# SCHOOL DISTRICT OF STRATFORD BOROUGH

Stratford, New Jersey
County of Camden

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

# ANNUAL COMPREHENSIVE FINANCIAL REPORT

# OF THE

# STRATFORD BOROUGH SCHOOL DISTRICT

# STRATFORD, NEW JERSEY

# FOR THE FISCAL YEAR ENDED JUNE 30, 2022

**Prepared by**

**Stratford Borough School District**
**Business Office**

**OUTLINE OF ACFR**


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# INTRODUCTORY SECTION

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STRATFORD, NEW JERSEY 08084

May 1, 2023

Honorable President and Members
of the Board of Education
Borough of Stratford School District
County of Camden, New Jersey

Dear Board Members/Citizens:

The Annual Comprehensive Financial Report (ACFR) of the Stratford Borough School District for the fiscal year ended June 30, 2022, is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Stratford Borough School District. To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the district as of June 30, 2022, and the respective changes in financial position and cash flows, where applicable, thereof, for the year then ended in conformity with accounting principles generally accepted in the United States of America. All disclosures necessary to enable the reader to gain an understanding of the district's financial activities have been included.

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

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

Introductory Section:
Section contains a Letter of Transmittal, Roster of Officials, Consultants and Advisors, and an Organizational Chart.

Financial Section:
Section contains the Independent Auditors' Report and includes the Management's Discussion and Analysis, the Basic Financial Statements, Required Supplementary Information (RSI) and Other Supplementary Information.

Statistical Section:
Section contains selected financial trends, revenue and debt capacity, demographic, economic and other operating information, generally presented on a multi-year basis.
Single Audit Section:

The School District is required to undergo an annual Single Audit in conformity with the provisions of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)* and New Jersey OMB's Circular 15-08 OMB, "*Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*". Information related to this Single Audit, including the independent auditor's report on the internal control and compliance with applicable laws, regulations, contracts and grants, along with findings and questioned costs, if any, are included in the Single Audit Section of this report.

## REPORTING ENTITY

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

## ECONOMIC CONDITION AND OUTLOOK

The Borough of Stratford is a suburban town of 1.6 square miles. Stratford was incorporated as a borough on March 2, 1925. The Borough of Stratford has always been an active, involved community. The Borough of Stratford is home to the Stratford Division of Kennedy Memorial Hospital and University of Dentistry and Medicine of New Jersey. Population census information indicates that the Borough of Stratford has experienced a 1.4% decrease in population based on 7,040 at the 2010 census and 6,941 at the 2020 census.

The Stratford School District provides a full range of educational services appropriate to grade levels PreK through 8. The District completed the 2021-22 year with an enrollment of 879 students, which an increase of 1.7% from the prior school year.

The following details the changes in the student enrollment of the District over the last ten years.

| Fiscal Year | Student Enrollment | Percent Change |
|---|---|---|
| 2021-2022 | 879 | 1.74% |
| 2020-2021 | 864 | 0.00% |
| 2019-2020 | 864 | 1.17% |
| 2018-2019 | 854 | 2.64% |
| 2017-2018 | 832 | -4.04% |
| 2016-2017 | 867 | 3.96% |
| 2015-2016 | 834 | -2.91% |
| 2014-2015 | 859 | 1.42% |
| 2013-2014 | 847 | 5.22% |
| 2012-2013 | 805 | 2.94% |

## ECONOMIC CONDITION AND OUTLOOK

The forecast for student enrollment over the next five years appears to show a small decrease but mostly staying stable as students continue to transfer in and out. Choice enrollment has remained consistent with the 2021-22 school year. The five-year phase-in of Hi-Nella students that began with the 2012-13 school year has annually averaged 100 students in grades PreK-8.

The School District uses primary funding sources of property tax revenue and state aid (small increase) as the expenditures necessary to provide the excellent education Stratford is known for continue to rise. The 2021-22 general fund budget saw a tax increase of 2.00%. In addition, the district appropriated $1,039,408

from fund balance to utilize in 2021-22. Tuition revenue increased due to enrollment number of students from Laurel Springs and Hi-Nella and prior year tuition adjustments. The executive county superintendent approved the budget as submitted. The election of board members took place at the general election in November and newly seated members took office in January. Full-day Kindergarten and hazardous transportation continue to be part of the annual budget as well as expenditures for technology. The School District continues to closely monitor the cost of operations and to look for new funding sources in order to maintain the quality educational services that the School District has been providing and that the students deserve.

## EDUCATIONAL PROGRAM

District classrooms are primarily self-contained and the pupils are grouped heterogeneously. Basic Skills instruction in the areas of computation and communications are provided to eligible students. In addition, students are offered programs in art, music, computers, gifted and talented, physical education, reading, language arts, science, health, social studies, library science, and guidance. The District provides individual education plans for pupils who are learning disabled either in self-contained classrooms, in-class support, or resource rooms through various programs – preschool disabilities and preschool disabilities inclusion, autism, learning and/or language disabled and multiple disabilities.

In addition to the variety of instructional programs, other services are provided. Each school has a full time school nurse who provides a full spectrum of services as required by law. Two guidance counselors service the needs of students in both Parkview and Yellin Schools. The District also provides Child Study Team Services, a food service program and with hazardous bus transportation for eligible students.

## MAJOR INITIATIVES

The Stratford School District will continue to provide a challenging academic environment during the 2022-23 school year to help deepen and enhance the learning process.

**A. Honors Social Studies and Honors Science:** This course is available to all 7th and 8th students who meet the criteria that has been designated by the Social Studies Teachers, Science Teachers, and Building Principal. These classes incorporate more challenging reading, writing, and mathematics. The pace is increased and more in-depth topics are covered and discussed. Public speaking is emphasized and students frequently present Projects using 21st Century Technology. Individualized Instruction is also a major component of these newly constructed classes.

**B. Google Classroom:** Every student in the school now has a Chromebook, 1:1 initiative, allowing teachers to create and share documents via google classroom and these teachers are required to you this wonderful resource on a daily basis in Grades 3-8.

**C. Remote Instruction:** To help meet the diverse needs of students, teachers will be afforded professional development opportunities to enhance teaching practices as it relates to providing high quality remote instruction. Instructional Strategies such as Screen Cast-O-Matic, Google Slides, Google Forms, Kaizena, Pear Deck, Ed Puzzle, JamBoard, Go Formative, Teachermade, and Google Break-Out Rooms will be taught by our own teachers to help ensure students success in both the Hybrid and Remote Learning settings.

**D. Cross Curricular Collaboration-** The Digital Shop Teacher and Media Specialist are using technology and incorporating all content areas not only into their own lessons but giving the content area teachers creative ideas on how to effectively incorporate 21st Century Technology into their lessons in Grades 4-8.

**E. Social Media:** We are currently set up with two social media accounts that include Twitter and Instagram to showcase students and staff activities in Grades 4-8 on a daily basis as well as staff professional

development on a daily basis.

**F. Citizens and Students of the Month:** We are honoring 2 students per month in Grades K-8 in each category who meet the following criteria; Positive Attitude, Positive Role Model, Responsible, Hard Worker, and Honest. Our goal is to reward more students for having a positive and profound impact on our school on a daily basis.

**G. State and Camden County School of Character Initiative:** One of our Physical Education Teachers assists us by completing the application process on a yearly basis for both of these prestigious clubs. Our goal is to continue to be awarded the Camden County School of Character, which we have won for 5 straight years, and build upon the emerging state school of character that we were awarded last year.

**H. Big Ideas Math Program**: We purchased a new K-5 Mathematics Program for the 2021-22 school year. This programs allows us to fully align our curriculum and instruction from K-8. We already have the Big Ideas Program in Grades 6-8 so the transition will now be much smoother.

## FINANCIAL INFORMATION

### *Internal Accounting*

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

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

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

### *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 project fund. The final budget amount as amended for the fiscal year is reflected in the financial section.

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

## CASH MANAGEMENT

The investment policy of the District is guided in large part by state statute and detailed in "Notes to the Financial Statements", Note 2. The District has adopted a cash management plan which requires it to deposit

public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (GUDPA). 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.

## 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. A schedule of insurance coverage is found in Exhibit J-20.

## INDEPENDENT AUDIT

State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Holt McNally & Associates, Inc. was selected 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 Single Audit Act Amendments of 1996; Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and State of New Jersey Circular 15-08-OMB, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid.*" The auditor's report on the basic financial statements and specific required supplemental information is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section of this report.

