

**SCHOOL DISTRICT
OF
RUNNEMEDE**

**ANNUAL COMPREHENSIVE
FINANCIAL REPORT**

of the

Runnemedede Board of Education

Runnemedede, New Jersey

For the Fiscal Year Ended June 30, 2022

ANNUAL COMPREHENSIVE FINANCIAL REPORT

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For the Fiscal Year Ended June 30, 2022

Prepared by

Runnemedede Board of Education

Finance Department

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OF THE RUNNEMEDE SCHOOL DISTRICT
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INTRODUCTORY SECTION

Runnemede Board of Education

Dr. Sean McCarron
Business Administrator

24 N. Black Horse Pike, 2nd Floor
Runnemede, NJ 08078
(856) 931-5367 Fax: (856) 931-4446

February 16, 2023

Honorable President and
Members of the Board of Education
Runnemede School District
County of Camden, New Jersey 08078

Dear Board Members:

The Comprehensive Annual Financial Report of the Runnemede Public School District (District) for the fiscal year ended June 30, 2022, is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Board of Education. 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 various funds of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The comprehensive annual financial report is presented in four sections as follows:

- The introductory section includes this transmittal letter, the District's organizational chart and a list of principal officials.
 - The financial section includes the basic financial statements and schedules, as well as the auditor's report thereon.
 - The statistical section includes selected financial and demographic information, generally presented on a multi-year basis.
 - The Single Audit Section - The District is required to undergo an annual single audit in conformity with the provisions of Title 2 CFR 200-Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), "Audits of States, Local Governments, and Non-Profit Organizations" and the State Treasury Circular OMB 15-08, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid Payments." Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations, are included in the single audit section of this report.

1. REPORTING ENTITY AND ITS SERVICES:

The Runnemede Public School District is an independent reporting entity within the criteria adopted by the Government Accounting Standards Board (GASB) as established by Statement No. 14. All funds of the District are included in this report. The Runnemede Board of Education and all its schools constitute the District's reporting entity.

The District provides a full range of educational services appropriate to grade levels Preschool through 8. These include comprehensive regular curriculum with appropriate support services, as well as special education for learning disabled/handicapped students. The District completed the 2021-2022 fiscal year with a June enrollment of 831 students. This represents 6 less students than 2020-2021. The following table details the changes in the student enrollment of the District over the last ten years.

<u>Fiscal Year</u>	<u>June 30 Enrollment Student Enrollment</u>	<u>Percent Change</u>
2021-22	831	(1.82)%
2020-21	837	(3.46)%
2019-20	867	3.21%
2018-19	840	(1.40)%
2017-18	852	.23%
2016-17	850	(.12)%
2015-16	851	(2.18)%
2014-15	870	3.57%
2013-14	840	(1.52)%
2012-13	853	(1.04)%
2011-12	862	1.00%

2. ECONOMIC CONDITION AND OUTLOOK:

While funding has been insufficient with additional state cuts looming, this has been addressed through additional revenue sources and single use federal grant opportunities. The district only took 1.5% tax levy increase for the 21-22 school year, placing 1% in Banked Cap. Staffing levels remained consistent and the negotiated collective bargaining agreement accounted for an average 3.4% increase for staff.

3. MAJOR INITIATIVES:

The District's consistent focus is successful academic achievement based on instructional improvement. Guided reading continues to be implemented in all grade levels, providing an opportunity to differentiate instruction and meet the needs of individual learners. All of our curriculums are reviewed annually and updated based on guidance from the Department of Education and in coordination with our teachers. Technology, Literacy, and Mathematics are areas we continue to provide job-embedded professional development. Ongoing professional development has been taking place on-site by having consultants push into classrooms to work with teachers and model lessons / best instructional practices.

RTI (Response to Intervention) is fully implemented in grades K-8. We continue to fine tune the program and ensure all staff are trained on the resources we have available. The RTI Model has increased conversations between staff members, students, and parents regarding student interventions available. RTI teachers provide a variety of services between pushing into the classroom and pulling out during the school day.

Technology continues to advance with the continuous upgrade of computer labs and increasing our 1:1 initiative to grades Preschool - 8. All classrooms are equipped with Interactive Boards, and we are continually budgeting to upgrade this equipment. The web-based student information management system, Real-Time, is used again to include communication to families, lesson planning, staff evaluations, POS for food service, and houses our special education documents.

As a district we are continually trying to improve the resources we are able to provide the students within our community. We have continued to expand our preschool program and are pleased to offer educational learning opportunities at such an impressionable age.

4. INTERNAL ACCOUNTING CONTROLS:

Management of the District is responsible for establishing and maintaining internal control 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). Internal control is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

As a recipient of federal awards and state financial assistance, the District also is responsible for ensuring that adequate internal control is in place to ensure compliance with applicable laws and regulations related to those programs. Internal control 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 the adequacy of internal control, including that portion related to federal awards and state financial assistance programs, as well as to determine that the District has complied with applicable laws and regulations.

5. BUDGETARY CONTROLS:

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

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

6. ACCOUNTING SYSTEM AND REPORTS:

The District's accounting records reflect generally accepted accounting principles, as promulgated by the Governmental Accounting Standards Board (GASB). The accounting system of the District is organized on the basis of funds. These funds are explained in "Notes to the Financial Statements," Note 2.

7. CASH MANAGEMENT:

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

8. RISK MANAGEMENT:

The Board carries various forms of insurance, including but not limited to general liability, automobile liability and comprehensive/collision, hazard and theft insurance on property and contents, and fidelity bonds.

9. OTHER INFORMATION:

Independent Audit - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Nightlinger, Colavita and Volpa, Pa. was appointed by the Board. In addition to meeting the requirements set forth in State statutes, the audit also was designed to meet the requirements of the Title 2 CFR 200- Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), and State of New Jersey Treasury Circular 15-08 OMB, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid. The auditor's report on the basic financial statements and combining and individual fund statements and schedules are included in the financial section of this report. The auditor's report related specifically to the single audit are included in the single audit section of this report.

10. ACKNOWLEDGMENTS:

We would like to express our appreciation to the members of the Runnemede School Board for their concern in providing fiscal accountability to the citizens and taxpayers of the public 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 financial and accounting staff. We received the complete cooperation from Nightlinger, Colavita & Volpa, P.A. and appreciate the courtesies extended to us.

Respectfully submitted,

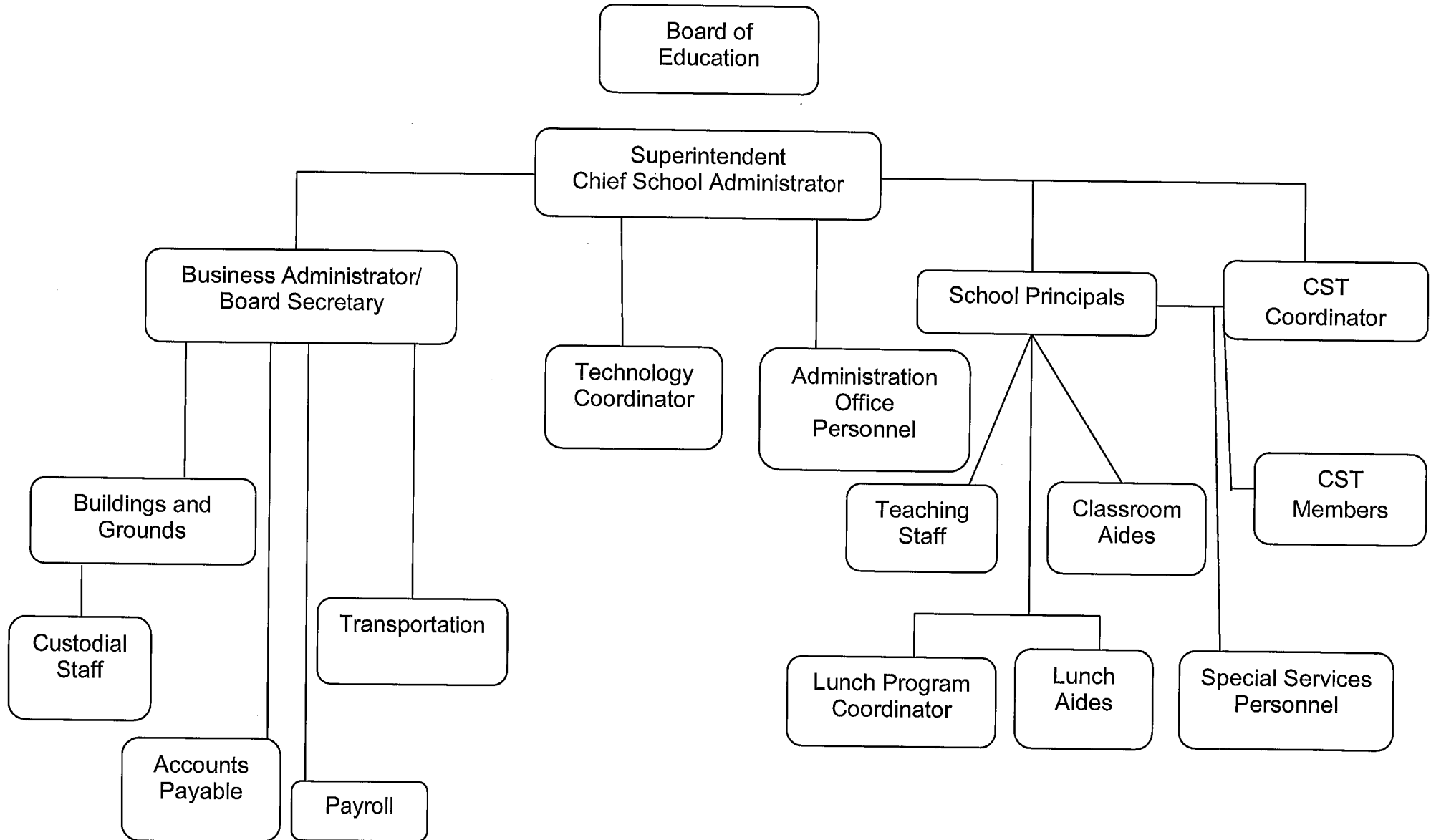
Mark Iannucci

Mark Iannucci, Superintendent

Dr. Sean McCarron

Dr. Sean McCarron, School Business
Administrator

RUNNEMEDE BOARD OF EDUCATION



RUNNEMEDE BOARD OF EDUCATION

ROSTER OF OFFICIALS

JUNE 30, 2022

<u>MEMBERS OF THE BOARD OF EDUCATION</u>	<u>TERM EXPIRES</u>
Samantha Spaulding, President	2022
Dan Murray, Vice President	2023
Patricia Adair	2024
Angel Beebe	2023
Naomi Davidson	2022
Heather Farrell	2024
Lisa O'Brien	2024
Maria Panzarella	2022
Barbara Sams	2022
<u>OTHER OFFICIALS</u>	<u>BOND AMOUNT</u>
Mark Iannucci, Superintendent	
Dr. Sean R. McCarron, Board Secretary / Business Administrator	\$ 50,000
Alyse Dvorak, District Accountant	
Christie Ehret, Treasurer	200,000
Derlys Gutierrez, Solicitor	

RUNNEMEDE BOARD OF EDUCATION
CONSULTANTS AND ADVISORS

ARCHITECT

Garrison Architects
713 Creek Road
Bellmawr, NJ 08031

AUDIT FIRM

Raymond Colavita, CPA, RMA, PSA
Nightlinger, Colavita and Volpa, PA
P.O. Box 799
Williamstown, NJ 08094

ATTORNEY

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Iselin, NJ 08830

OFFICIAL DEPOSITORY

PNC Bank
Glendora, NJ 08029

INSURANCE AGENCY

NJSIG
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Suite 300N
Mt. Laurel, NJ 08054

FINANCIAL SECTION

NIGHTLINGER, COLAVITA & VOLPA

A Professional Association

Certified Public Accountants

991 S. Black Horse Pike
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Williamstown, NJ 08094

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INDEPENDENT AUDITOR'S REPORT

The Honorable President and
Members of the Board of Education
Runnemede School District
County of Camden, New Jersey 08078

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 Board of Education of the Runnemede School District in the County of Camden, State of New Jersey, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Board of Education of the Runnemede School District in the County of Camden, State of New Jersey'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 Board of Education of the Runnemede School District in the County of Camden, State of New Jersey, as of June 30, 2022, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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 Board of Education of the Runnemede School District in the County of Camden, State of New Jersey, 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 the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards 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, 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 Board of Education of the Runnemede School District in the County of Camden, State of New Jersey'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 Board of Education of the Runnemede School District in the County of Camden, State of New Jersey'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 and budgetary comparison information be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, 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 Board of Education of the Runnemede School District in the County of Camden, State of New Jersey's basic financial statements. The combining and individual fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards and state financial assistance is presented for purposes of additional analysis as required by the 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 Recipients of Federal Grants, State Grants and State Aid, and is also not a required part of the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining statements and related major fund supporting financial statements 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, as required by the Office of School Finance, Department of Education, State of New Jersey. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated February 16, 2023 on our consideration of the Runnemede Board of Education's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Runnemede Board of Education's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Governments Auditing Standards* in considering Runnemede School District's internal control over financial reporting and compliance.

Respectfully submitted,

NIGHTLINGER, COLAVITA & VOLPA, P.A.



Raymond Colavita, C.P.A., R.M.A.
Licensed Public School Accountant
No. 915

February 16, 2023

REQUIRED SUPPLEMENTARY INFORMATION – PART I

RUNNEMEDE SCHOOL DISTRICT
BOROUGH OF RUNNEMEDE

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

UNAUDITED

As management of the Runnemede Public School District, we offer readers of the financial statements this overall review of the School District's financial activities for the fiscal year ended June 30, 2022. While the intent of this discussion and analysis is to look at the School District's financial performance as a whole, readers should also review the notes to the financial statements in conjunction with other sections of the ACFR, in order to enhance their understanding of the School District's financial performance.

Financial Highlights

Key financial highlights for 2022 are as follows:

- ❖ The assets of the School District exceeded its liabilities at the close of the fiscal year ended June 30, 2022, by \$8,453,766. This amount represents Net Position, which increased by \$1,667,992 from the previous year-end.
- ❖ Total net position of governmental activities totaled \$8,263,251.
- ❖ General revenues, net of adjustments, accounted for \$16,670,832 in revenue or 80.3% of all revenues. Program specific revenues in the form of charges for services, operating grants and contributions accounted for \$4,071,908 or 19.7% of \$20,742,740 in total revenues.
- ❖ The School District had \$19,074,748 in program expenses. These expenses were offset by program specific charges for services, grants or contributions of \$4,071,908, as mentioned above in arriving at the \$15,132,410 in net governmental activity expenses of the District. General revenues comprising property taxes of \$7,541,121, federal and state aid of \$9,035,805 and other miscellaneous revenues and adjustments of \$93,906 were adequate to provide for the governmental programs maintained by the school.
- ❖ The General Fund had \$17,291,156 in revenues, \$16,923,088 in expenditures and a decrease of \$308,858 in other financing uses. The General Fund's balance increased by \$59,210 from 2021. This increase was anticipated by the Board of Education and was attributed to appropriating matching funds for the capital projects approved with state aid.

Using this Annual Comprehensive Financial Report (ACFR)

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand the Runnemede School District as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

The Statement of Net Position and Statement of Activities provide information about the activities of the whole School District, presenting both an aggregate view of the School District's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. In the case of the Runnemede School District, the General Fund is by far the most significant fund.

Reporting the School District as a Whole

Statement of Net Position and the Statement of Activities

While this document contains the large number of funds used by the School District to provide programs and activities, the view of the School District as a whole looks at all financial transactions and asks the question, "How did we do financially during 2022?" The Statement of Net Position and the Statement of Activities helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting takes into account, all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the School District's net position and changes in those assets. This change in net position is important because it tells the reader that, for the School District as a whole, the financial positions of the School District has improved or diminished. The causes of this change may be the result of many factors, some financial, and some not. Non-financial factors include the School District's property tax base, current laws in New Jersey restricting revenue growth, facility condition, required educational programs and other factors.

In the Statement of Net Position and the Statement of Activities, the School District is divided into two distinct kinds of activities:

- ❖ **Governmental Activities** – All of the School District's programs and services are reported here including, but not limited to, instruction, support services, operation and maintenance of plant facilities, pupil transportation and extracurricular activities. There are three school buildings maintained by the District, which are the Bingham Elementary School, the Downing Elementary School, and the Volz Middle School.
- ❖ **Business-Type Activities** – This service is provided on a charge for goods or services basis to recover all the expense of the goods or services provided. The Food Service enterprise fund is reported as a business activity.

Reporting the School District's Most Significant Funds

Fund Financial Statements

The analysis of the School District's major (all) funds begins on page 23. Fund financial reports provide detailed information about the School District's major funds. The School District uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the School District's most significant funds. The School District's major governmental funds are the General Fund, Special Revenue Fund, and Capital Projects Fund.

Governmental Funds

The School District's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in the future years. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash.

Governmental Funds (Continued)

Enterprise Fund

The Enterprise Fund uses the same basis of accounting as business-type activities; therefore, these statements are essentially the same. The Food Service Fund is the only Enterprise Fund maintained by the District.

The School District as a Whole

Recall that the Statement of Net Position provides the perspective of the School District as a whole, which includes the Business-type Activities.

Table 1 provides a comparative summary of the School District's net position for the years ended in 2022 and 2021.

Table 1
Net Position

	<u>2022</u>	<u>2021</u>
Assets		
Current and Other Assets	\$ 3,285,736	\$ 3,117,270
Capital Assets, Net	9,845,515	8,662,379
Total Assets	<u>13,131,251</u>	<u>11,779,649</u>
Deferred Pension Outflow	<u>723,348</u>	<u>985,387</u>
Liabilities		
Long-term Liabilities	3,454,837	4,144,562
Other Liabilities	185,504	208,209
Total Liabilities	<u>3,640,341</u>	<u>4,352,771</u>
Deferred Pension Inflows	<u>1,760,492</u>	<u>1,626,491</u>
Net Position		
Invested in Capital Assets, Net of Debt	9,775,920	8,662,379
Restricted	2,353,779	2,359,140
Unrestricted (Deficit)	(3,675,933)	(4,235,745)
Total Net Position	<u>\$ 8,453,766</u>	<u>\$ 6,785,774</u>

Table 2 shows the changes in net position from fiscal year's 2022 and 2021.

Table 2
Changes in Net Position

	2022	2021
Revenues		
Programs Revenues		
Charges for Services	\$ 362,154	\$ 132,282
Operating Grants and Contributions	3,709,754	3,522,811
General Revenues		
Property Taxes	7,541,121	7,541,121
Grants and Entitlements	9,035,805	9,464,578
Other	93,906	171,115
Total Revenues	20,742,740	20,831,907
Program Expenses		
Instruction	6,514,030	6,189,052
Support Services		
Tuition	104,002	223,339
Pupils and Instructional Staff	2,731,304	2,347,148
General Administration, School		
Administration, Business	1,158,862	1,111,752
Operations and Maintenance of Facilities	1,166,417	1,120,165
Pupil Transportation	217,392	159,796
Unallocated Employee Benefits	6,092,412	7,819,341
Enterprise Funds	659,973	534,693
Other	430,356	345,873
Total Expenses	19,074,748	19,851,159
Increase in Net Position	\$ 1,667,992	980,748

Governmental Activities

The unique nature of property taxes in New Jersey creates the need to routinely seek voter approval for the School District operations. Of the District's \$20,742,740 in total governmental revenues for the fiscal year ended June 30, 2022, property taxes made up 36.4% of the revenues raised for governmental activities. Federal, state, and local grants accounted for another 63.3% and other revenues including adjustments made up 0.3%. The total cost of all program and services was \$19,074,748 of which the net amount spent on governmental activities was \$15,132,410. Of this amount, instruction comprised 34.0%.

Business-Type Activities

Revenues for the District’s business-type activities (food service program) were comprised of charges for services and federal and state reimbursements.

- ❖ Food service revenues exceeded expenses by \$81,698 and Before and After Care revenue exceeded expenses by \$47,872.
- ❖ A subsidy from the General Fund to the food service fund was not required during the current year, as the food service operation completed the current school year with a positive net position. The District, therefore, identified the means to bring the food service cost of the District under control.
- ❖ Charges for services in the Food Service Fund represent \$32,630 of revenue. This represents the amount paid by patrons for daily food services for, representing 6.5% of the \$499,093 in total revenue in the Food Service Fund, as a result of the pandemic. The Before and After Care program had \$290,450 in charges to patrons, which was sufficient to fund expenditures.
- ❖ Federal and state reimbursements for meals, including payments for free and reduced lunches and donated commodities, were \$466,463 which represents 93.5% of the revenue.

Governmental Activities

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services. Table 3 shows the total cost of services and the net cost of services. The net cost shows the financial burden that was placed on the District’s taxpayers by each of these functions.

Table 3

	<u>Total Cost of Service 2022</u>	<u>Net Cost of Service 2022</u>	<u>Total Cost of Service 2021</u>	<u>Net Cost of Service 2021</u>
Instruction	\$ 6,514,030	\$ 5,141,610	\$ 6,189,052	\$ 4,863,695
Support Services				
Tuition	104,002	104,002	223,339	223,339
Pupils and Instructional Staff	2,731,304	2,083,816	2,347,148	1,776,387
General Administration, School				
Administration, Business	1,158,862	1,158,862	1,111,752	1,111,752
Operation and Maintenance of Facilities	1,166,417	1,166,417	1,120,165	1,120,165
Pupil Transportation	217,392	217,392	159,796	159,796
Employee Benefits	6,092,412	4,829,955	7,819,341	6,627,606
Other	430,356	430,356	345,873	345,873
Total Expenses	<u><u>\$ 18,414,775</u></u>	<u><u>\$ 15,132,410</u></u>	<u><u>\$ 19,316,466</u></u>	<u><u>\$ 16,228,613</u></u>

Instruction expenses include activities directly dealing with the teaching of pupils and the interaction between teacher and student, including extracurricular activities.

Pupils and instructional staff include the activities involved with assisting staff with the content and process of teaching to students, including curriculum and staff development.

General administration, school administration and business include expenses associated with administrative and financial supervision of the District.

Operation and maintenance of facilities activities involve keeping the school grounds, buildings and equipment in an effective working condition.

Curriculum and staff development includes expenses related to planning, research, development and evaluation of support services, as well as the reporting of this information internally and to the public.

Pupil transportation includes activities involved with the conveyance of students to and from school, as well as to and from school activities, as provided by state law.

Extracurricular activities includes expenses related to student activities provided by the School District which are designated to provide opportunities for students to participate in school events, public events, or a combination of these for the purposes of motivation, enjoyment and skill improvement.

Interest and fiscal charges involve the transactions associated with the payment of interest and other related charges to debt of the School District.

Other includes unallocated depreciation and amortization.

The School District's Funds

Information about the School District's major funds starts on page 23. These funds are accounted for using the modified accrual basis of accounting. All governmental funds (i.e., general fund, special revenue fund, capital projects and debt service fund presented in the fund-based statements) had total revenues of \$19,999,658 and expenditures of \$19,918,163. The net change in fund balance for the year was \$52,637, which included a transfer to charter schools of \$28,858. The School District is able to meet current operating costs with no urgent need for additional funds.

As demonstrated by the various statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management. The following schedules present a summary of the revenues of the governmental funds (excluding capital projects and permanent fund expenditures) for the fiscal year ended June 30, 2022, and the amount and percentage of increases and decreases in relation to prior year revenues.

<u>Revenue</u>	<u>Amount</u>	<u>Percent of Total</u>	<u>Increase/ (Decrease) from 2021</u>	<u>Percent Increase/ (Decrease)</u>
Local Sources	\$ 7,637,232	38.19%	\$ (80,933)	-1.05%
State Sources	10,900,529	54.50%	1,328,324	13.88%
Federal Sources	1,461,897	7.31%	656,534	81.52%
Total	<u>\$ 19,999,658</u>	<u>100.00%</u>	<u>\$ 1,903,925</u>	<u>10.52%</u>

The decrease in Local Sources is attributed to a decrease in miscellaneous revenue of \$66,636 and \$396 in interest income. The district also did not receive any tuition which resulted in a decrease of \$13,901.

