPEB Liability

The total nonemployer OPEB liability as of June 30, 2021 was determined by an actuarial valuation as of June 30, 2020, which was rolled forward to June 30, 2021. The total nonemployer OPEB liability as of June 30, 2020 was determined by an actuarial valuation as of June 30, 2020. The actuarial assumptions vary for each plan member depending on the pension plan the member is enrolled in. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

Inflation Rate 2.50%

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

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 Healthy "General" classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using the Scale MP-2021. Disability mortality was based on the PUB-2010 Healthy "General" classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using the Scale MP-2021 for current disables retirees. Future disabled retirees were based on 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, PFRS and PERS, respectively.

OPEB Obligation and OPEB Expense - The State's proportionate share of the total Other Post Employment Benefits Obligations, attributable to the School District as of June 30, 2021 was \$39,501,344.00. The School District's proportionate share was \$0.

The OPEB Obligation was measured as of June 30, 2021, and the total OPEB Obligation used to calculate the OPEB Obligation was determined by an actuarial valuation as of July 1, 2020, which was rolled forward to June 30, 2021. The State's proportionate share of the OPEB Obligation associated with the District was based on projection of the State's long-term contributions to the OPEB plan associated with the District relative to the projected contributions by the State associated with all participating school districts, actuarially determined. At June 30, 2021, the State proportionate share of the OPEB Obligation attributable to the School District was 0.06582718%, which was an increase of 0.00147423% from its proportion measured as of June 30, 2020.

For the fiscal year ended June 30, 2022, the State of New Jersey recognized an OPEB expense in the amount of \$2,502,404.00 for the State's proportionate share of the OPEB expense attributable to the School District. This OPEB expense was based on the OPEB plans June 30, 2021 measurement date.

**RUMSON-FAIR HAVEN REGIONAL SCHOOL DISTRICT
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 YEAR ENDED JUNE 30, 2022 (Continued)**

Note 9. Other Post-Retirement Benefits (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 is 5.00%.

Discount Rate

The discount rate for June 30, 2021 was 2.16%, respectively. 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.

Sensitivity of Total Nonemployer OPEB Liability to changes in 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:

	June 30, 2021		
	At 1% Decrease (1.16%)	At Discount Rate (2.16%)	At 1% Increase (3.16%)
State of New Jersey's Proportionate Share of Total OPEB Obligations Associated with the School District	\$ 47,316,408.99	\$ 39,501,344.00	\$ 33,347,449.44
State of New Jersey's Total Nonemployer OPEB Liability	\$ 71,879,745,555.00	\$ 60,007,650,970.00	\$ 50,659,089,138.00

**RUMSON-FAIR HAVEN REGIONAL SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)**

Note 9. Other Post-Retirement Benefits (continued)

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

The following presents the total nonemployer OPEB liability as of June 30, 2021, respectively, 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:

	June 30, 2021		
	1% Decrease	Healthcare Cost Trend Rate *	1% Increase
State of New Jersey's Proportionate Share of Total OPEB Obligations Associated with the School District	\$ 31,976,433.39	\$ 39,501,344.00	\$ 49,606,698.64
State of New Jersey's Total Nonemployer OPEB Liability	\$ 48,576,338,417.00	\$ 60,007,650,970.00	\$ 75,358,991,782.00

* See Healthcare Cost Trend Assumptions for details of rates.

Additional Information

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

	Deferred Outflows of	Deferred Inflows of
Differences between Expected & Actual Experience	\$ 9,045,886,863.00	\$ (18,009,362,976.00)
Change in Assumptions	10,179,536,966.00	(6,438,261,807.00)
Contributions Made in Fiscal Year Year Ending June 30, 2022		
After Measurement Date **	TBD	N/A
	<u>\$ 19,225,423,829.00</u>	<u>\$ (24,447,624,783.00)</u>
Fiscal Year Ending June 30,		
2022	\$ (1,182,303,041.00)	
2023	(1,182,303,041.00)	
2024	(1,182,303,041.00)	
2025	(1,182,303,041.00)	
2026	(840,601,200.00)	
Thereafter	347,612,410.00	
	<u>\$ (5,222,200,954.00)</u>	

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

**RUMSON-FAIR HAVEN REGIONAL SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)**

Note 9. Other Post-Retirement Benefits (continued)

Plan Membership

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

Active Plan Members	213,901
Currently Receiving Benefits	<u>150,427</u>
	<u><u>364,328</u></u>

Changes in the Total OPEB Liability

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

Total OPEB Liability

Service Cost	\$ 3,217,184,264
Interest Cost	1,556,661,679
Change in Benefit Terms	(63,870,842)
Differences Between Expected and Actual Experiences	(11,385,071,658)
Changes of Assumptions	59,202,105
Contributions: Member	39,796,196
Gross Benefit Payments	<u>(1,226,213,382)</u>
Net Change in Total OPEB Liability	(7,802,311,638)
Total OPEB Liability (Beginning)	<u>67,809,962,608</u>
Total OPEB Liability (Ending)	<u><u>\$ 60,007,650,970</u></u>
Total Covered Employee Payroll	\$ 14,425,669,769
Net OPEB Liability as a Percentage of Payroll	416%

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

As previously mentioned, the School District receives on-behalf payments from the State for normal costs and post-retirement medical costs related to the TPAF pension plan. The School District is not legally responsible for these contributions. The on-behalf payments are recorded as revenues and expenditures in the government-wide and general fund financial statements. For the fiscal year ended June 30, 2022, the on-behalf payments for pension, social security, post-retirement medical costs, and long-term disability were \$3,240,806.00, \$614,239.09, \$757,184.00, and \$1,146.00, respectively.

**RUMSON-FAIR HAVEN REGIONAL SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)**

Note 11. 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; injuries to employees; and natural disasters.

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

Fiscal Year Ended June 30,	Ending Balance				
	Contributions	Interest	Amount Reimbursed	Restricted for: Unemployment Reserve	Unemployment Liability
2022	\$ -	\$ -	\$ -	\$ 253,559.21	\$ 13,754.52
2021	16,614.49	0.21	(2,859.97)	253,559.21	13,754.52
2020	16,711.00	-	(2,420.00)	239,268.00	14,291.00

*Starting on July 1, 2020 Unemployment is accounted for in the General Fund.

As of June 30, 2022 the State provided quarterly bills for the previous four quarters have not been provided in the fiscal year. The District has accrued a liability for estimated unemployment claims.

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.

Note 12. Contingencies

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

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

RUMSON-FAIR HAVEN REGIONAL SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)

Note 12. Contingencies (Continued)

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

Note 13. Deferred Compensation

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

AXA Equitable	Valic Investments
Lincoln Investment	Fidelity Investment

Note 14. Compensated Absences

The School District accounts for compensated absences (e.g., unused vacation, sick leave) as directed by GASB Statement No. 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 amount of vacation and sick leave in accordance with the School District's personnel policies. Upon termination, employees are paid for accrued vacation. The School District policy permits employees to accumulate unused sick leave and carry forward the full amount to subsequent years. Upon retirement employees shall be paid by the School District for the unused sick leave in accordance with School Districts’ agreements with the various employee unions.

The liability for vested compensated absences of the governmental fund types is recorded in the Statement of Net Position. At June 30, 2022, the liability for compensated absences reported was \$272,119.46.

Note 15. Tax Abatements

As defined by the GASB Statement No. 77, *Tax Abatement*, 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.

RUMSON-FAIR HAVEN REGIONAL SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022 (Continued)

Note 15. Tax Abatements (Continued)

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

Note 16. Calculation of Excess Surplus

The designation for Restricted Fund Balance – Excess Surplus is a required calculation pursuant to *N.J.S.A.18A:7F-7*. New Jersey school districts are required to reserve General Fund fund balance at the fiscal year-end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2022 was \$0.00.

Note 17. Fund Balances

General Fund – Of the \$7,608,217.12 General Fund fund balance at June 30, 2022, \$4,297,035.21 has been restricted for the Capital Reserve Account; \$981,863.09 has been restricted for the Maintenance Reserve Account; \$25,015 has been restricted for the Emergency Reserve; \$253,559.21 has been restricted for Unemployment; \$500,000.00 has been assigned for subsequent year's expenditures; \$192,138.97 has been assigned for other purposes; and \$1,358,605.64 is unassigned.

Special Revenue Fund – Of the \$865,980.84 Special Revenue Fund fund balance at June 30, 2022, \$414,452.73 is restricted for student activities and \$451,528.11 is restricted for scholarships.

Capital Projects Fund – Of the \$3,451,965.14 Capital Projects Fund fund balance at June 30, 2022, \$3,451,965.14 is restricted for future capital projects approved by the School District.

Debt Service Fund – Of the \$1.33 Debt Service Fund fund balance at June 30, 2022, \$1.33 is restricted for future debt service payments.

Note 18. Deficit in Net Position

Unrestricted Net Position – The School District governmental activities had a deficit in unrestricted net position in the amount of \$1,749,918.41 at June 30, 2022. The primary causes of this deficit is the School District not recognizing the receivable for the last two state aid payments and the recording of the net pension liability for the Public Employee's Retirement System (PERS) as of June 30, 2022. This deficit in unrestricted net position for governmental activities does not indicate that the School District is facing financial difficulties.

Note 19. Commitments

The District has contractual commitments at June 30, 2022 to various vendors which are recorded in the general fund as fund balance assigned to other purposes in the amount of \$192,138.97 and in the capital projects fund totaling \$2,652,232.18.

REQUIRED SUPPLEMENTARY INFORMATION - PART II

This page intentionally left blank

C. Budgetary Comparison Schedules

This page intentionally left blank

RUMSON-FAIR HAVEN REGIONAL SCHOOL DISTRICT
 GENERAL FUND
 BUDGETARY COMPARISON SCHEDULE
 YEAR ENDED JUNE 30, 2022

ACCOUNT NUMBERS	JUNE 30, 2022				VARIANCE FINAL TO ACTUAL	
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		
Revenues:						
Local Sources:						
Local Tax Levy	10-1210	\$ 20,098,727.00	\$ -	\$ 20,098,727.00	\$ 20,098,727.00	\$ -
Tuition From Individuals	10-1310	142,500.00	-	142,500.00	306,345.40	163,845.40
Tuition From Other LEAs Within State	10-1320	82,500.00	-	82,500.00	84,735.00	2,235.00
Unrestricted Miscellaneous Revenues	10-1990	19,700.00	300.00	20,000.00	45,713.09	25,713.09
Interest Earned on Emergency Reserve	10-1993	15.00	(15.00)	-	-	-
Interest Earned on Maintenance Reserve	10-1994	100.00	(100.00)	-	-	-
Interest Earned on Capital Reserve Funds	10-1995	185.00	(185.00)	-	-	-
Total Local Sources		20,343,727.00	-	20,343,727.00	20,535,520.49	191,793.49
State Sources:						
Categorical Transportation Aid	10-3121	266,811.00	-	266,811.00	266,811.00	-
Extraordinary Aid	10-3131	-	-	-	591,149.00	591,149.00
Categorical Special Education Aid	10-3132	714,371.00	-	714,371.00	714,371.00	-
Categorical Security Aid	10-3177	15,063.00	-	15,063.00	15,063.00	-
Other State Aids	10-3190	-	-	-	18,161.00	18,161.00
Nonbudgeted:						
TPAF Pension (on-behalf)		-	-	-	3,240,806.00	3,240,806.00
TPAF Social Security (reimbursed)		-	-	-	614,239.09	614,239.09
TPAF Post Retirement Medical Benefits (on-behalf)		-	-	-	757,184.00	757,184.00
TPAF Long-Term Disability Insurance (on-behalf)		-	-	-	1,146.00	1,146.00
Total State Sources		996,245.00	-	996,245.00	6,218,930.09	5,222,685.09
Federal Sources:						
Other Federal Grant Revenue		-	-	-	2,972.56	2,972.56
Total Federal Sources		-	-	-	2,972.56	2,972.56
Total Revenues		21,339,972.00	-	21,339,972.00	26,757,423.14	5,417,451.14
Current Expenses:						
Regular Programs - Instruction:						
Grades 9-12 - Salaries of Teachers	11-140-100-101	5,555,431.00	(51,300.00)	5,504,131.00	5,511,109.91	(6,978.91)
Regular Programs - Home Instruction:						
Salaries of Teachers	11-150-100-101	20,000.00	(2,083.75)	17,916.25	17,916.25	-
Purchased Professional - Educational Services	11-150-100-320	15,000.00	17,083.75	32,083.75	21,862.34	10,221.41
Purchased Technical Services	11-190-100-340	73,307.53	-	73,307.53	70,829.48	2,478.05
Other Purchased Services	11-190-100-500	92,660.00	(7,400.00)	85,260.00	57,716.61	27,543.39
General Supplies	11-190-100-610	475,593.37	(11,158.00)	464,435.37	371,306.70	93,128.67
Textbooks	11-190-100-640	111,193.00	8,383.00	119,576.00	107,317.62	12,258.38
Other Objects	11-190-100-800	2,325.00	-	2,325.00	1,932.50	392.50
Total Regular Programs - Instruction		6,345,509.90	(46,475.00)	6,299,034.90	6,159,991.41	139,043.49
Special Education - Instruction:						
Learning and/or Language Disabilities: Salaries of Teachers	11-204-100-101	24,650.00	10,155.00	34,805.00	34,805.00	-
Total Learning and/or Language Disabilities		24,650.00	10,155.00	34,805.00	34,805.00	-
Special Education - Instruction:						
Multiple Disabilities:						
Salaries of Teachers	11-212-100-101	138,196.00	96,878.00	235,074.00	234,680.13	393.87
Other Salaries for Instruction	11-212-100-106	84,577.00	(47,530.00)	37,047.00	36,479.67	567.33
General Supplies	11-212-100-610	6,000.00	13,850.00	19,850.00	18,965.16	884.84
Textbooks	11-212-100-640	3,200.00	(3,025.00)	175.00	148.50	26.50
Other Objects	11-212-100-800	-	1,350.00	1,350.00	1,350.00	-
Total Multiple Disabilities		231,973.00	61,523.00	293,496.00	291,623.46	1,872.54
Special Education - Instruction:						
Resource Room/Resource Center:						
Salaries of Teachers	11-213-100-101	987,579.00	(40,601.80)	946,977.20	946,976.55	0.65
Other Salaries	11-213-100-106	75,507.00	(75,507.00)	-	-	-
General Supplies	11-213-100-610	10,100.00	(5,836.20)	4,263.80	3,561.99	701.81
Textbooks	11-213-100-640	1,700.00	-	1,700.00	489.94	1,210.06
Total Resource Room/Resource Center		1,074,886.00	(121,945.00)	952,941.00	951,028.48	1,912.52