## ACKNOWLEDGEMENTS

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

Respectfully submitted,

Thomas F. Attanasi
Superintendent

Debra R. Trasatti
Business Administrator/Board Secretary

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# Stratford School District

- Board of Education
  - Superintendent
    - Superintendent Secretary
    - Business Administrator
      - Asst. to BA/Accounting
      - Bus Aide
      - Asst. to BA/Transportation
      - Asst. to BA/Payroll
      - Supervisor of Operations
        - Asst. Supervisor of Operations
        - Custodians
    - Technology Coordinator
    - Director of Special Services
      - Certificated Staff
      - Assistants
      - CST Secretary
      - CST Members
      - Related Services
    - Parkview Principal
      - Parkview Secretary
      - Certificated Staff
      - Assistants
    - Vice Principal
      - Vice Principal Secretary
      - Certificated Staff
      - Assistants
    - Yellin Principal
      - Yellin Secretary
      - Certficated Staff
      - Assistants

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# STRATFORD BOROUGH SCHOOL DISTRICT

**111 Warwick Road**
**Stratford, New Jersey 08084**

## ROSTER OF OFFICIALS

**June 30, 2022**

| MEMBERS OF THE BOARD OF EDUCATION | TERM EXPIRES |
|---|---|
| Michael Redfearn, President | 2023 |
| Dawn Martin, Vice President | 2025 |
| Michael Barikian | 2024 |
| Kim Berdine | 2023 |
| Sue Bove | 2025 |
| Mandy Conway | 2024 |
| Stephanie Nelson | 2025 |
| Kim Sims | 2023 |
| Melissa Clark | 2023 |
| Sarah Woldoff - Laurel Springs rep | 2025 |

**OTHER OFFICIALS**

Thomas F. Attanasi, Superintendent

Debra Trasatti, Business Administrator/Board Secretary

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# STRATFORD BOROUGH SCHOOL DISTRICT
**STRATFORD, NEW JERSEY**

## CONSULTANTS AND ADVISORS

### AUDIT FIRM

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### ATTORNEY

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### FISCAL AGENT

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### OFFICIAL DEPOSITORY

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### FINANCIAL ADVISOR

Capital Financial Advisors, Inc.
Robbi Acampora
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Mt. Laurel, New Jersey 08054

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# FINANCIAL SECTION

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HMA
HOLT MCNALLY & ASSOCIATES
Certified Public Accountants & Advisors

# INDEPENDENT AUDITOR'S REPORT

Honorable President and Members
of the Board of Education
Borough of Stratford School District
County of Camden
Stratford, New Jersey

## Opinions

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Borough of Stratford School District, 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; the standards applicable to financial audits contained in *Governmental Auditing Standards*, issued by the Comptroller General of the Untied States; and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the School District, and to meet our ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provided a basis for our audit opinions.

## Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, 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.

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

**Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

- Exercise professional judgement and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatements of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the School District's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the School District's ability to continue as a going concern for a reasonable period of time.

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

**Required Supplementary Information**

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

**Supplementary Information**

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

**Other Information**

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

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

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated May 1, 2023 on our consideration of the School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School District's internal control over financial reporting and compliance.

Respectfully submitted,

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

Michael Holt

Michael Holt
Certified Public Accountant
Public School Accountant, No. 1148

Medford, New Jersey
May 1, 2023

**REQUIRED SUPPLEMENTARY INFORMATION - PART I**

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# STRATFORD BOROUGH SCHOOL DISTRICT
## Management's Discussion and Analysis
## For the Fiscal Year Ended June 30, 2022
## (Unaudited)

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

### Overview of the Basic Financial Statements

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

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

### Government-Wide Financial Statements

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

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

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

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

### Fund Financial Statements

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

**Overview of the Basic Financial Statements (continued)**

**Fund Financial Statements (continued)**

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

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

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

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

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

**Notes to the Basic Financial Statements**

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

## Financial Analysis of the School District as a Whole

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

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

| | June 30, 2022 | June 30, 2021 | Increase/ (Decrease) | Percentage Change |
|---|---|---|---|---|
| Current & Other Assets | $ 7,597,595.96 | $ 6,769,113.12 | $ 828,482.84 | 12.2% |
| Capital Assets, Net | 8,862,201.32 | 8,953,614.92 | (91,413.60) | -1.0% |
| Total Assets | 16,459,797.28 | 15,722,728.04 | 737,069.24 | 4.7% |
| Deferred Outflow of Resources | 231,641.64 | 395,600.29 | (163,958.65) | -41.4% |
| Current and other Liabilities | 487,793.52 | 441,520.15 | 46,273.37 | 10.5% |
| Noncurrent Liabilities | 4,979,327.79 | 6,298,969.52 | (1,319,641.73) | -21.0% |
| Total Liabilities | 5,467,121.31 | 6,740,489.67 | (1,273,368.36) | -18.9% |
| Deferred Inflow of Resources | 1,571,932.00 | 1,431,196.00 | 140,736.00 | 9.8% |
| Net Position: | | | | |
| Net Investment in Capital Assets | 5,721,484.90 | 5,482,620.91 | 238,863.99 | 4.4% |
| Restricted | 6,679,019.61 | 4,865,823.40 | 1,813,196.21 | 37.3% |
| Unrestricted (Deficit) | (2,748,118.90) | (2,401,801.65) | (346,317.25) | 14.4% |
| Total Net Position | $ 9,652,385.61 | $ 7,946,642.66 | $ 1,705,742.95 | 21.5% |

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

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

| | June 30, 2022 | June 30, 2021 | Increase/ (Decrease) | Percentage Change |
|---|---|---|---|---|
| **Revenues:** | | | | |
| Program Revenues: | | | | |
| Charges for Services | $ 5,068.75 | $ 20,967.06 | $ (15,898.31) | -75.8% |
| Operating Grants & Contributions | 4,996,514.91 | 6,330,464.80 | (1,333,949.89) | -21.1% |
| General Revenues: | | | | |
| Property Taxes | 7,972,276.08 | 7,826,812.00 | 145,464.08 | 1.9% |
| Federal & State Aid | 6,062,140.72 | 5,402,438.33 | 659,702.39 | 12.2% |
| Tuition | 2,108,786.95 | 2,151,472.63 | (42,685.68) | -2.0% |
| Other General Revenues | 440,443.65 | 474,203.32 | (33,759.67) | -7.1% |
| Total Revenues | 21,585,231.06 | 22,206,358.14 | (621,127.08) | -2.8% |
| **Function/Program Expenditures:** | | | | |
| Regular Instruction | 8,340,266.44 | 6,880,162.24 | 1,460,104.20 | 21.2% |
| Tuition | 379,857.40 | 284,793.16 | 95,064.24 | 33.4% |
| Student & Instruction Related Services | 1,935,119.64 | 1,517,596.15 | 417,523.49 | 27.5% |
| General Administrative | 1,231,682.99 | 1,160,381.17 | 71,301.82 | 6.1% |
| Plant Operations & Maintenance | 1,606,051.64 | 1,013,418.69 | 592,632.95 | 58.5% |
| Pupil Transportation | 395,822.45 | 338,834.81 | 56,987.64 | 16.8% |
| Unallocated Benefits | 4,986,222.61 | 7,284,644.97 | (2,298,422.36) | -31.6% |
| Interest & Other Charges | 118,679.39 | 129,816.89 | (11,137.50) | -8.6% |
| Unallocated Depreciation | 456,992.68 | 456,992.68 | - | 0.0% |
| Food Service | 414,841.87 | 226,872.33 | 187,969.54 | 82.9% |
| Transfer to Charter Schools | 13,951.00 | - | 13,951.00 | 100.0% |
| Total Expenditures | 19,879,488.11 | 19,293,513.09 | 585,975.02 | 3.0% |
| Change In Net Position | 1,705,742.95 | 2,912,845.05 | (1,207,102.10) | -41.4% |
| Net Position - Beginning | 7,946,642.66 | 5,033,797.61 | 2,912,845.05 | |
| Net Position - Ending | $ 9,652,385.61 | $ 7,946,642.66 | $ 1,705,742.95 | 21.5% |

## Governmental Activities

During the fiscal year 2022, the net position of governmental activities increased by $1,633,532.23 or 21.4%. The primary reason for the increase was through normal operations of the district, paydown of debt and pension adjustments from GASB 68.

The assets and deferred outflows of the primary government activities exceeded liabilities and deferred inflows by $9,265,318.93, with an unrestricted deficit balance of $(3,033,123.49). The deficit in unrestricted net position is primarily due to accounting treatment for compensated absences payable, GASB 68 net pension liability, and the last 2 state aid payments. In addition, state statutes prohibit school districts from maintaining more than 4% of its adopted budget as unassigned fund balance.

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

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

| | |
|---|---|
| Unrestricted Net Position (With GASB 68) | $ (3,033,123.49) |
| Add back: PERS Pension Liability | 1,491,681.00 |
| Less: Deferred Outflows related to pensions | (193,295.00) |
| Add back: Deferred Inflows related to pensions | 1,571,932.00 |
| Unrestricted Net Position (Without GASB 68) | $ (162,805.49) |

**Business-type Activities**

During the fiscal year 2022, the net position of business-type activities increased by $72,210.72 or 22.9%.