The increase in State Sources is attributed to increases in general fund state aid of \$1,239,656, as well as an increase in grants for special projects of \$88,668.

The increase in Federal Sources is attributed to increases in various grant awards of \$656,534.

The following schedule presents a summary of general fund, special revenue fund and debt service fund expenditures for the fiscal year ended June 30, 2022.

<u>Expenditures</u>	<u>Amount</u>	<u>Percent of Total</u>	<u>Increase/ (Decrease) from 2021</u>	<u>Percent Increase/ (Decrease)</u>
Current:				
Instruction	\$ 6,501,850	32.6%	\$ 318,706	5.2%
Undistributed Expenditures	11,783,568	59.2%	1,240,860	11.8%
Capital Outlay	1,632,745	8.2%	704,710	75.9%
Total	<u>\$ 19,918,163</u>	<u>100.0%</u>	<u>\$ 2,264,276</u>	<u>12.8%</u>

The increase in Current – Instruction is attributed to increases in regular instruction of \$242,235 and other instruction of \$121,403, offset by a decrease in special education instruction of \$44,932.

The increase in Current – Undistributed Expenditures is attributed to increases in student and instruction related services of \$384,156, general administrative services of \$23,742, school administrative services of \$19,196, central services of \$8,686, pupil transportation of \$ 59,568, and employee benefits of \$869,961, offset by decreases in tuition of \$119,337, administration information technology of \$5,057, and plant operations of \$55.

The increase in capital outlay of \$704,710 includes various differences in equipment expenditures.

There were no debt service payments, as the remaining debt was paid off in the 2013-14 school year.

General Fund Budgeting Highlights

The School District’s Budget is prepared according to New Jersey Law, and is based on accounting for certain transactions on a basis of modified accrual and encumbrance accounting. The most significant budgeted fund is the General Fund.

During the course of the fiscal year 2022, the School District amended its General Fund budget as needed. The School District uses program-based budgeting and the budgeting systems are designed to tightly control total program budgets but provide flexibility for program management.

Some of the normal budgetary situations requiring attention during the year are:

- ❖ Staffing changes based on student needs.
- ❖ Additional costs for student transportation both in regular education and special education.
- ❖ Accounting changes in maintenance and operations
- ❖ Changes in appropriations to prevent budget overruns.

While the District's final budget for the general fund normally plans to anticipate revenues, including surplus appropriated that would roughly equal expenditures, the actual results for the year show an actual decrease in fund balance of \$118,432. This result included a transfer to a Charter School of \$28,858 and a transfer to the Pre-school program of \$280,000.

- ❖ Actual revenues were \$182,555 higher than expected, (excluding On-Behalf pension and social security state aid of \$3,141,018), due to local source revenue of \$25,496, an increase in Medicaid of \$3,825, and an increase in other state aid of \$153,234.
- ❖ The actual expenditures were \$1,655,642 lower than expected, (excluding On-Behalf pension and social security state aid of \$3,141,018), due to positive variances in Instructional expenses of \$198,671, Tuition costs of \$242,994, Pupil and staff support costs of \$207,988, administrative costs of \$160,064, Plant and Maintenance costs of \$213,195, Transportation costs of \$100,917, Employee Benefits of \$514,780, and capital outlay of \$110,484.

Capital Assets

At the end of the fiscal year 2022 the School District had \$9,799,477 invested in land, buildings, furniture and equipment, vehicles, and right-to-use lease assets, along with food service equipment of \$46,038, Table 4 shows fiscal 2022 balances compared to 2021.

Table 4
Capital Assets (Net of Depreciation) at June 30

	<u>2022</u>	<u>2021</u>
Land	\$ 29,083	\$ 29,083
Site Improvements	593,932	468,946
Building and Improvements	8,709,271	7,661,610
Equipment	457,594	502,740
Right-to-Use Lease Assets	55,635	
Totals	<u>\$ 9,845,515</u>	<u>\$ 8,662,379</u>

Overall capital assets increased by \$1,183,136 from fiscal year 2021 to fiscal year 2022. Increases were \$156,034 in other site improvements, \$1,396,883 in building and building improvements, \$83,403 in equipment and \$101,320 in right-to-use lease adjustments, offset by other equipment adjustments of \$5,079 a decrease of as well as a depreciation expense of \$549,425.

Debt Administration

At June 30, 2022, the School District had \$3,454,837 as outstanding debt, of which \$686,833 was for compensated absences, including \$27,516 in the enterprise fund, \$2,670,893 in the Net Pension Liabilities, and \$69,595 in the right-to-use lease liability.

At June 30, 2022, the School District's overall legal debt margin was \$16,718,162, all of which constitutes unvoted debt permitted by statute.

For the Future

The Runnemede School District is presently in good financial condition. The Board of Education holds their annual school board election in November annually and agreed to a tax levy of zero percent for the 22-23 school year. While this has not been done previously, the board was able to do this with the additional federal funding provided through the pandemic.

It is the responsibility of the governing body to make decisions that are consistently centered on student achievement and preservation of the asset while remaining mindful of the taxpayer. The District will continue to pursue new ways to decrease spending where possible to ensure that funding is adequate to ensure attainment of the goal of quality educational programs for its students. This will be accomplished by maintaining exemplary practices in financial planning, budgeting and maintaining financial controls that are in accordance with state statutes and guidelines.

Contacting the School District's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the School District's finances and to show the School District's accountability for the Money it receives. If you have questions about this report or need additional information contact, Dr. Sean McCarron, Business Administrator/Board Secretary at Runnemede Board of Education, 24 N. Black Horse Pike, 2nd Floor, Runnemede, New Jersey 08078.

BASIC FINANCIAL STATEMENTS

DISTRICT WIDE FINANCIAL STATEMENTS

The Statement of Net Position and the Statement of Activities display information about the District.

These statements include the financial activities of the overall District, except for fiduciary activities.

Eliminations have been made to minimize the double-counting of internal activities. These statements distinguish between the governmental and business-type activities of the District.

RUNNEMEDE BOARD OF EDUCATION
STATEMENT OF NET POSITION
JUNE 30, 2022

	<u>Governmental</u> <u>Activities</u>	<u>Business-type</u> <u>Activities</u>	<u>Total</u>
ASSETS			
Cash and Cash Equivalents	\$ 585,900	\$ 117,043	\$ 702,943
Receivables, Net	449,590	53,041	502,631
Restricted Assets:			
Cash and Cash Equivalents	2,072,489		2,072,489
Inventory		7,673	7,673
Capital Assets, Net (Note 5):	9,799,477	46,038	9,845,515
Total Assets	<u>12,907,456</u>	<u>223,795</u>	<u>13,131,251</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Pension Outflows	<u>723,348</u>		<u>723,348</u>
LIABILITIES			
Accounts Payable	70,965		70,965
Other Liabilities	51,233		51,233
Unearned Revenue	57,542	5,764	63,306
Non-current Liabilities (Note 6):			
Due Within One Year	34,705		34,705
Due Beyond One Year	3,392,616	27,516	3,420,132
Total Liabilities	<u>3,607,061</u>	<u>33,280</u>	<u>3,640,341</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred Pension Inflows	<u>1,760,492</u>		<u>1,760,492</u>
NET ASSETS			
Invested in Capital Assets, Net of Related Debt	9,729,882	46,038	9,775,920
Restricted for:			
Capital Reserve	1,410,851		1,410,851
Maintenance Reserve	692,428		692,428
Unemployment Compensation	153,801		153,801
Student Activities	15,409		15,409
Excess Surplus	81,290		81,290
Unrestricted (Deficit)	(3,820,410)	144,477	(3,675,933)
Total Net Position	<u>\$ 8,263,251</u>	<u>\$ 190,515</u>	<u>\$ 8,453,766</u>

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

RUNNEMEDE BOARD OF EDUCATION
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2022

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental Activities:						
Instruction:						
Regular	\$ 5,128,603	\$	\$ 1,372,420	\$ (3,756,183)	\$	\$ (3,756,183)
Special Education	949,081			(949,081)		(949,081)
Other Instruction	436,346			(436,346)		(436,346)
Support Services:						
Tuition	104,002			(104,002)		(104,002)
Student & Instruction Related Services	2,731,304	39,074	608,414	(2,083,816)		(2,083,816)
General and Business Administrative Service	494,840			(494,840)		(494,840)
School Administrative Services	397,193			(397,193)		(397,193)
Central Services	253,280			(253,280)		(253,280)
Admin Info Tech	13,549			(13,549)		(13,549)
Plant Operations and Maintenance	1,166,417			(1,166,417)		(1,166,417)
Pupil Transportation	217,392			(217,392)		(217,392)
Employee Benefits	6,092,412		1,262,457	(4,829,955)		(4,829,955)
Unallocated Depreciation	430,356			(430,356)		(430,356)
Total Governmental Activities	18,414,775	39,074	3,243,291	(15,132,410)		(15,132,410)
Business-type Activities:						
Food Service	417,395	32,630	466,463		81,698	81,698
Before and After Care	242,578	290,450			47,872	47,872
Total Business-type Activities	659,973	323,080	466,463		129,570	129,570
Total Primary Government	\$ 19,074,748	\$ 362,154	\$ 3,709,754	\$ (15,132,410)	\$ 129,570	\$ (15,002,840)
General Revenues:						
Taxes:						
Property Taxes, Levied for General Purposes, Net				\$ 7,541,121		\$ 7,541,121
Federal, State and Local Aid Not Restricted				9,035,805		9,035,805
Tuition and Transportation Fees from other LEA'S						
Investment Earnings				303	\$ 7	310
Miscellaneous Income				95,808		95,808
Fixed Asset Adjustment				(3,166)	(1,913)	(5,079)
Transfers - To Charter School				(28,858)		(28,858)
Special Items:						
Prior Year Right-to-Use Assets and Lease Liability Adjustment				31,725		31,725
Total General Revenues, Special Items, Extraordinary Items and Transfers				16,672,738	(1,906)	16,670,832
Change in Net Position				1,540,328	127,664	1,667,992
Net Position—Beginning				6,722,923	62,851	6,785,774
Net Position—Ending				\$ 8,263,251	\$ 190,515	\$ 8,453,766

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

FUND FINANCIAL STATEMENTS

The Individual Fund statements and schedules present more detailed information for the individual fund in a format that segregates information by fund.

GOVERNMENTAL FUNDS

**RUNNEMEDE BOARD OF EDUCATION
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2022**

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Total Governmental Funds</u>
ASSETS			
Cash and Cash Equivalents	\$ 459,232	\$ (73,332)	\$ 385,900
Restricted Cash and Cash Equivalents	2,257,080	15,409	2,272,489
State Aid Receivable	375,441		375,441
Federal Aid Receivable		74,149	74,149
Total Assets	<u>\$ 3,091,753</u>	<u>\$ 16,226</u>	<u>\$ 3,107,979</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts Payable	\$ 47,626	\$ 11,838	\$ 59,464
Reserve for Flexible Spending	11,501		11,501
Due to State of New Jersey		44,853	44,853
Payroll Deductions Payable	6,380		6,380
Unearned Revenue		57,542	57,542
Total Liabilities	<u>65,507</u>	<u>114,233</u>	<u>179,740</u>
Fund Balances:			
Restricted For:			
Excess Surplus	39,581		39,581
Excess Surplus - Designated for Subsequent Year's Expenditures	41,709		41,709
Maintenance Reserve Account	492,428		492,428
Maintenance Reserve Designated for Subsequent Year's Expenditures	200,000		200,000
Capital Reserve Account	1,210,851		1,210,851
Capital Reserve Designated for Subsequent Year's Expenditures	200,000		200,000
Reserve for Unemployment	153,801		153,801
Student Activities		15,409	15,409
Assigned To:			
Year-End Encumbrances	55,863		55,863
Designated for Subsequent Year's Expenditures	547,873		547,873
Unassigned, Reported In:			
General Fund Balance	84,140		84,140
Special Revenue Fund Balance (Deficit)		(113,416)	(113,416)
Total Fund Balances (Deficit)	<u>3,026,246</u>	<u>(98,007)</u>	<u>2,928,239</u>
Transfer from Enterprise Fund	<u>\$ 3,091,753</u>	<u>\$ 16,226</u>	<u>\$</u>

Amounts reported for *governmental activities* in the Statement of Net Assets (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 \$15,511,631 and the accumulated depreciation is \$5,712,154 (See Note 6)	9,799,477
Deferred Outflow of Resources - Deferred Pension Contribution.	723,348
Deferred Inflows of Resources - Pension Actuarial Gains.	(1,760,492)
Long Term Net Pension Liability	(2,670,893)
Long-term liabilities, including bonds payable and Compensated Absences, are not due and payable in the current period and therefore are not reported as liabilities in the funds (see Note 6).	(756,428)
Net Position of Governmental Activities \$	<u><u>8,263,251</u></u>

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

RUNNEMEDE BOARD OF EDUCATION
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2022

	General Fund	Special Revenue Fund	Total Governmental Funds
REVENUES			
Local Sources:			
Local Tax Levy	\$ 7,541,121	\$	\$ 7,541,121
Interest Earned on Investments	303		303
Interest Earned on Capital Reserve Funds			
Interest Earned on Maintenance Reserve Funds			
Local Sources		39,074	39,074
Miscellaneous	56,734		56,734
Total - Local Sources	7,598,158	39,074	7,637,232
State Sources	9,652,601	1,247,928	10,900,529
Federal Sources	40,397	1,421,500	1,461,897
Total Revenues	17,291,156	2,708,502	19,999,658
EXPENDITURES			
Current:			
Regular Instruction	3,744,003	1,372,420	5,116,423
Special Education Instruction	949,081		949,081
Other Instruction	436,346		436,346
Support Services:			
Tuition	104,002		104,002
Student & Instruction Related Services	2,122,890	608,414	2,731,304
General Administrative Services	473,614		473,614
School Administrative Services	397,193		397,193
Central Services	253,280		253,280
Admin Info Tech	13,549		13,549
Plant Operations and Maintenance	1,101,335		1,101,335
Pupil Transportation	199,940		199,940
Employee Benefits	6,209,351	300,000	6,509,351
Capital Outlay	918,504	714,241	1,632,745
Total Expenditures	16,923,088	2,995,075	19,918,163
Excess (Deficiency) of Revenues Over Expenditures	368,068	(286,573)	81,495
OTHER FINANCING SOURCES (USES)			
Transfer to Preschool Program	(280,000)	280,000	
Transfers to Charter School	(28,858)		(28,858)
Total Other Financing Sources and Uses	(308,858)	280,000	(28,858)
Net Change in Fund Balances	59,210	(6,573)	52,637
Fund Balance—July 1 (Deficit)	2,967,036	(91,434)	2,875,602
Fund Balance—June 30 (Deficit)	\$ 3,026,246	\$ (98,007)	\$ 2,928,239

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

RUNNEMEDE BOARD OF EDUCATION
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2022

Total Net Change in Fund Balances - Governmental Funds (from B-2) \$ 52,637

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

Capital outlays are reported in governmental funds as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.

This is the amount by which capital outlays exceeded depreciation in the period.

Depreciation expense	\$	(546,296)	
Fixed Asset Adjustment		(3,166)	
Capital outlays		1,632,745	
		1,083,283	1,083,283

Pension contributions are reported in governmental funds as expenditures. However, in the statement of activities, the contributions are adjusted for actuarial valuation adjustments, including service and interest costs, administrative costs, investment returns, and experience/assumption. This is the amount by which net pension liability and differed inflows/outflows related to pension changed during the period.

443,461

Repayment of right-to-use lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is not reported in the statement of activities.

31,725

In the Statement of Activities, certain operating expenses, e.g. compensated absences are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid).

(70,778)

Change in Net Position of Governmental Activities (A-2) \$ 1,540,328

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

PROPRIETARY FUNDS

RUNNEMEDE BOARD OF EDUCATION
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2022

	Business-type Activities - Enterprise Funds		
	Food Service	Before and After Care	Totals
ASSETS			
Current Assets:			
Cash	\$ 52,888	\$ 64,155	\$ 117,043
Accounts Receivable	45,198	7,843	53,041
Interfund Receivable	5,000		5,000
Inventory	7,673		7,673
Total Current Assets	110,759	71,998	182,757
Fixed Assets:			
Equipment	55,311		55,311
Accumulated Depreciation	(9,273)		(9,273)
Total Fixed Assets	46,038		46,038
Total Assets	156,797	71,998	228,795
LIABILITIES:			
Current Liabilities:			
Accounts Payable			
Interfund Payable		5,000	5,000
Unearned Revenue	3,914	1,850	5,764
Total Current Liabilities	3,914	6,850	10,764
Non-Current Liabilities			
Compensated Absences	18,272	9,244	27,516
Total Liabilities	22,186	16,094	38,280
NET POSITION:			
Invested in Capital Assets Net of Related Debt	46,038		46,038
Unrestricted	88,573	55,904	144,477
Total Net Position	\$ 134,611	\$ 55,904	\$ 190,515

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

RUNNEMEDE BOARD OF EDUCATION
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2022

	Business-type Activities - Enterprise Fund		
	Food Service	Before and After Care	Total Enterprise
Operating Revenues:			
Charges for Services:			
Daily Sales - Reimbursable Programs	\$ 32,630	\$ 17,000	\$ 32,630
Daily Sales - Non-Reimbursable Programs		17,000	17,000
Hire/Retire Bonus		273,450	273,450
Program Fees			
Total Operating Revenue:	32,630	290,450	323,080
Operating Expenses:			
Salaries & Employee Benefits	129,939	169,289	299,228
Supplies and Materials	26,142	10,859	37,001
Purchased Services	47,796	62,430	110,226
Cost of Sales - Reimbursable Programs	192,026		192,026
Cost of Sales - Non Reimbursable Programs	13,379		13,379
Depreciation	3,129		3,129
Other	4,984		4,984
Total Operating Expenses	417,395	242,578	659,973
Operating Income (Loss)	(384,765)	47,872	(336,893)
Non-operating Revenues (Expenses):			
State Sources:			
State School Lunch Program	7,175		7,175
Federal Sources:			
National School Lunch Program	304,715		304,715
National School Breakfast Program	115,238		115,238
P-EBT Administrative Cost Reimb	1,242		1,242
Supply Chain Assistance Funding	20,374		20,374
Emerg. Operational Cost Prog-Schs	4,914		4,914
Food Distribution Program	12,805		12,805
Interest	7		7
Total Non-operating Revenues (Expenses)	466,470		466,470
Income (Loss) Before Contributions & Transfers	81,705	47,872	129,577
Fixed Asset Adjustment	(1,913)		(1,913)
Change in Net Position	79,792	47,872	127,664
Total Net Position—Beginning	54,819	8,032	62,851
Total Net Position—Ending	\$ 134,611	\$ 55,904	\$ 190,515

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

RUNNEMEDE BOARD OF EDUCATION
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2022

	Business-type Activities Enterprise Funds		
	Food Service	Before and After Care	Total Enterprise
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from Customers	\$ 32,630	\$ 290,450	\$ 323,080
Payments to Employees	(129,939)	(165,693)	(295,632)
Payments to Suppliers	(319,191)	(74,935)	(394,126)
Net Cash Provided by (used for) Operating Activities	(416,500)	49,822	(366,678)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
State Sources	7,175		7,175
Federal Sources	446,483		446,483
Net Cash Provided by (used for) Non-capital Financing Activities	453,658		453,658
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Purchases of Capital Assets	(3,575)		(3,575)
Transfer to General Fund for Purchase of Fixed Asset			
Net Cash Provided by (used for) Capital and Related Financing Activities	(3,575)		(3,575)
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest and Dividends	7		7
Net Cash Provided by (used for) Investing Activities	7		7
Net Increase (Decrease) in Cash and Cash Equivalents	33,590	49,822	83,412
Balances—Beginning of Year	19,298	14,333	33,631
Balances—End of Year	\$ 52,888	\$ 64,155	\$ 117,043
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:			
Operating Income (Loss)	\$ (384,765)	\$ 47,872	\$ (336,893)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (used for) Operating Activities			
Depreciation and Net Amortization	3,129		3,129
Food Distribution Program	12,805		12,805
(Increase)/Decrease in Accounts Receivable, Net	(14,339)	(6,423)	(20,762)
(Increase)/Decrease in Interfund Receivable	(5,000)		(5,000)
(Increase)/Decrease in Inventory	3,363		3,363
Increase/(Decrease) in Interfund Payable	(35,138)	5,000	(30,138)
Increase/(Decrease) in Accounts Payable	(1,874)	(544)	(2,418)
Increase/(Decrease) in Deferred Revenue	(488)	321	(167)
Increase/(Decrease) in Compensated Absences	5,807	3,596	9,403
Total Adjustments	(31,735)	1,950	(29,785)
Net Cash Provided by (used for) Operating Activities	\$ (416,500)	\$ 49,822	\$ (366,678)

Noncash Investing, Capital, and Financing Activities:

During the year, the District received \$9,594 of food commodities from the U.S. Department of Agriculture

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

RUNNEMEDE BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

NOTE 1. DESCRIPTION OF SCHOOL DISTRICT AND REPORTING ENTITY

A. Description of Reporting Entity:

The Borough of Runnemede School District (School District) is a Type II School District located in the County of Camden, State of New Jersey and covers an area of approximately two square miles. As a Type II School District, it functions independently through a Board of Education. The Board is comprised of nine members elected to three-year terms. These terms are staggered so that three member's terms expire each year. The purpose of the School District is to provide educational services for all of Runnemede's students in grades K through 8. Student in grades 9 through 12 attend the Black Horse Pike Regional High School District. The Runnemede School District has an approximate enrollment at June 30, 2022 of 805 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 District holds the corporate powers of the organization
- The District appoints a voting majority of the organization's board
- The District is able to impose its will on the organization
- The organization has the potential to impose a financial benefit/burden on the District
- There is a fiscal dependency by the organization on the District

Based on the aforementioned criteria, the District has no component units.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

New Accounting Standards:

The School District has adopted the following GASB statements:

- *GASB Statement No. 87 - Leases*: The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. The requirements of Statement will be effective for reporting periods beginning after June 15, 2021. The adoption of GASB 87 will impact the financial statements of the School District.
- *GASB Statement No. 89 - Accounting for Interest Cost Incurred before the End of a Construction Period*: The objectives of this Statement are (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period. The requirements of this Statement are effective for reporting periods beginning after December 15, 2020. The adoption of GASB 89 did not impact the financial statements of the School District.
- *GASB Statement No. 92 – Omnibus 2020*: The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. The requirements of this Statement are effective for reporting periods beginning after June 15, 2021. The adoption of GASB 92 did not impact the financial statements of the School District.
- *GASB Statement No. 93 – Replacement of Interbank Offered Rates*: The objective of this Statement is to address those and other accounting and financial reporting implications that result from the replacement of an IBOR. The requirements of this Statement are effective for reporting periods beginning after June 15, 2021. The adoption of GASB 93 did not impact the financial statements of the School District.

RUNNEMEDE BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

New Accounting Standards (Cont'd):

- GASB Statement No. 97 – *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans - an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32*: The primary objectives of this Statement are to (1) increase consistency and comparability related to the reporting of fiduciary component units; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans); and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans). The requirements of this Statement are effective for reporting periods beginning after June 15, 2021. The adoption of GASB 97 did not impact the financial statements of the School District.
- GASB Statement No. 98 – *The Annual Comprehensive Financial 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. The requirements of this Statement are effective for reporting periods ending after December 15, 2021. The adoption of GASB 98 did not impact the financial statements of the School District.

A. Basis of Presentation:

The financial statements of the Board of Education (Board) of the Runnemedde School District (District) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The School District also applies Financial Accounting Standards Board (FASB) Statements and Interpretations issued on or before November 30, 1989 to its governmental funds, provided that they do not conflict with or contradict GASB pronouncements. The more significant of the Board's accounting policies are described below.

In June 1999, the Governmental Accounting Standards Board (GASB), unanimously approved Statement No. 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*. This Statement provides for the most significant change in financial reporting over twenty years and was scheduled for a phase-in implementation period (based on amount of revenues) starting with fiscal years ending 2002 (for larger governments).