RUMSON-FAIR HAVEN REGIONAL SCHOOL DISTRICT
 GENERAL FUND
 BUDGETARY COMPARISON SCHEDULE
 YEAR ENDED JUNE 30, 2022

	ACCOUNT NUMBERS	JUNE 30, 2022			VARIANCE FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET ACTUAL	
Special Education - Instruction:					
Autism:					
Salaries of Teachers	11-214-100-101	72,570.00	(72,570.00)	-	-
Other Salaries for Instruction	11-214-100-106	84,577.00	(84,577.00)	-	-
General Supplies	11-214-100-610	9,200.00	(9,200.00)	-	-
Total Autism		166,347.00	(166,347.00)	-	-
Special Education - Instruction:					
Home Instruction:					
Salaries of Teachers	11-219-100-101	10,000.00	(10,000.00)	-	-
Purchased Professional - Educational Services	11-219-100-320	10,000.00	(5,000.00)	5,000.00	1,200.00
Total Home Instruction		20,000.00	(15,000.00)	5,000.00	3,800.00
Total Special Education - Instruction		1,517,856.00	(231,614.00)	1,286,242.00	1,278,656.94
Bilingual Education - Instruction:					
Salaries of Teachers	11-240-100-101	11,000.00	-	11,000.00	6,930.00
General Supplies	11-240-100-610	50.00	-	50.00	-
Textbooks	11-240-100-640	50.00	-	50.00	30.30
Total Bilingual Education - Instruction		11,100.00	-	11,100.00	6,960.30
School-Sponsored Cocurricular/Extra:					
Curricular Activities - Instruction:					
Salaries	11-401-100-100	182,306.00	-	182,306.00	176,176.78
Purchased Services	11-401-100-500	21,600.00	86.00	21,686.00	14,742.95
Supplies and Materials	11-401-100-600	33,240.00	(5,586.00)	27,654.00	22,778.32
Other Objects	11-401-100-800	11,935.00	(2,900.00)	9,035.00	6,851.24
Total School-Sponsored Cocurricular/Extra Curricular Activities - Instruction		249,081.00	(8,400.00)	240,681.00	220,549.29
School-Sponsored Athletics - Instruction:					
Salaries	11-402-100-100	822,880.00	1,300.00	824,180.00	792,775.82
Purchased Services	11-402-100-500	146,000.00	1,800.00	147,800.00	128,063.47
Supplies and Materials	11-402-100-600	93,001.00	6,200.00	99,201.00	78,582.99
Other Objects	11-402-100-800	5,500.00	-	5,500.00	3,480.00
Total School-Sponsored Athletics - Instruction		1,067,381.00	9,300.00	1,076,681.00	1,002,902.28
Undistributed Expenditures - Instruction (Tuition):					
Tuition to Other LEAs Within State - Special	11-000-100-562	110,000.00	61,596.00	171,596.00	171,596.00
Tuition to County Vocational School - Regular	11-000-100-563	413,100.00	(81,027.00)	332,073.00	321,996.15
Tuition to County Vocational School - Special	11-000-100-564	36,414.00	(30,000.00)	6,414.00	6,120.00
Tuition to Private School Disabled - Within State	11-000-100-566	768,562.00	(186,605.00)	581,957.00	514,021.06
Tuition to Private School Disabled & Other LEAs - Outside State	11-000-100-567	596,900.00	31,376.00	628,276.00	628,276.00
Total Undistributed Expenditures - Instruction (Tuition)		1,924,976.00	(204,660.00)	1,720,316.00	1,642,009.21
Undistributed Expenditures Attendance and Social Work:					
Salaries	11-000-211-100	31,990.00	-	31,990.00	31,689.36
Other Purchased Services	11-000-211-500	1,000.00	-	1,000.00	-
Supplies and Materials	11-000-211-600	1,500.00	-	1,500.00	796.73
Total Undistributed Expenditures Attendance and Social Work		34,490.00	-	34,490.00	32,486.09
Undistributed Expenditures - Health Services:					
Salaries	11-000-213-100	66,570.00	1,440.00	68,010.00	68,010.00
Purchased Professional & Technical Services	11-000-213-300	18,795.00	17,500.00	36,295.00	20,438.50
Other Purchased Services	11-000-213-500	925.00	-	925.00	755.40
Supplies and Materials	11-000-213-600	8,000.00	(2,000.00)	6,000.00	3,764.74
Total Undistributed Expenditures - Health Services		94,290.00	16,940.00	111,230.00	92,968.64
Undistributed Expenditures:					
Speech, OT, PT and Related Services:					
Salaries	11-000-216-100	75,800.00	9,925.00	85,725.00	83,876.25
Purchased Professional - Educational Services	11-000-216-320	193,500.00	4,575.00	198,075.00	152,840.50
Total Undistributed Expenditures - Speech, OT, PT and Related Services		269,300.00	14,500.00	283,800.00	236,716.75
Undistributed Expenditures - Other Support Services - Extra Services:					
Salaries	11-000-217-100	-	245,314.00	245,314.00	237,967.21
Purchased Professional - Educational Services	11-000-217-320	-	81,200.00	81,200.00	82,349.55
Total Undistributed Expenditures - Other Support Services - Extra Services		-	326,514.00	326,514.00	320,316.76

RUMSON-FAIR HAVEN REGIONAL SCHOOL DISTRICT
 GENERAL FUND
 BUDGETARY COMPARISON SCHEDULE
 YEAR ENDED JUNE 30, 2022

	ACCOUNT NUMBERS	JUNE 30, 2022			VARIANCE FINAL TO ACTUAL	
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET		ACTUAL
Undistributed Expenditures - Guidance:						
Salaries of Other Professional Staff	11-000-218-104	643,685.00	(25,549.73)	618,135.27	616,282.35	1,852.92
Salaries of Secretaries & Clerical Assistants	11-000-218-105	129,328.00	(4,187.12)	125,140.88	125,140.88	-
Other Salaries	11-000-218-110	78,707.00	580.00	79,287.00	79,285.92	1.08
Unused Vacation Payments	11-000-218-199	-	6,649.85	6,649.85	6,649.85	-
Purchased Professional - Educational Services	11-000-218-320	143,000.00	(46,000.00)	97,000.00	100,309.00	(3,309.00)
Other Purchased Professional and Technical Services	11-000-218-390	14,625.00	-	14,625.00	7,992.10	6,632.90
Other Purchased Services	11-000-218-500	31,585.00	(5,277.00)	26,308.00	17,337.72	8,970.28
Supplies and Materials	11-000-218-600	6,065.00	-	6,065.00	2,293.37	3,771.63
Other Objects	11-000-218-800	1,570.00	-	1,570.00	1,100.00	470.00
Total Undistributed Expenditures - Guidance		1,048,565.00	(73,784.00)	974,781.00	956,391.19	18,389.81
Undistributed Expenditures - Child Study Teams:						
Salaries of Other Professional Staff	11-000-219-104	240,155.00	(6,580.00)	233,575.00	231,462.85	2,112.15
Salaries of Secretaries & Clerical Assistants	11-000-219-105	62,999.00	-	62,999.00	62,736.30	262.70
Purchased Professional - Educational Services	11-000-219-320	24,950.00	(7,250.00)	17,700.00	1,850.00	15,850.00
Other Purchased Prof. and Tech. Services	11-000-219-390	12,600.00	-	12,600.00	10,499.98	2,100.02
Other Purchased Services	11-000-219-500	10,000.00	(10,000.00)	-	-	-
Miscellaneous Purchased Services	11-000-219-592	-	10,000.00	10,000.00	422.80	9,577.20
Supplies and Materials	11-000-219-600	13,000.00	-	13,000.00	5,248.94	7,751.06
Other Objects	11-000-219-800	200.00	-	200.00	-	200.00
Total Undistributed Expenditures - Child Study Teams		363,904.00	(13,830.00)	350,074.00	312,220.87	37,853.13
Undistributed Expenditures - Improvement of Instruction Services:						
Salaries of Supervisors of Instruction	11-000-221-102	600,220.00	18,200.00	618,420.00	567,313.33	51,106.67
Salaries of Other Professional Staff	11-000-221-104	25,000.00	(2,800.00)	22,200.00	22,200.00	-
Salaries of Sec. and Clerical Assist.	11-000-221-105	58,979.00	(3,500.00)	55,479.00	45,755.99	9,723.01
Other Purchased Services	11-000-221-500	15,000.00	(5,900.00)	9,100.00	4,190.90	4,909.10
Other Objects	11-000-221-800	9,000.00	(2,900.00)	6,100.00	6,028.00	72.00
Total Undistributed Expenditures - Improvement of Instruction Services		708,199.00	3,100.00	711,299.00	645,488.22	65,810.78
Undistributed Expenditures - Educational Media Services/Library:						
Salaries	11-000-222-100	101,166.00	13,039.30	114,205.30	114,035.30	170.00
Salaries of Technology Coordinators	11-000-222-177	-	83,249.00	83,249.00	82,934.82	314.18
Unused Vacation Payments	11-000-222-199	-	8,366.00	8,366.00	8,366.30	(0.30)
Other Purchased Services	11-000-222-500	29,300.00	100.00	29,400.00	28,816.20	583.80
Supplies and Materials	11-000-222-600	4,891.00	-	4,891.00	4,796.40	94.60
Total Undistributed Expenditures - Educational Media Services/Library		135,357.00	104,754.30	240,111.30	238,949.02	1,162.28
Undistributed Expenditures - Instructional Staff Training Services:						
Other Purchased Prof. and Tech. Services	11-000-223-390	10,000.00	(4,000.00)	6,000.00	2,760.00	3,240.00
Other Purchased Services	11-000-223-500	31,200.00	(4,504.30)	26,695.70	9,638.00	17,057.70
Total Undistributed Expenditures - Instructional Staff Training Services		41,200.00	(8,504.30)	32,695.70	12,398.00	20,297.70
Undistributed Expenditures - Support Services - General Administration:						
Salaries	11-000-230-100	261,432.00	107,476.84	368,908.84	368,907.64	1.20
Unused Vacation Payments	11-000-230-199	-	20,997.00	20,997.00	20,996.25	0.75
Legal Services	11-000-230-331	150,000.00	50,000.00	200,000.00	190,805.74	9,194.26
Audit Fees	11-000-230-332	28,750.00	267.00	29,017.00	29,014.00	3.00
Expenditure & Internal Control Audit Fees	11-000-230-333	7,500.00	(2,232.00)	5,268.00	4,180.00	1,088.00
Other Purchased Professional Services	11-000-230-339	5,955.00	13,935.00	19,890.00	19,532.50	357.50
Purchased Technical Services	11-000-230-340	7,500.00	(4,470.00)	3,030.00	-	3,030.00
Communications/Telephone	11-000-230-530	51,500.00	(21,000.00)	30,500.00	25,803.19	4,696.81
BOE Other Purchased Professional Services	11-000-230-585	4,000.00	(1,000.00)	3,000.00	900.00	2,100.00
Other Purchased Services	11-000-230-590	206,150.00	(22,121.84)	184,028.16	182,909.09	1,119.07
General Supplies	11-000-230-610	6,500.00	9,228.51	15,728.51	3,814.92	11,913.59
BOE In-House Training/Meeting Supplies	11-000-230-630	1,700.00	-	1,700.00	223.12	1,476.88
Miscellaneous Expenditures	11-000-230-890	9,500.00	(1,200.00)	8,300.00	5,805.00	2,495.00
BOE Membership Dues and Fees	11-000-230-895	11,000.00	(2,000.00)	9,000.00	8,248.85	751.15
Total Undistributed Expenditures - Support Services - General Administration		751,487.00	147,880.51	899,367.51	861,140.30	38,227.21
Undistributed Expenditures - Support Services - School Administration:						
Salaries of Principals/Assistant Principals	11-000-240-103	293,117.00	1,110.00	294,227.00	294,222.96	4.04
Salaries of Secretaries & Clerical Assistants	11-000-240-105	98,839.00	-	98,839.00	98,838.48	0.52
Purchased Professional & Technical Services	11-000-240-300	3,000.00	(3,000.00)	-	-	-
Other Purchased Services	11-000-240-500	47,200.00	-	47,200.00	29,708.13	17,491.87
Supplies and Materials	11-000-240-600	15,075.00	(6,452.88)	8,622.12	7,239.13	1,382.99
Other Objects	11-000-240-800	7,950.00	-	7,950.00	5,553.61	2,396.39

RUMSON-FAIR HAVEN REGIONAL SCHOOL DISTRICT
 GENERAL FUND
 BUDGETARY COMPARISON SCHEDULE
 YEAR ENDED JUNE 30, 2022

ACCOUNT NUMBERS	JUNE 30, 2022				VARIANCE FINAL TO ACTUAL	
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		
Total Undistributed Expenditures - Support Services - School Administration	465,181.00	(8,342.88)	456,838.12	435,562.31	21,275.81	
Undistributed Expenditures - Central Services:						
Salaries	11-000-251-100	323,653.00	11,213.66	334,866.66	334,841.96	24.70
Unused Vacation Payment to Staff	11-000-251-199	-	29,677.00	29,677.00	29,675.31	1.69
Purchased Technical Services	11-000-251-340	44,600.00	5,225.00	49,825.00	43,273.64	6,551.36
Miscellaneous Purchased Services	11-000-251-592	4,700.00	(1,652.36)	3,047.64	2,864.44	183.20
Supplies and Materials	11-000-251-600	3,000.00	2,501.07	5,501.07	5,501.07	-
Miscellaneous Expenditures	11-000-251-890	2,000.00	(472.64)	1,527.36	1,527.36	-
Total Undistributed Expenditures - Central Services		377,953.00	46,491.73	424,444.73	417,683.78	6,760.95
Undistributed Expenditures - Administrative Information Technology:						
Salaries	11-000-252-100	92,710.00	(92,710.00)	-	-	-
Purchased Technical Services	11-000-252-340	11,700.00	(2,600.00)	9,100.00	8,903.99	196.01
Other Purchased Services	11-000-252-500	-	2,200.00	2,200.00	934.79	1,265.21
Total Undistributed Expenditures - Administrative Information Technology		104,410.00	(93,110.00)	11,300.00	9,838.78	1,461.22
Undistributed Expenditures - Required Maintenance for School Facilities:						
Salaries	11-000-261-100	94,952.00	-	94,952.00	94,951.92	0.08
Cleaning, Repair & Maintenance Services	11-000-261-420	168,100.00	(109,000.00)	59,100.00	55,783.64	3,316.36
Construction Accounts	11-000-261-422	-	128,374.86	128,374.86	108,162.23	20,212.63
Other Repairs and Maintenance	11-000-261-426	29,374.86	(29,374.86)	-	-	-
General Supplies	11-000-261-610	90,000.00	(33,000.00)	57,000.00	51,304.80	5,695.20
Total Undistributed Expenditures - Required Maintenance for School Facilities		382,426.86	(43,000.00)	339,426.86	310,202.59	29,224.27
Undistributed Expenditures - Custodial Services:						
Salaries	11-000-262-100	208,206.00	-	208,206.00	190,913.99	17,292.01
Purchased Professional and Technical Services	11-000-262-300	24,000.00	42,175.00	66,175.00	53,786.31	12,388.69
Cleaning, Repair & Maintenance Services	11-000-262-420	297,000.00	57,000.00	354,000.00	337,661.32	16,338.68
Other Purchased Property Services	11-000-262-490	68,000.00	(10,108.66)	57,891.34	49,402.25	8,489.09
Insurance	11-000-262-520	138,490.00	-	138,490.00	136,082.98	2,407.02
Miscellaneous Purchased Services	11-000-262-590	3,500.00	(2,500.00)	1,000.00	451.00	549.00
General Supplies	11-000-262-610	71,375.00	15,623.93	86,998.93	82,063.67	4,935.26
Energy (Natural Gas)	11-000-262-621	12,750.00	2,832.97	15,582.97	15,582.97	-
Energy (Electricity)	11-000-262-622	320,000.00	(18,832.97)	301,167.03	289,326.24	11,840.79
Other Objects	11-000-262-800	1,000.00	-	1,000.00	475.00	525.00
Total Undistributed Expenditures - Custodial Services		1,144,321.00	86,190.27	1,230,511.27	1,155,745.73	74,765.54
Undistributed Expenditures - Care and Upkeep of Grounds:						
Salaries	11-000-263-100	31,651.00	-	31,651.00	31,650.72	0.28
Cleaning, Repair & Maintenance Services	11-000-263-420	62,000.00	6,220.45	68,220.45	68,220.45	-
General Supplies	11-000-263-610	14,500.00	(6,220.45)	8,279.55	7,147.98	1,131.57
Total Undistributed Expenditures - Care and Upkeep of Grounds		108,151.00	-	108,151.00	107,019.15	1,131.85
Security:						
Salaries	11-000-266-100	45,814.00	36,513.40	82,327.40	81,202.40	1,125.00
Purchased Professional and Technical Services	11-000-266-300	7,500.00	357.25	7,857.25	6,932.25	925.00
General Supplies	11-000-266-610	12,550.00	(3,132.88)	9,417.12	7,537.63	1,879.49
Total Security		65,864.00	33,737.77	99,601.77	95,672.28	3,929.49
Undistributed Expenditures - Student Transportation Services:						
Salaries of Pupil Transportation (Between Home & School) - Regular	11-000-270-160	20,158.00	466.80	20,624.80	20,624.80	-
Unused Vacation Payment to Terminated / Retired Staff	11-000-270-199	-	3,950.00	3,950.00	-	3,950.00
Management Fee - ESC & CTSA Trans. Program	11-000-270-350	34,060.00	2,178.62	36,238.62	36,238.62	-
Contract Services - Aid in Lieu Payments - Non Public Schools	11-000-270-503	5,000.00	(2,178.62)	2,821.38	2,000.00	821.38
Contract Services (Between Home & School) - Vendors	11-000-270-511	184,800.00	-	184,800.00	184,778.33	21.67
Contract Services (Other Than Between Home & School) - Vendors	11-000-270-512	263,360.00	(3,155.20)	260,204.80	197,899.66	62,305.14
Contract Services (Special Education) - Vendors	11-000-270-514	60,000.00	(25,000.00)	35,000.00	23,918.65	11,081.35
Contract Serv.(Sp Ed Stds)-Joint Agmnts	11-000-270-515	52,000.00	16,750.00	68,750.00	68,750.00	-
Contract Serv.(Spl. Ed. Students)-ESCs & CTSA	11-000-270-517	499,200.00	(64,200.00)	435,000.00	403,066.51	31,933.49
Contract Services (Special Education) - ESCs & CTSA	11-000-270-518	335,000.00	13,500.00	348,500.00	285,451.73	63,048.27
Total Undistributed Expenditures - Student Transportation Services		1,453,578.00	(57,688.40)	1,395,889.60	1,222,728.30	173,161.30