The assets and deferred outflows of the business-type activities exceeded liabilities and deferred inflows by $387,066.68.

**General Fund Budgeting Highlights**

Final budgeted revenues were $15,917,240.00, which was the same as the original budget. Excluding non-budgeted revenues, the School District's actual revenues exceeded budgeted revenues by $342,060.53.

Final budgeted appropriations were $18,328,142.54, which was an increase of $1,371,494.54 from the original budget. Excluding non-budgeted revenues, the School District's budget appropriations exceeded actual expenditures by $2,878,365.86.

The School District's general fund balance – budgetary basis (Exhibit C-1) was $7,564,961.37 at June 30, 2022, an increase of $809,523.85 from the prior year.

**Governmental Funds**

At the end of the current fiscal year, the School District's governmental funds reported a combined ending fund balance of $7,043,006.18, an increase of $708,270.72 from the prior year.

*General fund* - During the current fiscal year, the fund balance of the School District's general fund increased by $717,279.85 to $6,978,258.37 at June 30, 2022, compared to an increase of $2,515,916.74 in fund balance in the prior fiscal year.

*Special revenue fund* – During the current fiscal year, the fund balance of the School District's special revenue fund decreased by $(6,270.21) to $66,747.33 at June 30, 2022 compared to an increase of $342.98 in fund balance in the prior fiscal year.

*Debt service fund* – During the current fiscal year, the fund balance of the School District's debt service fund decreased by $(2,738.92) to $0.48 at June 30, 2022 compared to no change in fund balance in the prior fiscal year.

## Proprietary Funds

*Food service fund* - During the current fiscal year, the net position of the School District's food service fund increased by $72,210.72 to $387,066.68 at June 30, 2022, compared to an increase of $11,656.32 in fund balance in the prior fiscal year.

## Capital Assets

The School District's capital assets for its governmental and business-type activities as of June 30, 2022, totaled $8,862,201.32 (net of accumulated depreciation). This investment in capital assets includes land, land improvements, buildings and improvements and equipment. There was a net increase in the School District's investment in capital assets for the current fiscal year in the amount of $238,863.99. This increase is primarily due to the current year additions and pay down of debt being greater than depreciation on capital assets. Table 4 shows fiscal 2022 balances compared to 2021.

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

| Capital Assest (Net of Depreciation): | June 30, 2022 | June 30, 2021 | Increase/ (Decrease) | Percentage Change |
|---|---|---|---|---|
| Land | $ 2.00 | $ 2.00 | $ - | 0.0% |
| Land Improvements | 15,376.28 | 17,680.18 | (2,303.90) | -13.0% |
| Building and Improvements | 7,854,251.36 | 8,233,815.57 | (379,564.21) | -4.6% |
| Equipment | 992,571.68 | 702,117.17 | 290,454.51 | 41.4% |
| | $ 8,862,201.32 | $ 8,953,614.92 | $ (91,413.60) | -1.0% |

Net depreciation expense for the year was $471,419.62. Additional information on the School District's capital assets can be found in the notes to the basic financial statements (Note 5) of this report.

## Debt Administration

**Long-term debt –** At the end of the current fiscal year, the School District had total bonded debt outstanding of $2,820,000.00, which is a decrease of $285,000 from the prior year.

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

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

The following factors were considered and incorporated into the preparation of the School District's budget for the 2022-2023 school year.

- Stratford is not immune to the financial issues that continue to be one of the top national issues. This issue is seen in Stratford by in the consistent increase in the number of students eligible for free or reduced meals. The number of homes for sale and in foreclosure in Stratford have seen a small decline. The district has also noticed an increase in the number of families moving back with family members for financial reasons. The number of families who are homeless under the McKinney-Vento Act continues to be a very small number for the school district compared to other districts in Camden County.
- With election now taking place in November, there is no vote on the budget as long as the tax levy increase is at or under 2%, in addition to any used of Banked CAP, as allowed by law. As such, it was submitted to the ECS for approval.
- The food service program fund balance remains stable due to the well run program through Nutri Serve Food Management. The number of students who qualify for free and reduced meals continues to increase. Breakfast programs offered at both Parkview and Yellin have seen an increase in participation.

**Contacting the School Districts Financial Management**

This financial report is designed to provide a general overview of the School District's finances for all those with an interest in the School District. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Ms. Debra Trasatti, Business Administrator at the address below or visit our website at www.stratfordk12.org

Stratford Borough School District
111 Warwick Road
Stratford NJ, 08084
856-784-2917

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# BASIC FINANCIAL STATEMENTS

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A. Government-Wide Financial Statements

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EXHIBIT A-1

**STRATFORD BOROUGH SCHOOL DISTRICT**
**STATEMENT OF NET POSITION**
**JUNE 30, 2022**

| ASSETS | GOVERNMENTAL ACTIVITIES | BUSINESS-TYPE ACTIVITIES | TOTAL |
|---|---|---|---|
| Cash & Cash Equivalents | $ 3,838,307.84 | $ 262,923.48 | $ 4,101,231.32 |
| Receivables, Net (Note 4) | 2,271,919.93 | 30,262.13 | 2,302,182.06 |
| Internal Balances | 11,278.59 | (11,278.59) | - |
| Inventory | - | 11,796.92 | 11,796.92 |
| Other Current Assets | 57,375.96 | - | 57,375.96 |
| Restricted Cash & Cash Equivalents | 1,125,009.70 | - | 1,125,009.70 |
| Capital Assets, Net (Note 5) | | | |
| Non-Depreciable | 2.00 | - | 2.00 |
| Depreciable | 8,760,137.23 | 102,062.09 | 8,862,199.32 |
| Total Assets | 16,064,031.25 | 395,766.03 | 16,459,797.28 |
| DEFERED OUTFLOWS OF RESOURCES | | | |
| Related to Pensions (Note 8) | 193,295.00 | - | 193,295.00 |
| Related to Loss on Debt Refunding | 38,346.64 | - | 38,346.64 |
| Total Deferred Outflows of Resources | 231,641.64 | - | 231,641.64 |
| Total Assets and Deferred Outflows of Resources | 16,295,672.89 | 395,766.03 | 16,691,438.92 |
| LIABILITIES | | | |
| Accounts Payable | 161,263.51 | - | 161,263.51 |
| Accrued Interest on Debt | 56,208.33 | - | 56,208.33 |
| Prepaid Lunches | - | 8,699.35 | 8,699.35 |
| Unearned Revenue | 99,622.33 | - | 99,622.33 |
| Due to Other Governments | 162,000.00 | - | 162,000.00 |
| Noncurrent Liabilities (Note 7): | | | |
| Due Within One Year | 350,691.25 | - | 350,691.25 |
| Due Beyond One Year | 4,628,636.54 | - | 4,628,636.54 |
| Total Liabilities | 5,458,421.96 | 8,699.35 | 5,467,121.31 |
| DEFERED INFLOWS OF RESOURCES | | | |
| Related to Pensions (Note 8) | 1,571,932.00 | - | 1,571,932.00 |
| Total Deferred Inflows of Resources | 1,571,932.00 | - | 1,571,932.00 |
| Total Liabilities and Deferred Inflows of Resources | 7,030,353.96 | 8,699.35 | 7,039,053.31 |
| NET POSITION | | | |
| Net Investments in Capital Assets | 5,619,422.81 | 102,062.09 | 5,721,484.90 |
| Restricted For: | | | |
| Debt Service | 0.48 | - | 0.48 |
| Capital Reserve | 846,580.00 | - | 846,580.00 |
| Maintenance Reserve | 212,147.29 | - | 212,147.29 |
| New Jersey Unemployment Trust Reserve | 66,282.41 | - | 66,282.41 |
| Student Activities | 64,747.33 | - | 64,747.33 |
| Excess Surplus | 5,489,262.10 | - | 5,489,262.10 |
| Unrestricted (Deficit) | (3,033,123.49) | 285,004.59 | (2,748,118.90) |
| Total Net Position | $ 9,265,318.93 | $ 387,066.68 | $ 9,652,385.61 |