In addition, the School District has implemented GASB Statement No. 37, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments: Omnibus*, Statement No. 38, *Certain Financial Statement Note Disclosures* and GASB No. 54 *Fund Balance Reporting and Governmental Fund Type Descriptions*.

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

District-Wide Statements - The Statement of Net Position and the Statement of Activities display information about the School District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The statements distinguish between those activities of the School District that are governmental and those that are considered business-type activities.

RUNNEMEDE BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

A. Basis of Presentation (Cont'd):

District-Wide Statements

The Statement of Net Position presents the financial condition of the governmental and business-type activities of the School District at fiscal year-end. Eliminations have been made to minimize the double counting of internal activities. The Statement of Activities presents a comparison between direct expenses and program revenues for each program or function of the School District's governmental activities and for the business-type activities of the School District. Direct expenses are those that are specifically associated with a service, program or department and, therefore, clearly identifiable to a particular function. The policy of the School District is to not allocate indirect expenses to functions in the statement of activities. Program revenues include charges paid by the recipient of goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program and interest earned on grants that is required to be used to support a particular program. Revenues, which are not classified as program revenues, are presented as general revenues of the School District, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each business segment or governmental function is self-financing or draws from the general revenues of the School District.

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

B. Fund Accounting:

The principles of fund accounting require that resources be classified for accounting and reporting purposes into funds in accordance with activities or objectives specified for the resources. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures or expenses, as appropriate. Government 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.

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

RUNNEMEDE BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

B. Fund Accounting (Cont'd):

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

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

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

Special Revenue Fund - The Special Revenue Fund is used to account for the proceeds of specific revenues from the State and Federal Government, other than major capital projects, debt service, or the enterprise funds and local appropriations that are legally restricted to expenditures for specified purposes.

Capital Projects Fund - The Capital Projects Fund is used to account for all financial resources to be used for the acquisition or construction of major capital facilities, other than those financed by Proprietary Funds. The financial resources are derived from New Jersey Economic Development Authority grants, temporary notes or serial bonds which are specifically authorized by the voters as a separate question on the ballot either during the annual election or at a special election. The School District has open receivables for three completed NJSDA Projects in the Capital Projects Fund.

Debt Service Fund- The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, general-long-term debt principal, interest and related costs.

Permanent Fund- The Permanent Fund is used to account for resources that are legally restricted to the extent that only earnings and not principal may be used for purposes that support the School District's programs, that is, for the benefit of the school district or its students. The School District does not maintain a Permanent Fund.

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

Enterprise Funds - These funds are used to account for operations:

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

RUNNEMEDE BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

B. Fund Accounting (Cont'd):

GOVERNMENTAL FUNDS(Cont'd)

Food Service Fund - The School District's only enterprise funds are the Food Service Fund, which accounts for the financial transactions related to the food service operations of the School District.

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

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

Food Service Fund Equipment	12 Years
Light Trucks and Vehicles	4 Years

FIDUCIARY FUNDS - Fiduciary Fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds, and agency funds. Agency funds are used to account for assets held by the School District in a trustee capacity or as an agent for individuals, private organizations, other governments, and/or other funds (i.e. payroll and student activities). They are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The following is a description of the Fiduciary Funds of the School District:

Trust and Agency Funds- The Trust and Agency Funds are used to account for assets held by the District in a trustee capacity or as an agent for individuals, private organizations, other governments and/or other funds.

Expendable Trust Fund- An Expendable Trust Fund is accounted for in essentially the same manner as the governmental fund types, using the same measurement focus and basis of accounting. Expendable Trust Funds account for assets where both the principal and interest may be spent. The Unemployment Compensation Insurance Fund is an Expendable Trust Fund.

Nonexpendable Trust Fund- A Nonexpendable Trust Fund is used to account for assets held under the terms of a formal trust agreement, whereby the District is under obligation to maintain the trust principal. The District does not maintain a Nonexpendable Trust Fund.

Agency Funds- Agency funds are used to account for the assets that the District holds on behalf of others as their agent. Agency funds are custodial in nature and do not involve measurement of results of operations. Agency funds include payroll and student activities funds.

RUNNEMEDE BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

C. Measurement Focus:

District-Wide Financial Statements - Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. The District-Wide financial statements are prepared using the economic resources measurement focus. All assets and all liabilities associated with the operation of the School District are included on the Statement of Net Position, with the exception of the Fiduciary Funds.

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

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

D. Basis of Accounting:

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

Revenues – Exchange and Non-exchange Transactions:

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

Non-exchange transactions, in which the School District receives value without directly giving equal value in return, include Ad Valorem (property) taxes, grants, entitlements, and donations. Ad Valorem (Property) Taxes are susceptible to accrual, as under New Jersey State Statute, a municipality is required to remit to its school district the entire balance of taxes in the amount voted upon or certified, prior to the end of the school year. The School District records the entire approved tax levy as revenue (accrued) at the start of the fiscal year, since the revenue is both measurable and available. The School District is entitled to receive monies under the established payment schedule and the unpaid amount is considered to be an "accounts receivable".

RUNNEMEDE BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

D. Basis of Accounting (Cont'd):

Revenues – Exchange and Non-exchange Transactions (Cont'd):

With the exception of the restricted formula aids recorded in the special revenue fund, revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted; matching requirements, in which the resources are provided to the School District on a reimbursement basis. The restricted formula aids (i.e. Demonstrably Effective Program Aid and Instructional Supplement Program Aid) are recorded in the special revenue fund in accordance with the Audit Program promulgated by the New Jersey Department of Education which requires that these grants be realized in an amount equal to program expenditures.

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

Expenses/Expenditures:

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

E. Lease Acquisition Costs:

As part of any long-term lease agreement, providing for the use of school buildings, payments constituting professional lease acquisition and other related professional fees will be expensed when incurred in accordance with GASB Statement No. 65. There were no such leases for the year ended June 30, 2022.

F. Budgets/Budgetary Control:

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue, and debt service funds, which are submitted to the county office. In accordance with P.L. 2011, c. 202, the School District passed a resolution to move the school board election to the first Tuesday after the first Monday in November, starting in November of 2012 and to be held simultaneously with the general election. As a result, a vote is not required on the School District's general fund tax levy for the budget year, other than the general fund tax levy required to support a proposal for additional funds, if any.

Budgets are prepared using the modified accrual basis of accounting, except for the special revenue fund as described later. 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:23A-16.2 (f)1. Transfers of appropriations may be made by School Board resolution at any time during the fiscal year in accordance with N.J.A.C. 6A:23A-13.3. The Board of Education did not make any material supplemental budgetary appropriations during the fiscal year.

RUNNEMEDE BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

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

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

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

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

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

G. Encumbrance Accounting:

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

H. Cash, Cash Equivalents and Investments:

Cash and cash equivalents include petty cash, change funds, cash in banks and highly liquid investments with a maturity of three months or less at the time of purchase and are stated at cost plus accrued interest.

Investments are stated at cost, or amortized cost, which approximates market. The Board classifies U.S. Treasury with Agency obligations and certificates of deposit, which have original maturity dates of more than three months but less than twelve months from the date of purchase, as investments state at cost. All other investments would be stated at fair value.

RUNNEMEDE BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

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

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

- a. Bonds or other obligations of the United States or obligations guaranteed by the United States.
- b. Bonds of any Federal Intermediate Credit Bank, Federal Home Loan Bank, Federal National Mortgage Agency or of any United States Bank for Cooperatives, which have a maturity date no greater than twelve months from the date of purchase.
- c. Bonds of other obligations of the School District.

School Districts are also permitted to deposit public funds in the State of New Jersey Cash Management Fund. as of June 30, 2021 the District had no funds on deposit with the New Jersey Cash Management.

Deposits:

N.J.S.A. 17:9-41, et seq. establishes requirements for the security of deposits of governmental units. The statutes require that School Districts deposit public funds in public depositories secured in accordance with the Governmental Unit Deposit Protection Act, which is a multiple financial institution collateral pool enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution located in New Jersey, which are insured by the Federal Deposit Insurance Corporation, the Federal Savings and Loan Insurance Corporation, or by any other agency of the United States that insures deposits made in public depositories.

Public depositories include State or federally chartered banks, savings banks or associations located in or having a branch office on the state of New Jersey, the deposits of which are federally insured.

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

All public depositories must pledge collateral, having a market value at least equal to 5% of the average daily balance of collected public funds on deposit, 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 Governmental Units.

The School District has adopted a cash management plan that requires it to deposit public funds in public depositories protected from loss under the Governmental Unit Deposit Protection Act and approves a list of authorized depository institutions based on an evaluation of solicited responses and presentation of GUDPA certifications provided by the financial institutions.

I. Tuition Receivable:

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

J. Tuition Payable:

Tuition charges for the fiscal years ended June 30, 2022, 2021 and 2020 were based on rates established by the receiving school district. These rates are subject to change when the actual costs have been determined.

RUNNEMEDE BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

K. Inventories:

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

On District-Wide financial statements and in the enterprise fund inventories are valued at cost, which approximates market, using the first-in-first-out (FIFO) method and is expended when used.

The Food Service inventory as of June 30, 2022 consisted of \$4,080 in purchased food, \$42 in commodity food and \$3,551 in supplies for a total of \$7,673.

L. Prepaid Expenses:

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

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

M. Short-Term Interfund Receivables/Payables:

Short-term interfund receivables/payables represent amounts that are owed, other than charges for goods or services rendered to/from a particular fund in the School District and that are due within one year. These amounts are eliminated in the governmental and business-type columns of the Statement of Net Position, except for the net residual amounts due between governmental and business-type activities, which are presented as interfunds receivable and/or interfunds payable.

N. Restricted Assets:

Assets are reported as restricted when limitations on their use change the normal understanding of the availability of the asset. Such constraints are either imposed by creditors, contributors, grantors or laws of other governments or imposed by enabling legislation. Restricted assets include bond proceeds to be used for capital construction and amounts set aside to create a reserve for future capital projects.

O. Deferred Charges - Bond Issue Costs:

On the District-wide financial statements, bond issue costs were previously deferred and amortized over the term of the bonds using the straight-line method since the results are not significantly different from the effective interest method. In governmental funds, these costs are reported as expenditures when the related liability is incurred. Unearned revenue arises when assets are received or recognized before the appropriate revenue recognition criteria have been satisfied. Beginning after the 2013-14 year the District will expense bond issue costs when incurred.

RUNNEMEDE BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

P. Capital Assets:

General capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the District-wide Statement of Net Position but are not reported in the fund financial statements. Capital assets utilized by the proprietary funds are reported both in the business-type activities column of the District-Wide Statement of Net Position and the Proprietary Fund Statement of Net Position.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated fixed assets are valued at their estimated fair market value as of the date received. The School District maintains a capitalization threshold of \$2,000. The School District does not possess any infrastructure. Improvements are capitalized; the cost of normal repairs and maintenance that do not add to the value of the asset or materially extend asset's life are not. All reported capital assets except land and construction in progress are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets.

Capital assets are depreciated in the District-wide financial statements using the straight-line method over the following estimated useful lives:

<u>Asset Class</u>	<u>Governmental Activities Estimated Lives</u>	<u>Business-Type Activities Estimated Lives</u>
School Buildings	50 Years	N/A
Building Improvements	40-50 Years	N/A
Site Improvements	20 Years	N/A
Machinery and Equipment	5-20 Years	12 Years

Q. Unearned Revenue:

Unearned revenue arises when assets are received or recognized before the appropriate revenue recognition criteria have been satisfied. This includes expenditure encumbrances in special revenue fund.

R. Operating Revenues and Expenses:

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

S. Compensated Absences:

The School District accounts for compensated absences (e.g. unused vacation, sick leave) as directed by Governmental Accounting Standards Board Statement No. 16 (GASB 16), "Accounting for Compensated Absences". 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 not contingent on a specific event outside the control of the School District and its employees, is accrued as the employees earn the rights to the benefits. Compensated absences that relate to future services, or that are contingent on a specific event that is outside the control of the School District and its employees, are accounted for in the period in which such services are rendered or in which such events take place. The entire compensated absence liability is reported on the District-Wide financial statements.

RUNNEMEDE BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

S. Compensated Absences (Cont'd):

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

T. Accrued Liabilities and Long-term Obligations:

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

U. Net Position:

Net position represents the difference between assets and liabilities. Net position invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any borrowings used for the acquisition, construction, or improvement of those assets. 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.

The School District applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

V. Fund Balance Reserves:

The School District reserves those portions of fund balance which are legally segregated for a specific future use or which do not represent available expendable resources and, therefore, are not available for appropriation for expenditures. Unreserved fund balance indicates that portion of fund balance that is available for appropriation in future periods. Fund balance reserves have been established for encumbrances, legally restricted appropriations, excess surplus and capital reserve program.

W. Interfund Activity:

Transfers between governmental and business-type activities on the District-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 presented on the financial statements.

RUNNEMEDE BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

X. Management Estimates:

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect certain amounts reported in the financial statements and accompanying notes. Accordingly, actual results may differ from those estimates.

Y. Allocation of Indirect Expenses:

The District reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Indirect expenses are allocated to functions but are not reported separately in the Statement of Activities. Employee benefits, including the employer's share of social security, workers compensation, and medical and dental benefits, were allocated based on salaries of that program. Depreciation expense, where practicable, is specifically identified by function and is included in the indirect expense column of the Statement of Activities. Depreciation expense that could not be attributed to a specific function is considered an indirect expense and is reported separately on the Statement of Activities. Interest on long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

Z. Extraordinary and Special Items:

Extraordinary items are transactions or events that are unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of management and are either unusual in nature or infrequent in occurrence. Neither of these types of transactions occurred during the fiscal year.

AA. Comparative Data/Reclassifications:

Comparative total data for the prior year have been presented in selected sections of the accompanying financial statements in order to provide an understanding of the changes in the District's financial position and operations. Also, certain immaterial amounts presented in the prior year data have been reclassified in order to be consistent with the current year's presentation.

RUNNEMEDE BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

NOTE 3. CASH AND CASH EQUIVALENTS AND INVESTMENTS

As of June 30, 2022, cash and cash equivalents in the fund financial statements of the District consisted of the following:

		<u>Cash and Equivalents</u>
Checking Accounts	\$	2,775,432
Cash with Fiscal Agent		
Total	\$	<u>2,775,432</u>

Custodial Credit Risk- Custodial credit risk is the risk that, in the event of a bank failure, the District's deposits may not be recovered. Although the District does not have a formal policy regarding custodial credit risk, NJSA 17:9-41 t seq. requires that the governmental units shall deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (GUDPA). GUDPA is a supplemental insurance program set forth by the New Jersey Legislature to protect the deposits of local government agencies. The program is administered by the Commissioner of the NJ Department of Banking and Insurance. Under the Act, the first \$250,000 of governmental deposits in each insured depository is protected by FDIC. Funds owned by the District in excess of FDIC insured amounts are protected by GUDPA. The District does not place a limit on the amount that may be invested in any one issuer. As of June 30, 2022, the District's bank balance of \$3,049,073 was insured or collateralized as follows:

Insured by Depository Insurance	\$	250,000
Uninsured and collateralized by GUDPA by pledging financial institutions		<u>2,799,073</u>
Total	\$	<u>3,049,073</u>

Interest Rate Risk - Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment.

Credit Risk - Credit risk is the risk that an issuer of an investment will not fulfill its obligations. The District does not have a policy that restricts investment choices beyond Title 18A:20-37.

NOTE 4. CAPITAL RESERVE ACCOUNT

A capital reserve account was established by the Runnemede Board of Education on June 30, 2008 for accumulating 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 reflected in the School District's approved Long-Range Facilities Plan (LRFP). Upon submission of the LRFP to the department, a district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes or by transfer by board resolution at year end of any unanticipated revenue or unexpended line-item appropriation amounts, or both. A district may also appropriate additional amounts when the express approval of the voters has been obtained either by a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to N.J.S.A. 19:60-2. Pursuant to N.J.A.C. 6A: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.

RUNNEMEDE BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

NOTE 4. CAPITAL RESERVE ACCOUNT (CONT'D)

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

Beginning Balance, July 1, 2021	\$ 1,325,000
2021-2022 Addition	1,110,851
Unspent Funds Returned	
Interest Earnings	
	<hr/>
	2,435,851
Less: Transfers Out	<hr/> (1,025,000)
Ending Balance, June 30, 2022	<hr/> \$ 1,410,851 <hr/>

Of this balance, \$200,000 was utilized in the 2022-2023 budget.

The June 30, 2022 LRFP balance of local support costs of uncompleted capital projects at June 30, 2022 is \$7,389,180. There were no withdrawals from the capital reserve for use in a DOE approved facilities projects during the year under audit. Consistent with the District's Long-Range Facilities Plan, projects are planned in the near future.

NOTE 5. MAINTENANCE RESERVE

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	\$ 692,428
2020-21 Addition	
Interest Earnings	
	<hr/>
	692,428
Less: Transfers Out	
Ending Balance, June 30, 2022	<hr/> \$ 692,428 <hr/>

The balance in the Maintenance Reserve as of June 30, 2022 is within the maximum amount shown in the 2022 budget.

Of this balance, \$200,000 was utilized in the 2022-2023 budget.

RUNNEMEDE BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

NOTE 6. CAPITAL ASSETS

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

	Beginning Balance 7/1/21	Additions	Adjustment/ Retirements	Ending Balance 6/30/22
Governmental Activities:				
Capital Assets that are not being Depreciated:				
Land	\$ 29,083	\$ -	\$ -	\$ 29,083
Construction in Progress				
Total Capital Assets not being Depreciated	<u>\$ 29,083</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 29,083</u>
Capital Assets being Depreciated and Amortized				
Land Improvements	868,540	156,034		1,024,574
Building and Building Improvements	11,505,049	1,396,883		12,901,932
Machinery and Equipment	1,260,971	79,828	(13,183)	1,327,616
Right-to-Use Lease Assets			228,426	228,426
Totals at Historical Cost	<u>13,634,560</u>	<u>1,632,745</u>	<u>215,243</u>	<u>15,482,548</u>
Less Accumulated Depreciation and Amortization				
Land Improvements	(399,594)	(31,048)		(430,642)
Building and Improvements	(3,843,439)	(389,055)	39,833	(4,192,661)
Equipment	(805,736)	(80,508)	(29,816)	(916,060)
Right-to-Use Lease Assets		(45,685)	(127,106)	(172,791)
Total Accumulated Depreciation and Amortization	<u>(5,048,769)</u>	<u>(546,296)</u>	<u>(117,089)</u>	<u>(5,712,154)</u>
Total Capital Assets being Depreciated and Amortized, Net of Accumulated Depreciation and Amortization	<u>8,585,791</u>	<u>1,086,449</u>	<u>98,154</u>	<u>9,770,394</u>
Government Activities Capital Assets, Net	<u><u>\$ 8,614,874</u></u>	<u><u>\$ 1,086,449</u></u>	<u><u>\$ 98,154</u></u>	<u><u>\$ 9,799,477</u></u>
	To A-1			To A-1
Business-type Activities - Equipment	\$ 54,344	3,575	\$ (2,608)	\$ 55,311
Less Accumulated Depreciation	(6,839)	(3,129)	695	(9,273)
Business-type Activities Capital Assets, Net	<u><u>\$ 47,505</u></u>	<u><u>\$ 446</u></u>	<u><u>\$ (1,913)</u></u>	<u><u>\$ 46,038</u></u>

Depreciation Expense in the amount of \$ was charged to governmental functions as follows:

<u>Function</u>	<u>Amount</u>
Regular Instruction	\$ 12,180
Plant Operations	65,082
Central Administration	21,226
Transportation	17,452
Unallocated	430,356
	<u><u>\$ 546,296</u></u>

RUNNEMEDE BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

NOTE 7. LONG-TERM OBLIGATIONS

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

	Beginning Balance 7/1/21	Additions	Reductions	Ending Balance 6/30/22	Amounts Due Within One Year	Long-Term Portion
Governmental Activities:						
Bonds Payable:						
General Obligation Debt	\$	\$	\$	\$	\$	\$
Other Liabilities:						
Right-to-Use Lease Liability		108,548	38,953	69,595	34,705	34,890
Net Pension Liability	3,510,394		839,501	2,670,893		2,670,893
Compensated Absences Payable	616,055	70,778		686,833		686,833
Business-Type Activities:						
Compensated Absences Payable	18,113	9,403		27,516		27,516
Total Long-Term Obligations	\$ 4,144,562	\$ 188,729	\$ 878,454	\$ 3,454,837	\$ 34,705	\$ 3,420,132

A. Bonds Payable-Bonds and loans are authorized in accordance with State law by the voters of the School District through referendums. All bonds are retired in serial installments within the statutory period of usefulness. There were no principal and interest due on bonds outstanding as of June 30, 2022.

B. Bonds Authorized but Not Issued- As of June 30, 2022 None.

C. Capital Leases None.

NOTE 8. OPERATING LEASES

The School is a lessee for various copiers. The District recognizes a lease liability – finance purchase and a capital asset or recognizes a lease liability – right to use and an intangible right-to use lease asset in the district-wide financial statements based on the criteria dictated in GASB Statement No. 87 – Leases.

At the commencement of a lease, the School determines based on the criteria dictated in GASB Statement No. 87 – Leases, if the lease is a finance purchase or a right to use lease liability. Then the School initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease liabilities are reported with the long-term obligations on the statement of net position.

A finance purchased asset is initially measured as the initial amount of the lease liability adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. The asset is depreciated on a straight-line basis over the life of the lease which is considered the asset's useful life. The asset is reported with the School capital assets as land, land improvements, buildings and improvements or furniture and equipment.

RUNNEMEDE BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

NOTE 8. OPERATING LEASES (CONT'D)

An intangible right-to use lease asset is initially measured as the initial amount of the lease liability adjusted for lease payments made at or before the lease commencement date. The intangible right-to use lease asset is amortized on a straight-line basis over the life of the lease. The intangible right-to use lease asset is reported with the School's capital assets in its own category called Right-to-Use Lease Assets.

Key estimates and judgements related to leases include how the School determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

The District uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the District is utilizing the treasury bill rate (corresponding to length of lease) in place at the date of implementation along with other risk factors to determine the discount interest rate for leases.

The School has elected to recognize payments for short-term leases with a lease term of 12 months or less as expenses as incurred, and these leases are not included as lease liabilities or right-to-use lease assets on the statements of net position. The District has determined all of their copier lease agreements qualify as right-to-use assets.

At June 30, 2022, the District had operating lease agreements for 6 copiers with payments made in the 2021-2022 school year and a 5 year lease agreement with the Borough of Runnemede both ending on June 30, 2024 with annual payments of \$16,072 and \$35,000 respectively. The future minimum lease payments are as follows:

Year Ending June 30,	Amount
2023	51,072
2024	51,072
Total	\$ 102,144

NOTE 9. PENSION PLANS

Description of Plans - Eligible employees of the School District can be covered by Public Employees' Retirement System (PERS), Teachers' Pension and Annuity Fund (TPAF), or Defined Contribution Retirement Program (DCRP). PERS and TPAF are administered by the New Jersey Division of Pension and Benefits (NJDPB) and the DCRP is jointly administered by Prudential and NJDPB. The NJDPB issues publicly available financial reports that include financial statements and required supplementary information for the systems. These reports may be obtained online at <https://www.nj.gov/treasury/pensions/financial-reports.shtml>.

Public Employees' Retirement System

The PERS is a cost sharing multiple-employer defined benefit pension plan that was established in 1955. The PERS provides retirement, death and disability, and medical benefits to qualified members. The vesting and benefit provisions for PERS are set by N.J.S.A. 43:15A. All benefits vest after ten years of service, except for medical benefits that vest after 25 years of service or under the disability provisions of PERS.

Service retirement benefits of 1/55th of final average salary for each year of service credit is available to tiers 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to tier 4 members upon reaching age 62 and tier 5 members upon reaching age 65. Early retirement benefits are available to tiers 1 and 2 members before reaching age 60, tiers 3 and 4 with 25 years or more of service credit before age 62, and tier 5 with 30 years or more of service credit before age 65. Benefits are reduced by a fraction of a percent

RUNNEMEDE BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

NOTE 9. PENSION PLANS (CONT'D)

Public Employees' Retirement System (Cont'd)

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.

The following represents the membership tiers for PERS:

Tier	Definition
1	Members who are 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.