**RUMSON-FAIR HAVEN REGIONAL SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2022**

	ACCOUNT NUMBERS	JUNE 30, 2022			VARIANCE FINAL TO ACTUAL	
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET		ACTUAL
Unallocated Benefits:						
Social Security Contributions	11-000-291-220	240,000.00	25,000.00	265,000.00	250,075.59	14,924.41
Other Retirement Contributions - PERS	11-000-291-241	223,000.00	12,500.00	235,500.00	234,709.40	790.60
Workmen's Compensation	11-000-291-260	94,000.00	(1,600.00)	92,400.00	86,565.02	5,834.98
Health Benefits	11-000-291-270	2,406,900.00	(58,400.00)	2,348,500.00	2,176,110.74	172,389.26
Tuition Reimbursement	11-000-291-280	59,000.00	-	59,000.00	27,971.64	31,028.36
Other Employee Benefits	11-000-291-290	142,100.00	-	142,100.00	137,171.50	4,928.50
Unused Sick Payment to Staff	11-000-291-299	16,000.00	22,500.00	38,500.00	33,181.23	5,318.77
Total Unallocated Benefits		3,181,000.00	-	3,181,000.00	2,945,785.12	235,214.88
Nonbudgeted:						
TPAF Pension (on-behalf)		-	-	-	3,240,806.00	(3,240,806.00)
TPAF Social Security (reimbursed)		-	-	-	614,239.09	(614,239.09)
TPAF Post Retirement Medical Benefits (on-behalf)		-	-	-	757,184.00	(757,184.00)
TPAF Long-Term Disability Insurance (on-behalf)		-	-	-	1,146.00	(1,146.00)
Total Nonbudgeted		-	-	-	4,613,375.09	(4,613,375.09)
Total Undistributed Expenditures		12,654,652.86	277,189.00	12,931,841.86	16,664,698.18	(3,732,856.32)
Total Expenditures - Current Expense		21,845,580.76	-	21,845,580.76	25,333,758.40	(3,488,177.64)
Capital Outlay:						
Equipment:						
Undistributed Expenditures:						
Undist. Expend. - Custodial Services	12-000-262-730	-	4,140.00	4,140.00	4,138.65	1.35
Undist. Expend. - Care and Upkeep of Grounds	12-000-263-730	7,000.00	(4,140.00)	2,860.00	-	2,860.00
Total Equipment		7,000.00	-	7,000.00	4,138.65	2,861.35
Facilities Acquisition & Construction Services:						
Construction Services	12-000-400-450	367,563.90	-	367,563.90	259,145.65	108,418.25
Assessment for Debt Service on SDA Funding	12-000-400-896	54,591.00	-	54,591.00	54,591.00	-
School Sponsored & Other Instructional Programs	12-400-100-730	23,730.00	-	23,730.00	23,730.00	-
Total Facilities Acquisition & Construction Services		445,884.90	-	445,884.90	337,466.65	108,418.25
Total Capital Outlay		452,884.90	-	452,884.90	341,605.30	111,279.60
Total Expenditures		22,298,465.66	-	22,298,465.66	25,675,363.70	(3,376,898.04)
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures After Other Financing Sources/(Uses)		(958,493.66)	-	(958,493.66)	1,082,059.44	(2,040,553.10)
Fund Balance, July 1		6,619,222.68	-	6,619,222.68	6,619,222.68	-
Fund Balance, June 30		\$ 5,660,729.02	\$ -	\$ 5,660,729.02	\$ 7,701,282.12	\$ (2,040,553.10)

RECAPITULATION OF FUND BALANCE

Restricted Fund Balance:		
Capital Reserve		\$ 4,297,035.21
Maintenance Reserve		981,863.09
Emergency Reserve		25,015.00
Unemployment Reserve		253,559.21
Assigned Fund Balance:		
Designated for Subsequent Year's Expenditures		500,000.00
Year-End Encumbrances		192,138.97
Unassigned Fund Balance		<u>1,451,670.64</u>
Subtotal		7,701,282.12
Reconciliation to Governmental Funds Statements (GAAP):		
Last State Aid Payments Not Recognized on GAAP Basis		<u>(93,065.00)</u>
Fund Balance per Governmental Funds (GAAP)		<u>\$ 7,608,217.12</u>

**RUMSON-FAIR HAVEN REGIONAL SCHOOL DISTRICT
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2022**

	JUNE 30, 2022				VARIANCE FINAL TO ACTUAL (OVER)/ UNDER
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
Revenues:					
Local Sources	\$ -	\$ 1,398,761.73	\$ 1,398,761.73	\$ 469,956.13	\$ 928,805.60
Federal Sources	249,493.00	269,750.00	519,243.00	320,949.77	198,293.23
Total Revenues	249,493.00	1,668,511.73	1,918,004.73	790,905.90	1,127,098.83
Expenditures:					
Instruction:					
Salaries of Teachers	74,793.00	170,464.00	245,257.00	72,920.00	172,337.00
Purchased Professional - Educational Services	-	15,000.00	15,000.00	-	15,000.00
Other Purchased Services (400-500 Series)	150,000.00	26,152.00	176,152.00	212,536.00	(36,384.00)
General Supplies	-	24,530.94	24,530.94	26,259.44	(1,728.50)
Total Instruction	224,793.00	236,146.94	460,939.94	312,765.44	148,174.50
Support Services:					
Salaries of Teachers	-	74,153.00	74,153.00	5,550.00	68,603.00
Personal Services - Employee Benefits	2,535.00	35,305.00	37,840.00	5,797.51	32,042.49
Purchased Educational Services	22,165.00	(4,556.00)	17,609.00	32,440.00	(14,831.00)
Supplies and Materials	-	44,988.24	44,988.24	12,932.26	32,055.98
Student Activities	-	486,287.70	486,287.70	381,734.12	104,553.58
Scholarships Awarded	-	796,186.85	796,186.85	34,759.59	761,427.26
Total Support Services	24,700.00	1,432,364.79	1,457,064.79	473,213.48	983,851.31
Total Expenditures	249,493.00	1,668,511.73	1,918,004.73	785,978.92	1,132,025.81
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	-	-	-	4,926.98	(4,926.98)
Fund Balance, July 1	-	-	-	861,053.86	(861,053.86)
Fund Balance, June 30	\$ -	\$ -	\$ -	\$ 865,980.84	\$ (865,980.84)

Recapitulation:	
Restricted:	
Scholarship	\$ 451,528.11
Student Activities	414,452.73
Total Fund Balance	<u>\$ 865,980.84</u>

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PART II

This page intentionally left blank

**RUMSON-FAIR HAVEN REGIONAL SCHOOL DISTRICT
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION
BUDGET TO GAAP RECONCILIATION
YEAR ENDED JUNE 30, 2022**

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

	GENERAL FUND	SPECIAL REVENUE FUND
Sources/Inflows of Resources:		
Actual Amounts (Budgetary Basis) "Revenue"		
From the Budgetary Comparison Schedule (C-Series)	\$ 26,757,423.14	\$ 790,905.90
Difference - Budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		
Current Year	-	(691.85)
<p>The last state aid payments are recognized as revenue for budgetary purposes and differs from GAAP which does not recognize this revenue until the subsequent year when the state recognizes the related expense (GASB 33).</p>		
Current Year	(93,065.00)	-
Prior Year	75,688.00	-
Total Revenues as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds. (B-2)	<u>\$ 26,740,046.14</u>	<u>\$ 790,214.05</u>
Uses/outflows of resources:		
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule. (C-1, C-2)	\$ 25,675,363.70	\$ 785,978.92
Differences - budget to GAAP		
Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for <i>budgetary</i> purposes, but in the year the supplies are received for <i>financial reporting</i> purposes.		
	-	(691.85)
Total Expenditures as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds (B-2)	<u>\$ 25,675,363.70</u>	<u>\$ 785,287.07</u>

This page intentionally left blank

REQUIRED SUPPLEMENTARY INFORMATION - PART III

This page intentionally left blank

SCHEDULES RELATED TO ACCOUNTING AND REPORTING FOR PENSIONS (GASB 68)

This page intentionally left blank

RUMSON-FAIR HAVEN REGIONAL SCHOOL DISTRICT
 SCHEDULE OF THE SCHOOL DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
 PUBLIC EMPLOYEES' RETIREMENT SYSTEM (PERS)
 LAST NINE FISCAL YEARS */**

	2022	2021	2020	2019	2018	2017	2016	2015	2014
School District's proportion of the net pension liability	0.01971%	0.01915%	0.01667%	0.01709%	0.01712%	0.01806%	0.01625%	0.01614%	0.01601%
School District's proportionate share of the net pension liability	\$ 2,335,238.00	\$ 3,123,575.00	\$ 3,003,477.00	\$ 3,364,752.00	\$ 3,985,626.00	\$ 5,348,272.00	\$ 3,809,153.00	\$ 3,162,163.00	\$ 3,060,055.00
School District's covered payroll	\$ 1,348,852.71	\$ 1,426,618.00	\$ 1,371,874.00	\$ 1,197,946.00	\$ 1,184,539.00	\$ 1,138,190.00	\$ 1,141,200.00	N/A	N/A
School District's proportionate share of the net pension liability as a percentage of its covered payroll	173.13%	218.95%	218.93%	280.88%	336.47%	469.89%	333.78%	N/A	N/A
Plan fiduciary net position as a percentage of the total pension liability	70.33%	58.32%	56.27%	53.60%	48.10%	40.14%	47.93%	52.08%	48.72%

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

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

RUMSON-FAIR HAVEN REGIONAL SCHOOL DISTRICT
 SCHEDULE OF SCHOOL DISTRICT CONTRIBUTIONS
 PUBLIC EMPLOYEES' RETIREMENT SYSTEM (PERS)
 LAST NINE FISCAL YEARS **

	2022	2021	2020	2019	2018	2017	2016	2015	2014
School District's contractually required contribution	\$ 230,856.00	\$ 209,539.00	\$ 162,992.00	\$ 171,160.00	\$ 161,629.00	\$ 160,999.00	\$ 139,742.00	\$ 133,081.00	\$ 120,641.00
Contributions in relation to the contractually required contribution	(230,856.00)	(209,539.00)	(162,992.00)	(171,160.00)	(161,629.00)	(160,999.00)	(139,742.00)	(133,081.00)	(120,641.00)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
School District's covered payroll	\$ 1,422,832.00	\$ 1,348,852.71	\$ 1,426,618.00	\$ 1,371,874.00	\$ 1,197,946.00	\$ 1,184,539.00	\$ 1,138,190.00	\$ 1,141,200.00	N/A
Contributions as a percentage of covered payroll	16.23%	15.53%	11.43%	12.48%	13.49%	13.59%	12.28%	11.66%	N/A

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

**RUMSON-FAIR HAVEN REGIONAL SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
TEACHERS' PENSION AND ANNUITY FUND (TPAF)
LAST NINE FISCAL YEARS ****

	2022	2021	2020	2019	2018	2017	2016	2015	2014
School District's proportion of the net pension liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School District's proportionate share of the net pension liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's proportionate share of the net pension liability associated with the School District	\$ 38,379,053.00	\$ 49,995,749.00	\$ 48,874,048.00	\$ 48,642,715.00	\$ 51,313,544.00	\$ 60,367,252.00	\$ 46,942,536.00	\$ 39,840,781.00	\$ 37,044,765.00
School District's covered payroll	\$ 8,521,296.00	\$ 8,593,067.00	\$ 8,691,646.00	\$ 8,466,257.00	\$ 8,193,112.00	\$ 8,159,094.00	\$ 7,945,192.00	\$ 7,807,842.00	N/A
School District's proportionate share of the net pension liability as a percentage of its covered payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the total pension liability	35.52%	24.60%	26.95%	26.49%	25.41%	22.33%	28.71%	33.64%	33.76%

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

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

This page intentionally left blank

SCHEDULES RELATED TO ACCOUNTING AND REPORTING FOR OTHER POST EMPLOYMENT BENEFITS (GASB 75)

This page intentionally left blank

**RUMSON-FAIR HAVEN REGIONAL SCHOOL DISTRICT
SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS
STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES PLAN (OPEB)
LAST FIVE FISCAL YEARS **/****

	2022	2021	2020	2019	2018
Total OPEB Liability					
Service Cost	\$ 2,267,565.00	\$ 1,188,259.00	\$ 1,150,469.00	\$ 1,266,696.00	\$ 1,540,528.00
Interest Cost	1,024,706.00	950,532.00	1,149,794.00	1,258,772.00	1,090,160.00
Change in Benefit Terms	(42,044.00)	-	-	-	-
Difference between Actual and Expected	(6,644,582.00)	7,929,505.00	(4,521,974.00)	(3,772,610.00)	-
Changes of Assumptions	38,971.00	7,971,111.00	392,657.00	(3,321,982.00)	(4,691,572.00)
Contributions: Member	26,197.00	23,026.00	23,963.00	26,753.00	29,224.00
Gross Benefit Payments	(807,182.00)	(759,697.00)	(808,405.00)	(774,072.00)	(793,648.00)
Net Change in Total OPEB Liability	(4,136,369.00)	17,302,736.00	(2,613,496.00)	(5,316,443.00)	(2,825,308.00)
Total OPEB Liability (Beginning)	43,637,713.00	26,334,977.00	28,948,473.00	34,264,916.00	37,090,224.00
Total OPEB Liability (Ending)	<u>\$ 39,501,344.00</u>	<u>\$ 43,637,713.00</u>	<u>\$ 26,334,977.00</u>	<u>\$ 28,948,473.00</u>	<u>\$ 34,264,916.00</u>
State's Covered Employee Payroll***	\$ 9,944,128.00	\$ 11,603,617.00	\$ 11,285,925.00	\$ 11,274,010.00	\$ 10,842,657.00
Net OPEB Liability as a Percentage of Payroll	397%	376%	233%	257%	316%

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

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

This page intentionally left blank

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PART III

This page intentionally left blank

**RUMSON-FAIR HAVEN REGIONAL SCHOOL DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PART III
YEAR ENDED JUNE 30, 2022**

Public Employees' Retirement System (PERS)

Changes in Benefit Terms

The June 30, 2021 measurement date includes one change in plan provisions as Chapter 140, P.L. 2021 reopened the Worker's Compensation Judges (WCJ) Part of PERS and transferred WCJs from the Defined Contribution Retirement Program (DCRP) and regular part of PERS into the WCJ Part of PERS.