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

EXHIBIT A-2

**STRATFORD BOROUGH SCHOOL DISTRICT**
**STATEMENT OF ACTIVITIES**
**FOR THE YEAR ENDED JUNE 30, 2022**

| FUNCTIONS/PROGRAMS | EXPENSES | PROGRAM REVENUES: CHARGES FOR SERVICES | PROGRAM REVENUES: OPERATING GRANTS & CONTRIBUTIONS | NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION: GOVERNMENTAL ACTIVITIES | NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION: BUSINESS-TYPE ACTIVITIES | TOTAL |
|---|---|---|---|---|---|---|
| Governmental Activities: | | | | | | |
| Instruction: | | | | | | |
| Regular | $ 5,522,502.13 | $ - | $ 1,339,206.40 | $ (4,183,295.73) | $ - | $ (4,183,295.73) |
| Special Education | 2,179,621.38 | - | - | (2,179,621.38) | - | (2,179,621.38) |
| Basic Skill/Remedial Instruction | 528,822.28 | - | - | (528,822.28) | - | (528,822.28) |
| Other Instruction | 109,320.65 | - | - | (109,320.65) | - | (109,320.65) |
| Support Services & Undistributed Costs: | | | | | | |
| Tuition | 379,857.40 | - | - | (379,857.40) | - | (379,857.40) |
| Student & Instruction Related Services | 1,935,119.64 | - | 176,625.97 | (1,758,493.67) | - | (1,758,493.67) |
| School Administrative Services | 444,303.23 | - | - | (444,303.23) | - | (444,303.23) |
| General & Business Administrative Services | 787,379.76 | - | - | (787,379.76) | - | (787,379.76) |
| Plant Operations & Maintenance | 1,606,051.64 | - | - | (1,606,051.64) | - | (1,606,051.64) |
| Pupil Transportation | 395,822.45 | - | - | (395,822.45) | - | (395,822.45) |
| Unallocated Benefits | 4,986,222.61 | - | 2,998,698.70 | (1,987,523.91) | - | (1,987,523.91) |
| Interest ond Charges on Long-Term Debt | 118,679.39 | - | - | (118,679.39) | - | (118,679.39) |
| Transfer to Charter Schools | 13,951.00 | - | - | (13,951.00) | - | (13,951.00) |
| Unallocated Depreciation | 456,992.68 | - | - | (456,992.68) | - | (456,992.68) |
| Total Governmental Activities | 19,464,646.24 | - | 4,514,531.07 | (14,950,115.17) | - | (14,950,115.17) |
| Business-Type Activities: | | | | | | |
| Food Service | 414,841.87 | 5,068.75 | 481,983.84 | - | 72,210.72 | 72,210.72 |
| Total Business - Type Activities | 414,841.87 | 5,068.75 | 481,983.84 | - | 72,210.72 | 72,210.72 |
| Total Primary Government | 19,879,488.11 | 5,068.75 | 4,996,514.91 | (14,950,115.17) | 72,210.72 | (14,877,904.45) |
| General Revenues: | | | | | | |
| Taxes: | | | | | | |
| Property Taxes, Levied for General Purposes | | | | 7,549,415.00 | - | 7,549,415.00 |
| Taxes Levied for Debt Service | | | | 422,861.08 | - | 422,861.08 |
| Federal & State Aid Not Restricted | | | | 6,062,140.72 | - | 6,062,140.72 |
| Tuition Received | | | | 2,108,786.95 | - | 2,108,786.95 |
| Miscellaneous Income | | | | 440,443.65 | - | 440,443.65 |
| Total General Revenues & Transfers | | | | 16,583,647.40 | - | 16,583,647.40 |
| Change In Net Position | | | | 1,633,532.23 | 72,210.72 | 1,705,742.95 |
| Net Position - Beginning | | | | 7,631,786.70 | 314,855.96 | 7,946,642.66 |
| Net Position - Ending | | | | $ 9,265,318.93 | $ 387,066.68 | $ 9,652,385.61 |

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

B. Fund Financial Statements

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Governmental Funds

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EXHIBIT B-1

**STRATFORD BOROUGH SCHOOL DISTRICT**
**GOVERNMENTAL FUNDS**
**BALANCE SHEET**
**JUNE 30, 2022**

| | GENERAL FUND | SPECIAL REVENUE FUND | DEBT SERVICE FUND | TOTAL |
|---|---|---|---|---|
| Assets: | | | | |
| Cash & Cash Equivalents | $ 4,333,213.46 | $ - | $ 0.48 | $ 4,333,213.94 |
| Receivables: | | | | |
| State | 222,861.98 | - | - | 222,861.98 |
| Federal | 1,506.90 | 915,133.52 | - | 916,640.42 |
| Other | 1,132,417.53 | - | - | 1,132,417.53 |
| Due from Other Funds | 120,122.84 | - | - | 120,122.84 |
| Other Assets | 57,375.96 | - | - | 57,375.96 |
| Restricted Cash & Cash Equivalents | 1,125,009.70 | - | - | 1,125,009.70 |
| Total Assets | $ 6,992,508.37 | $ 915,133.52 | $ 0.48 | $ 7,907,642.37 |
| Liabilities & Fund Balances: | | | | |
| Liabilities: | | | | |
| Cash Deficit | $ - | $ 494,906.10 | $ - | $ 494,906.10 |
| Accounts Payable | - | 68,850.00 | - | 68,850.00 |
| Intergovernmental Payable - State | - | 92,413.51 | - | 92,413.51 |
| Interfund Payable | - | 108,844.25 | - | 108,844.25 |
| Unearned Revenue | 14,250.00 | 85,372.33 | - | 99,622.33 |
| Total Liabilities | 14,250.00 | 850,386.19 | - | 864,636.19 |
| Fund Balances: | | | | |
| Restricted for: | | | | |
| Capital Reserve Account | 846,580.00 | - | - | 846,580.00 |
| Maintenance Reserve | 212,147.29 | - | - | 212,147.29 |
| Unemployment Compensation | 66,282.41 | - | - | 66,282.41 |
| Student Activities | - | 64,747.33 | - | 64,747.33 |
| Excess Surplus | 2,827,538.21 | - | - | 2,827,538.21 |
| Excess Surplus - Prior Year Designated for Subsequent Year's Expenditures | 2,661,723.89 | - | - | 2,661,723.89 |
| Debt Service Fund | - | - | 0.48 | 0.48 |
| Committed to: | | | | |
| Other Purposes | 256,947.50 | - | - | 256,947.50 |
| Unassigned Fund Balance: | | | | |
| General Fund | 107,039.07 | - | - | 107,039.07 |
| Total Fund Balances | 6,978,258.37 | 64,747.33 | 0.48 | 7,043,006.18 |
| Total Liabilities & Fund Balances | $ 6,992,508.37 | $ 915,133.52 | $ 0.48 | |

| | |
|---|---|
| Amounts reported for *governmental activities* in the statement of net position (A-1) are different because: | |
| Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is $17,808,156.85 and the accumulated depreciation is $9,048,017.62. | 8,760,139.23 |
| Deferred outflows and inflows of resources related to pensions and deferred charges or credits on debt refunding are applicable to future reporting periods and therefore are not reported in the funds. | |
| Deferred Outflows related to pensions | 193,295.00 |
| Deferred Inflows related to pensions | (1,571,932.00) |
| Deferred Outflows Related to the Loss on Bond Refunding of Debt | 38,346.64 |
| Long-term liabilities, including net pension liability and bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds. | (4,979,327.79) |
| Accrued pension contributions for the June 30, 2022 plan year are not paid with current economic resources and are therefore not reported as a liability in the funds, but are included in accounts payable in the government-wide statement of net position. | (162,000.00) |
| Accrued interest on long-term debt is not due and payable in the current period and therefore is not reported as a liability in the funds. | (56,208.33) |
| Net position of Governmental Activities | $ 9,265,318.93 |