Contributions - The contribution policy is set by N.J.S.A. 43:15A and requires contributions by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. The PERS member total contribution rate as of July 1, 2020 was 7.5% of base salary. The District employees' contributions for the year ended June 30, 2022 were 140,460. Employers in PERS are required to contribute at an actuarially determined rate which includes funding for cost-of-living adjustments, noncontributory death benefits, and post-retirement medical premiums. The PERS employer rate due in 2022 is 15.98% of covered payroll. The District is billed annually for its normal contribution plus any accrued liability. These contributions were paid by the District and equal to the required contributions for each year. The District's contributions to PERS for the years ended June 30, 2022, and 2021, were \$264,038 and \$235,488 respectively.

The total payroll for the year ended June 30, 2022 was \$9,087,802. Payroll covered by PERS was \$1,872,800 for fiscal year 2022.

Components of Net Pension Liability - At June 30, 2022, the District's proportionate share of the PERS net pension liability was \$2,670,893. The net pension liability was measured as of June 30, 2021. The District's proportion of the net pension liability was based on the District's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2021. The District's proportion measured as of June 30, 2021 was 0.022546% which was an increase of 0.00102% from its proportion measured as of June 30, 2020.

Pension Expense and Deferred Outflows/Inflows of Resources - The District's 2022 PERS pension expense, with respect to GASB 68, was \$(150,870). The District's 2022 deferred outflows of resources and deferred inflows of resources were from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 42,123	\$ 19,120
Changes of assumptions	13,910	950,855
Net difference between projected and actual earnings on pension plan investments		703,583
Changes in proportion	403,277	86,934
Contributions subsequent to the measurement date	264,038	
Total	\$ 723,348	\$ 1,760,492

RUNNEMEDE BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

NOTE 9. PENSION PLANS (CONT'D)

Public Employees' Retirement System (Cont'd)

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

Year		PERS
2022	\$	(411,412)
2023		(334,334)
2024		(234,020)
2025		(204,293)
2026		(117,123)
Thereafter		
Total	\$	(1,301,182)

Additional Information - Collective Balances at June 30, 2022 and 2021 are as follows:

Year		2022		2021
Collective deferred outflows of resources	\$	723,348	\$	985,387
Collective deferred inflows of resources	\$	1,760,492	\$	1,626,491
Collective Net Pension Liability	\$	2,670,893	\$	3,510,394
District's Proportion		0.022546%		0.021526%

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

	PERS
Investment Rate of Return	7.00%
Salary Scale (Based on Age):	
Through 2026	2.00% - 6.00%
Thereafter	3.00% - 7.00%
Inflation Rate – Price	2.75%
Inflation Rate – Wage	3.25%

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.

RUNNEMEDE BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

NOTE 9. PENSION PLANS (CONT'D)

Public Employees' Retirement System (Cont'd)

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 Investment and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic 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:

	PERS	
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 Estate	8.00%	9.15%
Real Assets	3.00%	7.40%
High Yield	2.00%	3.75%
Private Credit	8.00%	7.60%
Investment Grade Credit	8.00%	1.68%
Cash Equivalents	4.00%	0.50%
U.S. Treasuries	5.00%	0.95%
Risk Mitigation Strategies	3.00%	3.35%
Total	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 100% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments to determine the total pension liability.

RUNNEMEDE BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

NOTE 9. PENSION PLANS (CONT'D)

Public Employees' Retirement System (Cont'd)

Sensitivity of the Collective Net Pension Liability to Changes in the Discount Rate - The following presents the collective net pension liability of the participating employers as of June 30, 2021, calculated using the discount rate as disclosed above, as well as what the collective 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:

	1% Decrease (6.00%)	Current Discount (7.00%)	1% Increase (8.00%)
District's Proportionate Share of the Net Pension Liability	\$ 3,675,987	\$ 2,670,893	\$ 1,870,562

Teachers' Pension and Annuity Fund

The State of New Jersey Teachers' Pension and Annuity Fund (TPAF) is a cost sharing multiple-employer defined benefit pension plan with a special funding situation that was established in 1955. As under current statute, all employer contributions are made by the State of New Jersey on behalf of the District and the system's other related non-contributing employers. Membership is mandatory for substantially all teachers or members of the professional staff certified by the State Board of Examiners, and employees of the Department of Education who have titles that are unclassified, professional and certified.

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

The following represents the membership tiers for TPAF:

Tier	Definition
1	Members who are 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.

Special Funding Situation - The employer contributions for local participating employers are legally required to be funded by the State in accordance with N.J.S.A 18:66-33. Therefore, these local participating employers are considered to be in a special funding situation as defined by GASB Statement No. 68 and the State is treated as a nonemployer contributing entity. Since the local participating employers do not contribute directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to report in the financial statements of the local participating employers. However, the notes to the financial statements of the local participating employers must disclose the portion of the nonemployer contributing entities' total proportionate share of the net pension liability that is associated with the local participating employer. In addition, each local participating employer must recognize pension expense associated with the employer as well as revenue in an amount equal to the nonemployer contributing entities' total proportionate share of the collective pension expense associated with the local participating employer.

RUNNEMEDE BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

NOTE 9. PENSION PLANS (CONT'D)

Teachers' Pension and Annuity Fund (Cont'd)

Contributions - The contribution policy is set by N.J.S.A. 18A:66 and requires contributions by active members and contributing employers. The member contribution rate was 7.5% in as of July 1, 2020. 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. Under current statute, all employer contributions are made by the State of New Jersey on-behalf of the District and all other related non-contributing employers. No normal or accrued liability contribution by the District has been required over several preceding fiscal years. These on-behalf contributions by the State of New Jersey are considered a special funding situation, under the definition of GASB 68, Accounting and Financial Reporting for Pensions. The District was not required to make any contributions to the pension plan during the fiscal year ended June 30, 2022 because of the 100% special funding situation with the State of New Jersey.

During the fiscal year ended June 30, 2022, the State of New Jersey contributed \$2,177,572 to the TPAF for pension contributions, \$508,769 for post-retirement benefits on behalf of the School, and \$989 for long-term disability. Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the District \$453,688 during the year ended June 30, 2022 for the employer's share of social security contributions for TPAF members, as calculated on their base salaries.

Components of Net Pension Liability - At June 30, 2022, the District was not required to report a liability for its proportionate share of the net pension liability because of a 100% reduction for State of New Jersey pension support provided to the District.

Pension Expense - For the year ended June 30, 2022, the District recognized pension expense of \$596,376 and revenue of \$596,376 for support provided by the State.

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

	<u>TPAF</u>
Investment Rate of Return	7.00%
Salary Scale (Based on Age):	
Through 2026	1.55% - 4.45%
Thereafter	2.75% - 5.65%
Inflation Rate – Price	2.75%
Inflation Rate – Wage	3.25%

RUNNEMEDE BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

NOTE 9. PENSION PLANS (CONT'D)

Teachers' Pension and Annuity Fund (Cont'd)

Long-Term Expected Rate of Return - 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:

Asset Class	TPAF 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 Estate	8.00%	9.15%
Real Assets	3.00%	7.40%
High Yield	2.00%	3.75%
Private Credit	8.00%	7.60%
Investment Grade Credit	8.00%	1.68%
Cash Equivalents	4.00%	0.50%
U.S. Treasuries	5.00%	0.95%
Risk Mitigation Strategies	3.00%	3.35%
Total	100.00%	

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

Sensitivity of the Collective Net Pension Liability to Changes in the Discount Rate - The following presents the collective net pension liability of the participating employers as of June 30, 2021, calculated using the discount rate as disclosed above, as well as what the collective 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:

	1% Decrease (6.00%)	Current Discount (7.00%)	1% Increase (8.00%)
State's Share of the Net Pension Liability associated with the District	\$ 40,866,454	\$ 25,344,894	\$ 29,746,901
State's Share of the Net Pension Liability	\$ 56,988,413,045	\$ 48,165,991,182	\$ 40,755,711,186

RUNNEMEDE BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

NOTE 9. PENSION PLANS (CONTINUED)

Defined Contribution Retirement Program (DCRP)

The Defined Contribution Retirement Program (DCRP) is a multiple-employer defined contribution pension fund that was established in 2007 under the provisions of N.J.S.A 43:15C-1. The DCRP provides eligible members with a tax-sheltered, defined contribution retirement benefit, along with life insurance and long-term disability coverage. Vesting and benefit provisions are established by N.J.S.A. 43:15C-1 et seq.

The following represents the individuals eligible for membership in the DCRP:

Eligibility

1. State or Local Officials who are elected or appointed on or after July 1, 2007
2. Employees enrolled in the PERS or TPAF on or after July 1, 2007, who earn salary in excess of established "maximum compensation" limits
3. Employees enrolled in the PFRS or SPRS after May 21, 2010, who earn salary in excess of established "maximum compensation" limits
4. 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
5. 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

Contributions – The contribution policy is set by N.J.S.A 43:15C-3 and requires contributions by active members and contributing employers. Plan members are required to contribute 5.5% of their base salary and the District's employer match is an additional 3% contribution. For the year ended June 30, 2022, employee contributions totaled \$16,857 and the District's employer contribution, recognized in pension expense, was \$9,195. There were no forfeitures during the fiscal year.

Pension Plan Fiduciary Net Position - Detailed information about each pension plan's fiduciary net position is available in the separately issued New Jersey Division of Pension and Benefits financial report. Information on where to obtain the report is indicated at the beginning of this note.

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

RUNNEMEDE BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

NOTE 10. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

General Information about the OPEB Plan

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.

Special Funding Situation

The participating local education employer allocations included in the supplemental Schedule of special funding amounts by employer are provided as each local education employer is required to record in their financial statements, as an expense and corresponding revenue, their respective amount of total OPEB expense attributable to the State of New Jersey under the special funding situation and to include their respective amount of total OPEB liability in their notes to their financial statements. The total OPEB liability and service cost for each employer was determined separately based on actual data for each employer’s participants.

Total OPEB Liability

The State of New Jersey’s total OPEB liability, as of the measurement date of June 30, 2021, was \$60,007,650,970. Of this amount, the total OPEB liability attributable to the School District was \$41,623,084. The State of New Jersey’s proportionate share of the total OPEB liability is 100%, including the proportion attributable to the School District of 0.06936%. The total OPEB liability for the School District measured as of June 30, 2021 is zero as a result of the Special Funding Situation with the State of New Jersey. The School District’s proportionate share of the total OPEB liability measured as of June 30, 2021 is 0.00%. Accordingly, the School District did not recognize any portion of the collective net OPEB liability on the Statement of Net Position.

Total Nonemployer OPEB Liability

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

	TPAF/ABP	PERS	PFRS
Inflation Rate	2.50%	2.50%	2.50%
	Based on	Based on	Based on
Salary Increases:	Service Years	Service Years	Service Years
Through 2026	1.55% - 4.45%	2.00% - 6.00%	3.25% - 15.25%
Thereafter	2.75% - 5.65%	3.00% - 7.00%	N/A

RUNNEMEDE BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

NOTE 10. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONT'D)

Total Nonemployer OPEB Liability (Cont'd)

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

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

Health Care Trend Assumptions

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

Discount rate

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

Changes in the Total OPEB Liability

State of New Jersey	<u>Total OPEB Liability</u>
Balance as of June 30, 2020 Measurement Date	\$ <u>67,809,962,609</u>
Changes for the year:	
Service Cost	3,217,184,264
Interest	1,556,661,679
Changes of Benefit Terms	(63,870,842)
Differences between Expected and Actual	(11,385,071,658)
Changes of Assumptions	59,202,105
Benefit Payments	(1,226,213,382)
Contributions from Members	<u>39,796,196</u>
Net Changes	<u>(7,802,311,638)</u>
Balance as of June 30, 2021 Measurement Date	\$ <u><u>60,007,650,971</u></u>

RUNNEMEDE BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

NOTE 10. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONT'D)

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

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

June 30, 2021		
At 1.00% Decrease 1.16%	At Discount Rate 2.16%	At 1.00% Increase 3.16%
\$ 71,879,745,555	60,007,650,970	50,659,089,138

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

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

June 30, 2021		
1.00% Decrease	Healthcare Cost Trend Rate	1.00% Increase
\$ 48,576,388,417	60,007,650,970	75,358,991,782

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

For the year ended June 30, 2022, the School District recognized OPEB expense of \$2,045,709. The School District reported deferred outflows of resources and deferred inflows of resources from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 6,274,495	\$ 12,491,828
Changes of Assumptions	7,060,828	4,465,769
Net difference Between Projected and Actual Earnings on OPEB Plan Investments		
Changes in Proportion	259,186	2,094,247
Contributions Subsequent to the Measurement Date		
Total	\$ 13,594,509	\$ 19,051,844

RUNNEMEDE BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

NOTE 10. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONT'D)

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

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

Measurement Period Ending June 30,		OPEB
2022	\$	(1,131,545)
2023		(1,131,545)
2024		(1,131,545)
2025		(1,131,545)
2026		(891,255)
Thereafter		(39,900)
Total	\$	(5,457,335)

NOTE 11. COMPENSATED ABSENCES

The School District accounts for compensated absences (e.g., unused vacation, sick leave) as directed by Governmental Accounting Standards Board Statement No. 16 (GASB 16), "Accounting for Compensated Absences". A liability for compensated absences 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 employees earn the rights to the benefits.

District employees are granted varying amounts 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's policy permits employees to accumulated unused sick leave and carry forward the full amount to subsequent years. Upon retirement employees shall be paid by the District for the unused sick leave in accordance with the District's agreement with the various employee unions.

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

The liability for vested compensated absences is recorded within those funds as the benefits accrued to employees. As of June 30, 2022, a liability existed for compensated absences in the governmental fund in the amount \$686,833 and \$27,516 in the business-type fund.

NOTE 12. DEFERRED COMPENSATION

The School District offers its employees a choice of various deferred compensation plans created in accordance with Internal Revenue Code Section 403(b) and 457. The plans, which are administered by an outside organization, approved by the School District, permit participants to defer a portion of their salary until future years. Amounts deferred under the plans are not available to employees until termination, retirement, death, or unforeseeable emergency. The School District has very little administrative involvement, performs no investing function, and has no fiduciary responsibility for these plans.

All amounts of compensation deferred under the plans, all property and rights purchased with those amounts, and all income attributable to those amounts, are solely the property and rights of the participants and are not subject to claims of the School District's creditors. Accordingly, the plan assets are not reported as a part of these financial statements. The plan administrators are as follows:

Syracusa	Lincoln Investment Planning	Midland
Fidelity Investments	Vanguard	AXA Equitable

RUNNEMEDE BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

NOTE 13. CONTINGENCIES

The School District participates in a number of state and federally assisted grant programs. The programs are subject to compliance audits under the single audit approach. Such audits could lead to requests for reimbursement by the grantor agency for expenditures disallowed under terms of the grants. Management believes that the amount from future audits, if any, would not be material.

The School District is dependent on the State of New Jersey for a substantial portion of its operating funds. Due to funding uncertainties at the State level, funding for school districts may be reduced. The ultimate effect of this possible reduction in funding on the School District's future operation is not yet determinable.

NOTE 14. RISK MANAGEMENT

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

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

Joint Insurance Pool- The School District is a member of the New Jersey School Boards Association Insurance Group, a public entity risk pool currently operating as a common risk management and insurance program. Insurance coverage as provided by the Fund can be found in the Statistical Section of this Annual Comprehensive Financial Report.

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

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 School District is billed quarterly for amounts due to the State.

The following is a summary of School District contributions, employee contributions, reimbursements to the State for benefits paid and the ending balance of the School District's expendable trust fund for the current and previous two years:

<u>Fiscal Year</u>	<u>District Contributions</u>	<u>Employee Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2021-2022	\$	\$	\$	\$
2020-2021		21,451	4,119	153,801
2019-2020		22,379	15,852	136,469
		23,295	6,604	129,942

RUNNEMEDE BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

NOTE 15. INTERFUND RECEIVABLES AND PAYABLES

<u>Fiscal Year</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
Before & After Care Fund	\$	\$ 5,000
Food Service	5,000	
	<hr/>	<hr/>
Total	\$ <u>5,000</u>	\$ <u>5,000</u>

NOTE 16. FUND BALANCE APPROPRIATED

General Fund-Of the \$3,026,246 General Fund balance at June 30, 2022, \$55,863 is assigned for Encumbrances; \$1,410,851 has been restricted in the Capital Reserve Account, of which \$200,000 has been appropriated and also included as anticipated revenue for the year ending June 30, 2023; \$153,801 is reserved for Unemployment Compensation; \$692,428 is restricted for Maintenance Reserve, of which \$200,000 has been appropriated and also included as anticipated revenue for the year ending June 30, 2023; \$92,490 is restricted as excess surplus in accordance with N.J.S.A. 18A:7F-7, of which \$41,709 of the total reserve for excess surplus has been appropriated and included as anticipated revenue for the year ending June 30, 2023; \$547,873 has been assigned, appropriated and included as anticipated revenue for the year ending June 30, 2023; and there is a Deficit in unreserved and undesignated fund balance of \$72,940.

Debt Service Fund –There is no fund balance in the Debt Service Fund at June 30, 2022.

NOTE 17. CALCULATION OF EXCESS SURPLUS

In accordance with N.J.S.A. 18A:7F-7, as amended by P.L. 2005, c.73 (S1,701), the designation for Reserved Fund Balance - Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to reserve General Fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2022 is \$92,490, of which \$41,709 was budgeted in the 2022-2023 budget and \$50,781 must be budgeted in the 2023-2024 budget.

NOTE 18. DEFICIT FUND BALANCES

The District has a deficit in Unassigned fund balance of \$0 in the General Fund and (\$113,416) in the Special Revenue Fund as of June 30, 2022 as reported in the fund statements (modified accrual basis). N.J.S.A. 18A:22-44.2 provides that in the event a state school aid payment is not made until the following school budget year, districts must record the last state aid payment as revenue, for budgeted purposes only, in the current school budget year. The statute provides legal authority for school districts to recognize this revenue in the current budget year. For intergovernmental transactions, GASB Statement No. 33 requires that recognition (revenue, expenditure, asset, liability) should be in symmetry i.e. if one government recognizes as asset, the other government recognizes a liability. Since the state is recording the last state aid payment in the subsequent fiscal year, the school district cannot recognize the last state aid payment on the GAAP financial statements until the year the state records the payable.

Due to the timing difference of recording the last state aid payment, the deficit in the General Fund balance does not alone indicate that the district is facing financial difficulties.

Pursuant to N.J.S.A.18A:22-44.2, any negative unreserved, undesignated general fund and special revenue fund balance that is reported as a direct result from a delay in the payment of state aid until the following fiscal year is not considered in violation of New Jersey statute and regulation nor in need of corrective action. The

RUNNEMEDE BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

NOTE 18. DEFICIT FUND BALANCES (CONT'D)

District's general fund has no and the last state aid payment is \$619,125 and the special revenue fund deficit is equal to the last state aid payment.

NOTE 19. RECEIVABLES

Receivables at June 30, 2022 consisted of accounts (fees) and intergovernmental grants. All receivables are considered collectible in full due to the stable condition of State programs and the current fiscal year guarantee of federal funds. Receivables as of year-end for the School District's individual major and fiduciary funds, in the aggregate, are as follows:

<u>Receivables:</u>	<u>General</u> <u>Fund</u>	<u>Special</u> <u>Revenue</u> <u>Fund</u>	<u>Proprietary</u> <u>Funds</u>
Federal	\$	\$ 74,149	\$ 44,804
State	375,441		394
Other			7,843
Totals	<u>\$ 375,441</u>	<u>\$ 74,149</u>	<u>\$ 53,041</u>

NOTE 20. LITIGATION

The District is not involved in any lawsuit incidental to its operations and the administration and legal counsel are not aware of any matters pending or threatened, which are likely to have a material adverse effect on the financial position of the District.

NOTE 21. TAX ABATEMENT

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

For a local school district board of education or board of school estimate that has elected to raise their minimum tax levy using the required local share provisions at NJSA 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 22. SUBSEQUENT EVENTS

There were no other events noted, between the year-end and the date of the audit report, requiring disclosure.

End of Notes to Financial Statements

REQUIRED SUPPLEMENTARY INFORMATION – PART II

BUDGETARY COMPARISON SCHEDULES

**RUNNEMEDE BOARD OF EDUCATION
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Original Budget	Budget Amendments/ Transfers	Final Budget	Actual	Variance Final to Actual Favourable/ (Unfavourable)
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 7,541,121	\$	\$ 7,541,121	\$ 7,541,121	\$
Tuition From Other LEAs	24,000		24,000		(24,000)
Transportation Fees From Other LEAs	5,000		5,000		(5,000)
Interest on Investments				303	303
Interest Earned on Capital Reserve	262		262		(262)
Interest Earned on Maintenance Reserve	279		279		(279)
Unrestricted Restricted Miscellaneous Revenues	2,000		2,000		(2,000)
Miscellaneous				56,734	56,734
	<u>7,572,662</u>		<u>7,572,662</u>	<u>7,598,158</u>	<u>25,496</u>
State Sources:					
Equalization Aid	5,291,905		5,291,905	5,291,905	
Special Education Aid	481,898		481,898	481,898	
School Choice	101,832		101,832	101,832	
Transportation Aid	166,787		166,787	166,787	
Security Aid	175,149		175,149	175,149	
Extraordinary Aid	200,000		200,000	337,012	137,012
Non-Public Transportation Aid				3,770	3,770
Homeless Tuition				12,452	12,452
On-behalf Pension Contribution				2,177,572	2,177,572
On-behalf TPAF Post Retirement Medical Contribution				508,769	508,769
On-behalf TPAF Long-Term Disability Contribution				989	989
Reimbursement TPAF Social Security				453,688	453,688
Total - State Sources	<u>6,417,571</u>		<u>6,417,571</u>	<u>9,711,823</u>	<u>3,294,252</u>
Federal Sources:					
Medicaid Reimbursement	36,572		36,572	40,397	3,825
Total - Federal Sources	<u>36,572</u>		<u>36,572</u>	<u>40,397</u>	<u>3,825</u>
TOTAL REVENUES	\$ 14,026,805	\$	\$ 14,026,805	\$ 17,350,378	\$ 3,323,573
EXPENDITURES:					
Current Expense:					
Instruction - Regular Programs:					
Salaries of Teachers:					
Kindergarten	\$ 364,183	\$ (1,140)	\$ 363,043	\$ 361,682	\$ 1,361
Grades 1-5	1,699,453	100,000	1,799,453	1,755,556	43,897
Grades 6-8	1,108,453	(28,960)	1,079,493	1,079,480	13
Home instruction:					
Salaries of Teachers	5,500		5,500	3,572	1,928
Regular Programs - Undistributed - Instruction:					
Other Salaries for Instruction	185,167	(49,900)	135,267	117,755	17,512
Purchased Prof/Ed Services	81,014	(25,000)	56,014	33,661	22,353
Purchased Technical Services	35,000	38,000	73,000	62,000	11,000
Other Purchased Services	25,000		25,000	21,736	3,264
General Supplies	258,600	9,170	267,770	226,116	41,654
Textbooks	125,000	(42,170)	82,830	82,445	385
Total Regular Programs	<u>3,887,370</u>		<u>3,887,370</u>	<u>3,744,003</u>	<u>143,367</u>