Changes in Assumptions

The discount rate used as of June 30, measurement date is as follows:

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
2021	7.00%	2018	5.66%	2015	4.90%
2020	7.00%	2017	5.00%	2014	5.39%
2019	6.28%	2016	3.98%		

The long-term expected rate of return used as of June 30, measurement date is as follows:

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
2021	7.00%	2018	7.00%	2015	7.90%
2020	7.00%	2017	7.00%	2014	7.90%
2019	7.00%	2016	7.65%		

The mortality assumption was updated upon the direction from the Division of Pensions and Benefits.

Teachers Pension and Annuity Fund (TPAF)

Changes in Benefit Terms

None.

Changes in Assumptions

The discount rate used as of June 30, measurement date is as follows:

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
2021	7.00%	2018	4.86%	2015	4.13%
2020	5.40%	2017	4.25%	2014	4.68%
2019	5.60%	2016	3.22%		

The long-term expected rate of return used as of June 30, measurement date is as follows:

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
2021	7.00%	2018	7.00%	2015	7.90%
2020	7.30%	2017	7.00%	2014	7.90%
2019	7.00%	2016	7.65%		

The mortality assumption was updated upon the direction from the Division of Pensions and Benefits.

State Health Benefit Local Education Retired Employees Plan (OPEB)

Changes in Benefit Terms

None.

Changes in Assumptions

The discount rate used as of June 30, measurement date is as follows:

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
2021	2.16%	2018	3.87%
2020	2.21%	2017	3.58%
2019	3.50%	2016	2.85%

The mortality assumption was updated upon the direction from the Division of Pensions and Benefits.

This page intentionally left blank

OTHER SUPPLEMENTARY INFORMATION

This page intentionally left blank

D. School Based Budget Schedules

Not Applicable

This page intentionally left blank

E. Special Revenue Fund

This page intentionally left blank

RUMSON-FAIR HAVEN REGIONAL SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS
YEAR ENDED JUNE 30, 2022

	Title I	Title II-A	Title IV	I.D.E.A. Part B - Basic	ARP I.D.E.A. Basic
Revenues:					
Local Sources	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Sources	45,225.95	2,162.62	6,706.26	171,851.00	40,685.00
Total Revenues	\$ 45,225.95	\$ 2,162.62	\$ 6,706.26	\$ 171,851.00	\$ 40,685.00
Expenditures:					
Instruction:					
Salaries of Teachers	\$ 27,275.00	\$ 1,080.00	\$ -	\$ -	\$ -
Other Purchased Services (400-500 Series)	-	-	-	171,851.00	40,685.00
General Supplies	-	-	4,000.00	-	-
Other Objects	-	-	-	-	-
Total Instruction	27,275.00	1,080.00	4,000.00	171,851.00	40,685.00
Support Services:					
Salaries of Teachers	-	-	-	-	-
Personnel Services - Employee Benefits	2,110.95	82.62	-	-	-
Purchased Educational Services	15,840.00	1,000.00	-	-	-
Supplies and Materials	-	-	2,706.26	-	-
Student Activities	-	-	-	-	-
Scholarships Awarded	-	-	-	-	-
Total Support Services	17,950.95	1,082.62	2,706.26	-	-
Total Expenditures	45,225.95	2,162.62	6,706.26	171,851.00	40,685.00
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	-	-	-	-	-
Fund Balance, July 1	-	-	-	-	-
Fund Balance, June 30	\$ -	\$ -	\$ -	\$ -	\$ -

RUMSON-FAIR HAVEN REGIONAL SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS
YEAR ENDED JUNE 30, 2022

	CRRSA	ESSER II	ESSER II - Learning Acceleration	ESSER II - Mental Health
Revenues:				
Local Sources	\$	-	\$	-
Federal Sources		33,721.00	14,252.86	6,345.08
Total Revenues	\$	33,721.00	\$	14,252.86
			\$	6,345.08
Expenditures:				
Instruction:				
Salaries of Teachers	\$	31,325.00	\$	13,240.00
Other Purchased Services (400-500 Series)		-		-
General Supplies		-		-
Other Objects		-		-
Total Instruction		31,325.00		13,240.00
				-
Support Services:				
Salaries of Teachers		-		2,550.00
Personal Services - Employee Benefits		2,396.00	1,012.86	195.08
Purchased Educational Services		-		3,600.00
Supplies and Materials		-		-
Student Activities		-		-
Scholarships Awarded		-		-
Total Support Services		2,396.00		1,012.86
				6,345.08
Total Expenditures		33,721.00		14,252.86
				6,345.08
Excess/(Deficiency) of Revenues Over/(Under) Expenditures		-		-
Fund Balance, July 1		-		-
Fund Balance, June 30	\$	-	\$	-

RUMSON-FAIR HAVEN REGIONAL SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS (continued)
YEAR ENDED JUNE 30, 2022

	Other Local Programs	Student Activities	Scholarship Fund	Totals
Revenues:				
Local Sources	\$ 48,535.44	\$ 420,054.35	\$ 1,366.34	\$ 469,956.13
Federal Sources	-	-	-	320,949.77
Total Revenues	<u>\$ 48,535.44</u>	<u>\$ 420,054.35</u>	<u>\$ 1,366.34</u>	<u>\$ 790,905.90</u>
Expenditures:				
Instruction:				
Salaries of Teachers	\$ -	\$ -	\$ -	\$ 72,920.00
Other Purchased Services (400-500 Series)	-	-	-	212,536.00
General Supplies	22,259.44	-	-	26,259.44
Other Objects	1,050.00	-	-	1,050.00
Total Instruction	<u>23,309.44</u>	<u>-</u>	<u>-</u>	<u>312,765.44</u>
Support Services:				
Salaries of Teachers	3,000.00	-	-	5,550.00
Personal Services - Employee Benefits	-	-	-	5,797.51
Purchased Educational Services	12,000.00	-	-	32,440.00
Supplies and Materials	10,226.00	-	-	12,932.26
Student Activities	-	381,734.12	-	381,734.12
Scholarships Awarded	-	-	34,759.59	34,759.59
Total Support Services	<u>25,226.00</u>	<u>381,734.12</u>	<u>34,759.59</u>	<u>473,213.48</u>
Total Expenditures	<u>48,535.44</u>	<u>381,734.12</u>	<u>34,759.59</u>	<u>785,978.92</u>
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	-	38,320.23	(33,393.25)	4,926.98
Fund Balance, July 1	-	376,132.50	484,921.36	861,053.86
Fund Balance, June 30	<u>\$ -</u>	<u>\$ 414,452.73</u>	<u>\$ 451,528.11</u>	<u>\$ 865,980.84</u>

This page intentionally left blank

F. Capital Projects Fund

This page intentionally left blank

EXHIBIT F-1

RUMSON-FAIR HAVEN REGIONAL SCHOOL DISTRICT
 CAPITAL PROJECTS FUND
 SUMMARY SCHEDULE OF PROJECT EXPENDITURES
 YEAR ENDED JUNE 30, 2022

Project Title / Issue:	Original Date	Original Appropriations	Expenditures to Date		Unexpended Balance June 30, 2022
			Prior Years	Current Year	
Alterations, Renovations & Additions	12/6/2018	\$ 8,827,000.00	\$ 4,394,284.03	\$ 2,069,738.38	\$ 2,362,977.59
Site Improvements	12/6/2018	3,430,000.00	172,815.95	2,168,196.50	1,088,987.55
Total		\$ 12,257,000.00	\$ 4,567,099.98	\$ 4,237,934.88	\$ 3,451,965.14

**RUMSON-FAIR HAVEN REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGETARY BASIS
YEAR ENDED JUNE 30, 2022**

Expenditures and Other Financing Uses:	
Other Purchased Professional and Technical Services	\$ 220,359.70
Construction Services	1,874,734.75
Supplies	28,185.69
Land and Improvements	<u>2,114,654.74</u>
Total Expenditures and Other Financing Uses	<u>4,237,934.88</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(4,237,934.88)
Fund Balance, July 1	<u>7,689,900.02</u>
Fund Balance, June 30	<u><u>\$ 3,451,965.14</u></u>

**RUMSON-FAIR HAVEN REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGETARY BASIS
ALTERATIONS, RENOVATIONS & ADDITIONS
YEAR ENDED JUNE 30, 2022**

	Prior Years	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources:				
Bond Proceeds	\$ 8,827,000.00	\$ -	\$ 8,827,000.00	\$ 8,827,000.00
Total Revenues and Other Financing Sources	8,827,000.00	-	8,827,000.00	8,827,000.00
Expenditures and Other Financing Uses:				
Other Purchased Professional and Technical Services	219,134.74	166,817.94	385,952.68	385,952.68
Construction Services	4,170,813.13	1,874,734.75	6,045,547.88	6,045,547.88
Supplies	4,336.16	28,185.69	32,521.85	32,521.85
Total Expenditures and Other Financing Uses	4,394,284.03	2,069,738.38	6,464,022.41	6,464,022.41
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	\$ 4,432,715.97	\$ (2,069,738.38)	\$ 2,362,977.59	\$ 2,362,977.59

Additional Project Information:

Name of Project:	
Alterations, Renovations & Additions	
DOE Project Number	4580-050-18-1000
Date	7/9/2019
Bond Authorization Date	12/6/2018
Bonds Authorized	\$ 12,596,000.00
Bonds Issued	12,596,000.00
Original Authorized Cost	8,827,000.00
Additional Authorized Cost	-
Revised Authorized Cost	6,464,022.41
Percentage Increase over Original Authorized Cost	0.00%
Percentage Completion	73.23%
Original Target Completion Date	2023
Revised Target Completion Date	2023

**RUMSON-FAIR HAVEN REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGETARY BASIS
SITE IMPROVEMENTS
YEAR ENDED JUNE 30, 2022**

	Prior Years	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources:				
Bond Proceeds	\$ 3,430,000.00	\$ -	\$ 3,430,000.00	\$ 3,430,000.00
Total Revenues and Other Financing Sources	3,430,000.00	-	3,430,000.00	3,430,000.00
Expenditures and Other Financing Uses:				
Other Purchased Professional and Technical Services	167,815.95	53,541.76	221,357.71	221,357.71
Land and Improvements	5,000.00	2,114,654.74	2,119,654.74	2,119,654.74
Total Expenditures and Other Financing Uses	172,815.95	2,168,196.50	2,341,012.45	2,341,012.45
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	\$ 3,257,184.05	\$ (2,168,196.50)	\$ 1,088,987.55	\$ 1,088,987.55

Additional Project Information:

Name of Project:	
Site Improvements	
DOE Project Number	4580-050-18-3000
Date	7/9/2019
Bond Authorization Date	12/6/2018
Bonds Authorized	12,596,000.00
Bonds Issued	12,596,000.00
Original Authorized Cost	3,430,000.00
Additional Authorized Cost	-
Revised Authorized Cost	2,341,012.45
Percentage Increase over Original Authorized Cost	0.00%
Percentage Completion	68.25%
Original Target Completion Date	2023
Revised Target Completion Date	2023

H. Fiduciary Fund
Not Applicable

This page intentionally left blank

I. Long-Term Debt

This page intentionally left blank

**RUMSON-FAIR HAVEN REGIONAL SCHOOL DISTRICT
LONG-TERM DEBT
SCHEDULE OF SERIAL BONDS PAYABLE
YEAR ENDED JUNE 30, 2022**

ISSUE	DATE OF ISSUE	AMOUNT OF ISSUE	ANNUAL MATURITIES DATE	AMOUNT	INTEREST RATE	BALANCE JUNE 30, 2021	RETIRED	BALANCE JUNE 30, 2022
School Bonds, Series 2018	12/6/2018	\$ 12,596,000.00	2/1/2023	\$ 500,000.00	3.250%	\$ 11,720,000.00	\$ 485,000.00	\$ 11,235,000.00
			2/1/2024	520,000.00	3.250%			
			2/1/2025	535,000.00	3.250%			
			2/1/2026	550,000.00	3.250%			
			2/1/2027	570,000.00	3.250%			
			2/1/2028	590,000.00	3.250%			
			2/1/2029	610,000.00	3.250%			
			2/1/2030	635,000.00	3.250%			
			2/1/2031	660,000.00	3.375%			
			2/1/2032	685,000.00	3.375%			
			2/1/2033	710,000.00	3.500%			
			2/1/2034	740,000.00	3.500%			
			2/1/2035	770,000.00	3.500%			
			2/1/2036	790,000.00	3.625%			
			2/1/2037	790,000.00	3.750%			
			2/1/2038	790,000.00	3.750%			
			2/1/2039	790,000.00	3.750%			
Total						\$ 11,720,000.00	\$ 485,000.00	\$ 11,235,000.00

**RUMSON-FAIR HAVEN REGIONAL SCHOOL DISTRICT
DEBT SERVICE FUND
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2022**

	JUNE 30, 2022			VARIANCE FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Revenues:				
Local Sources:				
Local Tax Levy	\$ 705,199.00	\$ -	\$ 705,199.00	\$ -
State Sources:				
Debt Service Aid Type II	182,744.00	-	182,744.00	-
Total Revenues	887,943.00	-	887,943.00	-
Expenditures:				
Regular Debt Service:				
Interest	402,944.00	-	402,944.00	0.24
Redemption of Principal	485,000.00	-	485,000.00	-
Total Regular Debt Service	887,944.00	-	887,944.00	0.24
Total Expenditures	887,944.00	-	887,943.76	0.24
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	(1.00)	-	(1.00)	(0.76)
Fund Balance, July 1,	2.09	-	2.09	2.09
Fund Balance, June 30,	\$ 1.09	\$ -	\$ 1.09	\$ 1.33
				\$ 0.24

STATISTICAL SECTION (Unaudited)

Third Section

This page intentionally left blank

Financial Trends Information

Financial trends information is intended to assist the user in understanding and assessing how the School District's financial position has changed over time. Please refer to the following exhibits for a historical view of the School District's financial performance. The Exhibits are presented for the last ten fiscal years.