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

EXHIBIT B-2

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

| | GENERAL FUND | SPECIAL REVENUE FUND | DEBT SERVICE FUND | TOTAL |
|---|---|---|---|---|
| Revenues: | | | | |
| Local Sources: | | | | |
| Local Tax Levy | $ 7,549,415.00 | $ - | $ 422,861.08 | $ 7,972,276.08 |
| Tuition Charges | 2,108,786.95 | - | - | 2,108,786.95 |
| Miscellaneous | 395,772.47 | 44,671.18 | - | 440,443.65 |
| Total Local Sources | 10,053,974.42 | 44,671.18 | 422,861.08 | 10,521,506.68 |
| State Sources | 9,514,808.70 | 374,531.50 | - | 9,889,340.20 |
| Federal Sources | 7,518.11 | 1,090,359.48 | - | 1,097,877.59 |
| Total Revenues | 19,576,301.23 | 1,509,562.16 | 422,861.08 | 21,508,724.47 |
| Expenditures: | | | | |
| Current: | | | | |
| Regular Instruction | 4,183,295.73 | 1,339,206.40 | - | 5,522,502.13 |
| Special Education Instruction | 2,179,621.38 | - | - | 2,179,621.38 |
| Basic Skills/Remedial - Instruction | 528,822.28 | - | - | 528,822.28 |
| Other Instruction | 109,320.65 | - | - | 109,320.65 |
| Support Services & Undistributed Costs: | | | | |
| Tuition | 379,857.40 | - | - | 379,857.40 |
| Student & Instruction Related Services | 1,758,493.67 | 176,625.97 | - | 1,935,119.64 |
| School Administrative Services | 444,303.23 | - | - | 444,303.23 |
| General & Business Administrative Services | 787,379.76 | - | - | 787,379.76 |
| Plant Operations & Maintenance | 1,606,051.64 | - | - | 1,606,051.64 |
| Pupil Transportation | 395,822.45 | - | - | 395,822.45 |
| Unallocated Benefits | 2,657,657.13 | - | - | 2,657,657.13 |
| On Behalf TPAF Pension and Social Security Contributions | 3,409,244.70 | - | - | 3,409,244.70 |
| Capital Outlay | 377,093.36 | - | - | 377,093.36 |
| Debt Service: | | | | |
| Principal | - | - | 285,000.00 | 285,000.00 |
| Interest & Other Charges | 28,107.00 | - | 140,600.00 | 168,707.00 |
| Total Expenditures | 18,845,070.38 | 1,515,832.37 | 425,600.00 | 20,786,502.75 |
| Excess/(Deficiency) of Revenues Over/ (Under) Expenditures | 731,230.85 | (6,270.21) | (2,738.92) | 722,221.72 |
| Other Financing Sources/(Uses): | | | | |
| Transfer to Charter Schools | (13,951.00) | - | - | (13,951.00) |
| Total Other Financing Sources & Uses | (13,951.00) | - | - | (13,951.00) |
| Net Change in Fund Balances | 717,279.85 | (6,270.21) | (2,738.92) | 708,270.72 |
| Fund Balance, July 1 | 6,260,978.52 | 71,017.54 | 2,739.40 | 6,334,735.46 |
| Fund Balance - June 30 | $ 6,978,258.37 | $ 64,747.33 | $ 0.48 | $ 7,043,006.18 |

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

**STRATFORD BOROUGH SCHOOL DISTRICT**
**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) | | $ 708,270.72 |
| 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. When capital outlays and other adjustments exceed depreciation, the difference is an addition in the reconcilation (+); when depreciation and other adjustments exceed capital outlays the difference is a reduction to the reconcilation (-) | | |
| Depreciation Expense | $ (456,992.68) | |
| Capital Outlays | 377,093.36 | (79,899.32) |
| Governmental funds report School District pension contributions as expenditures. However in the statement of activities, the cost of pension benefits earned is reported as pension expense. This is the amount by which pension benefits earned exceeded the School District's pension contributions in the current period. | | 603,738.98 |
| Repayment of long-term debt principal and obligation of lease purchase agreements are an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is not reported in the statement of activities. | | |
| Serial Bonds | | 285,000.00 |
| Governmental funds report the effect of premiums, and similar items when debt is first issues, whereas these amounts are deferred and amortized in the statement of activities. The net effect of these transactions is as follows: | | |
| Prior Year | 365,994.01 | |
| Current Year | (320,716.40) | 45,277.61 |
| In the statement of activities, interest on long-term debt in the statement of activities is accrued, regardless of when due. In the governmental funds, interest is reported when due. The accrued interest is an addition in the reconciliation (+). | | 4,750.00 |
| In the statement of activities, certain operating expenses, e.g., compensated absences (vacations) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is reduction in the reconciliation (-); when the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+). | | 66,394.24 |
| Change in Net Position of Governmental Activities | | $ 1,633,532.23 |

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

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Proprietary Funds

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EXHIBIT B-4

**STRATFORD BOROUGH SCHOOL DISTRICT**
**PROPRIETARY FUNDS**
**STATEMENT OF NET POSITION**
**JUNE 30, 2022**

| ASSETS | BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS FOOD SERVICE | TOTAL |
|---|---|---|
| Current Assets: | | |
| Cash & Cash Equivalents | $ 262,923.48 | $ 262,923.48 |
| Accounts Receivable | | |
| State | 517.34 | 517.34 |
| Federal | 29,744.79 | 29,744.79 |
| Inventories | 11,796.92 | 11,796.92 |
| Total Current Assets | 304,982.53 | 304,982.53 |
| Noncurrent Assets: | | |
| Furniture, Machinery & Equipment | 308,401.06 | 308,401.06 |
| Less: Accumulated Depreciation | (206,338.97) | (206,338.97) |
| Total Noncurrent Assets | 102,062.09 | 102,062.09 |
| Total Assets | 407,044.62 | 407,044.62 |
| LIABILITIES | | |
| Current Liabilities: | | |
| Unearned Revenue | 8,699.35 | 8,699.35 |
| Interfund Payable | 11,278.59 | 11,278.59 |
| Total Liabilities | 19,977.94 | 19,977.94 |
| NET POSITION | | |
| Net Investments in Capital Assets | 102,062.09 | 102,062.09 |
| Unrestricted | 285,004.59 | 285,004.59 |
| Total Net Position | $ 387,066.68 | $ 387,066.68 |

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

EXHIBIT B-5

**STRATFORD BOROUGH SCHOOL DISTRICT**
**PROPRIETARY FUNDS**
**COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**
**AS OF JUNE 30, 2022**

| | BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS | |
|---|---|---|
| | FOOD SERVICE | TOTAL |
| Operating Revenues: | | |
| Charges for Services: | | |
| Daily Sales - Nonreimbursable Programs | $ - | $ - |
| Miscellaneous | 5,068.75 | 5,068.75 |
| Total Operating Revenues | 5,068.75 | 5,068.75 |
| Operating Expenses: | | |
| Salaries & Benefits | 158,621.55 | 158,621.55 |
| Supplies & Materials | 42,835.33 | 42,835.33 |
| Cost of Sales - Reimburseable Programs | 144,535.75 | 144,535.75 |
| Depreciation | 14,426.94 | 14,426.94 |
| Purchaed Professional Services | 44,232.80 | 44,232.80 |
| Miscellaneous | 10,189.50 | 10,189.50 |
| Total Operating Expenses | 414,841.87 | 414,841.87 |
| Operating Income/(loss) | (409,773.12) | (409,773.12) |
| Nonoperating Revenues/(Expenses): | | |
| State Sources: | | |
| State School Lunch Program | 7,980.96 | 7,980.96 |
| Federal Sources: | | |
| National School Lunch Program | 339,666.49 | 339,666.49 |
| National School Breakfast Program | 94,552.11 | 94,552.11 |
| Emergency Operational Cost Reimbursement | 14,879.99 | 14,879.99 |
| Pandemic EBT Admin Cost Reimbursement | 1,242.00 | 1,242.00 |
| Food Distribution Program | 23,490.02 | 23,490.02 |
| Interest & Investment Revenue | 172.27 | 172.27 |
| Total Nonoperating Revenues/(Expenses) | 481,983.84 | 481,983.84 |
| Income/(Loss) Before Contributions & Transfers | 72,210.72 | 72,210.72 |
| Change in Net Position | 72,210.72 | 72,210.72 |
| Total Net Position - Beginning | 314,855.96 | 314,855.96 |
| Total Net Position - Ending | $ 387,066.68 | $ 387,066.68 |

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

**STRATFORD BOROUGH SCHOOL DISTRICT**
**PROPRIETARY FUNDS**
**COMBINING STATEMENT OF CASH FLOWS**
**AS OF JUNE 30, 2022**

| | BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS | |
|---|---|---|
| | FOOD SERVICE | TOTAL |
| Cash Flows From Operating Activities: | | |
| Receipts from Customers | $ 194.36 | $ 194.36 |
| Payments to Employees | (158,621.55) | (158,621.55) |
| Payments to Suppliers | (237,510.69) | (237,510.69) |
| Net Cash Provided/(Used) by Operating Activities | (395,937.88) | (395,937.88) |
| Cash Flows From Noncapital Financing Activities: | | |
| State & Federal Sources | 453,041.50 | 453,041.50 |
| Net Cash Provided/(Used) by Noncapital Financing Activities | 453,041.50 | 453,041.50 |
| Cash Flows From Investing Activities: | | |
| Net Cash Provided/(Used) by Investing Activities | 172.27 | 172.27 |
| Net Cash Provided/(Used) by Investing Activities | 172.27 | 172.27 |
| Cash Flows from Capital Financing Activities: | | |
| Purchase of Capital Assets | (2,912.66) | (2,912.66) |
| Net Cash Used by Capital Financing Activities | (2,912.66) | (2,912.66) |
| Net Increase/(Decrease) in Cash & Cash Equivalents | 54,363.23 | 54,363.23 |
| Balances - Beginning of Year | 208,560.25 | 208,560.25 |
| Balances - End of Year | $ 262,923.48 | $ 262,923.48 |

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

| | | |
|---|---|---|
| Operating Income/(Loss) | $ (409,773.12) | $(409,773.12) |
| Adjustments to Reconcile Operating Income/(Loss) to Net Cash Provided/(Used) by Operating Activities: | | |
| Depreciation & Net Amortization | 14,426.94 | 14,426.94 |
| Changes in Assets & Liabilities: | | |
| (Increase)/Decrease in Inventories | 4,282.69 | 4,282.69 |
| Increase/(Decrease) in Current Liabilities | (4,874.39) | (4,874.39) |
| Total Adjustments | 13,835.24 | 13,835.24 |
| Net Cash Provided/(Used) by Operating Activities | $ (395,937.88) | $(395,937.88) |

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

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**STRATFORD BOROUGH SCHOOL DISTRICT**

**NOTES TO THE FINANCIAL STATEMENTS**
**JUNE 30, 2022**

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## Note 1. Summary of Significant Accounting Policies

The financial statements of the Board of Education of Borough of Stratford School District (the 'District") have been prepared in conformity with generally accepted accounting principles (GAAP) as prescribed by the Governmental Accounting Standards Board (GASB). The following is a summary of more significant accounting policies.