**RUNNEMEDE BOARD OF EDUCATION
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

EXPENDITURES: (Continued)	Original Budget	Budget Amendments/ Transfers	Final Budget	Actual	Variance Final to Actual Favourable/ (Unfavourable)
CURRENT EXPENSES: (Continued)					
Special Education					
Multiple Disabilities:					
Salaries of Teachers	\$ 242,936	\$ (11,400)	\$ 231,536	\$ 218,849	\$ 12,687
Purchased Prof/Ed Services	5,000		5,000		5,000
General Supplies	10,000	200	10,200	9,935	265
Total Multiple Disabilities	257,936	(11,200)	246,736	228,784	17,952
Resource Room:					
Salaries of Teachers	672,248	(18,000)	654,248	644,212	10,036
Other Salaries for Instruction	98,922	(20,000)	78,922	75,922	3,000
General Supplies	6,000		6,000	163	5,837
Total Resource Room	777,170	(38,000)	739,170	720,297	18,873
TOTAL SPECIAL EDUCATION	1,035,106	(49,200)	985,906	949,081	36,825
Basic Skills/Remedial-Instruction:					
Salaries of Teachers	334,725	(7,500)	327,225	325,495	1,730
General Supplies	1,500		1,500	1,182	318
Total Basic Skills/Remedial-Instruction	336,225	(7,500)	328,725	326,677	2,048
Bilingual Education-Instruction					
Salaries of Teachers					
Total Bilingual Education-Instruction					
School Sponsored Co-curricular Activities:					
Salaries	40,000		40,000	37,331	2,669
Supplies and Materials	7,500	450	7,950	7,136	814
Other Objects	5,000	(350)	4,650	3,359	1,291
Total School Sponsored Co-curricular Activities	52,500	100	52,600	47,826	4,774
School Sponsored Athletics:					
Salaries	55,100		55,100	50,059	5,041
Supplies and Materials	10,000	(100)	9,900	7,191	2,709
Other Objects	8,500		8,500	4,593	3,907
Total School Sponsored Athletics	73,600	(100)	73,500	61,843	11,657
Total Instruction	5,384,801	(56,700)	5,328,101	5,129,430	198,671
Undistributed Expenditures:					
Instruction:					
Tuition - Other LEAs Within the State - Regular	40,000	3,496	43,496	43,140	356
Tuition - Co Spec Serv and Regional Day Schools	75,000	(1,500)	73,500		73,500
Tuition to Private Schools for the Disabled Within State	370,000	(140,000)	230,000	60,862	169,138
Total Undistributed Expenditures - Instruction	485,000	(138,004)	346,996	104,002	242,994

**RUNNEMEDE BOARD OF EDUCATION
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

EXPENDITURES: (Continued)	Original Budget	Budget Amendments/ Transfers	Final Budget	Actual	Variance Final to Actual Favourable/ (Unfavourable)
CURRENT EXPENSES: (Continued)					
Health Services:					
Salaries	\$ 184,759	\$ 7,714	\$ 192,473	\$ 192,469	\$ 4
Purch Prof/ Tech Services	15,000	(3,761)	11,239	11,239	
Other Purchased Services	1,500		1,500	648	852
Supplies and Materials	6,000	(2,753)	3,247	3,221	26
Total Health Services	207,259	1,200	208,459	207,577	882
Speech, OT, PT & Related Services					
Salaries	128,674	(15,000)	113,674	113,674	
Purchased Professional - Educational Services	85,000	(2,200)	82,800	78,803	3,997
Supplies and Materials	2,500	1,200	3,700	3,451	249
Total Related Services	216,174	(16,000)	200,174	195,928	4,246
Other Support Services - Students - Extra Services:					
Salaries	313,024	(31,100)	281,924	258,126	23,798
Purchased Prof Ed Services	250,000	232,300	482,300	425,654	56,646
Supplies and Materials	2,500	6,250	8,750	7,493	1,257
Total Extra Services	565,524	207,450	772,974	691,273	81,701
Guidance:					
Salaries Other Professionals	137,804		137,804	132,903	4,901
Supplies and Materials	1,000	250	1,250	914	336
Total Guidance	138,804	250	139,054	133,817	5,237
Child Study Team					
Salaries of Other Professional Staff	398,964	(2,900)	396,064	376,703	19,361
Salaries Secr. & Clerical Asst.	40,911		40,911	40,911	
Purchased Professional - Educational Services	100,000		100,000	61,022	38,978
Misc Purch Ser		1,700	1,700		1,700
Supplies and Materials	5,000		5,000	2,487	2,513
Other Objects	1,200		1,200	1,049	151
Total Child Study Teams	546,075	(1,200)	544,875	482,172	62,703
Improv. Instruction Services/Other Support					
Salary of Supervisor of Instruction	193,755		193,755	193,755	
Salaries Secr. & Clerical Asst.	13,749		13,749	13,691	58
Purchased Professional and Educational Services	1,000	(384)	616		616
Supplies and Materials	500	300	800	797	3
Other Objects	1,500	(46)	1,454	1,444	10
Total Improvement of Instruction Services/Other Support	210,504	(130)	210,374	209,687	687
Educational Media Services/School Library:					
Salaries	115,333		115,333	84,297	31,036
Salaries of Technology Coordinators	95,654		95,654	95,654	
Purchased Professional and Technical Services	8,800		8,800		8,800
Other Purchased Services	-	100	100	65	35
Supplies and Materials	22,000	(99)	21,901	9,287	12,614
Total Educational Media Services/School Library	241,787	1	241,788	189,303	52,485

RUNNEMEDE BOARD OF EDUCATION
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

EXPENDITURES: (Continued)	Original Budget	Budget Amendments/ Transfers	Final Budget	Actual	Variance Final to Actual Favourable/ (Unfavourable)
CURRENT EXPENSES: (Continued)					
Undistributed Expenditures:					
Instructional Staff Training Services					
Purchased Professional and Educational Services	\$ 8,050	\$ 3,330	\$ 11,380	\$ 11,380	\$
Supplies and Materials	5,000	(3,200)	1,800	1,753	47
Total Inst. Staff Training Services	13,050	130	13,180	13,133	47
Support Services General Administration:					
Salaries	233,652		233,652	233,652	
Legal Services	15,000	(2,210)	12,790	4,372	8,418
Audit Fees	18,000	710	18,710	17,991	719
Architectural/Engineering Services	2,500		2,500	205	2,295
Other Purchased Professional Services	8,500	(1,750)	6,750	5,123	1,627
Communication/Telephone	85,000	3,750	88,750	79,655	9,095
BOE Other Purchased Prof. Services	7,950		7,950	263	7,687
Other Purchased Services	140,000	(500)	139,500	117,832	21,668
General Supplies	10,000		10,000	5,849	4,151
Miscellaneous Expenditures	2,450		2,450	2,327	123
BOE Membership Dues and Fees	9,000		9,000	6,345	2,655
Total Support Services General Administration	532,052		532,052	473,614	58,438
Support Services School Administration:					
Salaries of Principals/Assistant Principals	244,259		244,259	244,259	
Salaries of Secretarial and Clerical Assistants	131,970		131,970	128,852	3,118
Other Purchased Services	45,000		45,000	12,940	32,060
Supplies and Materials	15,000		15,000	8,473	6,527
Other Objects	4,500		4,500	2,669	1,831
Total Support Services School Administration	440,729		440,729	397,193	43,536
Central Services:					
Salaries	229,021		229,021	228,964	57
Purchased Professional Services	16,500		16,500	2,575	13,925
Purchased Technical Services	15,000		15,000	10,150	4,850
Miscellaneous Purchased Services	1,000		1,000	133	867
Supplies and Materials	12,000	(53)	11,947	8,905	3,042
Interest on Bond Anticipation Notes (BANs)	5,000		5,000		5,000
Miscellaneous Expenditures	2,500	53	2,553	2,553	
Total Central Services	281,021		281,021	253,280	27,741
Admin. Info. Technology:					
Salaries	6,398		6,398		6,398
Purchased Technical Services	20,000		20,000	10,505	9,495
Other Purchased Services	1,500		1,500	490	1,010
Supplies and Materials	3,500		3,500	2,554	946
Other Objects	12,500		12,500		12,500
Total Admin. Info. Technology	43,898		43,898	13,549	30,349
Required Maintenance for School Facilities:					
Salaries	74,384		74,384	74,384	
Cleaning, Repair and Maintenance Services	40,000	32,306	72,306	54,321	17,985
Lead Testing of Drinking Water	5,000		5,000	2,777	2,223
General Supplies	30,000	11,359	41,359	26,447	14,912
Other Objects	500		500		500
Total Required Maintenance for School Facilities	149,884	43,665	193,549	157,929	35,620

RUNNEMEDE BOARD OF EDUCATION
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Original Budget	Budget Amendments/ Transfers	Final Budget	Actual	Variance Final to Actual Favourable/ (Unfavourable)
EXPENDITURES: (Continued)					
CURRENT EXPENSES: (Continued)					
Other Operation and Maintenance of Plant-Custodial Services:					
Salaries	\$ 389,396	\$ 13,230	\$ 402,626	\$ 402,622	\$ 4
Salaries of Non-Instructional Aides	71,641	2,655	74,296	74,295	1
Purchased Prof & Tech Services	3,650	1,827	5,477	4,781	696
Cleaning, Repair and Maintenance Services	3,500	5,473	8,973	7,961	1,012
Rental of Land & Bldg. Oth than Lease Pur Arrangement	35,000		35,000	35,000	
Other Purchased Property Services	41,000	7,000	48,000	45,973	2,027
Insurance	12,000	(1,500)	10,500	5,663	4,837
Miscellaneous Purchased Services	1,300	(500)	800	325	475
General Supplies	70,000	(350)	69,650	69,560	90
Energy (Natural Gas)	82,000		82,000	56,919	25,081
Energy (Electricity)	212,000	(45,000)	167,000	148,376	18,624
Other Objects	200	200	400	316	84
Total Other Operation and Maintenance of Plant - Custodial	921,687	(16,965)	904,722	851,791	52,931
Undistributed Expenditures - Care & Upkeep of Grounds:					
Cleaning, Repair and Maintenance Services	11,500	11,800	23,300	20,500	2,800
General Supplies	7,500	1,000	8,500	6,121	2,379
Total Care & Upkeep of Grounds	19,000	12,800	31,800	26,621	5,179
Undistributed Expenditures - Security:					
Purchased Professional & Technical Services	40,000	1,300	41,300	41,087	213
Cleaning, Repair and Maintenance Services	37,000	(19,000)	18,000	13,338	4,662
General Supplies	40,000	(8,571)	31,429	10,569	20,860
Total Security	117,000	(26,271)	90,729	64,994	25,735
Total Operation and Maintenance of Plant Services	1,207,571	13,229	1,220,800	1,101,335	119,465
Undistributed Expenditures - Student Transportation Services:					
Salaries Pupil Trans (Bet Home/School) - Regular	81,857	7,115	88,972	88,970	2
Management Fee - ESC & CTSA Trans. Program	8,000		8,000	4,759	3,241
Other Purch. Prof. & Tech Serv.	2,500	4,800	7,300	7,267	33
Rental Payments - School Buses		2,250	2,250	1,120	1,130
Contracted Services - Aid in Lieu of Payments - Nonpublic	16,000	(4,000)	12,000	9,000	3,000
Contracted Services - Aid in Lieu of Payments - Chrtr Sch Std	2,000		2,000	1,700	300
Contracted Services - Aid in Lieu of Payments - Choice	3,000		3,000	3,000	
Contracted Services (Bet Home/School) - Vendor	3,500	(3,120)	380	376	4
Contracted Services (Other than Bet Home/School) - Vendors	16,000	(10,795)	5,205	1,650	3,555
Contracted Services (Sp. Ed. Stds.) - Vendors	20,000		20,000		20,000
Contracted Services (Special Ed. Students) - ESCs & CTSA	140,000		140,000	71,152	68,848
Transportation Supplies	8,000	3,750	11,750	10,946	804
Total Student Transportation Services	300,857		300,857	199,940	100,917
Unallocated Employee Benefits:					
Social Security Contributions	165,000	62,407	227,407	220,429	6,978
Other Retirement Contributions - PERS	275,000	79,177	354,177	316,979	37,198
Unemployment Compensation	20,000		20,000		20,000
Workers Compensation	130,000		130,000	94,784	35,216
Health Benefits	2,903,113	(141,584)	2,761,529	2,413,679	347,850
Tuition Reimbursement	25,000		25,000	12,337	12,663
Other Employee Benefits	65,000		65,000	10,125	54,875
Total Unallocated Employee Benefits	3,583,113		3,583,113	3,068,333	514,780
On-behalf TPAF Pension Contribution				2,177,572	(2,177,572)
On-behalf TPAF Post Retirement Medical Contribution				508,769	(508,769)
On-behalf TPAF Long-Term Disability Contribution				989	(989)
Reimbursement TPAF Social Security				453,688	(453,688)
Total Personal Services - Employee Benefits	3,583,113		3,583,113	6,209,351	(2,626,238)
Total Undistributed Expenditures	9,013,418	66,926	9,080,344	10,875,154	(1,794,810)
Interest Earned on Maintenance Reserve	279		279		279
TOTAL EXPENDITURES - CURRENT EXPENSE	14,398,498	10,226	14,408,724	16,004,584	(1,595,860)

RUNNEMEDE BOARD OF EDUCATION
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	<u>Original Budget</u>	<u>Budget Amendments/ Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual Favourable/ (Unfavourable)</u>
EXPENDITURES: (Continued)					
CAPITAL OUTLAY:					
Interest Deposit to Capital Reserve	\$ 262		\$ 262		\$ 262
Regular Programs - Instruction: Grades 1-5		3,476	3,476	3,476	
Undistributed Expenditures: Required Maint. School Facilities Custodial Services Care and Upkeep of Grounds		140,970	140,970	140,948	22
Total Equipment		144,446	144,446	144,424	22
Facilities Acquisition - Construction Services: Construction Services Supplies and Materials	1,025,000	(140,720)	884,280	774,080	110,200
Total Facilities Acquisition and Construction Services	1,025,000	(140,720)	884,280	774,080	110,200
TOTAL CAPITAL OUTLAY	1,025,262	3,726	1,028,988	918,504	110,484
TOTAL EXPENDITURES	15,423,760	13,952	15,437,712	16,923,088	(1,485,376)
Excess (Deficiency) of Revenues and Other Over (Under) Expenditures	(1,396,955)	(13,952)	(1,410,907)	427,290	1,838,197
Other Financing Sources (Uses): Transfer from Other Funds Transfer to Preeschool Program Transfer to Charter School	(280,000) (35,000)	(3,004)	(280,000) (38,004)	(280,000) (28,858)	9,146
Total Other Financing Sources	(315,000)	(3,004)	(318,004)	(308,858)	9,146
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(1,711,955)	(16,956)	(1,728,911)	118,432	1,847,343
Fund Balances, July 1	3,526,939		3,526,939	3,526,939	
Fund Balances, June 30	\$ 1,814,984	\$ (16,956)	\$ 1,798,028	\$ 3,645,371	\$ 1,847,343
RECAPITULATION:					
Restricted Fund Balance:					
Excess Surplus				\$ 39,581	
Excess Surplus - Designated for Subsequent Year's Expenditures				41,709	
Maintenance Reserve				492,428	
Maintenance Reserve - Designated for Subsequent Year's Expenditures				200,000	
Capital Reserve				1,210,851	
Capital Reserve - Designated for Subsequent Year's Expenditures				200,000	
Unemployment Compensation				153,801	
Assigned Fund Balance:					
Year-End Encumbrances				55,863	
Designated for Subsequent Year's Expenditures				547,873	
Unassigned Fund Balance					
				703,265	
				3,645,371	
Reconciliation to Governmental Funds Statements (GAAP): Last State Aid Payments not Recognized on GAAP Basis				(619,125)	
Fund Balance per Governmental Funds (GAAP)				\$ 3,026,246	

**RUNNEMEDE BOARD OF EDUCATION
BUDGETARY COMPARISON SCHEDULE
SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES:					
Local Sources	\$	\$	\$	\$ 39,074.0	\$ (39,074.0)
Federal Sources	2,543,072	32,515	2,575,587	1,421,500	(1,154,087)
State Sources	128,797	1,509,974	1,638,771	1,256,376	(382,395)
Total Revenues	2,671,869	1,542,489	4,214,358	2,716,950	(1,575,556)
EXPENDITURES:					
Instruction					
Salaries of Teachers	462,710	246,243	708,953	526,201	182,752
Other Salaries for Instruction	284,356	(150)	284,206	284,073	133
Purchased Prof/Tech Services	15,000	140,051	155,051	59,480	95,571
Other Purchased Services	256,438	57,566	314,004	316,328	(2,324)
General Supplies	730,644	(463,621)	267,023	178,475	88,548
Textbooks	6,891	972	7,863	7,863	
Other Objects		30,000	30,000		30,000
Total Instruction	1,756,039	11,061	1,767,100	1,372,420	394,680
Support Services					
Salaries	58,481	10,332	68,813	40,315	28,498
Salaries - Secretarial	45,251		45,251	45,250	1
Other Salaries	61,600		61,600	48,532	13,068
Salaries of Community Parent Involvement	72,002	(17,454)	54,548	46,420	8,128
Salaries of Master	21,600	36,465	58,065	57,906	159
Employee Benefits	300,000	-	300,000	300,000	
Purchased Prof/Tech Services	163,241	52,984	216,225	169,032	47,193
Contracted Transportation Services		-			
Other Purchased Services	114,660	(3,887)	110,773	67,232	43,541
Purchased Property Services		17,844	17,844		17,844
Miscellaneous Purchased Services	4,350	29,894	34,244		34,244
Materials and Supplies	64,905	90,705	155,610	73,603	82,007
Other Objects	9,740	13,185	22,925	22,925	
Student Activities		52,608	52,608	37,199	15,409
Total Support Services	915,830	282,676	1,198,506	908,414	290,092
Facilities Acquisition and Construction Services:					
Instructional Equipment		89,485	89,485	89,485	
ESSR II Facilities		475,000	475,000	595,414	(120,414)
Non-Instructional Equipment		754,719	754,719	29,342	725,377
Total Facilities Acquisition and Construction Services		1,319,204	1,319,204	714,241	604,963
Total Expenditures	2,671,869	1,612,941	4,284,810	2,995,075	1,289,735
Other Financing Sources (Uses)					
Total Outflows	2,671,869	1,612,941	4,284,810	2,995,075	1,289,735
Transfer from General fund				280,000	280,000
Excess (Deficiency) of Revenues Over (Under)				1,875	(5,821)
Fund Balance, July 1				13,534	
Fund Balance, June 30				15,409	
Recapitulation:					
Restricted:					
Student Activities				15,409	
Total Fund Balance				\$ 15,409	

**NOTES TO THE REQUIRED SUPPLEMENTARY
INFORMATION - PART II**

RUNNEMEDE BOARD OF EDUCATION
REQUIRED SUPPLEMENTARY INFORMATION
BUDGET-TO-GAAP RECONCILIATION
NOTE TO RSI
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

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

	General Fund	Special Revenue Fund
Sources/inflows of resources		
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedule	[C-1] \$ 17,350,378	[E-1] \$ 2,716,950
Difference - budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.	Prior Year Current Year	
State aid payment recognized for GAAP statements in current year, previously recognized for budgetary purposes.	559,903	104,968
State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year.	(619,125)	(113,416)
Total revenues as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds.	[B-2] \$ 17,291,156	[B-2] \$ 2,708,502
Uses/outflows of resources		
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	[C-1] \$ 16,923,088	[E-1] \$ 2,995,075
Differences - budget to GAAP		
Encumbrances for supplies and equipment ordered but not received are 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.		
Transfers to and from other funds are presented as outflows of budgetary resources but are not expenditures for financial reporting purposes.		
Net transfers (outflows) to general fund		
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	[B-2] \$ 16,923,088	[B-2] \$ 2,995,075

REQUIRED SUPPLEMENTARY INFORMATION
PART III

RUNNEMEDE BOARD OF EDUCATION
Schedule of the District's Proportionate Share of the Net Pension Liability
Public Employees' Retirement System (PERS)
Last Ten Fiscal Years*

	<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>
District's Proportion of the Net Pension Liability	0.022546%	0.021526%	0.020544%	0.021307%	0.021515%	0.016866%	0.017643%	0.016190%	0.015659%
District's Proportionate Share of the Net Pension Liability	\$ 2,670,893	\$ 3,510,394	\$ 3,701,650	\$ 4,195,246	\$ 5,008,361	\$ 4,721,248	\$ 3,960,435	\$ 3,031,301	\$ 2,992,838
District's Covered-Employee Payroll	\$ 1,872,800	\$ 1,695,227	\$ 1,628,900	\$ 1,486,705	\$ 1,401,904	\$ 1,504,964	\$ 1,381,733	\$ 1,233,319	\$ 1,119,014
District's Proportionate Share of the Net Pension Liability as a percentage of its Covered-Employee Payroll	142.61%	207.08%	227.25%	282.18%	357.25%	313.71%	286.63%	245.78%	267.45%
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%

Note: The amounts presented for each fiscal year were determined as of the prior fiscal year end measurement date.

* This schedule is presented to illustrate the requirement to show information for 10 years. However, until a 10-year trend is compiled, this presentation will include information for those years for which information is available.

RUNNEMEDE BOARD OF EDUCATION
Schedule of District Contributions
Public Employees' Retirement System (PERS)
Last Ten Fiscal Years*

	<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>
Contractually Required Contribution	\$ 264,038	\$ 235,488	\$ 201,147	\$ 213,641	\$ 204,668	151,359	\$ 151,680	\$ 133,472	\$ 117,991
Contributions in relation to the Contractually Required Contribution	(264,038)	(235,488)	(201,147)	(213,641)	(204,668)	(151,359)	(151,680)	(133,472)	(117,991)
Contribution Deficiency (Excess)	\$	\$	\$	\$	\$	\$	\$	\$	\$
District's Covered-Employee Payroll	\$ 1,872,800	\$ 1,695,227	\$ 1,628,900	\$ 1,486,705	\$ 1,401,904	\$ 1,504,964	\$ 1,381,733	\$ 1,233,319	\$ 1,119,014
Contributions as a Percentage of Covered-Employee Payroll	14.10%	13.89%	12.35%	14.37%	14.60%	10.06%	10.98%	10.82%	10.54%

* This schedule is presented to illustrate the requirement to show information for 10 years. However, until a 10-year trend is compiled, this presentation will include information for those years for which information is available.

RUNNEMEDE BOARD OF EDUCATION
Schedule of the District's Proportionate Share of the Net Pension Liability
Teachers' Pension and Annuity Fund (TPAF)
Last Ten Fiscal Years*

	<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>
District's Proportion of the Net Pension Liability	0.052719%	0.052878%	0.051375%	0.048774%	0.051368%	0.049291%	0.053573%	0.053724%	0.051149%
District's Proportionate Share of the Net Pension Liability	\$ 25,344,894	\$ 34,819,238	\$ 31,529,412	\$ 31,029,190	\$ 34,634,062	\$ 38,775,664	\$ 33,860,278	\$ 28,713,546	\$ 25,850,462
District's Covered-Employee Payroll	\$ 6,188,427	\$ 5,985,028	\$ 5,810,441	\$ 5,754,483	\$ 5,639,158	\$ 5,397,870	\$ 5,029,343	\$ 5,183,302	\$ 4,715,910
District's Proportionate Share of the Net Pension Liability as a percentage of its Covered-Employee Payroll	409.55%	581.77%	542.63%	539.22%	614.17%	718.35%	673.25%	553.96%	548.15%
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%

Note: The amounts presented for each fiscal year were determined as of the prior fiscal year end measurement date.

* This schedule is presented to illustrate the requirement to show information for 10 years. However, until a 10-year trend is compiled, this presentation will include information for those years for which information is available.

RUNNEMEDE BOARD OF EDUCATION
Required Supplementary Information - Part III
Schedule of Changes in the Total OPEB Liability and Related Ratios
State Health Benefit Local Education Retired Employees Plan
Last Ten Fiscal Years

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Total OPEB Liability					
Service Cost	\$ 2,230,618	\$ 1,227,157	\$ 1,195,968	\$ 1,295,650	\$ 1,569,309
Interest Cost	1,079,747	1,046,815	1,288,184	1,448,976	1,256,855
Changes of Benefit Terms	(44,303)				
Differences Between Expected and Actual Experiences	(8,485,871)	8,374,985	(5,490,582)	(5,248,510)	
Changes of Assumptions	41,064	8,699,408	433,591	(3,731,768)	(5,317,681)
Member Contributions	27,604	25,130	26,462	30,053	33,770
Gross Benefit Payments	(850,538)	(829,108)	(892,681)	(869,558)	(917,095)
Net Change in Total OPEB Liability	<u>(6,001,679)</u>	<u>18,544,387</u>	<u>(3,439,058)</u>	<u>(7,075,157)</u>	<u>(3,374,842)</u>
Total OPEB Liability - Beginning	<u>47,624,763</u>	<u>29,080,376</u>	<u>32,519,434</u>	<u>39,594,591</u>	<u>42,969,433</u>
Total OPEB Liability - Ending	<u>\$ 41,623,084</u>	<u>\$ 47,624,763</u>	<u>\$ 29,080,376</u>	<u>\$ 32,519,434</u>	<u>\$ 39,594,591</u>
Covered-Employee Payroll	\$ 8,061,227	\$ 7,680,255	\$ 7,439,341	\$ 7,241,188	\$ 7,041,062
Total OPEB Liability as a Percentage of Covered-Employee Payroll	516.34%	620.09%	390.90%	449.09%	562.34%

Notes to Schedule:

Changes of Benefit Terms: The decrease in liability from June 30, 2020 to June 30, 2021 is due to employers adopting Chapter 44 provisions.