This page intentionally left blank

RUMSON-FAIR HAVEN REGIONAL SCHOOL DISTRICT
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(Accrual Basis of Accounting)
(UNAUDITED)

	FISCAL YEAR ENDING JUNE 30,									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Governmental Activities:										
Net Investment in Capital Assets	\$ 8,171,288.26	\$ 4,334,110.78	\$ 2,378,372.00	\$ 2,599,081.00	\$ 14,103,763.00	\$ 13,944,675.00	\$ 13,571,244.00	\$ 13,433,987.00	\$ 13,671,872.00	\$ 12,405,448.00
Restricted	9,875,419.82	13,467,667.97	14,866,042.00	16,204,125.00	4,871,725.00	4,471,177.00	4,218,768.00	3,920,795.00	3,120,494.00	4,354,038.00
Unrestricted (Deficit) Surplus	(1,749,918.41)	(2,663,903.43)	(3,284,794.00)	(3,015,708.00)	(3,387,242.00)	(3,250,477.00)	(3,183,736.00)	(3,059,557.00)	260,550.00	91,208.00
Total Governmental Activities	\$ 16,296,789.67	\$ 15,137,875.32	\$ 13,959,620.00	\$ 15,787,498.00	\$ 15,588,246.00	\$ 15,165,375.00	\$ 14,606,276.00	\$ 14,295,225.00	\$ 17,052,916.00	\$ 16,850,694.00
Business-Type Activities:										
Net Investment in Capital Assets	\$ 46,172.67	\$ 43,569.00	\$ 42,526.00	\$ 47,283.00	\$ 52,279.00	\$ 63,585.00	\$ 69,596.00	\$ 80,549.00	\$ 33,177.00	\$ 39,809.00
Unrestricted (Deficit) Surplus	280,225.47	215,262.53	296,618.00	256,052.00	192,594.00	155,463.00	116,752.00	66,328.00	116,482.00	101,493.00
Total Business-Type Activities	\$ 326,398.14	\$ 258,831.53	\$ 339,144.00	\$ 303,335.00	\$ 244,873.00	\$ 219,048.00	\$ 186,348.00	\$ 146,877.00	\$ 149,659.00	\$ 141,302.00
District-Wide:										
Net Investment in Capital Assets	\$ 8,217,460.93	\$ 4,377,679.78	\$ (2,335,846.00)	\$ 2,646,364.00	\$ 14,156,042.00	\$ 14,008,260.00	\$ 13,640,840.00	\$ 13,514,536.00	\$ 13,705,049.00	\$ 12,445,257.00
Restricted	9,875,419.82	13,467,667.97	14,866,042.00	16,204,125.00	4,871,725.00	4,471,177.00	4,218,768.00	3,920,795.00	3,120,494.00	4,354,038.00
Unrestricted (Deficit) Surplus	(1,469,692.94)	(2,448,640.90)	(2,988,176.00)	(2,759,656.00)	(3,194,648.00)	(3,095,014.00)	(3,066,984.00)	(2,993,229.00)	377,032.00	192,701.00
Total District Net Position	\$ 16,623,187.81	\$ 15,396,706.85	\$ 9,542,020.00	\$ 16,090,833.00	\$ 15,833,119.00	\$ 15,384,423.00	\$ 14,792,624.00	\$ 14,442,102.00	\$ 17,202,575.00	\$ 16,991,996.00

Source: ACFR Schedule A-1

RUMSON-FAIR HAVEN REGIONAL SCHOOL DISTRICT
CHANGES IN NET POSITION - (ACCRUAL BASIS OF ACCOUNTING)
LAST TEN FISCAL YEARS
(UNAUDITED)

	FISCAL YEAR ENDING JUNE 30,									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Expenses:										
Governmental Activities:										
Instruction:										
Regular	\$ 12,603,308.03	\$ 13,194,898.53	\$ 7,309,321.00	\$ 6,953,505.00	\$ 7,044,047.00	\$ 6,710,905.00	\$ 6,525,479.00	\$ 6,432,317.00	\$ 6,259,316.00	\$ 6,085,044.00
Special Education	2,490,223.36	2,869,626.58	1,506,598.00	1,476,981.00	1,012,617.00	969,025.00	1,029,550.00	923,779.00	891,548.00	888,195.00
Other Special Education	-	-	1,155,022.00	1,202,600.00	1,165,183.00	1,100,373.00	996,000.00	929,316.00	1,004,506.00	762,375.00
Other Instruction	2,396,113.07	2,475,511.65	1,106,999.00	1,049,838.00	1,439,480.00	1,349,959.00	1,115,237.00	872,928.00	904,891.00	660,165.00
Support Services:										
Tuition	2,189,224.07	1,993,688.42	-	-	-	-	-	-	-	-
Attendance & Social Work Services	-	-	29,608.00	33,308.00	29,784.00	30,438.00	41,022.00	37,453.00	25,777.00	28,658.00
Health Services	-	-	95,021.00	111,060.00	139,388.00	127,484.00	130,684.00	125,207.00	115,405.00	115,405.00
Improvement of Instruction Services	-	-	695,469.00	754,446.00	734,214.00	708,618.00	737,805.00	697,897.00	705,261.00	668,126.00
Student & Instruction Related Services	4,427,326.83	4,180,219.87	-	-	-	-	-	-	-	-
Educational Media Services/School	-	-	125,787.00	121,341.00	120,400.00	116,669.00	110,525.00	115,501.00	121,723.00	112,002.00
Instructional Staff Training	-	-	15,932.00	13,002.00	7,454.00	9,820.00	15,796.00	14,122.00	12,903.00	22,909.00
General Administration	1,148,041.66	917,952.44	659,983.00	656,563.00	645,739.00	549,808.00	609,826.00	682,986.00	580,060.00	483,699.00
Other Administrative Services	-	-	498,080.00	547,557.00	504,624.00	547,923.00	501,264.00	506,821.00	381,896.00	411,527.00
Central Services	556,806.20	493,057.81	332,824.00	324,437.00	316,571.00	317,281.00	313,160.00	306,106.00	294,232.00	286,751.00
Administration Information Technology	12,930.39	151,959.09	21,315.00	21,138.00	24,231.00	19,776.00	13,284.00	17,128.00	26,377.00	18,668.00
School Administrative Services	580,867.94	611,732.34	-	-	-	-	-	-	-	-
Plant Operations & Maintenance	2,224,511.12	3,372,605.05	4,342,433.00	1,934,555.00	1,380,961.00	1,528,123.00	1,459,079.00	1,371,271.00	1,283,543.00	1,272,625.00
Pupil Transportation	1,630,202.42	1,481,039.55	949,964.00	1,409,657.00	1,260,874.00	1,046,606.00	941,875.00	839,528.00	817,813.00	645,675.00
Unallocated Benefits	-	-	2,701,949.00	2,688,471.00	2,492,897.00	2,427,806.00	2,403,607.00	2,431,198.00	2,469,119.00	2,399,028.00
Other Support Services	-	-	1,834,439.00	1,524,443.00	1,287,019.00	1,249,978.00	1,226,087.00	1,146,549.00	1,152,704.00	1,080,940.00
Non-budgeted Expenditures	-	-	1,252,343.00	1,335,385.00	1,331,709.00	1,296,324.00	1,304,489.00	1,204,680.00	1,389,860.00	1,550,045.00
Interest & Other Charges	405,213.75	663,072.39	497,324.00	13,757.00	18,490.00	20,980.00	59,700.00	61,390.00	83,510.00	260,228.00
Total Governmental Activities	30,664,768.84	32,405,363.72	25,130,411.00	22,172,044.00	20,955,682.00	20,127,896.00	19,534,469.00	18,716,324.00	18,527,246.00	17,752,069.00
Business-Type Activities:										
Food Service	1,196,384.31	328,565.62	758,648.00	1,016,896.00	912,619.00	811,128.00	727,283.00	591,641.00	570,097.00	550,041.00
Other Enterprise Fund	20,641.81	17,887.67	24,026.00	28,168.00	30,056.00	28,193.00	16,793.00	32,472.00	26,255.00	71,356.00
Total Business-Type Activities	1,217,026.12	346,453.29	782,674.00	1,045,064.00	942,675.00	839,321.00	744,076.00	624,113.00	596,352.00	621,397.00
Total Expenses	\$ 31,881,794.96	\$ 32,751,817.01	\$ 25,913,085.00	\$ 23,217,108.00	\$ 21,898,357.00	\$ 20,967,217.00	\$ 20,278,545.00	\$ 19,340,437.00	\$ 19,123,598.00	\$ 18,373,466.00

**RUMSON-FAIR HAVEN REGIONAL SCHOOL DISTRICT
CHANGES IN NET POSITION - (ACCURAL BASIS OF ACCOUNTING)
LAST TEN FISCAL YEARS
(UNAUDITED)**

	FISCAL YEAR ENDING JUNE 30,									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Program Revenues:										
Charges for Services:										
Instruction	\$ 9,030,610.22	\$ 10,081,025.96	\$ 295,816.00	\$ -	\$ -	\$ 1,296,324.00	\$ -	\$ 1,204,680.00	\$ -	\$ -
Operating Grants & Contributions				1,335,385.00	1,331,709.00		1,304,489.00		1,389,860.00	
Total Governmental Activities	9,030,610.22	10,081,025.96	1,548,159.00	1,335,385.00	1,331,709.00	1,296,324.00	1,304,489.00	1,204,680.00	1,389,860.00	1,550,045.00
Business-Type Activities:										
Charges for Services:										
Food Service	1,263,947.19	253,128.32	797,306.00	1,079,646.00	966,954.00	842,574.00	754,868.00	584,690.00	571,075.00	534,453.00
Other Enterprise Fund	20,645.54	13,012.50	21,177.00	23,880.00	1,546.00	29,447.00	28,679.00	36,641.00	33,634.00	65,810.00
Operating Grants & Contributions										12,903.00
Total Business Type Activities	1,284,592.73	266,140.82	818,483.00	1,103,526.00	968,500.00	872,021.00	783,547.00	621,331.00	604,709.00	613,166.00
Total District Program Revenues	\$ 10,315,202.95	\$ 10,347,166.78	\$ 2,366,642.00	\$ 2,438,911.00	\$ 2,300,209.00	\$ 2,168,345.00	\$ 2,088,036.00	\$ 1,826,011.00	\$ 1,994,569.00	\$ 2,163,211.00
Net (Expense)/Revenue:										
Governmental Activities	\$ (21,634,158.62)	\$ (22,324,337.76)	\$ (23,582,252.00)	\$ (22,516,564.52)	\$ (21,170,176.04)	\$ (18,723,763.87)	\$ (17,055,108.26)	\$ (15,601,330.15)	\$ (14,704,005.03)	\$ (19,708,761.80)
Business-Type Activities	67,566.61	(80,312.47)	35,809.00	70,523.66	(75,186.07)	81,872.65	135,770.15	(33,879.21)	(69,423.08)	(42,825.23)
Total Net Expense	\$ (21,566,592.01)	\$ (22,404,650.23)	\$ (23,546,443.00)	\$ (22,446,040.86)	\$ (21,245,362.11)	\$ (18,641,891.22)	\$ (16,919,338.11)	\$ (15,635,209.36)	\$ (14,773,428.11)	\$ (19,751,587.03)
General Revenues & Other Changes in Net Position:										
Governmental Activities:										
Property Taxes Levied for General Purposes, Net	\$ 20,098,727.00	\$ 19,704,634.00	\$ 19,318,269.00	\$ 18,686,649.00	\$ 17,973,117.00	\$ 17,450,703.00	\$ 16,851,880.00	\$ 16,316,506.00	\$ 15,616,839.00	\$ 15,310,626.00
Taxes Levied for Debt Service	705,199.00	709,518.00	713,444.00	790,500.00	769,072.00	780,400.00	774,700.00	768,600.00	760,698.00	775,605.00
Grants & Contributions	1,083,089.20	1,076,624.52	1,381,350.00	1,035,306.00	869,817.00	816,176.00	721,880.00	657,962.00	694,769.00	541,275.00
Tuition Received	391,080.40	346,949.00								
Investment Earnings			214,753.00							
Miscellaneous Income	514,977.37	521,512.35	126,558.00	523,456.00	434,838.00	343,392.00	192,571.00	230,177.00	267,302.00	335,562.00
Total Governmental Activities	22,793,072.97	22,359,237.87	21,754,374.00	21,035,911.00	20,046,844.00	19,390,671.00	18,541,031.00	17,973,245.00	17,339,608.00	16,963,068.00
Total District-Wide	\$ 22,793,072.97	\$ 22,359,237.87	\$ 21,754,374.00	\$ 21,035,911.00	\$ 20,046,844.00	\$ 19,390,671.00	\$ 18,541,031.00	\$ 17,973,245.00	\$ 17,339,608.00	\$ 16,963,068.00
Change in Net Position:										
Governmental Activities	\$ 1,158,914.35	\$ 34,900.11	\$ (1,827,878.00)	\$ (1,480,653.52)	\$ (1,123,332.04)	\$ 666,907.13	\$ 1,485,922.74	\$ 2,371,914.85	\$ 2,635,602.97	\$ (2,745,693.80)
Business-Type Activities	67,566.61	(80,312.47)	35,809.00	70,523.66	(75,186.07)	81,872.65	135,770.15	(33,879.21)	(69,423.08)	(42,825.23)
Total District	\$ 1,226,480.96	\$ (45,412.36)	\$ (1,792,069.00)	\$ (1,410,129.86)	\$ (1,198,518.11)	\$ 748,779.78	\$ 1,621,692.89	\$ 2,338,035.64	\$ 2,566,179.89	\$ (2,788,519.03)

Source: ACFR Schedule A-2

RUMSON-FAIR HAVEN REGIONAL SCHOOL DISTRICT
FUND BALANCES - GOVERNMENTAL FUNDS
 LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)
 (UNAUDITED)

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
General Fund:										
Restricted	\$ 5,557,472.51	\$ 4,916,712.00	\$ 2,098,223.00	\$ 3,417,202.00	\$ 4,289,509.00	\$ 3,636,909.00	\$ -	\$ -	\$ -	\$ -
Committed	-	-	-	-	-	-	-	-	-	-
Assigned	692,138.97	823,793.66	3,211,200.00	1,055,663.00	578,047.00	702,492.00	-	-	-	-
Unassigned	1,358,605.04	803,029.02	667,383.00	462,869.00	464,548.00	458,159.00	-	-	-	-
Reserved	-	-	-	-	-	-	4,084,085.00	3,759,321.00	2,907,896.00	4,141,418.00
Unreserved	-	-	-	-	-	-	366,965.00	335,284.00	387,179.00	240,503.00
Total General Fund	\$ 7,608,217.12	\$ 6,543,534.68	\$ 5,976,806.00	\$ 4,935,734.00	\$ 5,332,104.00	\$ 4,797,560.00	\$ 4,451,050.00	\$ 4,094,605.00	\$ 3,295,075.00	\$ 4,381,921.00
All Other Governmental Funds:										
Restricted for:										
Capital Projects Fund	\$ 3,451,965.14	\$ 7,689,900.02	\$ 9,556,618.00	\$ 12,236,923.00	\$ 38,481.00	\$ 110,148.00	\$ 113,055.00	\$ 139,846.00	\$ 190,970.00	\$ 190,970.00
Debt Service Fund	1.33	2.09	1.00	-	-	21,628.00	21,628.00	21,628.00	21,628.00	21,650.00
Special Revenue Fund	865,980.84	861,053.86	-	-	-	-	-	-	-	-
Total All Other Governmental Funds	\$ 4,317,947.31	\$ 8,550,955.97	\$ 9,556,619.00	\$ 12,236,923.00	\$ 38,481.00	\$ 131,776.00	\$ 134,683.00	\$ 161,474.00	\$ 212,598.00	\$ 212,620.00

Source: ACFR Schedule B-1

RUMSON-FAIR HAVEN REGIONAL SCHOOL DISTRICT
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
 LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)
 (UNAUDITED)