### Reporting Entity

The Borough of Stratford School District (hereafter referred to as the "District") is a Type II district located in the County of Camden, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education. The Board is comprised of nine members elected to three-year terms. These terms are staggered so that three members' terms expire each year. The Superintendent is appointed by the Board to act as executive officer of the School District. The purpose of the School District is to educate students in grades K through 8 at its two schools. Students in grades 9 through 12 attend the Sterling High School District. In addition, the School District provides educational services for students received on a tuition basis in grades 7 and 8 from the Laurel Springs School District and in grades Pre-K through 8 from the Hi-Nella School District. Currently, the Laurel Springs School District has a representative who serves on the Stratford Board of Education. Board of Education representatives from the sending district are determined by the executive county superintendent based on enrollment totals. The District has an approximate enrollment at June 30, 2022 of 879 students.

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

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

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

### Component Units

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

### Government-Wide Financial Statements

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

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

Activities for the District accompanied by a total column. Fiduciary activities of the District are not included in these statements.

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

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

**Governmental Fund Financial Statements**

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

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

**Proprietary Fund Financial Statements**

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

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

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

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

**Fiduciary Fund Financial Statements**

Fiduciary fund financial statements include a Statement of Net Position. The District's fiduciary funds are Agency Funds, which are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The Agency funds are accounted for on a spending or "economic resources" measurement focus and the accrual basis of accounting as are the proprietary funds explained above.

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

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

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

While government-wide and fund financial statements are presented separately, they are interrelated. The governmental activities column of the government wide statements incorporates data from governmental funds and internal service funds, while business-type activities incorporate data from the District's enterprise funds. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds. However, data from the fiduciary funds is not incorporated in the government-wide financial statements

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

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

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

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

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

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

The District reports the following major governmental funds:

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

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

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

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

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

**Capital Projects Fund** - The capital projects fund is used to account for all financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds). The District currently has no activity in this fund.

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

The District reports the following major proprietary funds:

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

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

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as internal balances in the business-type activities column.

**Budgets/Budgetary Control**

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

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

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

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

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

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

**Encumbrances**

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

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

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

**Cash and Cash Equivalents**

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

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

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

Additionally, the District has adopted a cash management plan that requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect Governmental Units from loss of funds on deposit with a failed banking institution in New Jersey.

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

**Tuition Payable/Receivable**

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

**Inventories**

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

**Interfund Receivables/Payables**

Interfund receivables/payables represent amounts that are owed, other than charges for goods or services rendered to/from a particular fund in the District and that are due within one year. The amounts are eliminated in the governmental and business-type activities, which are presented as Internal Balances. Balances with fiduciary funds are not considered Internal Balances; therefore those balances are reported on the Statement of Net Position.

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

**Capital Assets**

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

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

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

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

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

**Compensated Absences**

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

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

**Unearned Revenue**

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

**Accrued Liabilities and Long-Term Obligations**

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

**Accounting Estimates**

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

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

**Interfund Activity**

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

**Fund Balance**

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

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

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

- Committed – This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Board of Education. These amounts cannot be used for any other purpose unless the Board of Education removes or changes the specified use by taking the same type of action (resolution) that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements. The School Board did not have any committed resources as of June 30, 2022.

- Assigned – This classification includes amounts that are constrained by the School District's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the Board of Education or through the Board of Education delegating this responsibility to the business administrator through the budgetary process. This classification also includes the remaining positive fund balance for all governmental funds except for the General Fund.

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

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

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

**Net Position**

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

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

**Impact of Recently Issued Accounting Principles**

Adopted Accounting Pronouncements

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

Statement No. 87, *Leases*. Statement No. 87 establishes a single approach to accounting for and reporting leases by state and local governments. The GASB based the new standard on the principle that leases are financing of the right to use an underlying asset. Statement No. 87 is effective for reporting periods beginning after June 15, 2021. Management has determined the impact is immaterial to the School District's financial statements.

Recently Issued Accounting Pronouncements

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

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

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

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

**Bond Premiums, Discounts and Issuance Costs**

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

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

**Deferred Loss on Refunding Debt**

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

**Deferred Outflows and Deferred Inflows of Resources**

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

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

**Pensions**

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

## Note 2. Cash Deposits and Investments

### Cash Deposits

Custodial Credit Risk – Custodial credit risk is the risk that, in the event of a bank failure, the Board's deposits may not be recovered. Although the Board does not have a formal policy regarding custodial credit risk, NJSA 17:9-41 et seq. requires that the governmental units shall deposit public funds in public depositories protected from loss under the provisions of GUDPA. Under the Act, the first $250,000.00 of governmental deposits in each insured depository is protected by FDIC. Public fund owned by the Board in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds such as salary withholdings, student activity may pass to the Board relative to the happening of a future condition. Such funds are shown as Uninsured and Uncollateralized in the schedule below. As of June 30, 2022, the District's bank balance of $5,780,125.03 was exposed to custodial credit risk as follows:

| | |
|---|---|
| Insured under FDIC and GUDPA | $ 5,607,662.89 |
| Uninsured and Uncollateralized | 172,462.14 |
| | $ 5,780,125.03 |

### Investments

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

## Note 3. Reserve Accounts

### A. Capital Reserve

A capital reserve account was established by the School District for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

Funds placed in the capital reserve account are restricted to capital projects in the School District's approved Long Range Facilities Plan (LRFP). Upon submission of the LRFP to the department, a School District may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes or by transfer by board resolution at year-end (June 1 to June 30) of any unanticipated revenue or unexpended line-item appropriation amounts, or both. A School District may also appropriate additional amounts when the express approval of the voters has been obtained either by a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant *N.J.S.A.19:60-2*. Pursuant to *N.J.A.C.6:23A-14.1(g),* the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

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

| | |
|---|---|
| Balance, June 30, 2022 and 2021 | $ 846,580.00 |

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

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

**B. Maintenance Reserve Account**

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

Funds placed in the maintenance reserve account are restricted to maintenance projects in the District's approved Maintenance Plan (M-1). A district may increase the balance in the maintenance 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.

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

| | |
|---|---|
| Balance, June 30, 2022 and 2021 | $ 212,147.29 |

**Note 4. Accounts Receivable**

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

| | Governmental Funds | | | Proprietary Funds | |
|---|---|---|---|---|---|
| Description | General Fund | Special Revenue Fund | Total Governmental Activities | Food Service Fund | Total Business-Type Activities |
| Federal Awards | $ 1,506.90 | $ 915,133.52 | $ 916,640.42 | $ 29,744.79 | $ 29,744.79 |
| State Awards | 222,861.98 | - | 222,861.98 | 517.34 | 517.34 |
| Other | 1,132,417.53 | - | 1,132,417.53 | - | - |
| Total | $ 1,356,786.41 | $ 915,133.52 | $ 2,271,919.93 | $ 30,262.13 | $ 30,262.13 |