Differences Between Expected and Actual Experiences: The decrease in liability from June 30, 2020 to June 30, 2021 is due to changes in the census.

Changes in Assumptions: The increase in the liability from June 30, 2020 to June 30, 2021 is due to the combined effect of Trend Updates, Mortality Projection Scale Updates, Discount Rate Changes, and Salary Scale changes.

Note: This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, this presentation will only include information for those years for which information is available.

OTHER SUPPLEMENTARY INFORMATION

SPECIAL REVENUE FUND DETAIL STATEMENTS

The Special Revenue Fund is used to account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specific purposes.

**RUNNEMEDE BOARD OF EDUCATION
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
(WITH COMPARATIVE TOTALS FOR JUNE 30, 2021)**

	NCLB / ESEA			I.D.E.A. - Part B		ARP IDEA		Equalization Stabilization Fund								Sub-Total Per E-1 (2)	Totals			
	Title I Part A 2021-22	Title II Part A 2021-22	Title IV Part A 2021-22	Basic 2021-22	Preschool 2021-22	Basic 2021-22	Preschool 2021-22	Cares Act	CRRSA Consolidated			ARP Consolidated					Preschool	2022	2021	
									CRRSA ESSER II 2021-22	CR Learning Accel. 2021-22	CR Mental Health 2021-22	ARP ESSER 2021-22	Accel. Learning 2021-22	Summer Learning 2021-22	Beyond School Day 2021-22					Mental Health 2021-22
REVENUES:																				
Federal Sources	\$ 160,184	\$ 28,037	\$ 11,830	\$ 270,949	\$ 12,541	\$ 47,946	\$ 4,100	\$ 30,636	\$ 272,839	\$ 25,493	\$	\$ 545,051	\$ 4,242	\$	\$	\$ 7,652	\$ 1,153,744	\$ 102,632	\$ 1,421,500	\$ 721,076
State Sources																		1,256,376	1,146,248	
Local Sources																		39,074	39,074	11,985
Total Revenues	160,184	28,037	11,830	270,949	12,541	47,946	4,100	30,636	272,839	25,493	\$	545,051	4,242	\$	7,652	1,153,744	141,706	2,716,950	1,879,309	
EXPENDITURES:																				
Instruction:																				
Salaries of Teachers	92,750									25,493		39,114	4,242			364,602		526,201	462,545	
Other Salaries for Instruction						5,346										278,727		284,073	227,087	
Purchased Prof/Tech Services	10,858		1,601	21,611												25,410		59,480	57,046	
Other Purchased Services			10,199	236,191	12,541	41,100										2,225	14,072	316,328	262,061	
General Supplies	38,576		30	1,514			4,100	30,636				8,070				88,347	6,098	178,475	285,512	
Textbooks																	7,863	7,863	8,606	
Total Instruction	142,184		11,830	259,316	12,541	46,446	4,100	30,636		25,493		47,184	4,242		1,104	759,311	28,033	1,372,420	1,302,857	
Support Services:																				
Salaries																40,315		40,315	23,290	
Salaries - Secretarial																45,250		45,250	43,771	
Other Salaries																48,532		48,532	39,756	
Salaries of Community Parent Involvement																46,420		46,420	9,000	
Salaries of Master																57,906		57,906		
Employee Benefits																300,000		300,000	250,000	
Purchased Prof/Tech Services	18,000	18,793		11,633								27,296			6,548	86,762		169,032	123,975	
Contracted Transportation Services																			2,052	
Other Purchased Services		9,244				1,500										4,814	51,674	67,232	76,945	
Purchased Property Services																				
Miscellaneous Purchased Services																				
Materials and Supplies									54,660			5,881				13,062		73,603	182,608	
Other Objects																	22,925	22,925	24,442	
Student Activities																	37,199	37,199	24,969	
Total Support Services	18,000	28,037		11,633		1,500			54,660			33,177			6,548	643,061	111,798	908,414	800,808	
Facilities Acquisition/Construction:																				
Instructional Equipment												87,455				2,030		89,485	2,163	
ESSR II Facilities									218,179			377,235						595,414		
Non-Instructional Equipment																29,342		29,342	62,475	
Transfer from Enterprise Fund									218,179			464,690				31,372		714,241	64,628	
Total Expenditures	\$ 160,184	\$ 28,037	\$ 11,830	\$ 270,949	\$ 12,541	\$ 47,946	\$ 4,100	\$ 30,636	\$ 272,839	\$ 25,493	\$	\$ 545,051	\$ 4,242	\$	\$ 7,652	\$ 1,433,744	\$ 139,831	\$ 2,995,075	2,168,293	
Excess (Deficiency) of Revenues Over (Under) Expenditures																	(280,000)	1,875	(278,125)	(288,984)
Transfer from General Fund																280,000		280,000	276,000	
Fund Balance, July 1																	13,534	13,534		
Fund Balance, June 30	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$ 15,409	\$ 15,409	\$ 13,534	

RUNNEMEDE BOARD OF EDUCATION
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
(WITH COMPARATIVE TOTALS FOR JUNE 30, 2021)

	Non-Public										Totals	
	Textbook Aid	Nursing Aid	Technology Aid	Security Aid	Chapter 192		Chapter 193			Student Activity	2022	2021
					Compensatory Education	Transportation	Corrective Speech	Examination and Classification	Supplemental Instructional Aid			
REVENUES:												
Federal Sources												
State Sources	\$ 7,863	\$ 14,668	\$ 5,502	\$ 22,925	\$ 23,559	\$ 7,457	\$ 9,207	\$ 6,825	\$ 4,626	\$ 39,074	\$ 102,632	119,304.00
Local Sources											39,074	11,985.00
Total Revenues	7,863	14,668	5,502	22,925	23,559	7,457	9,207	6,825	4,626	39,074	141,706	131,289.00
EXPENDITURES:												
Instruction:												
Other Purchased Services		14,072									14,072	13,177.00
General Supplies		596	5,502								6,098	1,203.00
Textbooks	7,863										7,863	8,606.00
Total Instruction	7,863	14,668	5,502								28,033	22,986.00
Support Services:												
Other Purchased Services					23,559	7,457	9,207	6,825	4,626		51,674	71,876.00
Other Objects				22,925							22,925	24,442.00
Purchased Property Services												
Student Activities										37,199	37,199	24,969.00
Total Support Services				22,925	23,559	7,457	9,207	6,825	4,626	37,199	111,798	121,287.00
Facilities Acquisition/Construction:												
Instructional Equipment												
Total Facilities Acquisition/Construction												
Total Expenditures	\$ 7,863	\$ 14,668	\$ 5,502	\$ 22,925	\$ 23,559	\$ 7,457	\$ 9,207	\$ 6,825	\$ 4,626	\$ 37,199	\$ 139,831	144,273.00
Excess (Deficiency) of Revenues Over (Under) Expenditures										1,875	1,875	(12,984)
Fund Balance July 1										13,534	13,534	26,518
Fund Balance June 30	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$ 15,409	\$ 15,409	13,534

RUNNEMEDE BOARD OF EDUCATION
SPECIAL REVENUE FUND
SCHEDULE OF PRESCHOOL EDUCATION AID
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
EXPENDITURES:			
Instruction:			
Salaries of Teachers	\$ 370,710	\$ 364,602	\$ 6,108
Other Salaries for Instruction	284,206	278,727	5,479
Purchased Prof/Educ Services	30,000	25,410	4,590
Other Purchased Services	6,000	2,225	3,775
General Supplies	89,528	88,347	1,181
Total Instruction	780,444	759,311	21,133
Support:			
Salaries of Other Professional Staff	40,315	40,315	
Secretaries and Clerical staff salaries	45,251	45,250	1
Other Salaries	61,600	48,532	13,068
Parent Liaison	54,548	46,420	8,128
Salaries of Master	58,065	57,906	159
Personal Services - Employee Benefits	300,000	300,000	
Other Purchased Services - Ed Services	100,549	86,762	13,787
Misc. Purchased Services	5,000	4,814	186
Supplies and Materials	13,405	13,062	343
Total Support Services	678,733	643,061	35,672
Facilities Acquisition and Const. Services:			
Instructional Equipment	2,030	2,030	
Non-instructional Equipment	29,342	29,342	
Total Facilities Acquisition and Const. Services:	31,372	31,372	
Total Expenditures	\$ 1,490,549	\$ 1,433,744	\$ 56,805

CALCULATION OF BUDGET & CARRYOVER

Total revised 2021-2022 Preschool Education Aid Allocation	\$ 1,134,155	(1)
Add: Actual ECPA/PEA Carryover (June 30, 2021)	77,131	(2)
Add: Budgeted Transfer from the General Fund 2021-2022	280,000	(3)
Total Preschool Education Aid Funds Available for 2021-2022 Budget	1,491,286	(4)
Less: 2021-2022 Budgeted Preschool Education Aid (including prior year budget carryover)	(1,490,549)	(5)
Available & Unbudgeted Preschool Education Aid Funds as of June 30, 2022	737	(6)
Add: June 30, 2022 Unexpended Preschool Education Aid	56,805	(7)
Less: 2021-2022 Commissioner-approved Transfer to the General Fund	(8)	(8)
2021-2022 Carryover - Preschool Education Aid/Preschool Programs	57,542	(9)
Transfer from Enterprise Fund		
2021-2022 Preschool Education Aid Carryover Budgeted for Preschool Programs in 2022-2023	65,000	(10)

PROPRIETARY FUND DETAIL STATEMENTS

Proprietary Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises – where the intent of the district’s board is that the costs of providing goods or services be financed through user charges.

Food Services Fund – This fund provides for the operation of food services in all schools within the school district.

RUNNEMEDE BOARD OF EDUCATION
ENTERPRISE FUND
COMBINING SCHEDULE OF NET POSITION
AS OF JUNE 30, 2022 AND 2021

	Food Service Enterprise Fund	Before and After Care Fund	Totals	
			2022	2021
ASSETS:				
Current Assets:				
Cash and Cash Equivalents	\$ 52,888	\$ 64,155	\$ 117,043	\$ 33,631
Accounts Receivable:				
State	394		394	2,344
Federal	44,804		44,804	28,515
Other		7,843	7,843	1,420
Inventory	7,673		7,673	11,036
Interfund Receivable	5,000		5,000	
Total Current Assets	110,759	71,998	182,757	76,946
Fixed Assets:				
Equipment	55,311		55,311	54,344
Accumulated Depreciation	(9,273)		(9,273)	(6,839)
Total Fixed Assets	46,038		46,038	47,505
Total Assets	156,797	71,998	228,795	124,451
LIABILITIES:				
Current Liabilities:				
Accounts Payable				2,418
Interfund Payable		5,000	5,000	35,138
Unearned Revenue	3,914	1,850	5,764	5,931
Total Current Liabilities	3,914	6,850	10,764	43,487
Non-Current Liabilities:				
Compensated Absences	18,272	9,244	27,516	18,113
Total Liabilities	22,186	16,094	38,280	61,600
Transfer from Enterprise Fund				
Invested in Capital Assets Net of Related Debt	46,038		46,038	47,505
Unrestricted	88,573	55,904	144,477	15,346
Total Net Position	\$ 134,611	\$ 55,904	\$ 190,515	\$ 62,851

RUNNEMEDE BOARD OF EDUCATION
ENTERPRISE FUND
COMBINING SCHEDULE OF REVENUES, EXPENSES AND
CHANGES IN FUND NET POSITION
AS OF JUNE 30, 2022 AND 2021

	Food Service Enterprise Fund	Before and After Care Fund	Totals	
			2022	2021
OPERATING REVENUES:				
Local Sources:				
Daily Sales - Reimbursable Programs:				
School Lunch Program	\$	\$	\$	\$
School Breakfast Program				
<hr/>				
Total Daily Sales - Reimbursable Programs				
Daily Sales Non-Reimbursable Programs	32,630		32,630	2,418
Hire/Retire Bonus		17,000	17,000	
Program Fees		273,450	273,450	117,879
<hr/>				
Total Operating Revenue	32,630	290,450	323,080	120,297
OPERATING EXPENSES:				
Salaries & Employee Benefits	129,939	169,289	299,228	195,299
Supplies and Materials	26,142	10,859	37,001	
Purchased Services	47,796	62,430	110,226	
Building Usage				70,000
Cost of Sales - Reimbursable Programs	192,026		192,026	219,705
Cost of Sales - Non Reimbursable Programs	13,379		13,379	641
Depreciation	3,129		3,129	2,060
Other	4,984		4,984	3,773
<hr/>				
Total Operating Expenses	417,395	242,578	659,973	534,693
Operating Income (Loss)	(384,765)	47,872	(336,893)	(414,396)
<hr/>				
Non-Operating Revenues:				
State Sources:				
State School Lunch Program	7,175		7,175	10,735
Federal Sources:				
School Breakfast Program	115,238		115,238	163,292
National School Lunch Program	304,715		304,715	260,111
P-EBT Administrative Cost Reimb	1,242		1,242	
Supply Chain Assistance Funding	20,374		20,374	
Emerg. Operational Cost Prog-Schs	4,914		4,914	
Food Distribution Program	12,805		12,805	12,805
Interest	7		7	18
<hr/>				
Total Non-Operating Revenues	466,470		466,470	446,961
Net Income before Operating Transfers	81,705	47,872	129,577	32,565
Fixed Asset Adjustment	(1,913)		(1,913)	(5,947)
Net Income (Loss)	79,792	47,872	127,664	26,618
Net Position - July 1	54,819	8,032	62,851	36,233
Net Position - June 30	\$ 134,611	\$ 55,904	\$ 190,515	\$ 62,851

RUNNEMEDE BOARD OF EDUCATION
ENTERPRISE FUND
COMBINING SCHEDULE OF CASH FLOWS
AS OF JUNE 30, 2022 AND 2021

	Food Service Enterprise Fund	Before and After Care Fund	Totals	
			2022	2021
Cash Flows from Operating Activities:				
Receipts from Customers	\$ 32,630	\$ 290,450	\$ 323,080	\$ 120,297
Payments to Employees	(129,939)	(165,693)	(295,632)	(192,695)
Payments for Employee Benefits				(1,074)
Payments to Suppliers	(319,191)	(74,935)	(394,126)	(301,387)
Net Cash Provided by (Used for) Operating Activities	(416,500)	49,822	(366,678)	(374,859)
Cash Flows from Non-Capital Financing Activities				
State Sources	7,175		7,175	10,735
Federal Sources	446,483		446,483	423,403
Net Cash Provided by (Used for) Operating Activities	453,658		453,658	434,138
Cash Flows from Capital and Related Financing Activities				
Purchases of Capital Assets	(3,575)		(3,575)	(2,956)
Transfer to General Fund for Purchase of Fixed Asset				(35,138)
Net Cash Provided by (Used for) Capital and Related Financing Activities	(3,575)		(3,575)	(38,094)
Cash Flows from Investing Activities				
Interest and Dividends	7		7	18
Net Cash Provided by (Used for) Investing Activities	7		7	18
Net Increase (Decrease) in Cash and Cash Equivalents	33,590	49,822	83,412	21,203
Balances - Beginning of Year	19,298	14,333	33,631	12,428
Balances - End of Year	\$ 52,888	\$ 64,155	\$ 117,043	\$ 33,631
Operating Income (Loss)	\$ (384,765)	\$ 47,872	\$ (336,893)	\$ (414,396)
Adjustments to Reconcile Operating Income (Loss) to Cash Used by Operating Activities:				
Depreciation	3,129		3,129	2,060
Food Distribution Program	12,805		12,805	12,805
Change in Assets and Liabilities:				
(Increase)/Decrease in Accounts Receivable	(14,339)	(6,423)	(20,762)	22,522
(Increase)/Decrease in Interfund Receivable	(5,000)		(5,000)	
(Increase)/Decrease in Inventory	3,363		3,363	(8,347)
Increase/(Decrease) in Accounts Payable	(1,874)	(544)	(2,418)	541
Increase/(Decrease) in Interfund Payable	(35,138)	5,000	(30,138)	26,709
Increase/(Decrease) in Unearned Revenue	(488)	321	(167)	(6,278)
Increase/(Decrease) in Compensated Absences	5,807	3,596	9,403	(10,475)
Total Adjustments	(31,735)	1,950	(29,785)	39,537
Net Cash Used by Operating Activities	\$ (416,500)	\$ 49,822	\$ (366,678)	\$ (374,859)

STATISTICAL SECTION

RUNNEMEDE SCHOOL DISTRICT
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(Accrual Basis of Accounting)
(UNAUDITED)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Governmental Activities										
Invested in Capital Assets, Net of Related Debt	\$ 3,226,844	\$ 3,604,197	\$ 3,473,772	\$ 6,191,760	\$ 6,302,315	\$ 6,766,255	\$ 7,584,335	\$ 8,097,502	\$ 8,614,874	\$ 9,729,882
Restricted	2,424,411	3,154,832	4,005,111	3,553,871	3,619,074	2,702,504	2,325,918	1,969,265	2,359,140	2,353,779
Unrestricted (Deficit)	(525,195)	(570,933)	(3,377,588)	(3,605,300)	(4,061,889)	(3,663,750)	(4,090,221)	(4,422,321)	(4,251,091)	(3,820,410)
Total Governmental Activities Net Position	\$ 5,126,060	\$ 6,188,096	\$ 4,101,295	\$ 6,140,331	\$ 5,859,500	\$ 5,805,009	\$ 5,820,032	\$ 5,644,446	\$ 6,722,923	\$ 8,263,251
Business-Type Activities										
Invested in Capital Assets, Net of Related Debt	\$ 7,001	\$ 6,164	\$ 5,301	\$ 6,675	\$ 7,775	\$ 13,638	\$ 18,823	\$ 17,418	\$ 47,505	\$ 46,038
Restricted										
Unrestricted	41,041	3,410	52,058	122,911	229,230	110,499	81,206	18,815	15,346	144,477
Total Business-Type Activities Net Position	\$ 48,042	\$ 9,574	\$ 57,359	\$ 129,586	\$ 237,005	\$ 124,137	\$ 100,029	\$ 36,233	\$ 62,851	\$ 190,515
District-Wide										
Invested in Capital Assets, Net of Related Debt	\$ 3,233,845	\$ 3,610,361	\$ 3,479,073	\$ 6,198,435	\$ 6,310,090	\$ 6,779,893	\$ 7,603,158	\$ 8,114,920	\$ 8,662,379	\$ 9,775,920
Restricted	2,424,411	3,154,832	4,005,111	3,553,871	3,619,074	2,702,504	2,325,918	1,969,265	2,359,140	2,353,779
Unrestricted (Deficit)	(484,154)	(567,523)	(3,325,530)	(3,482,389)	(3,832,659)	(3,553,251)	(4,009,015)	(4,403,506)	(4,235,745)	(3,675,933)
Total District-Wide Net Position	\$ 5,174,102	\$ 6,197,670	\$ 4,158,654	\$ 6,269,917	\$ 6,096,505	\$ 5,929,146	\$ 5,920,061	\$ 5,680,679	\$ 6,785,774	\$ 8,453,766

Source: ACFR Schedule A-1

RUNNEMEDE SCHOOL DISTRICT
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(Accrual Basis of Accounting)
(UNAUDITED)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Expenses:										
Governmental Activities										
Instruction										
Regular	\$ 3,770,924	\$ 3,770,924	\$ 3,652,476	\$ 3,723,081	\$ 3,665,945	\$ 3,647,840	\$ 3,988,177	\$ 4,865,945	\$ 4,880,096	\$ 5,128,603
Special Education	1,205,619	1,205,619	1,253,654	1,343,669	1,355,424	1,376,517	1,252,223	986,992	994,013	949,081
Other Instruction	215,467	215,467	307,713	247,082	436,257	452,420	476,511	402,014	314,943	436,346
Support Services										
Tuition	569,265	569,265	413,871	587,144	537,393	548,059	310,457	505,589	223,339	104,002
Student and Instruction Related Serv.	1,380,450	1,380,450	1,575,472	1,563,987	1,813,863	1,970,776	2,440,148	2,148,367	2,347,148	2,731,304
General and Business Admin. Service	607,624	607,624	551,467	634,012	628,650	638,583	646,582	677,394	733,755	761,669
School Administrative Services	350,477	350,477	356,589	359,987	371,070	385,651	401,802	401,192	377,997	397,193
Plant Operations and Maintenance	653,349	653,349	878,185	862,926	981,652	901,295	1,167,168	1,159,199	1,120,165	1,166,417
Pupil Transportation	264,384	264,384	311,425	334,143	265,451	284,728	261,415	264,587	159,796	217,392
Unallocated Employee Benefits	3,234,907	3,234,907	4,544,444	5,516,621	6,625,523	7,939,503	7,445,632	5,355,079	7,819,341	6,092,412
Amortization of Debt Issue Costs										
Interest on Long-Term Debt										
Unallocated Depreciation	118,484	118,484	163,077	157,380	157,971	175,059	212,928	338,140	345,873	430,356
Total Governmental Activities Expenses	12,370,950	12,370,950	14,008,373	15,330,032	16,839,199	18,320,431	18,603,043	17,104,498	19,316,466	18,414,775
Business-Type Activities										
Food Service										
Before and After Care	238,344	257,015	220,927	235,577	268,621	271,061	282,521	310,228	429,341	417,395
					118,673	159,801	274,632	326,356	105,352	242,578
Total Business-Type Activities Expense	238,344	257,015	220,927	235,577	387,294	430,862	557,153	636,584	534,693	659,973
Total District Expenses	\$ 12,609,294	\$ 12,627,965	\$ 14,229,300	\$ 15,565,609	\$ 17,226,493	\$ 18,751,293	\$ 19,160,196	\$ 17,741,082	\$ 19,851,159	\$ 19,074,748
Program Revenues										
Governmental Activities										
Charges for Service										
Operating Grants and Contributions	\$ 1,695,295	\$ 1,356,237	\$ 1,482,350	\$ 1,480,781	\$ 1,539,925	\$ 1,500,844	\$ 1,978,302	\$ 2,444,576	\$ 3,075,868	\$ 3,243,291
Total Gov'n't Activities Program Rev.	1,695,295	1,356,237	1,482,350	1,480,781	1,539,925	1,500,844	1,978,302	2,444,576	3,075,868	3,282,365
Business-Type Activities										
Charges for Services										
Food Service	73,395	73,166	92,106	109,190	112,304	96,514	100,104	72,049	2,418	32,630
Before and After Care					195,681	207,729	274,540	247,017	117,879	290,450
Operating Grants and Contributions	133,795	121,877	151,602	198,606	186,715	163,745	158,238	253,544	446,943	466,463
Total Bus.-Type Activities Prog. Rev.	207,190	195,043	243,708	307,796	494,700	467,988	532,882	572,610	567,240	789,543
Total District Program Revenues	\$ 1,902,485	\$ 1,551,280	\$ 1,726,058	\$ 1,788,577	\$ 2,034,625	\$ 1,968,832	\$ 2,511,184	\$ 3,017,186	\$ 3,643,108	\$ 4,071,908
Net (Expense)/Revenue										
Governmental Activities	\$ (10,675,655)	\$ (11,098,506)	\$ (12,526,023)	\$ (13,840,236)	\$ (15,273,879)	\$ (16,796,708)	\$ (16,624,741)	\$ (14,659,922)	\$ (16,228,613)	\$ (15,132,410)
Business-Type Activities	(31,154)	(61,972)	22,781	72,219	107,406	37,126	(24,271)	(63,974)	32,547	129,570
Total District-Wide Net Expense	\$ (10,706,809)	\$ (11,160,478)	\$ (12,503,242)	\$ (13,768,017)	\$ (15,166,473)	\$ (16,759,582)	\$ (16,649,012)	\$ (14,723,896)	\$ (16,196,066)	\$ (15,002,840)
General Revenues and Other Changes in Net Position										
Governmental Activities										
Property Taxes Levied - General Purp	\$ 4,806,705	\$ 5,273,763	\$ 6,535,674	\$ 7,089,901	\$ 7,035,809	\$ 7,176,525	\$ 7,320,055	\$ 7,466,456	\$ 7,541,121	\$ 7,541,121
Taxes Levied for Debt Service										
Unrestricted Grants and Contributions	6,551,576	6,466,280	6,699,260	8,578,851	7,919,240	9,388,814	9,164,492	6,932,666	9,464,578	9,035,805
Investment Earnings	1,361	1,126	1,070	1,094	1,072	5,299	23,100	16,987	699	303
Miscellaneous Income	90,141	178,164	122,516	227,453	113,982	85,746	198,167	50,098	176,345	95,808
Other Adjustments	(38,350)	(23,500)	(35,381)		(7,367)		(23,532)	(25,561)		(3,166)
Right-to-Use Lease Adjustment										31,725
Transfers	(9,111)	(9,013)	(9,070)	(18,027)	(69,688)	(64,167)	(42,518)	(31,310)	(32,112)	(28,858)
Total Governmental Activities	11,402,322	11,886,820	13,314,069	15,879,272	14,993,048	16,592,217	16,639,764	14,409,336	17,150,631	16,672,738
Business-Type Activities										
Investment Earnings	4	4	4	8	13	6	163	178	18	7
Other Adjustments	38,350	297,222	25,000						(5,947)	(1,913)
Transfers						(150,000)				
Total Business-Type Activities	38,354	297,226	25,004	8	13	(149,994)	163	178	(5,929)	(1,906)
Total District-Wide	\$ 11,440,676	\$ 12,184,046	\$ 13,339,073	\$ 15,879,280	\$ 14,993,061	\$ 16,442,223	\$ 16,639,927	\$ 14,409,514	\$ 17,144,702	\$ 16,670,832
Change in Net Position										
Governmental Activities	\$ 726,667	\$ 788,314	\$ 788,046	\$ 2,039,036	\$ (280,831)	\$ (54,491)	\$ 15,023	\$ (175,586)	\$ 922,018	\$ 1,540,328
Business-Type Activities	7,200	235,254	47,785	72,227	107,419	(112,868)	(24,108)	(63,796)	26,618	127,664
Total District-Wide	\$ 733,867	\$ 1,023,568	\$ 835,831	\$ 2,111,263	\$ 173,412	\$ (167,359)	\$ (9,085)	\$ (239,382)	\$ 948,636	\$ 1,667,992