	FISCAL YEAR ENDING JUNE 30,									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Revenues:										
Tax Levy	\$ 20,803,926.00	\$ 20,414,152.00	\$ 20,031,713.00	\$ 19,477,149.00	\$ 18,742,189.00	\$ 18,231,103.00	\$ 17,626,580.00	\$ 17,085,106.00	\$ 16,377,537.00	\$ 16,086,231.00
Tuition Charges	391,080.40	346,949.00	295,816.00	257,211.00	264,123.00	241,657.00	143,020.00	170,701.00	195,073.00	-
Transportation Fees	-	-	-	-	-	-	-	-	-	10,878.00
Interest Earnings	-	-	214,753.00	48,958.00	39,466.00	13,128.00	-	-	311.00	621.00
Miscellaneous	514,977.37	521,512.35	126,558.00	217,287.00	131,249.00	88,607.00	49,551.00	59,476.00	71,918.00	305,703.00
State Sources	6,384,297.09	5,327,821.32	2,545,982.00	2,133,531.00	1,966,641.00	1,882,435.00	1,805,007.00	1,698,452.00	1,885,002.00	1,966,020.00
Federal Sources	323,922.33	517,379.16	87,711.00	237,160.00	234,885.00	230,065.00	221,362.00	164,190.00	199,627.00	125,300.00
Total Revenues	28,418,203.19	27,127,813.83	23,302,533.00	22,371,296.00	21,378,553.00	20,686,995.00	19,845,520.00	19,177,925.00	18,729,468.00	18,494,753.00
Expenditures:										
Instruction:										
Regular Instruction	6,472,065.00	6,165,845.86	6,348,075.00	6,056,015.00	6,146,414.00	5,868,462.00	5,679,164.00	5,612,482.00	5,430,297.00	5,360,437.00
Special Education Instruction	1,278,656.94	1,340,759.08	1,472,672.00	1,445,305.00	980,936.00	939,292.00	999,680.00	894,844.00	862,289.00	862,621.00
Other Instruction	1,230,411.87	1,156,862.59	1,149,368.00	1,197,321.00	1,159,903.00	1,095,417.00	991,022.00	924,493.00	999,629.00	758,113.00
Support Services:										
Tuition	1,642,009.21	1,474,587.06	1,010,875.00	960,089.00	1,349,717.00	1,265,715.00	1,030,605.00	790,944.00	821,989.00	587,704.00
Attendance & Social Work Services	32,486.09	30,248.42	29,608.00	33,308.00	29,784.00	30,438.00	41,022.00	37,453.00	25,777.00	28,658.00
Health Services	92,968.64	87,795.09	95,021.00	111,060.00	139,388.00	127,484.00	130,684.00	125,354.00	122,207.00	115,405.00
Student & Instruction Related Services	3,195,694.29	2,973,779.02	1,834,439.00	1,524,443.00	1,287,019.00	1,249,978.00	1,226,087.00	1,146,549.00	1,152,704.00	1,080,940.00
Improvement of Instruction	-	-	695,469.00	754,446.00	734,214.00	708,618.00	737,805.00	697,897.00	705,261.00	668,126.00
Educational Media Services	-	-	121,341.00	125,787.00	120,400.00	116,669.00	110,525.00	115,501.00	121,723.00	112,002.00
Instruction Staff Training	-	-	15,932.00	13,002.00	7,454.00	9,820.00	15,796.00	14,122.00	12,903.00	22,909.00
General Administration	861,140.30	679,051.45	659,983.00	656,563.00	645,739.00	649,826.00	609,826.00	580,060.00	580,060.00	483,699.00
Central Services	417,683.78	364,712.06	332,824.00	324,437.00	316,571.00	317,281.00	313,160.00	306,106.00	294,232.00	286,751.00
Allowed Maintenance for School Facilities	-	-	606,039.00	696,285.00	365,881.00	814,499.00	224,161.00	184,924.00	123,617.00	207,280.00
Administrative Information Technology	9,838.78	112,565.84	21,315.00	21,138.00	24,231.00	19,776.00	13,284.00	17,128.00	26,377.00	18,668.00
School Administrative Services	435,562.31	452,253.23	496,613.00	467,738.00	449,532.00	460,376.00	443,486.00	435,627.00	375,303.00	448,588.00
Plant Operations & Maintenance	1,668,639.75	2,115,333.37	1,357,526.00	1,183,529.00	1,206,738.00	1,257,914.00	1,184,682.00	1,131,736.00	1,059,585.00	992,394.00
Pupil Transportation	1,222,728.30	1,095,366.94	949,964.00	1,409,657.00	1,260,874.00	1,046,606.00	941,875.00	839,528.00	817,813.00	645,679.00
Unallocated Benefits	7,559,160.21	6,574,455.85	2,701,523.00	2,638,506.00	2,338,842.00	2,327,685.00	2,275,655.00	2,424,537.00	2,469,119.00	2,399,028.00
Non-budgeted Expenditures	-	-	1,252,343.00	1,335,385.00	1,331,709.00	1,296,324.00	1,304,489.00	1,204,680.00	1,389,860.00	1,550,045.00
Business and Other Support Services:										
Capital Outlay	4,524,949.18	3,138,515.19	2,888,015.00	1,425,186.00	251,258.00	60,830.00	468,158.00	74,028.00	1,664,871.00	309,763.00
Debt Service:										
Principal	485,000.00	475,000.00	401,000.00	775,000.00	760,000.00	735,000.00	715,000.00	695,000.00	665,000.00	615,000.00
Interest & Other Charges	457,534.76	472,972.26	497,324.00	15,500.00	30,700.00	45,400.00	59,700.00	73,600.00	95,720.00	138,977.00
Total Expenditures	31,586,529.41	28,710,103.31	24,941,735.00	23,165,254.00	20,937,304.00	20,343,392.00	19,515,866.00	18,429,519.00	19,816,336.00	17,692,787.00
Other Financing Sources/(Uses):										
Transfers Out	-	-	-	-	-	-	-	-	-	(18,360.00)
Total Other Financing Sources/(Uses)	-	-	-	-	-	-	-	-	-	(18,360.00)
Net Change in Fund Balances	\$ (3,168,326.22)	\$ (1,582,289.48)	\$ (1,639,202.00)	\$ (793,958.00)	\$ 441,249.00	\$ 343,603.00	\$ 329,654.00	\$ 748,406.00	\$ (1,086,868.00)	\$ 783,606.00
Debt Service as a Percentage of Noncapital Expenditures	3.08%	3.41%	3.74%	3.53%	3.92%	3.99%	4.13%	4.35%	3.99%	4.45%

Source: ACFR Schedule B-2

EXHIBIT J-5

RUMSON-FAIR HAVEN REGIONAL SCHOOL DISTRICT
 GENERAL FUND - OTHER LOCAL REVENUE BY SOURCE
 LAST TEN FISCAL YEARS
 (Modified Accrual Basis of Accounting)
 (UNAUDITED)

FISCAL YEAR ENDING JUNE 30,	INTEREST ON INVESTMENTS	TRANSPORTATION FEES	MISCELLANEOUS	TOTAL
2022	\$ -	\$ -	436,793.49	\$ 436,793.49
2021	-	-	529,089.10	529,089.10
2020	-	-	9,520.00	9,520.00
2019	-	-	195,615.00	195,615.00
2018	-	-	92,752.00	92,752.00
2017	-	-	71,499.00	71,499.00
2016	-	-	15,909.00	15,909.00
2015	-	-	32,067.00	32,067.00
2014	311.00	-	34,766.00	35,077.00
2013	621.00	10,878.00	-	11,499.00

Source: District Records

Revenue Capacity Information

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

This page intentionally left blank

RUMSON-FAIR HAVEN REGIONAL SCHOOL DISTRICT
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS
(UNAUDITED)

FISCAL YEAR ENDED JUNE 30,	RUMSON BOROUGH											TOTAL DIRECT SCHOOL TAX RATE ^b	ACTUAL COUNTY (EQUALIZED) VALUE
	VACANT LAND	RESIDENTIAL	FARM REG.	QFARM	COMMERCIAL	INDUSTRIAL	APARTMENT	TOTAL ASSESSED VALUE	LESS: TAX EXEMPT PROPERTY	PUBLIC UTILITIES ^a	NET VALUATION TAXABLE		
2013	\$ 54,489,000	\$ 2,757,376,100	\$ -	\$ -	\$ 99,895,900	\$ -	\$ 628,700	\$ 2,912,416,500	\$ -	\$ 1,277,630	\$ 2,913,694,130	0.496	\$ 3,318,993,162
2014	54,489,000	2,757,376,100	-	26,800	99,895,900	-	628,700	3,284,290,800	-	1,277,630	2,913,694,130	0.446	3,338,372,433
2015	47,011,900	3,192,319,600	7,361,700	25,000	80,679,000	-	31,338,400	3,377,312,100	-	1,124,732	3,359,860,332	0.446	3,336,275,906
2016	38,095,200	3,290,090,400	6,891,700	25,000	111,691,600	-	488,900	3,453,598,600	-	1,126,150	3,448,408,950	0.448	3,427,549,226
2017	35,813,400	3,286,000,000	6,898,900	29,400	110,281,900	-	1,024,700	3,445,573,900	-	1,124,274	3,441,172,574	0.467	3,602,272,765
2018	51,604,600	3,404,746,900	7,043,700	25,000	110,367,200	-	1,195,200	3,574,982,600	-	1,121,447	3,576,104,047	0.473	3,576,104,047
2019	45,869,300	3,516,366,900	19,209,000	35,600	111,628,900	-	1,224,700	3,694,334,400	-	1,137,771	3,677,902,471	0.472	3,676,440,250
2020	46,192,200	3,499,294,400	19,209,000	35,600	111,628,900	-	1,060,000	3,676,764,700	-	1,154,480	3,934,890,180	0.466	3,852,766,411
2021	37,194,900	3,832,861,700	19,918,900	10,200	145,210,700	-	1,102,200	4,036,298,600	-	1,239,257	4,037,537,857	0.466	3,974,777,200
2022	64,728,300	4,303,620,100	28,610,200	10,200	152,042,400	-	1,084,900	4,550,096,100	-	1,288,127	4,551,384,227	0.424	4,267,939,680

Source: Monmouth County Board of Taxation
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 (R) occurs when the County Board of Taxation requests Treasury to order a reassessment.
^{a.} Taxable Value of Machinery, Implements and Equipment of Telephone, Telegraph and Messenger System Companies
^{b.} Tax rates are per \$100

RUMSON-FAIR HAVEN REGIONAL SCHOOL DISTRICT
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY (continued)
LAST TEN FISCAL YEARS
(UNAUDITED)

FISCAL YEAR ENDED JUNE 30,	FAIR HAVEN BOROUGH											TOTAL DIRECT SCHOOL TAX RATE ^b	ACTUAL COUNTY EQUALIZED VALUE
	VACANT LAND	RESIDENTIAL	FARM REG.	QFARM	COMMERCIAL	INDUSTRIAL	APARTMENT	TOTAL ASSESSED VALUE	LESS: TAX EXEMPT PROPERTY	PUBLIC UTILITIES ^a	NET VALUATION TAXABLE		
2013	\$ 10,626,900	\$ 1,115,672,700	\$ -	\$ -	\$ 37,727,500	\$ -	\$ -	\$ 1,164,027,100	\$ -	488,358	\$ 1,164,515,458	1.137	\$ 1,457,584,648
2014	10,626,900	1,115,672,700	-	-	37,727,500	-	-	1,456,398,200	-	488,358	1,164,475,458	0.952	1,515,976,059
2015	9,108,000	1,470,013,900	-	-	50,248,000	-	-	1,532,121,800	-	441,313	1,532,563,113	0.914	1,599,793,046
2016	11,427,100	1,510,231,800	-	-	51,014,900	-	-	1,576,422,900	-	443,518	1,573,117,318	0.909	1,623,838,999
2017	15,738,400	1,570,109,300	-	-	52,250,800	-	-	1,641,063,400	-	450,247	1,638,548,747	0.878	1,677,464,377
2018	15,418,300	1,651,642,500	-	-	53,548,500	-	-	1,720,609,300	-	450,480	1,721,059,780	0.853	1,721,059,780
2019	15,872,100	1,723,174,400	-	-	54,075,700	-	-	1,793,122,200	-	460,111	1,790,478,311	0.831	1,774,823,276
2020	15,985,900	1,720,005,600	-	-	54,023,700	-	-	1,790,018,200	-	501,515	1,834,586,915	0.831	1,785,658,276
2021	9,099,200	1,815,124,000	-	-	58,681,000	-	-	1,882,904,200	-	513,323	1,883,417,523	0.855	1,883,417,523
2022	11,661,200	2,032,176,800	-	-	60,302,600	-	-	2,104,140,600	-	518,952	2,104,659,552	0.780	2,120,184,830

Source: Monmouth County Board of Taxation

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 (R) occurs when the County Board of Taxation requests Treasury to order a reassessment.

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

b. Tax rates are per \$100

**RUMSON-FAIR HAVEN REGIONAL SCHOOL DISTRICT
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS
(Rate per \$100 of Assessed Value)
(UNAUDITED)**

FISCAL ENDED JUNE 30,	RUMSON-FAIR HAVEN REGIONAL SCHOOL DISTRICT DIRECT RATE						OVERLAPPING RATES						TOTAL DIRECT AND OVERLAPPING TAX RATE				
	GENERAL OBLIGATION			DEBT SERVICE ^b			TOTAL DIRECT SCHOOL TAX RATE			MUNICIPAL			COUNTY			RUMSON BOROUGH	FAIR-HAVEN BOROUGH
	RUMSON BOROUGH	FAIR-HAVEN BOROUGH	RUMSON BOROUGH	FAIR-HAVEN BOROUGH	RUMSON BOROUGH	FAIR-HAVEN BOROUGH	RUMSON BOROUGH	FAIR-HAVEN BOROUGH	RUMSON BOROUGH	FAIR-HAVEN BOROUGH	RUMSON BOROUGH	FAIR-HAVEN BOROUGH	RUMSON BOROUGH	FAIR-HAVEN BOROUGH			
2013	0.369	0.377	0.019	0.019	0.496	1.137	0.359	0.457	0.346	0.383	1.201	1.772					
2014	0.388	0.373	0.019	0.019	0.446	0.932	0.322	0.404	0.315	0.312	1.083	1.630					
2015	0.355	0.304	0.016	0.015	0.446	0.914	0.329	0.399	0.306	0.305	1.081	1.613					
2016	0.329	0.399	0.016	0.015	0.448	0.909	0.327	0.405	0.290	0.301	1.065	1.584					
2017	0.467	0.878	0.000	0.000	0.467	0.878	0.335	0.389	0.289	0.288	1.091	1.530					
2018	0.252	0.248	0.018	0.018	0.473	0.853	0.333	0.377	0.252	0.248	1.058	1.456					
2019	0.472	0.831	0.000	0.000	0.472	0.831	0.333	0.372	0.017	0.017	0.822	1.220					
2020	0.460	0.831	0.000	0.000	0.460	0.831	0.333	0.372	0.017	0.017	0.810	1.244					
2021	0.466	0.855	0.000	0.000	0.466	0.855	0.323	0.405	0.017	0.017	0.764	1.202					
2022	0.424	0.780	0.000	0.000	0.424	0.780	0.294	0.373	0.241	0.261	0.959	1.414					

Source: Municipal Tax Assessor

Note: N.J.S.A. 18A:7F-5d limits the amount that the District can submit for a general fund tax levy. The levy, when added to other components of the District's net budget, may not exceed the prebudget year net budget by more than the spending growth limitation calculated as follows: the prebudget year net budget increased by the cost of living or 2.5 percent, whichever is greater, plus any spending growth adjustments.

^a The District's basic tax rate is calculated from the A4F form which is submitted with the budget and the Net Valuation taxable ^b Rates for debt service are based on each year's requirements.