## Note 5. Capital Assets

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

| | Balance July 1, 2021 | Additions | Retirements and Transfers | Balance June 30, 2022 |
|---|---|---|---|---|
| **Governmental Activities:** | | | | |
| Capital assets not being depreciated: | | | | |
| Land | $ 2.00 | $ - | $ - | $ 2.00 |
| Total Capital Assets not being depreciated | 2.00 | - | - | 2.00 |
| Capital Assets being depreciated: | | | | |
| Land Improvements | 387,807.00 | - | - | 387,807.00 |
| Buildings and Improvements | 15,060,352.45 | - | - | 15,060,352.45 |
| Equipment | 1,982,902.04 | 377,093.36 | - | 2,359,995.40 |
| Total Capital Assets being depreciated | 17,431,061.49 | 377,093.36 | - | 17,808,154.85 |
| Less: Accumulated Depreciation: | | | | |
| Buildings and Improvements | (370,126.82) | (2,303.90) | - | (372,430.72) |
| Land Improvments | (6,826,536.88) | (379,564.21) | - | (7,206,101.09) |
| Equipment | (1,394,361.24) | (75,124.57) | - | (1,469,485.81) |
| Total Accumulated Depreciation | (8,591,024.94) | (456,992.68) | - | (9,048,017.62) |
| Total Capital Assets being depreciated, net | 8,840,036.55 | (79,899.32) | - | 8,760,137.23 |
| Total Governmental Activities Capital Assets, net | $ 8,840,038.55 | $ (79,899.32) | $ - | $ 8,760,139.23 |

| | Balance July 1, 2021 | Additions | Retirements and Transfers | Balance June 30, 2022 |
|---|---|---|---|---|
| **Business-Type Activities:** | | | | |
| Equipment | $ 305,488.40 | $ 2,912.66 | $ - | $ 308,401.06 |
| | 305,488.40 | 2,912.66 | - | 308,401.06 |
| Less: Accumulated Depreciation: | | | | |
| Equipment | (191,912.03) | (14,426.94) | - | (206,338.97) |
| | (191,912.03) | (14,426.94) | - | (206,338.97) |
| Total Business-Type Activities Capital Assets, net | $ 113,576.37 | $ (11,514.28) | $ - | $ 102,062.09 |

## Note 6. Interfund Receivables, Payables and Transfers

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

| Fund | Interfund Receivables | Interfund Payables |
|---|---|---|
| General Fund | $ 120,122.84 | $ - |
| Special Revenue Fund | - | 108,844.25 |
| Food Service Fund | - | 11,278.59 |
| | $ 120,122.84 | $ 120,122.84 |

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

## Note 7. Long-Term Obligations

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

| | Balance July 1, 2021 | Additions | Reductions | Balance June 30, 2022 | Balance Due Within One Year |
|---|---|---|---|---|---|
| Governmental Activities: | | | | | |
| General Obligation Bonds | $ 3,105,000.00 | $ - | $ 285,000.00 | $ 2,820,000.00 | $ 300,000.00 |
| Unamortized Bond Premiums | 409,754.31 | - | 50,691.25 | 359,063.06 | 50,691.25 |
| Compensated Absences | 374,977.97 | - | 66,394.24 | 308,583.73 | - |
| Net Pension Liability | 2,409,237.00 | - | 917,556.00 | 1,491,681.00 | - |
| | $ 6,298,969.28 | $ - | $ 1,319,641.49 | $ 4,979,327.79 | $ 350,691.25 |

For governmental activities, the bonds payable are liquidated from the District's debt service fund. Compensated absences are liquidated by the general fund.

### A. Bonds Payable:

Bonds and loans are authorized in accordance with State law by the voters of the municipality through referendums. All bonds are retired in serial installments within the statutory period of usefulness. Bonds issued by the School District are general obligation bonds and refunding bonds.

On May 5, 2019, the School District issued $3,415,000 Refunding School Bonds. The purpose of the Bonds is to refund the callable portion of the outstanding 2009 Bond Issue. The Refunding Bonds generated $366,000 in gross debt service savings and an economic gain (difference between the present value of the debt service payments of the refunded and refunding bonds) of $292,365.76, or a net annual present value savings of 7.73%. The Refunding Bonds were issued at interest rates varying from 2.00% to 5.00% and mature on August 1, 2029.

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

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

| Fiscal Year Ending June 30, | Principal | Interest | Total |
|---|---|---|---|
| 2023 | $ 300,000.00 | $ 128,900.00 | $ 428,900.00 |
| 2024 | 310,000.00 | 116,700.00 | 426,700.00 |
| 2025 | 325,000.00 | 102,375.00 | 427,375.00 |
| 2026 | 345,000.00 | 85,625.00 | 430,625.00 |
| 2027 | 360,000.00 | 68,000.00 | 428,000.00 |
| 2028-2030 | 1,180,000.00 | 90,250.00 | 1,270,250.00 |
| | $ 2,820,000.00 | $ 591,850.00 | $ 3,411,850.00 |

**Bonds Authorized But Not Issued:**

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

**Note 8. Pension Plans**

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

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

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

The following represents the membership tiers for PERS:

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

Service retirement benefits of 1/55$^{th}$ of final average salary for each year of service credit is available to tiers 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60$^{th}$ of final average salary for each year of service credit is available to tier 4 members upon reaching age 62 and tier 5 members upon reaching age 65. Early retirement benefits are available to tiers 1 and 2 members before reaching age 60, tiers 3 and 4 before age 62 with 25 or more years of service credit and tier 5 with 30 or more years of service credit before age 65. Benefits are reduced by a fraction of a percent for each month that a member retires prior to the age at which a member can receive full early retirement benefits in accordance with their respective tier. Tier 1 members

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

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

can receive an unreduced benefit from age 55 to age 60 if they have at least 25 years of service. Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for the respective tier.

**Contributions -** The contribution policy for PERS is set by *N.J.S.A. 15A* and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid. For fiscal year 2020, the State's pension contribution was less than the actuarial determined amount.

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

**Pension Liability, Pension Expense and Deferred Outflows/Inflows of Resources -** At June 30, 2022, the School District reported a liability of $1,491,681 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2021. The total pension liability used to calculate the net pension liability was determined using update procedures to roll forward the total pension liability from an actuarial valuation as of July 1, 2020, to the measurement date of June 30, 2020. The School District's proportion of the net pension liability was based on the School District's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2021. The School District's proportion measured as of June 30, 2021, was 0.01259%, which was a decrease of 0.00218% from its proportion measured as of June 30, 2020.

For the year ended June 30, 2022, the School District recognized full accrual pension expense/(benefit) of $(456,274) in the government-wide financial statements. This pension expense was based on the pension plans June 30, 2021 measurement date. At June 30, 2022 the School District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

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

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

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|---|---|
| Differences between Expected and Actual Experience | $ 23,526 | $ 10,679 |
| Changes of Assumptions | 7,769 | 531,048 |
| Net Difference between Projected and Actual Earnings on Pension Plan Investments | - | 392,948 |
| Changes in Proportion and Differences between District Contributions and Proportionate Share of Contributions | - | 637,257 |
| School District Contributions Subsequent to Measurement Date | 162,000 | - |
| | $ 193,295 | $ 1,571,932 |

$162,000 reported as deferred outflows of resources resulting from school district contributions subsequent to the measurement date is based on the amount payable to the State due April 1, 2023 and will be recognized as a reduction of the net pension liability in the year ended June 30, 2023. The other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

| Year Ending Dec 31, | Amount |
|---|---|
| 2022 | $ (600,257) |
| 2023 | (428,582) |
| 2024 | (292,220) |
| 2025 | (219,663) |
| 2026 | 86 |
| | $ (1,540,637) |

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

## Note 8. Pension Plans (continued)

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

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

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

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

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

| | |
|---|---|
| Inflation | |
| Price | 2.75% |
| Wage | 3.25% |
| Salary Increases: | |
| Through 2026 | 2.00 - 6.00% Based on Years of Service |
| Thereafter | 3.00 - 7.00% Based on Years of Service |
| Investment Rate of Return | 7.00% |
| Mortality Rate Table | Pub-2010 General classification headcount weighted mortality with fully generational mortality improvement projections from the central year using Scale MP-2021 |
| Period of Actuarial Experience Study upon which Actuarial Assumptions were Based | July 1, 2014 - June 30, 2018 |

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

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

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

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

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

| Asset Class | Target Allocation | Long-Term Expected Real Rate of Return |
|---|---|---|
| Risk Mitigation Strategies | 3.00% | 3.35% |
| Cash Equivalents | 4.00% | 0.50% |
| U.S. Treasuries | 5.00% | 0.95% |
| Investment Grade Credit | 8.00% | 1.68% |
| High Yield | 2.00% | 3.75% |
| Private Credit | 8.00% | 7.60% |
| Real Assets | 3.00% | 7.40% |
| Real Estate | 8.00% | 9.15% |
| 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% |

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

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

| | 1% Decrease (6.00%) | Current Discount Rate (7.00%) | 1% Increase (8.00%) |
|---|---|---|---|
| District's Proportionate Share of the Net Pension Liability | $ 2,053,022 | $ 1,491,681 | $ 1,044,700 |

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

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

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

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

| | 6/30/2022 | 6/30/2021 |
|---|---|---|
| Actuarial valuation date (including roll forward) | June 30, 2021 | June 30, 2020 |
| Collective Deferred Outflows of Resources | $ 1,164,738,169 | $ 2,347,583,337 |
| Collective Deferred Inflows of Resources | 8,339,123,762 | 7,849,949,467 |
| Collective Net Pension Liability | 11,972,782,878 | 16,435,616,426 |
| District's portion of the Plan's total Net Pension Liability | 0.012592% | 0.014774% |

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

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

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

The following represents the membership tiers for TPAF:

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

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

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

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

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

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

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

**Pension Liability and Pension Expense** - The State's proportionate share of the TPAF net pension liability, attributable to the School District as of June 30, 2021 was $27,446,432. The School District's proportionate share was $-0-.