Source: ACFR Schedule A-2

RUNNEMEDE SCHOOL DISTRICT
FUND BALANCES-GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)
(UNAUDITED)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Fund										
Reserved:	\$ 427,522	\$	\$	\$	\$	\$	\$	\$	\$	\$
Excess Surplus		716,546	666,782	803,460	659,656	293,017	300,890	295,306	191,709	81,290
Maintenance Reserve		200,000	700,000	700,000	837,149	692,149	692,428	692,149	692,428	692,428
Capital Reserve		1,369,944	377,010	877,485	1,155,000	1,598,434	1,213,696	862,906	1,325,000	1,410,851
Reserve for Unemployment Compensation									136,469	153,801
Assigned										
Year End Encumbrances		103,192	26,388	110,360	623	59,484	72,945	46,059	16,955	55,863
Subsequent Year's Expenditures		733,059	2,234,931	720,294	847,742	686,340	452,759	542,801	536,955	547,873
Unassigned (Deficit)	(140,989)	(181,593)	(128,240)	(151,953)	(166,866)	(123,841)	(92,186)	(155,830)	67,520	84,140
Total General Fund	\$ 286,533	\$ 2,941,148	\$ 3,876,871	\$ 3,059,646	\$ 3,333,304	\$ 3,205,583	\$ 2,640,532	\$ 2,283,391	\$ 2,967,036	\$ 3,026,246
All Other Governmental Funds										
Reserved	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$ 15,409
Committed - Capital Project Fund	32,091	32,091		342,272	118,904	118,904	118,904	118,904		
Unassigned (Deficit)							(57,055)	(92,887)	(91,434)	(113,416)
Total All Other Governmental Funds	\$ 32,091	\$ 32,091	\$	\$ 342,272	\$ 118,904	\$ 118,904	\$ 61,849	\$ 26,017	\$ (91,434)	\$ (98,007)

Source: ACFR Schedule B-1

RUNNEMEDE SCHOOL DISTRICT
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
 (UNAUDITED)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Revenues										
Tax Levy	\$ 6,502,000	\$ 6,630,000	\$ 6,762,600	\$ 6,897,852	\$ 7,035,809	\$ 7,176,525	\$ 7,320,055	\$ 7,466,456	\$ 7,541,121	\$ 7,541,121
Tuition	49,015	169,449	80,144	64,552	52,669	41,688	96,773	15,941	13,901	
Interest Earnings	1,361	1,126	1,070	1,094	1,072	5,299	23,100	16,987	699	303
Miscellaneous	41,126	8,715	42,372	162,901	61,313	44,058	26,894	34,157	162,444	95,808
Rent							74,500			
State Sources	6,014,785	5,934,615	6,164,241	8,066,138	6,557,760	6,930,645	8,070,101	9,065,116	9,572,205	10,900,529
Federal Sources	536,791	531,665	535,019	512,713	565,741	521,141	513,816	491,009	805,363	1,461,897
Total Revenues	13,145,078	13,275,570	13,585,446	15,705,250	14,274,364	14,719,356	16,125,239	17,089,666	18,095,733	19,999,658
Expenditures										
Instruction										
Regular Instruction	3,770,924	3,608,552	3,635,082	3,706,295	3,657,674	3,645,161	3,984,919	4,862,222	4,874,188	5,116,423
Special Education Instruction	1,205,619	1,192,569	1,253,654	1,343,669	1,355,424	1,376,517	1,252,223	986,992	994,013	949,081
Other Instruction	215,467	249,280	307,713	247,082	436,257	452,420	476,511	402,014	314,943	436,346
Support Services										
Tuition	569,265	399,883	413,871	587,144	537,393	548,059	310,457	505,589	223,339	104,002
Student and Instruction Related Services	1,380,450	1,418,875	1,575,472	1,554,972	1,788,468	1,947,897	2,440,148	2,148,367	2,347,148	2,731,304
School Administrative Services	395,532	403,423	370,349	371,705	394,269	401,209	422,224	416,248	396,603	410,742
General Administrative Services	562,569	614,220	525,500	598,831	593,504	611,921	612,675	643,790	694,466	726,894
Plant Operations and Maintenance	653,349	767,145	866,079	862,926	957,297	884,742	1,147,060	1,139,861	1,101,390	1,101,335
Pupil Transportation	264,384	290,743	311,425	334,143	265,451	270,534	244,164	245,163	140,372	199,940
Business and Other Support Services	3,292,419	3,299,905	3,303,859	3,639,792	3,848,183	4,110,921	4,705,804	5,238,182	5,639,390	6,509,351
Capital Outlay	127,111	344,977	74,359	2,915,617	313,099	683,529	1,108,642	937,901	928,035	1,632,745
Debt Service										
Principal										
Interest and Other Charges										
Total Expenditures	12,437,089	12,589,572	12,637,363	16,162,176	14,147,019	14,932,910	16,704,827	17,526,329	17,653,887	19,918,163
Excess (Deficiency) of Revenues										
Over (Under) Expenditures	707,989	685,998	948,083	(456,926)	127,345	(213,554)	(579,588)	(436,663)	441,846	81,495
Other Financing Sources (Uses)										
Transfers, Net	(38,350)	(23,500)	(25,000)			150,000		75,000		
Cancellation of prior year Receivable			(10,381)		(7,367)					
Transfer to Charter School	(9,111)	(9,013)	(9,070)	(18,027)	(69,688)	(64,167)	(42,518)	(31,310)	(32,112)	(28,858)
Total Other Financing Sources (Uses)	(47,461)	(32,513)	(44,451)	(18,027)	(77,055)	85,833	(42,518)	43,690	(32,112)	(28,858)
Net Change in Fund Balances	\$ 660,528	\$ 653,485	\$ 903,632	\$ (474,953)	\$ (50,290)	\$ (127,721)	\$ (622,106)	\$ (392,973)	\$ 409,734	\$ 52,637
Debt Service as a Percentage of										
Noncapital Expenditures	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

Source: ACFR Schedule B-2

RUNNEMEDE SCHOOL DISTRICT
GENERAL FUND OTHER LOCAL REVENUE BY SOURCE
LAST TEN FISCAL YEARS
(UNAUDITED)

<u>Fiscal Year</u> <u>Ended June 30,</u>	<u>Interest on</u> <u>Investments</u>	<u>Tuition</u>	<u>Prior Year</u> <u>Refunds</u>	<u>Transportation</u> <u>Fees</u>	<u>Rent</u>	<u>Miscellaneous</u>	<u>Total</u>
2022	\$ 303	\$	\$	\$	\$	\$ 56,734	\$ 57,037
2021	699	13,901				150,459	165,059
2020	16,987	15,941				34,157	67,085
2019	23,100	96,773	20,991	5,254	74,500	649	221,267
2018	5,299	41,688	249	7,859		35,950	91,045
2017	1,072	52,669	30,017	40,555		305	124,618
2016	1,094	64,552	117,678			3,703	187,027
2015	162,901	80,144	12,205			25,857	281,107
2014	42,372	169,449	4,529			2,124	218,474
2013	8,715	49,015	30,583			5,297	93,610

Source: District Records

RUNNEMEDE SCHOOL DISTRICT
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS
(UNAUDITED)

Fiscal Year Ended June 30,	Vacant Land	Residential	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities ^a	Net Valuation Taxable	Total Direct School Tax Rate ^b	Estimated Actual County Equalized Value
2022	\$ 3,570,500	\$ 383,103,000	\$ 69,557,500	\$ 18,726,200	\$ 26,719,000	\$ 501,676,200	\$ 1,069,300	\$ 502,745,500	1.511	\$ 501,676,200
2021	3,779,700	382,933,100	70,157,700	18,726,200	26,719,000	502,315,700	1,137,434	503,453,134	1.498	592,213,747
2020	3,753,600	381,654,200	72,649,000	16,397,100	26,719,000	501,172,900	1,095,462	502,268,362	1.494	532,554,294
2019	3,867,600	380,498,300	73,614,400	16,397,100	26,719,000	501,096,400	1,099,979	502,196,379	1.494	517,387,346
2018	3,772,500	380,223,700	73,704,600	16,397,100	26,719,000	500,816,900	1,094,220	501,911,120	1.445	514,270,861
2017	3,765,000	380,802,400	75,358,500	16,397,100	26,719,000	503,042,000	1,061,965	504,103,965	1.410	506,449,375
2016	3,884,400	380,679,000	75,988,800	16,597,100	26,719,000	503,868,300	1,053,284	504,921,584	0.000	526,728,129
2015	3,876,000	381,090,800	75,673,700	16,597,100	26,843,000	504,080,600	1,048,625	505,129,225	1.353	526,944,737
2014	4,354,200	380,658,400	74,854,600	18,574,500	27,118,900	505,560,600	1,021,763	506,582,363	1.294	515,762,943
2013	4,788,500	381,511,400	73,710,800	19,241,100	27,118,900	506,370,700	1,242,127	507,612,827	1.294	549,113,180

Source: District records Tax list summary & Municipal Tax Assessor

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

Reassessment occurs when ordered by the County Board of Taxation

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

b Tax rates are per \$100

c Estimate

RUNNEMEDE SCHOOL DISTRICT
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS
(Rate Per \$100 of Assessed Value)
(UNAUDITED)

Year Ended June 30,	Runnemede School District			Overlapping Rates			
	Basic Rate ^a	General Obligation Debt Service ^b	Total Direct	Borough of Runnemede	Regional School	Camden County	Total
2022	\$	\$ 0.000	\$ 1.511	\$ 1.188	\$ 0.660	\$ 0.871	\$ 4.230
2021		1.498	1.498	1.149	0.609	0.874	4.130
2020		1.494	1.494	1.160	0.609	0.826	4.089
2019		1.472	1.472	1.117	0.604	0.821	4.014
2018		1.445	1.445	1.073	0.577	0.842	3.937
2017		1.410	1.410	1.055	0.549	0.822	3.836
2016		1.380	1.380	1.012	0.559	0.837	3.788
2015		1.353	1.353	1.012	0.588	0.846	3.799
2014		1.378	1.378	0.984	0.568	0.802	3.732
2013		1.259	1.294	0.998	0.566	1.255	4.113

Source: District Records and Municipal Tax Collector

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

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

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

RUNNEMEDE SCHOOL DISTRICT
PRINCIPAL PROPERTY TAX PAYERS
CURRENT YEAR AND NINE YEARS AGO
(UNAUDITED)

Taxpayer	2022		2013	
	Taxable Assessed Value	% of Total District Net Assessed Value	Taxable Assessed Value	% of Total District Net Assessed Value
FP-Gimel NJ LP	\$ 13,365,500	2.66%	\$	
TNJ Properties LLC	10,205,100	2.03%		
The Meadows at Runnemedede Investors	10,056,800	2.00%	10,056,800	1.99%
EIL Investment LP	9,114,000	1.81%		
HDDA Runnemedede LLC	4,338,800	0.86%	4,338,800	0.86%
East Coast Enterprises INC	3,273,600	0.65%	3,273,600	0.65%
Sintara Corp	3,000,000	0.60%	3,830,600	0.76%
Runnemedede Associates	2,966,500	0.59%	2,966,500	0.59%
Runnemedede Equities LLC	2,459,000	0.49%		
East Clements Bridge Road LLC	1,484,600	0.30%		
Presidential Associates			10,205,100	2.02%
Hartford Plaza			10,108,400	2.00%
DPE Runnemedede Assoc. LLC			8,614,700	1.70%
D & P Industrial			2,394,200	0.47%
Oak Ridge Apartments			2,259,900	0.45%
Total	\$ 60,263,900	12.00%	\$ 58,048,600	11.46%

Source: District ACFR & Municipal Tax Assessor

RUNNEMEDE 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		Collections in Subsequent Years
		Amount	% of Levy	
2022	\$ 7,541,121	\$7,541,121	100.00%	
2021	7,541,121	7,541,121	100.00%	
2020	7,466,456	7,466,456	100.00%	
2019	7,320,055	7,320,055	100.00%	
2018	7,176,525	6,578,481	91.67%	598,044
2017	7,035,809	6,897,852	94.23%	
2016	6,897,852	6,897,852	96.12%	
2015	6,897,852	6,630,000	94.26%	
2014	6,630,000	6,502,000	98.04%	
2013	6,502,000	6,374,873	100.00%	

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

Note: 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, the amount voted upon or certified prior to the end of the school year.

RUNNEMEDE SCHOOL DISTRICT
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(UNAUDITED)

Fiscal Year Ended June 30,	Governmental Activities			Business-Type Activities		Total District	Percentage of Personal Income ^a	Per Capita ^a
	General Obligation Bonds ^b	Capital Leases	Bond Anticipation Notes (BANs)	Capital Leases				
2022	\$	\$	\$	\$	\$		\$	
2021								
2020								
2019								
2018								
2017								
2016								
2015								
2014								
2013								

Source: District ACFR Schedules I-1, I-2

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

- a** See Exhibit NJ J-14 for personal income and population data. These ratios are calculated using personal income and population for the prior calendar year.
- b** Includes Early Retirement Incentive Plan (ERIP) refunding

RUNNEMEDE SCHOOL DISTRICT
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS
(UNAUDITED)

Fiscal Year Ended June 30,	<u>General Bonded Debt Outstanding</u>			Percentage of Actual Taxable Value ^a of Property	Per Capita ^b
	<u>General Obligation Bonds</u>	<u>Deductions</u>	<u>Net General Bonded Debt Outstanding</u>		
2022	\$	\$	\$	\$	
2021					
2020					
2019					
2018					
2017					
2016					
2015					
2014					
2013					

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

a See Exhibit NJ J-6 for property tax data.

b Population data can be found in Exhibit NJ J-13.

If a District has resources that are restricted to repaying the principal of debt outstanding, these amounts should be shown in a separate column "Deductions" and be subtracted from the total, and the schedule should be named ratios of net general bonded debt outstanding.

RUNNEMEDE SCHOOL DISTRICT
RATIOS OF OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF JUNE 30, 2022
(UNAUDITED)

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable ^a</u>	<u>Estimated Share of Overlapping Debt</u>
Debt Repaid with Property Taxes			
Borough of Runnemede	\$ 8,758,382		\$ 8,758,382
Camden County General Obligation Debt	492,918,930	1.38%	6,789,035
Black Horse Pike Regional High School District *	297,605	9.15%	27,223
Subtotal, Overlapping Debt			<u>15,574,640</u>
Runnemede School District Direct Debt			
Total Direct and Overlapping Debt			<u><u>\$ 15,574,640</u></u>

Sources: Camden County Board of Taxation

*** Capital Lease**

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 Commercial. 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 taxable value.

RUNNEMEDE SCHOOL DISTRICT
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
 (UNAUDITED)

Equalized Valuation Basis	
2021	\$ 592,213,747
2020	550,014,157
2019	529,588,248
	[A] \$ 1,671,816,152
Average Equalized Valuation of Taxable Property	[A/3] \$ 557,272,051
Debt Limit (3% of Average Equalization Value)	[B] \$ 16,718,162 a
Net Bonded School Debt	[C]
Legal Debt Margin	[B-C] \$ 16,718,162

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Debt Limit	\$ 10,762,856	\$ 16,045,255	\$ 15,674,001	\$ 15,449,574	\$ 15,210,902	\$ 15,206,183	\$ 15,321,810	\$ 15,573,966	\$ 15,937,881	\$ 16,718,162
Total Net Debt Applicable to Limit										
Legal Debt Margin	\$ 10,762,856	\$ 16,045,255	\$ 15,674,001	\$ 15,449,574	\$ 15,210,902	\$ 15,206,183	\$ 15,321,810	\$ 15,573,966	\$ 15,937,881	\$ 16,718,162
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%

Source: Abstract of Ratables and District Records ACFR Schedule J-7

a Limit set by NJSA 18A:24-19 for a K through 8 District; other % limits would be applicable for other Districts

RUNNEMEDE SCHOOL DISTRICT
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS
(UNAUDITED)

<u>Year</u>	<u>Population</u> ^a	<u>Personal Income (thousands of dollars)</u> ^b	<u>Per Capita Personal Income</u> ^c	<u>Unemployment Rate</u> ^d
2022 *	8,279	\$ 488,027,676	\$ 58,948	6.5%
2021	8,287	462,263,960	58,889	6.8%
2020	8,279	460,071,652	58,830	10.7%
2019	8,301	491,894,498	54,958	4.3%
2018	8,315	460,110,875	53,026	4.6%
2017	8,319	431,313,692	51,096	4.8%
2016	8,331	415,133,880	49,392	5.8%
2015	8,328	404,919,675	48,002	6.4%
2014	8,342	389,232,765	46,193	8.4%
2013	8,375	377,499,920	44,457	10.1%

Source:

^a Population information provided by the NJ Dept of Labor and Workforce Development

^b Personal income

^c Per Capita

^d Unemployment data provided by the NJ Dept of Labor and Workforce Development

* Estimate

RUNNEMEDE SCHOOL DISTRICT
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO
(UNAUDITED)

<u>Employer</u>	<u>2022</u>		<u>2013</u>	
	<u>Employees</u>	<u>Percentage of Total Employment</u>	<u>Employees</u>	<u>Percentage of Total Employment</u>
Cooper Health System				
American Water Works				
Bancroft NeuroHealth				
Campbell Soup Co.				
Diocese of Camden NJ, Inc.				
Kennedy University Hospital				
Virtua - West Jersey Health System				
Our Lady of Lourdes Med. Ctr.				
Global Aluminum (USA)				
Lockheed Martin				

*Information from Camden County Website. The number of employees per company was not given.

RUNNEMEDE SCHOOL DISTRICT
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS
(UNAUDITED)

Function/Program	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Instruction										
Regular	57	57	59	55	55	55	59	65	65	67
Special Education	28	16	17	15	17	18	17	13	14	14
Support Services:										
Tuition										
Student & Instruction Related Service	17.5	32	34	39.1	39	40.5	39	36	36	40.5
General Administrative Services	2	2	2	2	2	2	2	2	2	2
School Administrative Services	8	7	9	9	9	9	9	7.6	9.6	9.6
Business Administrative Services	3	5.5	5	6.4	6	6.4	6.4	6.4	6.4	6.4
Plant Operations and Maintenance	12.5	9.5	9.5	11	12	12	12.5	14.5	12.5	12
Food Service	4	4	3	3	3	3	3.5	3.5	4	4
Total	132	133	139	141	143	146	148	148	150	156

Source: District Personnel Records

RUNNEMEDE SCHOOL DISTRICT
OPERATING STATISTICS
LAST TEN FISCAL YEARS
(UNAUDITED)

Fiscal Year	Enrollment	Operating Expenditures^a	Cost Per Pupil	Percentage Change	Teaching Staff^b	Pupil/Teacher Ratio		Average Daily Enrollment (ADE)^c	Average Daily Attendance (ADA)^c	% Change in Average Daily Enrollment	Student Attendance Percentage
						Elementary	Middle				
2022	805	\$ 18,285,418	\$ 22,715	45.9%	80	1:10	1:12	804.54	751.57	-6.67%	93.42%
2021	837	16,725,852	19,983	28.4%	79	1:10	1:12	835.49	794.14	-2.94%	95.05%
2020	867	16,588,428	19,133	22.9%	78	1:11	1:11	859.85	831.16	3.61%	96.66%
2019	840	15,596,185	18,567	19.3%	76	1:11	1:11	829.15	788.09	-2.50%	95.05%
2018	852	14,249,381	16,725	15.8%	79	1:11	1:10	850.6	807.3	-0.60%	94.91%
2017	850	13,833,920	16,275	12.7%	79	1:11	1:10	854.6	814	-0.13%	95.25%
2016	851	13,246,559	15,566	7.8%	77	1:11	1:10	857.8	815	0.25%	95.01%
2015	870	12,563,004	14,440	-0.9%	78	1:13	1:09	855.7	812.5	1.65%	94.95%
2014	840	12,243,465	14,576	1.0%	81	1:12	1:90	841.8	799.04	-1.60%	94.92%
2013	853	12,309,978	14,431	4.5%	86	1:11	1:10	855.5	810.3	1.64%	94.72%

Sources: District records, ASSA

Note: Enrollment based on annual October district count.

- a Operating expenditures equal total expenditures less debt service and capital outlay; Schedule 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).