RUMSON-FAIR HAVEN REGIONAL SCHOOL DISTRICT
 PRINCIPAL PROPERTY TAX PAYERS,
 CURRENT YEAR AND NINE YEARS AGO
 (UNAUDITED)

RUMSON BOROUGH				FAIR HAVEN BOROUGH			
Taxpayer	2022		% OF TOTAL DISTRICT NET ASSESSED VALUE	Taxpayer	2022		% OF TOTAL DISTRICT NET ASSESSED VALUE
	TAXABLE ASSESSED VALUE	RANK			TAXABLE ASSESSED VALUE	RANK	
DATA NOT AVAILABLE				DATA NOT AVAILABLE			
Total	\$ -		0.000%	Total	\$ -		0.000%
Taxpayer	2013		% OF TOTAL DISTRICT NET ASSESSED VALUE	Taxpayer	2013		% OF TOTAL DISTRICT NET ASSESSED VALUE
	TAXABLE ASSESSED VALUE	RANK			TAXABLE ASSESSED VALUE	RANK	
DATA NOT AVAILABLE				DATA NOT AVAILABLE			
Total	\$ -		-	Total	\$ -		-

Source: Municipal Tax Assessor

**RUMSON-FAIR HAVEN REGIONAL SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
(UNAUDITED)**

FISCAL YEAR ENDED JUNE 30,	TAXES LEVIED FOR THE FISCAL YEAR	COLLECTED WITHIN THE FISCAL YEAR OF THE LEVY ^a		COLLECTIONS IN SUBSEQUENT YEARS
		AMOUNT	PERCENTAGE OF LEVY	
2013	\$ 16,086,231.00	\$ 16,086,231.00	100.00%	\$ -
2014	16,377,537.00	16,377,537.00	100.00%	-
2015	17,085,107.00	17,085,107.00	100.00%	-
2016	17,626,580.00	17,626,580.00	100.00%	-
2017	18,231,103.00	18,231,103.00	100.00%	-
2018	18,742,189.00	18,742,189.00	100.00%	-
2019	19,477,149.00	19,477,149.00	100.00%	-
2020	20,031,713.00	20,031,713.00	100.00%	-
2021	20,414,152.00	20,414,152.00	100.00%	-
2022	20,803,926.00	20,803,926.00	100.00%	-

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

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

This page intentionally left blank

Debt Capacity Information

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

This page intentionally left blank

**RUMSON-FAIR HAVEN REGIONAL SCHOOL DISTRICT
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(UNAUDITED)**

FISCAL YEAR ENDED JUNE 30,	TOTAL DISTRICT	PERCENTAGE OF PERSONAL INCOME ^a		PER CAPITA FAIR-HAVEN BOROUGH
		RUMSON BOROUGH	FAIR-HAVEN BOROUGH	
2013	\$ 4,345,000.00	N/A	N/A	N/A
2014	3,680,000.00	N/A	N/A	N/A
2015	3,136,540.00	N/A	N/A	N/A
2016	2,985,000.00	N/A	N/A	N/A
2017	2,270,000.00	N/A	N/A	N/A
2018	790,500.00	N/A	N/A	N/A
2019	-	N/A	N/A	N/A
2020	12,195,000.00	N/A	N/A	N/A
2021	11,720,000.00	N/A	N/A	N/A
2022	11,235,000.00	N/A	N/A	N/A

Note: Details regarding the district's outstanding debt can be found in the notes to the financial statements.
See Exhibit J-14 for personal income and population data.

^a See Exhibit NJ J-14 for personal income and population data. These ratios are calculated using personal income.

^b Includes Early Retirement Incentive Plan ("ERIP") refunding and State Loans

N/A - At the time of ACFR completion, this data was not yet available

**RUMSON-FAIR HAVEN REGIONAL SCHOOL DISTRICT
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS
(UNAUDITED)**

RUMSON BOROUGH						
GENERAL BONDED DEBT OUTSTANDING						
FISCAL YEAR ENDED JUNE 30,	GENERAL OBLIGATION BONDS	CAPITAL LEASES	DEDUCTIONS	NET GENERAL BONDED DEBT OUTSTANDING	PERCENTAGE OF ACTUAL TAXABLE VALUE OF PROPERTY ^a	PER CAPITA ^b
2013	\$ 2,966,766.00	-	-	\$ 2,966,766.00	N/A	N/A
2014	2,576,000.00	-	-	2,576,000.00	N/A	N/A
2015	2,252,165.00	-	-	2,252,165.00	N/A	N/A
2016	2,113,259.90	-	-	2,113,259.90	N/A	N/A
2017	1,579,052.18	-	-	1,579,052.18	N/A	N/A
2018	549,305.00	-	-	549,305.00	N/A	N/A
2019	-	-	-	-	N/A	N/A
2020	8,536,500.00	-	-	8,536,500.00	N/A	N/A
2021	8,204,000.00	-	-	8,204,000.00	N/A	N/A
2022	7,864,500.00	-	-	7,864,500.00	N/A	N/A

FAIR HAVEN BOROUGH						
GENERAL BONDED DEBT OUTSTANDING						
FISCAL YEAR ENDED JUNE 30,	GENERAL OBLIGATION BONDS	CAPITAL LEASES	DEDUCTIONS	NET GENERAL BONDED DEBT OUTSTANDING	PERCENTAGE OF ACTUAL TAXABLE VALUE OF PROPERTY	PER CAPITA
2013	\$ 1,378,234.00	-	-	\$ 1,378,234.00	N/A	N/A
2014	1,104,000.00	-	-	1,104,000.00	N/A	N/A
2015	884,375.00	-	-	884,375.00	N/A	N/A
2016	871,740.10	-	-	871,740.10	N/A	N/A
2017	690,947.82	-	-	690,947.82	N/A	N/A
2018	241,195.00	-	-	241,195.00	N/A	N/A
2019	-	-	-	-	N/A	N/A
2020	3,658,500.00	-	-	3,658,500.00	N/A	N/A
2021	3,516,000.00	-	-	3,516,000.00	N/A	N/A
2022	3,370,500.00	-	-	3,370,500.00	N/A	N/A

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

^a Used Estimated County equalized value from J-6

^b Population data can be founds in Exhibit J-14

**RUMSON-FAIR HAVEN REGIONAL SCHOOL DISTRICT
RATIOS OF OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF JUNE 20, 2022
(UNAUDITED)**

GOVERNMENTAL UNIT:	DEBT OUTSTANDING	ESTIMATED PERCENTAGE APPLICABLE ^a	SHARE OF OVERLAPPING DEBT
Debt Repaid With Property Taxes:			
Rumson Borough			\$ 8,523,612.44
Fair Haven Borough			22,395,426.82
Monmouth County General Obligation Debt:			
Rumson Borough	469,997,108.48	3.238%	15,218,506.37
Fair Haven Borough	469,997,108.48	1.609%	<u>7,562,253.48</u>
Subtotal, Overlapping Debt			
Rumson-Fair Haven Regional School District Direct Debt			<u>11,235,000.00</u>
Total Direct & Overlapping Debt			<u><u>\$ 11,235,000.00</u></u>

Sources: Assessed value data used to estimate applicable percentages provided by the Monmouth County Board of Taxation. Debt Outstanding data provided by each governmental unit.

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

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

**RUMSON-FAIR HAVEN REGIONAL SCHOOL DISTRICT
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
(Dollars in Thousands)
(UNAUDITED)**

	FISCAL YEAR ENDED									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Debt Limit	\$ 162,725,429.25	\$ 157,281,308.10	\$ 162,498,314.00	\$ 158,611,953.00	\$ 153,936,953.00	\$ 141,745,470.00	\$ 139,845,057.00	\$ 130,409,927.00	\$ 145,035,739.00	\$ 147,548,236.00
Total Net Debt Applicable to Limit	11,235,000.00	11,720,000.00	12,195,000.00	12,596,000.00	775,000.00	1,535,000.00	2,270,000.00	2,985,000.00	3,680,000.00	4,345,000.00
Legal Debt Margin	\$ 151,490,429.25	\$ 145,561,308.10	\$ 67,902,520.34	\$ 146,015,953.00	\$ 153,161,953.00	\$ 140,210,470.00	\$ 137,575,057.00	\$ 127,424,927.00	\$ 141,355,739.00	\$ 143,203,236.00
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	6.90%	7.45%	7.50%	7.94%	0.50%	1.08%	1.62%	2.29%	2.54%	2.94%

EQUALIZED VALUATION BASIS			
	RUMSON BOROUGH	FAIR HAVEN BOROUGH	
		TOTAL	
2019	3,851,628,640.00	1,785,198,165.00	\$ 5,636,826,805.00
2020	3,944,385,541.00	1,869,226,865.00	5,813,612,406.00
2021	4,020,904,868.00	1,924,698,845.67	5,945,603,713.67
		[A]	17,396,042,924.67
Average Equalized Valuation of Taxable Property [A/3]			5,798,680,974.89
Debt Limit (3% of Average Equalization Value) [B]			173,960,429.25
Net Bonded School Debt [C]			11,235,000.00
Legal Debt Margin [B-C]			\$ 162,725,429.25

Source: Equalized valuation bases were obtained from the Monmouth County Board of Taxation

Demographic and Economic Information

Demographic and economic information is intended (1) to assist users in understanding the socioeconomic environment within the School District operates and (2) to provide information that facilitates comparisons of financial statement information over time and among school districts.

Please refer to the following exhibits for a historical view of the demographic and economic statistics and factors prevalent in the location in which the School District operates.

This page intentionally left blank

**RUMSON-FAIR HAVEN REGIONAL SCHOOL DISTRICT
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS
(UNAUDITED)**

RUMSON BOROUGH				
YEAR	POPULATION ^a	PERSONAL		UNEMPLOYMENT RATE ^d
		INCOME ^b	PER CAPITA INCOME ^c	
2013	6,902	\$ 441,541,646.00	\$ 63,973.00	N/A
2014	6,826	460,625,306.00	67,481.00	N/A
2015	6,820	482,624,120.00	70,766.00	N/A
2016	6,794	496,464,756.00	73,074.00	N/A
2017	6,815	517,094,940.00	75,876.00	3.0
2018	6,768	536,357,232.00	79,249.00	2.5
2019	6,724	553,183,480.00	82,270.00	2.1
2020	6,671	574,313,061.00	86,091.00	5.6
2021	7,280	N/A	N/A	4.2
2022	N/A	N/A	N/A	N/A

FAIR HAVEN BOROUGH				
YEAR	POPULATION ^a	PERSONAL		UNEMPLOYMENT RATE ^d
		INCOME ^b	PER CAPITA INCOME ^c	
2013	6,053	\$ 387,228,569.00	\$ 63,973.00	N/A
2014	6,021	406,303,101.00	67,481.00	N/A
2015	5,981	423,251,446.00	70,766.00	N/A
2016	5,954	435,082,596.00	73,074.00	N/A
2017	5,911	448,503,036.00	75,876.00	2.9
2018	5,818	461,070,682.00	79,249.00	2.4
2019	5,744	472,558,880.00	82,270.00	2.3
2020	5,710	491,579,610.00	86,091.00	5.1
2021	6,204	N/A	N/A	3.2
2022	N/A	N/A	N/A	N/A

Sources:

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

**RUMSON-FAIR HAVEN REGIONAL SCHOOL DISTRICT
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO
(UNAUDITED)**

2022			2013		
EMPLOYEES	RANK	PERCENTAGE OF TOTAL EMPLOYMENT	EMPLOYEES	RANK	PERCENTAGE OF TOTAL EMPLOYMENT

DATA NOT AVAILABLE

DATA NOT AVAILABLE

0	0.00%	0	0.00%
0		0	

Source: Municipal Tax Collector

N/A - Information was not available at reporting time

Operating Information

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

This page intentionally left blank

**RUMSON-FAIR HAVEN REGIONAL SCHOOL DISTRICT
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS
(UNAUDITED)**

Function/Program:	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Instruction:										
Regular	67.40	67.40	76.80	76.80	76.80	76.80	76.80	75.80	75.80	75.80
Special Education	16.00	16.00	14.00	14.00	14.00	14.00	14.00	14.00	14.00	14.00
Other Special Instruction	0.00	9.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Other instruction	0.00	0.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
Support Services:										
Student & Instruction Related Services	34.45	27.75	21.50	21.50	21.50	21.50	21.50	21.50	21.50	21.50
General Administration	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
School Administrative Services	3.50	4.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00
Other Administrative Services	6.00	2.80	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Central Services	3.80	1.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Administrative Information Technology	1.00	7.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Plant Operations & Maintenance	5.00	0.20	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
Pupil Transportation	0.20	3.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total	139	140	134	134	134	134	134	133	133	133

Source: District Personnel Records

**RUMSON-FAIR HAVEN REGIONAL SCHOOL DISTRICT
OPERATING STATISTICS
LAST TEN FISCAL YEARS
(UNAUDITED)**

FISCAL YEAR	ENROLLMENT	OPERATING EXPENDITURES (a)		PUPIL CHANGE	PERCENTAGE TEACHING STAFF (b)	TEACHER/High School PUPIL/Teacher Ratio (d)	AVERAGE DAILY ENROLLMENT (ADE) (c)	AVERAGE DAILY ATTENDANCE (ADA) (c)	% CHANGE IN AVERAGE DAILY ENROLLMENT	STUDENT ATTENDANCE PERCENTAGE
		\$								
2022	923	\$ 25,333,758.40	\$ 27,447.19	11.58%	83	11:1	925.46	869.16	-3.99%	93.92%
2021	965	23,738,122.74	24,599.09	10.24%	83	11:1	963.94	937.02	-2.17%	97.21%
2020	988	22,047,654.00	22,315.00	6.16%	77	12:1	985.31	942.30	-0.21%	95.63%
2019	999	20,949,568.00	21,021.00	3.49%	77	12:1	987.36	932.70	0.44%	93.36%
2018	999	20,292,132.00	20,312.00	8.76%	77	12:1	983.01	928.70	-0.25%	94.48%
2017	1,001	18,594,026.00	18,575.00	-0.54%	77	11:1	985.50	937.20	-0.10%	95.10%
2016	998	18,033,086.00	18,069.00	-3.25%	77	13:1	986.50	941.70	5.43%	95.46%
2015	942	17,592,721.00	18,676.00	2.71%	76	13:1	935.70	889.20	2.04%	95.03%
2014	929	16,892,299.00	18,183.00	9.54%	76	13:1	917.00	867.00	2.46%	94.55%
2013	897	14,889,330.00	16,599.00	-5.41%	76	13:1	895.00	845.30	-1.53%	94.45%

Sources: District records

Note: Enrollment based on annual October district count from the year prior.

- a Operating expenditures equal total expenditures less debt service, capital outlay, and on-behalf TPAF Pension and reimbursed TPAF social security contributions. J-4
- b Teaching staff includes only full-time equivalents of certificated staff.
- c Average daily enrollment and average daily attendance are obtained from the School Register Summary (SRS).
- d Pupil/Teacher ratio was obtained from the Comparative Spending Guide

**RUMSON-FAIR HAVEN REGIONAL SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS
(UNAUDITED)**

<u>DISTRICT BUILDINGS</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
High School	148,000	148,000	148,000	148,000	148,000	148,000	148,000	148,000	148,000	148,000
Square Feet	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200
Capacity (students)	923	965	985	984	999	1,001	998	942	929	895
Enrollment										

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

Source: District Facilities Office, District Records

Note: Year of original construction is shown in parentheses. Increases in square footage and capacity are the result of additions. Enrollment is based on the annual October district count.

RUMSON-FAIR HAVEN REGIONAL SCHOOL DISTRICT
 GENERAL FUND
 SCHEDULE OF REQUIRED MAINTENANCE FOR SCHOOL FACILITIES
 LAST TEN FISCAL YEARS
 UNAUDITED

<u>SCHOOL FACILITIES</u>	<u>PROJECT # (s)</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
High School	N/A	\$ 310,202.59	\$ 1,158,437.00	\$ 606,059.00	\$ 696,285.00	\$ 504,089.00	\$ 814,499.00	\$ 224,161.00	\$ 256,400.00	\$ 271,400.00	\$ 225,640.00

Total School Facilities \$ 310,202.59

Source: District Records

**RUMSON-FAIR HAVEN REGIONAL SCHOOL DISTRICT
INSURANCE SCHEDULE
JUNE 30, 2022
UNAUDITED**

	COVERAGE	DEDUCTIBLE
SCHOOL PACKAGE POLICY (1):		
Building and Contents (All Locations)	\$ 500,000,000.00	\$ 5,000.00
Extra Expense	50,000.00	5,000.00
General Liability	16,000,000.00	1,000.00
Money and Securities	50,000.00	500.00
Data Processing Equipment	600,000.00	1,000.00
Automobile Policy	16,000,000.00	1,000.00
Workers Compensation	6,000,000.00	-
School Board Legal Liability - New Jersey	16,000,000.00	1,000.00
School Boards Association Insurance Group		
Student Accident and Athletic Account - Bollinger	Variable	1,500.00
Fidelity Bond Insurance:	-	-
Selective Insurance Company:		
Board Secretary	225,000.00	1,000.00
Treasurer of School Moneys	225,000.00	1,000.00
Crime - Employee Dishonesty	500,000.00	1,000.00
Excess Workers Compensation - Life Insurance	-	-

Source: District Records

This page intentionally left blank

SINGLE AUDIT SECTION

Fourth Section

This page intentionally left blank



1985 Cedar Bridge Avenue, Suite 3, Lakewood, NJ 08701 • Tel: 732.797.1333
194 East Bergen Place, Red Bank, NJ 07701 • Tel: 732.747.0010
1415 Hooper Avenue, Suite 305, Unit A, Toms River, NJ 08753 • By Appointment Only

www.hfacpas.com

EXHIBIT K-1

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

Honorable President and Members
of the Board of Education
Rumson-Fair Haven Regional School District
County of Monmouth
Rumson, NJ 07760

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Rumson-Fair Haven Regional School District (School District) as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements, and have issued our report thereon dated February 25, 2023.

Report on Internal Control Over Financial Reporting

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

A *deficiency* in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiency described in the accompanying schedule of findings and questioned costs as Finding No. 2022-001 to be a significant deficiency.

Our 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 our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the School District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed one instance 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 as Finding No. 2022-001.

The Rumson-Fair Haven Regional School District's Response to Findings

The Rumson-Fair Haven Regional School District's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The School District's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of This Report

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

Respectfully Submitted,

HOLMAN FRENIA ALLISON, P.C.

Robert W. Allison
Certified Public Accountant
Public School Accountant, No. 897

Lakewood, New Jersey
February 25, 2023

EXHIBIT K-2

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

Honorable President and Members
of the Board of Education
Rumson-Fair Haven Regional School District
County of Monmouth
Rumson, NJ 07760

Report on Compliance for Each Major State Program

Opinion on Each Major State Program

We have audited the Rumson-Fair Haven Regional School District's compliance with types of compliance requirements identified as subject to audit in the New Jersey State Aid/Grant Compliance Supplement that could have a direct and material effect on each of the School District's major state programs for the fiscal year ended June 30, 2022. The Rumson-Fair Haven Regional School 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 our opinion, the Rumson-Fair Haven Regional School District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major state programs for the year ended June 30, 2022.

Basis for Opinion on Each Major State Program

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

We are required to be independent of the Rumson-Fair Haven Regional School District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major state program. Our audit does not provide a legal determination of the School 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 of grant agreements applicable to the Rumson-Fair Haven Regional School District's state programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Rumson-Fair Haven Regional School District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, Government Auditing Standards and audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey 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 compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the School 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 New Jersey OMB's Circular 15-08, we:

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

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

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 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.

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

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

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

Respectfully Submitted,

HOLMAN FRENIA ALLISON, P.C.

Robert W. Allison
Certified Public Accountant
Public School Accountant, No. 897

Lakewood, New Jersey
February 25, 2023

This page intentionally left blank

RUMSON-FAIR HAVEN REGIONAL SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

FEDERAL ASSISTANCE LISTING NUMBER	FEDERAL AWARD IDENTIFICATION NUMBER	PASS THROUGH ENTITY IDENTIFYING NUMBER	PROGRAM OR AWARD AMOUNT	GRANT PERIOD	BALANCE JUNE 30, 2021	CASH RECEIVED	BUDGETARY EXPENDITURES	PASSED THROUGH TO SUBRECIPIENTS	ADJUSTMENTS	UNEARNED REVENUE	BALANCE JUNE 30, 2022 (ACCOUNTS RECEIVABLE)	DUE TO GRANTOR
U.S. Department of Education												
Passed Through New Jersey Department of Education:												
No Child Left Behind (N.C.L.B.):												
84.010	S010A210030	100-034-5064-194	\$ 80,849.00	7/1/21-6/30/22	\$ -	16,277.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
84.010	S010A200030	100-034-5064-194	65,308.00	7/1/20-6/30/21	(9,908.00)	9,908.00	(45,225.95)	-	-	-	(28,948.95)	-
Subtotal												
84.367	S367A210029	100-034-5063-290	9,082.00	7/1/21-6/30/22	-	2,163.00	(2,162.62)	-	(0.38)	-	-	-
84.367	S367A200029	100-034-5063-290	13,313.00	7/1/20-6/30/21	(13,313.00)	13,313.00	-	-	-	-	-	-
Subtotal												
84.424	S424A210031	100-034-5063-348	20,000.00	7/1/21-6/30/22	-	-	(6,706.26)	-	-	-	(6,706.26)	-
Subtotal												
LD E.A. Part B (Special Education Cluster):												
84.027	H027A210100	100-034-5065-016	171,851.00	7/1/21-6/30/22	-	171,851.00	(171,851.00)	-	-	-	-	-
84.027X	H027X210100	100-034-5065-094	40,685.00	7/1/21-6/30/22	-	40,685.00	(40,685.00)	-	-	-	-	-
Total Special Education Cluster												
Education Stabilization Fund												
84.425D	S425D200027	100-034-5120-513	169,046.00	7/1/20-9/30/22	(16,517.00)	16,517.00	-	-	-	-	-	-
84.425D	S425D210027	100-034-5120-518	161,275.00	7/1/20-9/30/23	(127,554.00)	161,275.00	(33,721.00)	-	-	-	-	-
Elementary and Secondary School Emergency Relief (ESSER) Fund - Learning Acceleration												
84.425D	S425D210027	100-034-5120-518	25,000.00	7/1/20-9/30/23	-	14,253.00	(14,252.86)	-	(0.14)	-	-	-
Elementary and Secondary School Emergency Relief (ESSER) Fund - Mental Health												
84.425D	S425D210027	100-034-5120-518	45,000.00	7/1/20-9/30/23	(144,071.00)	6,345.00	(6,345.08)	-	0.08	-	-	-
Subtotal												
Total U.S. Department of Education												
U.S. Department of Health and Human Services												
Passed Through New Jersey Department of Education:												
Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)												
93.32	N/A	100-034-5120-526	2,972.56	7/1/21-6/30/22	-	2,972.56	(2,972.56)	-	-	-	-	-
Subtotal												
Total U.S. Department of Health and Human Services												
Total Expenditures of Federal Awards												
					\$ (167,292.00)	\$ 452,587.00	\$ (320,949.77)	\$ -	\$ (0.44)	\$ -	\$ (35,655.21)	\$ -
					\$ -	\$ 2,972.56	\$ (2,972.56)	\$ -	\$ -	\$ -	\$ -	\$ -
					\$ -	\$ 2,972.56	\$ (2,972.56)	\$ -	\$ -	\$ -	\$ -	\$ -
					\$ -	\$ 2,972.56	\$ (2,972.56)	\$ -	\$ -	\$ -	\$ -	\$ -
					\$ (167,292.00)	\$ 455,559.56	\$ (323,922.33)	\$ -	\$ (0.44)	\$ -	\$ (35,655.21)	\$ -

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

This page intentionally left blank

RUMSON-FAIR HAVEN REGIONAL SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
YEAR ENDED JUNE 30, 2022

STATE GRANTOR/ PROGRAM TITLE	GRANT OR STATE PROJECT NUMBER	AWARD AMOUNT	GRANT PERIOD	BALANCE JUNE 30, 2021	CASH RECEIVED	BUDGETARY EXPENDITURES	PASSED THROUGH TO SUBRECIPIENTS	REPAYMENT OF PRIOR YEARS' BALANCES	BALANCE, JUNE 30, 2022		MEMO	
									UNEARNED REVENUE	(ACCOUNTS RECEIVABLE)	DUE TO GRANTOR	BUDGETARY RECEIVABLE
New Jersey Department of Education:												
General Fund:												
State Aid Public:												
Special Education Categorical Aid	495-034-5120-089	\$ 714,371.00	7/1/21-6/30/22	\$ -	\$ 714,371.00	\$ (714,371.00)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 66,733.52
Security Aid	495-034-5120-084	15,063.00	7/1/21-6/30/22	-	15,063.00	(15,063.00)	-	-	-	-	-	1,407.12
Total State Aid Public					729,434.00	(729,434.00)						68,140.64
Transportation Aid	495-034-5120-014	266,811.00	7/1/21-6/30/22	-	266,811.00	(266,811.00)	-	-	-	-	-	24,924.36
Extraordinary Aid	495-034-5120-044	591,149.00	7/1/21-6/30/22	-	591,149.00	(591,149.00)	-	-	(59,114.90)	-	-	266,811.00
Additional Non-Public Transportation Aid	495-034-5120-044	538,078.00	7/1/20-6/30/21	(505,937.00)	505,937.00	-	-	-	-	-	-	591,149.00
Additional Non-Public Transportation Aid	495-034-5120-014	18,161.00	7/1/21-6/30/22	-	-	(18,161.00)	-	-	(18,161.00)	-	-	18,161.00
Additional Non-Public Transportation Aid	495-034-5120-014	18,404.00	7/1/20-6/30/21	(18,404.00)	18,404.00	-	-	-	-	-	-	-
Reimbursed TPAF Social Security Contributions	495-034-5120-014	614,239.09	7/1/21-6/30/22	-	584,269.57	(614,239.09)	-	-	(29,969.52)	-	-	614,239.09
TPAF - Post Retirement	495-034-5094-003											
Medical (Noncash Assistance)	495-034-5094-001	757,184.00	7/1/21-6/30/22	-	757,184.00	(757,184.00)	-	-	-	-	-	757,184.00
TPAF - Pension	495-034-5094-002	3,240,806.00	7/1/21-6/30/22	-	3,240,806.00	(3,240,806.00)	-	-	-	-	-	3,240,806.00
TPAF - Long-Term Disability	495-034-5094-004	1,146.00	7/1/21-6/30/22	-	1,146.00	(1,146.00)	-	-	-	-	-	1,146.00
Insurance (Noncash Assistance)	Unavailable	63,265.00	7/1/21-6/30/22	(63,265.00)	-	-	-	-	-	-	-	-
Securing our Children's Future Bond Act (Alyssa's Law)												
Total General Fund				(587,606.00)	6,167,236.57	(6,218,930.09)	-	-	(639,279.52)	-	-	93,065.00
Debt Service Fund:												
Debt Service Aid	495-034-5120-017	182,744.00	7/1/21-6/30/22	-	182,744.00	(182,744.00)	-	-	-	-	-	182,744.00
Total Debt Service Fund					182,744.00	(182,744.00)						182,744.00
Total New Jersey Department of Education												
				(587,606.00)	6,350,000.57	(6,401,674.09)	-	-	(639,279.52)	-	-	93,065.00
Total State Financial Assistance												
				(587,606.00)	6,350,000.57	(6,401,674.09)	-	-	(639,279.52)	-	-	93,065.00
Total State Financial Assistance Subject to Calculation for Major Program Determination:												
TPAF - Post Retirement	495-034-5094-001	\$ 757,184.00	7/1/21-6/30/22			\$ 757,184.00						
Medical (Noncash Assistance)												
TPAF - Pension	495-034-5094-002	3,240,806.00	7/1/21-6/30/22			3,240,806.00						
Contributions (Noncash Assistance)												
TPAF - Long-Term Disability	495-034-5094-004	1,146.00	7/1/21-6/30/22			1,146.00						
Insurance (Noncash Assistance)												
Total State Financial Assistance Subject to Calculation for Major Program Determination						\$ (2,402,538.09)						

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

This page intentionally left blank

RUMSON-FAIR HAVEN REGIONAL SCHOOL DISTRICT
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS AND STATE
FINANCIAL ASSISTANCE
YEAR ENDED JUNE 30, 2022

Note 1. Basis of Presentation

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

Note 2. Summary of Significant Accounting Policies

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

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

The amount reported as TPAF Pension Contributions represents the amount paid by the state on behalf of the School District for the year ended June 30, 2022. TPAF Social Security Contributions represents the amount reimbursed by the state for the employer's share of social security contributions for TPAF members for the year ended June 30, 2022.

**RUMSON-FAIR HAVEN REGIONAL SCHOOL DISTRICT
 NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS AND STATE
 FINANCIAL ASSISTANCE
 YEAR ENDED JUNE 30, 2022 (Continued)**

Note 3. Relationship to Basic Financial Statements

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

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is (\$17,377.00) for the general fund and (\$691.85) for the Special Revenue Fund. See Exhibit C-3 Note A of the basic financial statements, for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance expenditures reported in the School District’s basic financial statements on a GAAP basis are presented as follows:

<u>Fund</u>	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ 2,972.56	\$ 6,201,553.09	\$ 6,204,525.65
Special Revenue Fund	320,949.77	-	320,949.77
Debt Service Fund	-	182,744.00	182,744.00
Total Awards & Financial Assistance	<u>\$ 323,922.33</u>	<u>\$ 6,384,297.09</u>	<u>\$ 6,708,219.42</u>

Note 4. Relationship to Federal and State Financial Reports

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

Note 5. Federal and State Loans Outstanding

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

**RUMSON-FAIR HAVEN REGIONAL SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2022**

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued	Unmodified		
Internal control over financial reporting:			
1) Material weakness(es) identified?	_____ Yes	_____ X No	
2) Significant deficiency(ies) identified?	_____ X Yes	_____ No	
Noncompliance material to financial statements noted?	_____ Yes	_____ X None reported	

Federal Awards - Not Applicable

Internal control over major programs:			
1) Material weakness(es) identified?	_____ Yes	_____ No	
2) Significant deficiency(ies) identified?	_____ Yes	_____ No	

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

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

Identification of major programs:

Assistance Listing Number(s)	FAIN Number(s)	Name of Federal Program or Cluster
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

Dollar threshold used to determine Type A programs _____

Auditee qualified as low-risk auditee? _____ Yes _____ No

**RUMSON-FAIR HAVEN REGIONAL SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2022**

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

State Financial Assistance

Dollar threshold used to determine Type A programs	\$	750,000.00
Auditee qualified as low-risk auditee?	<u> X </u> Yes	<u> </u> No
Internal control over major programs:		
1) Material weakness(es) identified?	<u> </u> Yes	<u> X </u> No
2) Significant deficiency(ies) identified?	<u> </u> Yes	<u> X </u> No
Type of auditor's report issued on compliance for major programs		Unmodified
Any audit findings disclosed that are required to be reported in accordance with New Jersey OMB's Circular 15-08?	<u> </u> Yes	<u> X </u> No

Identification of major programs:

<u>State Grant/Project Number(s)</u>	<u>Name of State Program</u>
495-034-5094-003	Reimbursed TPAF Social Security Contributions

**RUMSON-FAIR HAVEN REGIONAL SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2022**

Section II - Financial Statement Findings

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

Finding 2022-001

Criteria or Specific Requirement:

A school district board of education shall not incur any obligation or approve any payment before being awarded any state or federal grant.

Condition:

The School District expended grant funds without proper federal approval.

Context:

The School District expended \$166,346.57 of grant funds that did not have proper federal approval.

Cause:

Proper grant procedures were not followed within the business office.

Effect or Potential Effect:

This resulted in the School District having to charge the expenditures to their General Fund budget which caused multiple budget lines to be over-expended.

Recommendation:

That the District review federal grant approvals prior to expending monies related to grants.

View of Responsible Officials & Planned Corrective Actions:

The School District will address this finding in the Corrective Action Plan.

**RUMSON-FAIR HAVEN REGIONAL SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2022**

Section III - State Financial Assistance Findings & Questioned Costs

This section identifies the significant deficiencies, material weaknesses and instances of noncompliance, including questioned costs, related to the audit of major state programs, as required by New Jersey OMB's Circular 15-08.

STATE FINANCIAL ASSISTANCE

None.

**RUMSON-FAIR HAVEN REGIONAL SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
AND QUESTIONED COSTS AS PREPARED BY MANAGEMENT
YEAR ENDED JUNE 30, 2022**

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

Financial Statement Findings

No Prior Year Findings.

Federal Awards

N/A - No prior year audit of federal awards

State Financial Assistance

No Prior Year Findings.