**RUNNEMEDE SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS
(UNAUDITED)**

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
District Building										
Elementary										
Bingham Elementary (1929)										
Square Feet	25,050	25,050	25,050	25,050	25,050	25,050	25,050	25,050	25050	25,050
Capacity (Students)	191	191	191	191	191	191	191	191	191	191
Enrollment	195	194	210	188	183	180	172		176	171
Downing Elementary (1930)										
Square Feet	23,315	23,315	23,315	23,315	23,315	23,315	23,315	23,315	23315	23,315
Capacity (Students)	162	162	162	162	162	162	162	162	162	162
Enrollment	177	168	159	160	169	184	172		141	121
Middle School										
Volz Middle School (1956)										
Square Feet	70,268	70,268	70,268	70,268	70,268	70,268	70,268	70,268	70268	70,268
Capacity (Students)	468	468	468	468	468	468	468	468	468	468
Enrollment	481	478	501	503	498	488	496		520	513
Other										
Garage										
Square Feet	2,132	2,132	2,132	2,132	2,132	2,132	2,132	2,132	2132	2,132

Number of Schools at June 30, 2022

Elementary = 2

Middle = 1

High School = 0

Other = 1

Source: District records, ASSA

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

RUNNEMEDE SCHOOL DISTRICT
GENERAL FUND
SCHEDULE OF REQUIRED MAINTENANCE EXPENDITURES BY SCHOOL FACILITIES
LAST TEN FISCAL YEARS
(UNAUDITED)

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

<u>School Facilities</u>	<u>Gross Square Footage</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>
Bingham School	25,050	\$ 33,969	\$ 63,813	\$ 32,955	\$ 31,511	\$ 40,032	\$ 30,464	\$ 22,126	\$ 13,781	\$ 26,960	\$ 22,500
Downing School	23,315	41,752	51,852	29,202	42,176	42,585	34,375	19,654	16,543	19,995	17,973
Volz School	70,268	82,208	86,197	64,858	117,253	62,064	114,203	88,845	84,184	44,401	49,407
Total School Facilities		<u>157,929</u>	<u>201,862</u>	<u>127,015</u>	<u>190,940</u>	<u>144,681</u>	<u>179,042</u>	<u>130,625</u>	<u>114,508</u>	<u>91,356</u>	<u>89,880</u>
Other Facilities	2,132										
Grand Total		<u>\$ 157,929</u>	<u>\$ 201,862</u>	<u>\$ 127,015</u>	<u>190,940</u>	<u>\$ 144,681</u>	<u>\$ 179,042</u>	<u>\$ 130,625</u>	<u>\$ 114,508</u>	<u>\$ 91,356</u>	<u>\$ 89,880</u>

RUNNEMEDE SCHOOL DISTRICT
INSURANCE SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
(UNAUDITED)

Company	Type of Coverage	Coverage	Deductible
NJ School Boards Association			
Insurance Group			
	Building and Contents (All Locations)		
	Blanket Real & Personal Property	\$ 500,000,000	\$ 5,000
	Blanket Extra Expense	50,000,000	5,000
	Equipment Breakdown	100,000,000	25,000
	Valuable Papers	10,000,000	5,000
	Pollutant Cleanup & Removal	250,000	5,000
	General Liability	11,000,000	
	Automobile Liability	11,000,000	
	Worker's Compensation		
	Professional & Clerical	8,113,419	
	Non-Professional & Driver	586,482	
	Employer	3,000	
	Crime & Bonds		
	Faithful Performance	250,000	1,000
	Forgery & Alteration	25,000	500
	Money & Securities	10,000	500
	Money Orders/Counterfeit	25,000	500
	Computer Fraud	100,000	500
	Catastrophic Student Accident Coverage		
	Accident Medical Expense Benefit	6,000,000	
	Catastrophic Cash Benefit	1,000,000	
	Surety Bonds		
	Treasurer	200,000	1,000
	Board Secretary	200,000	1,000

SINGLE AUDIT SECTION

NIGHTLINGER, COLAVITA & VOLPA

A Professional Association

Certified Public Accountants

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

INDEPENDENT AUDITOR'S REPORT

The Honorable President and
Members of the Board of Education
Runnemede School District
County of Camden, New Jersey 08078

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, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Board of Education of the Runnemede School District, in the County of Camden, State of New Jersey, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Board of Education of the Runnemede School District's basic financial statements, and have issued our report thereon dated February 16, 2023.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Runnemede Board of Education'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 Runnemede Board of Education's internal control. Accordingly, we do not express an opinion on the effectiveness of the Runnemede Board of Education'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.

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 may exist that have not been identified.

Compliance and Other Matters

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

Purpose of this Report

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

Respectfully Submitted,

NIGHTLINGER, COLAVITA & VOLPA, PA



Raymond Colavita, CPA
Licensed Public School Accountant
No. 915
February 16, 2023

NIGHTLINGER, COLAVITA & VOLPA

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

The Honorable President and
Members of the Board of Education
Runnemede School District
County of Camden, New Jersey 08078

Report on Compliance for Each Major Federal and State Program

Opinion on Each Major Federal and State Program

We have audited The Board of Education of the Runnemede School District, in the County of Camden, State of New Jersey's compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement and the New Jersey State Aid/Grant Compliance Supplement* that could have a direct and material effect on each of The Board of Education of the Runnemede School District, in the County of Camden, State of New Jersey's major federal and state programs for the year ended June 30, 2022. The Board of Education of the Runnemede School District, in the County of Camden, State of New Jersey's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

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

Basis for Opinion on Each Major Federal and State Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and as prescribed by the Office of School Finance, *Department of Education, State of New Jersey*, and New Jersey OMB 15-08. Our responsibilities under those standards and the Uniform Guidance 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 Board of Education of the Runnemede School District, in the County of Camden, State of New Jersey and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal and state program. Our audit does not provide a legal determination of The Board of Education of the Runnemede School District, in the County of Camden, State of New Jersey's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to The Board of Education of the Runnemede School District, in the County of Camden, State of New Jersey's federal and state programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on The Board of Education of the Runnemede School District, in the County of Camden, State of New Jersey'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*, Uniform Guidance and New Jersey OMB 15-08 will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about The Board of Education of the Runnemede School District, in the County of Camden, State of New Jersey's compliance with the requirements of each major federal and state program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, Uniform Guidance and New Jersey OMB 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 Board of Education of the Runnemede School District, in the County of Camden, State of New Jersey's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of The Board of Education of the Runnemede School District, in the County of Camden, State of New Jersey's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance and New Jersey OMB 15-08, but not for the purpose of expressing an opinion on the effectiveness of The Board of Education of the Runnemede School District, in the County of Camden, State of New Jersey's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal or state program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal 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 Uniform Guidance and New Jersey OMB 15-08. Accordingly, this report is not suitable for any other purpose.

Respectfully submitted,

NIGHTLINGER, COLAVITA & VOLPA, PA



Raymond Colavita, CPA
Licensed Public School Accountant
No. 915
February 16, 2023

RUNNEMEDE SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS - Schedule A
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Federal FAIN Number	Grant or State Project Number	Program or Award Amount	Grant Period		Balance at June 30, 2021	Cash Received	Budgetary Expenditures Pass Through Funds	Budgetary Expenditures Direct	Total Budgetary Expenditures (A)	Adjustment / Repayment of Prior Year Balance	Balance at June 30, 2022			
					From	To							(Accounts Receivable)	Unearned Revenue	Due to Grantor	
U.S. Department of Education																
General Fund																
Medicaid Assistance Program	93.778	2205NJ5MAP	N/A	\$ 40,397	7/1/21	6/30/22	\$	\$ 40,397	\$ (40,397)	\$	\$ (40,397)	\$	\$	\$	\$	
Total General Fund								40,397	(40,397)		(40,397)					
U.S. Department of Agriculture																
Passed-through State Department of Education:																
Enterprise Fund:																
Child Nutrition Cluster:																
Cash Assistance:																
School Breakfast Program	10.553	221NJ304N1099	N/A	115,238	7/1/21	6/30/22		107,913	(115,238)		(115,238)		(7,325)			
School Breakfast Program	10.553	211NJ304N1099	N/A	163,292	7/1/20	6/30/21	(10,997)	10,997								
National School Lunch Prog.	10.555	221NJ304N1099	N/A	304,715	7/1/21	6/30/22		287,610	(304,715)		(304,715)		(17,105)			
National School Lunch Prog.	10.555	211NJ304N1099	N/A	260,111	7/1/20	6/30/21	(17,518)	17,518								
P-EBT Administrative Cost Re	10.649	202222S900941	N/A	628	7/1/21	6/30/22		628	(628)		(628)					
P-EBT Administrative Cost Re	10.649	202122S900941	N/A	614	7/1/20	6/30/21		614	(614)		(614)					
Supply Chain Assistance	10.555	221NJ344N8903	N/A	20,374	7/1/21	6/30/22			(20,374)		(20,374)		(20,374)			
Emerg. Operational Cost Prog	10.555	202121H170341	N/A	4,914	7/1/21	6/30/22		4,914	(4,914)		(4,914)					
Non-Cash Assistance:																
Food Distribution Program	10.565	Unknown	N/A	9,594	7/1/21	6/30/22		9,594	(9,552)		(9,552)			42		
Food Distribution Program	10.565	Unknown	N/A	12,805	7/1/20	6/30/21	35		(35)		(35)					
Total Enterprise Fund								(28,480)	439,788	(456,070)		(456,070)		(44,804)	42	
U.S. Department of Education																
Passed-through State Department of Education:																
Special Revenue Fund:																
ESEA																
Title I	84.010	S010A210030	ESEA4590-22	160,352	7/1/21	9/30/22		139,936	(160,184)		(160,184)		(20,248)			
Title I	84.010	S010A200030	ESEA4590-21	164,342	7/1/20	9/30/21	(1,181)	1,181								
Title II A	84.367A	S367A210029	ESEA4590-22	28,037	7/1/21	9/30/22		22,185	(28,037)		(28,037)		(5,852)			
Title II A	84.367A	S367A200029	ESEA4590-21	24,188	7/1/20	9/30/21	(293)	293								
Title IV A	84.424A	S424A210031	ESEA4590-22	11,830	7/1/21	9/30/22		11,830	(11,830)		(11,830)					
IDEA Cluster:																
I.D.E.A. Part B Basic	84.027	H027A190100	IDEA4590-22	270,983	7/1/21	9/30/22		260,393	(270,949)		(270,949)		(10,556)			
I.D.E.A. Part B Basic	84.027	H027A200100	IDEA4590-21	281,238	7/1/20	9/30/21	(8,370)	8,370								
ARP IDEA Part B-Basic	84.027X	H027X210100	IDEA4590-22	48,182	7/1/21	9/30/22		46,877	(47,946)		(47,946)		(1,069)			
I.D.E.A. Part B, Pre-school	84.173	H173A210114	IDEAPS4590-22	12,541	7/1/21	9/30/22		12,541	(12,541)		(12,541)					
ARP IDEA Preschool	84.173X	H173X210114	IDEAPS4590-22	4,100	7/1/21	9/30/22		4,100	(4,100)		(4,100)					
Education Stabilization Fund:																
CARES ACT 2020/ESSER	84.425D	S425D200027	CARES4590-20	129,416	3/13/20	9/30/22		30,636	(30,636)		(30,636)					
CRRSA Consolidated:																
CRRSA-ESSER II	84.425D	S425D210027	Unknown	529,660	3/13/20	9/30/23		268,257	(272,839)		(272,839)		(4,582)			
CR Learning Acceleration	84.425D	S425D210027	ESSER 4590-20	33,991	3/13/20	9/30/23		25,493	(25,493)		(25,493)					
CR Mental Health	84.425D	S425D210027	Unknown	45,000	3/13/20	9/30/23										
ARP Consolidated:																
ARP ESSER	84.425U	S425U210027	Unknown	1,190,377	7/1/21	9/30/24		517,998	(545,051)		(545,051)		(27,053)			
Accelerated Learning	84.425U	S425U210027	Unknown	75,635	7/1/21	9/30/24			(4,242)		(4,242)		(4,242)			
Summer Learning	84.425U	S425U210027	Unknown	40,000	7/1/21	9/30/24										
Beyond the School Day	84.425U	S425U210027	Unknown	40,000	7/1/21	9/30/24										
NJTSS Mental Health Staffing	84.425U	S425U210027	Unknown	45,000	7/1/21	9/30/24		7,105	(7,652)		(7,652)		(547)			
Other:																
Digital Divide - Nonpublic	84.245D	S425D200029	N/A	6,134	7/16/20	10/31/20	5					(5)				
Total Special Revenue Fund								(9,839)	1,357,195	(1,421,500)		(1,421,500)	(5)	(74,149)		
Total Federal Financial Awards								\$ (38,319)	\$ 1,837,380	\$ (1,917,967)	\$	\$ (1,917,967)	\$ (5)	\$ (118,953)	\$ 42	\$

(A) There were no awards passed through to subrecipients.

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

RUNNEMEDE SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE - Schedule B
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

EXHIBIT K-4

State Grantor/Program Title	Grant or State Project Number	Program or Award Amount	Grant Period		(Accounts Receivable)	Balance at June 30, 2021		Carry/Over	Cash Received	Budgetary Expenditures	Repayment of Prior Year Balance	Balance at June 30, 2022			MEMO	
			From	To		Unearned Revenue	Due To Grantor					(Accounts Receivable)	Unearned Revenue	Due To Grantor	Budgetary Receivable	Cumulative Total Expenditures
State Department of Education:																
General Fund:																
Equalization Aid	22-495-034-5120-078	\$ 5,291,905	7/1/21	6/30/22	\$	\$	\$	\$	\$ 4,784,955	\$ (5,291,905)	\$	\$ (526,950)	\$	\$ (526,950)	\$ (5,291,905)	
Equalization Aid	21-495-034-5120-078	4,704,688	7/1/20	6/30/21	(468,709)				468,709							
Special Education Aid	22-495-034-5120-089	481,898	7/1/21	6/30/22					433,912	(481,898)		(47,986)		(47,986)	(481,898)	
Special Education Aid	21-495-034-5120-089	481,898	7/1/20	6/30/21	(48,010)				48,010							
School Choice Aid	22-495-034-5120-068	101,832	7/1/21	6/30/22					91,692	(101,832)		(10,140)		(10,140)	(101,832)	
School Choice Aid	21-495-034-5120-068	91,534	7/1/20	6/30/21	(9,119)				9,119							
Transportation Aid	22-495-034-5120-014	166,787	7/1/21	6/30/22					150,179	(166,787)		(16,608)		(16,608)	(166,787)	
Transportation Aid	21-495-034-5120-014	166,787	7/1/20	6/30/21	(16,616)				16,616							
Security Aid	22-495-034-5120-084	175,149	7/1/21	6/30/22					157,708	(175,149)		(17,441)		(17,441)	(175,149)	
Security Aid	21-495-034-5120-084	175,149	7/1/20	6/30/21	(17,449)				17,449							
Extraordinary Aid	22-495-034-5120-044	337,012	7/1/21	6/30/22					(337,012)			(337,012)		(337,012)		
Extraordinary Aid	21-495-034-5120-044	287,272	7/1/20	6/30/21	(287,272)				287,272						(337,012)	
Non-public Transportation Aid	N/A	3,770	7/1/21	6/30/22						(3,770)		(3,770)		(3,770)		
Non-public Transportation Aid	N/A	3,480	7/1/20	6/30/21	(3,480)				3,480						(3,770)	
Reimbursed TPAF Social Security Contrib.	22-495-034-5094-003	453,688	7/1/21	6/30/22					431,481	(453,688)		(22,207)		(22,207)	(453,688)	
Reimbursed TPAF Social Security Contrib.	21-495-034-5094-003	452,341	7/1/20	6/30/21	(20,964)				20,964						(453,688)	
Homeless Tuition Aid	N/A	12,452	7/1/21	6/30/22					(12,452)			(12,452)		(12,452)		
Homeless Tuition Aid	N/A	12,449	7/1/20	6/30/21	(12,449)				12,449						(12,452)	
On-Behalf TPAF Pension Contribution	22-495-034-5094-002	2,177,572	7/1/21	6/30/22					2,177,572	(2,177,572)					(2,177,572)	
On-Behalf TPAF Post Retirement Medical	22-495-034-5094-001	508,769	7/1/21	6/30/22					508,769	(508,769)					(508,769)	
On-Behalf Long-term Disability	22-495-034-5094-004	989	7/1/21	6/30/22					989	(989)					(989)	
Total General Fund					(884,068)				9,601,325	(9,711,823)		(994,566)		(619,125)	(9,711,823)	
Special Revenue Fund:																
Preschool Expansion Aid	22-495-034-5120-086	1,414,155	7/1/21	6/30/22				77,131	1,300,739	(1,433,744)		(113,416)	57,542	(113,416)	(1,433,744)	
Preschool Expansion Aid	21-495-034-5120-086	38,492	7/1/20	6/30/21	(104,968)	77,131		(77,131)	104,968							
N.J. Nonpublic Aid:																
Security Aid	22-100-034-5120-509	22,925	7/1/21	6/30/22					22,925	(22,925)					(22,925)	
Security Aid	21-100-034-5120-509	24,675	7/1/20	6/30/21			233				(233)					
Textbook Aid	22-100-034-5120-064	7,863	7/1/21	6/30/22					7,863	(7,863)					(7,863)	
Textbook Aid	21-100-034-5120-064	8,614	7/1/20	6/30/21			8				(8)					
Nursing Aid	22-100-034-5120-070	14,672	7/1/21	6/30/22					14,672	(14,668)			4		(14,668)	
Nursing Aid	21-100-034-5120-070	14,382	7/1/20	6/30/21			2				(2)					
Technology Aid	20-100-034-5120-373	5,502	7/1/21	6/30/22					5,502	(5,502)					(5,502)	
Auxiliary Services:																
Compensatory Education Aid	22-100-034-5120-067	35,832	7/1/21	6/30/22					35,832	(23,559)			12,273		(23,559)	
Compensatory Education Aid	21-100-034-5120-067	52,255	7/1/20	6/30/21			19,422				(19,422)					
Transportation Aid	22-100-034-5120-067	16,618	7/1/21	6/30/22					16,618	(7,457)			9,161		(7,457)	
Transportation Aid	21-100-034-5120-067	15,392	7/1/20	6/30/21			6,898				(6,898)					
Handicapped Services:																
Supplemental Instruction Aid	22-100-034-5120-066	12,390	7/1/21	6/30/22					12,390	(4,626)			7,764		(4,626)	
Supplemental Instruction Aid	21-100-034-5120-066	23,475	7/1/20	6/30/21			15,461				(15,461)					
Examination & Classification Aid	22-100-034-5120-066	13,083	7/1/21	6/30/22					13,083	(6,825)			6,258		(6,825)	
Examination & Classification Aid	21-100-034-5120-066	22,489	7/1/20	6/30/21			11,529				(11,529)					
Corrective Speech	22-100-034-5120-066	18,600	7/1/21	6/30/22					18,600	(9,207)			9,393		(9,207)	
Corrective Speech	21-100-034-5120-066	20,963	7/1/20	6/30/21			9,388				(9,388)					
SDA Emergent Needs & Capital Maint.	22-100-034-5120-086	17,844	7/1/21	6/30/22												
Total Special Revenue Fund					(104,968)	77,131	62,941		1,553,192	(1,536,376)	(62,941)	(113,416)	57,542	44,853	(113,416)	(1,536,376)
State Department of Agriculture:																
Enterprise Fund:																
School Lunch Prog.	22-100-010-3350-023	7,175	7/1/21	6/30/22					6,781	(7,175)		(394)			(7,175)	
School Lunch Prog.	21-100-010-3350-023	10,735	7/1/20	6/30/21	(2,344)				2,344							
Total Enterprise Fund					(2,344)				9,125	(7,175)		(394)			(7,175)	
Total State Financial Assistance					\$ (991,380)	\$ 77,131	\$ 62,941	\$	\$ 11,163,642	\$ (11,255,374)	\$ (62,941)	\$ (1,108,376)	\$ 57,542	\$ 44,853	\$ (732,541)	\$ (11,255,374)
Less: On-Behalf TPAF Pension System Contributions																
On-Behalf TPAF Pension Contribution	22-495-034-5094-002	2,177,572	7/1/21	6/30/22					\$ 2,177,572	\$ (2,177,572)						
On-Behalf TPAF Post Retirement Medical	22-495-034-5094-001	508,769	7/1/21	6/30/22					508,769	(608,769)						
On-Behalf Long-term Disability	22-495-034-5094-004	989	7/1/21	6/30/22					989	(989)						
Total State Financial Assistance - Major Program Determinations									\$ 8,476,312	\$ (8,568,044)						

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

RUNNEMEDE BOARD OF EDUCATION
NOTES TO THE SCHEDULES OF AWARDS
AND FINANCIAL ASSISTANCE
JUNE 30, 2022

NOTE 1: GENERAL

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

NOTE 2: BASIS OF ACCOUNTING

The accompanying schedules of expenditures of awards and financial assistance are presented on the budgetary basis of accounting with the exception of programs recorded in the food service fund, which are presented using the accrual basis of accounting. These bases of accounting are described in Note 2 to the Board's basic financial statements. The information in this schedule is presented in accordance with the requirements of 2 CFR 200-Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards and New Jersey Treasury Circular OMB 15-08. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements. The District has elected not to use the 10-percent de minimis indirect cost rate allowed under Uniform Guidance.

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:22-44.2

The net adjustment to reconcile from the budgetary basis to the GAAP basis is (\$59,222) for the general fund and (\$8,448) for the special revenue fund. See Note A (Notes to Required Supplemental Information) 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 revenues are reported in the Board's basic financial statements on a GAAP basis as presented below:

RUNNEMEDE BOARD OF EDUCATION
NOTES TO THE SCHEDULES OF AWARDS
AND FINANCIAL ASSISTANCE

JUNE 30, 2022

(Continued)

NOTE 3: RELATIONSHIP TO BASIC FINANCIAL STATEMENTS (CONT'D)

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ 40,397	\$ 9,652,601	\$ 9,692,998
Special Revenue Fund	1,421,500	1,247,928	2,669,428
Food Service Fund	459,288	7,175	466,463
Total Awards & Financial Assistance	<u>\$ 1,921,185</u>	<u>\$ 10,907,704</u>	<u>\$ 12,828,889</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 Runnemeade School District had no outstanding loans as of June 30, 2022.

NOTE 6: OTHER

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

NOTE 7: SCHOOLWIDE PROGRAM FUNDS

As the District's Federal Programs are on a targeted student group basis, there are no schoolwide programs in the District.

NOTE 8: MAJOR PROGRAMS

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

NOTE 9: ADJUSTMENTS

There was a (\$5) adjustment needed on the Schedule of Federal Award (Schedule A) and none on the Schedule of State Financial Assistance.

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

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

- 1) Material weakness (es) identified? _____ yes X no
- 2) Significant deficiencies identified? _____ yes X none reported

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

Federal Awards

Internal control over major programs:

- 1) Material weakness (es) identified? _____ yes X no
- 2) Significant deficiencies identified? _____ yes X none reported

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

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

Identification of major programs:

CFDA Number(s)	<u>FAIN Number(s)</u>	Name of Federal Program or Cluster
84.425	S425D210027 S425U210027	Education Stabilization Fund

Dollar threshold used to distinguish between type A and type B programs (section .518): \$ 750,000

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

RUNNEMEDE SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
(continued)

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

State Awards

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

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

Internal control over major programs:

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

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

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

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

Identification of major programs:

<u>GMIS Number(s)</u>	<u>Name of State Program</u>
22-495-034-5120-078	Equalization Aid
22-495-034-5120-089	Special Education Categorical Aid
22-495-034-5120-068	School Choice Aid
22-495-034-5120-084	Security Aid
22-495-034-5120-003	Reimbursed TPAF SS Contribution

RUNNEMEDE SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022
(continued)

Section II - Financial Statement Findings

This section identifies the significant deficiencies, material weakness, fraud, noncompliance with provisions of laws, regulations, contracts, and grant agreements, and abuse related to the financial statements for which Government Auditing Standards requires reporting and with audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey that requires reporting in the Uniform Guidance, New Jersey OMB Treasury Circular 15-08 audit.

Finding: **NONE**

Criteria or specific requirement:

Condition:

Context:

Effect:

Cause:

Recommendation:

Views of responsible officials and planned corrective actions:

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

Section III - Federal Awards and State Financial Assistance
Findings and Questioned Costs

This section identifies audit findings required to be reported by 2 CFR 200 section .516 of the *Uniform Administrative Requirements, Cost principles, and Audit Requirements for Federal Awards* and NJOMB Circular Letter 15-08, as applicable.

FEDERAL AWARDS

Finding: None

Information on the federal program:

Criteria or specific requirement:

Condition:

Questioned Costs:

Context:

Effect:

Cause:

Recommendation:

Views of responsible officials and planned corrective actions:

STATE AWARDS

Finding: None

Information on the state program:

Criteria or specific requirement:

Condition:

Questioned Costs:

Context:

Effect:

Cause:

Recommendation:

Management's response:

RUNNEMEDE SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS AND QUESTIONED
COSTS AS PREPARED BY MANAGMENT
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

This section identifies the status of prior - year findings related to the basic financial statements and Federal and State awards that are required to be reported in accordance with Chapter 6.12 of *Government Auditing Standards*, US OMB *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* section .511(a)(b) and New Jersey OMB's Treasury Circular 15-08.

STATUS OF PRIOR - YEAR FINDINGS **NONE**