The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2020, which was rolled forward to June 30, 2021. The State's proportionate share of the net pension liability associated with the School District was based on projection of the State's long-term contributions to the pension plan associated with the School District relative to the projected contributions by the State associated with all participating school districts, actuarially determined. At June 30, 2021, the State proportionate share of the TPAF net pension liability attributable to the School District was 0.05709%, which was a decrease of 0.00299% from its proportion measured as of June 30, 2020.

For the fiscal year ended June 30, 2021, the School District recognized $645,827 in on-behalf pension expense and revenue in the government-wide financial statements, for the State of New Jersey on-behalf TPAF pension contributions. This pension expense and revenue was based on the pension plans June 30, 2021 measurement date.

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

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

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

| | |
|---|---|
| Inflation | |
| Price | 2.75% |
| Wage | 3.25% |
| | |
| Salary Increases: | |
| Through 2026 | 1.55 - 4.45% Based on Years of Service |
| Thereafter | 2.75 - 5.65% Based on Years of Service |
| | |
| Investment Rate of Return | 7.00% |

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

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

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

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

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

| Asset Class | Target Allocation | Long-Term Expected Real Rate of Return |
|---|---|---|
| Risk Mitigation Strategies | 3.00% | 3.35% |
| Cash Equivalents | 4.00% | 0.50% |
| U.S. Treasuries | 5.00% | 0.95% |
| Investment Grade Credit | 8.00% | 1.68% |
| High Yield | 2.00% | 3.75% |
| Private Credit | 8.00% | 7.60% |
| Real Assets | 3.00% | 7.40% |
| Real Estate | 8.00% | 9.15% |
| 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% |

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

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

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

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

| | 1% Decrease (6.00%) | Current Discount Rate (7.00%) | 1% Increase (8.00%) |
|---|---|---|---|
| School District's Proportionate Share of the Net Pension Liability | $ - | $ - | $ - |
| State of New Jersey's Proportionate Share of Net Pension Liability associated with the School District | 32,473,714 | 27,446,432 | 23,223,831 |
| | $ 32,473,714 | $ 27,446,432 | $ 23,223,831 |

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

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

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

| | 6/30/2022 | 6/30/2021 |
|---|---|---|
| Actuarial valuation date (including roll forward) | June 30, 2021 | June 30, 2020 |
| Collective Deferred Outflows of Resources | $ 6,373,530,834 | $ 9,626,458,228 |
| Collective Deferred Inflows of Resources | 27,363,797,906 | 14,591,988,841 |
| Collective Net Pension Liability | 48,165,991,182 | 65,993,498,688 |
| District's portion of the Plan's total Net Pension Liability | 0.05709% | 0.06008% |

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

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

Individuals eligible for membership in the DCRP include:

- State or local officials who are elected or appointed on or after July 1, 2007;
- Employees enrolled in the Public Employees' Retirement System (PERS) or Teachers' Pension and Annuity Fund (TPAF) on or after July 1, 2007, who earn salary in excess of established "maximum compensation" limits;

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

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

- Employees enrolled in the Police and Firemen's Retirement System (PFRS) or State Police Retirement System (SPRS) after May 21, 2010, who earn salary in excess of established "maximum compensation" limits;

- Employees otherwise eligible to enroll in the PERS or TPAF on or after November 2, 2008, who do not earn the minimum annual salary for PERS or TPAF Tier 3 enrollment but who earn salary of at least $5,000 annually. The minimum salary in 2017 is $8,300 and is subject to adjustment in future years.

- Employees otherwise eligible to enroll in the PERS or TPAF after May 21, 2010, who do not work the minimum number of hours per week required for PERS or TPAF Tier 4 or Tier 5 enrollment but who earn salary of at least $5,000 annually. The minimum number is 35 hours per week for State employees, or 32 hours per week for local government or local educations employees

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

For the year ended June 30, 2021, employee contributions totaled $28,536.65 and the District recognized pension expense of $5,100.

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

**General Information about the OPEB Plan**

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

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

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

**General Information about the OPEB Plan (continued)**

years of pension service credit. The percentage of the premium for which the retiree will be responsible will be determined based on the retiree's annual retirement benefit and level of coverage.

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

**Basis of Presentation**

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

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

**Total Nonemployer OPEB Liability**

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

| | | |
|---|---|---|
| Total Nonemployer OPEB Liability: | $ | 60,007,650,970 |

| | | | | |
|---|---|---|---|---|
| **Inflation Rate:** | 2.5% | | | |
| | | **TPAF/ABP** | **PERS** | **PFRS** |
| Salary Increases: | | | | |
| Through 2026 | | 1.55 - 4.45% based on years of service | 2.00 - 6.00% based on years of service | 3.25 - 15.25% based on years of service |
| Thereafter | | 2.75 - 5.65% based on years of service | 3.00 - 7.00% based on years of service | Not Applicable |

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

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

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

**OPEB Obligation and OPEB Expense -** The State's proportionate share of the total Other Post Employment Benefits Obligations, attributable to the School District as of June 30, 2021 was $37,641,361. The School District's proportionate share was $0.

The OPEB Obligation was measured as of June 30, 2021, and the total OPEB Obligation used to calculate the OPEB Obligation was determined by an actuarial valuation as of July 1, 2020, which was rolled forward to June 30, 2021. The State's proportionate share of the OPEB Obligation associated with the District was based on projection of the State's long-term contributions to the OPEB plan associated with the District relative to the projected contributions by the State associated with all participating school districts, actuarially determined. At June 30, 2021, the State proportionate share of the OPEB Obligation attributable to the School District was 0.06273%, which was a decrease of 0.0016% from its proportion measured as of June 30, 2020.

For the fiscal year ended June 30, 2022, the State of New Jersey recognized an OPEB expense in the amount of $1,836,653 for the State's proportionate share of the OPEB expense attributable to the School District. This OPEB expense was based on the OPEB plans June 30, 2021 measurement date.

**Health Care Trend Assumptions**

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

**Discount Rate**

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

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

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

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

### Sensitivity of Total Nonemployer OPEB Liability to changes in discount rate (continued)

| | June 30, 2021 | | |
|---|---|---|---|
| | At 1% Decrease (1.16%) | At Discount Rate (2.16%) | At 1% Increase (3.16%) |
| State of New Jersey's Proportionate Share of Total OPEB Obligations Associated with the School District | $ 45,088,441 | $ 37,641,361 | $ 31,777,232 |
| State of New Jersey's Total Non- employer Liability | $ 71,879,745,555 | $ 60,007,650,970 | $ 50,659,089,138 |

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

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

| | June 30, 2021 | | |
|---|---|---|---|
| | 1% Decrease | Healthcare Cost Trend Rate * | 1% Increase |
| State of New Jersey's Proportionate Share of Total OPEB Obligations Associated with the School District | $ 30,470,804 | $ 37,641,361 | $ 47,270,889 |
| State of New Jersey's Total Nonemployer OPEB Liability | $ 48,576,388,417 | $ 60,007,650,970 | $ 75,358,991,782 |

* See Healthcare Cost Trend Assumptions for details of rates.

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

**Additional Information**

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

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

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

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

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

**Plan Membership**

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

| | June 30, 2020 |
|---|---|
| Active Plan Members | 213,901 |
| Inactive Plan Members or Beneficiaries Currently Receiving Benefits | 103,014 |
| | 316,915 |

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

**Changes in the Total OPEB Liability**

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

**Total OPEB Liability**

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

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

As previously mentioned, the School District receives on-behalf payments from the State of New Jersey for normal costs and post-retirement medical costs related to the Teachers' Pension and Annuity Fund (TPAF) pension plan. The School District is not legally responsible for these contributions. The on-behalf payments are recorded as revenues and expenditures in the government-wide and general fund financial statements. For the fiscal year ended June 30, 2022, the on-behalf payments for pension, social security, post-retirement medical costs, and long-term disability were $2,345,113.00, $515,598.70, $547,913.00 and $620.00, respectively.

**Note 11. Risk Management**

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

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

**Note 11. Risk Management (continued)**

**New Jersey Unemployment Compensation Insurance** – The District has elected to fund its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method". Under this plan the District is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The District is billed quarterly for amounts due to the State. The following is a summary of School District contributions, reimbursements to the State for benefits paid and the ending balance of the School District's trust fund for the current and previous two years:

| Fiscal Year | School District Contributions | Employee Contributions | Interest Earnings | Amount Reimbursed | Ending Balance |
|---|---|---|---|---|---|
| 2021-2022 | $ - | $ - | $ 172.27 | $ - | $ 66,282.41 |
| 2020-2021 | - | 17,561.87 | - | 10,752.98 | 66,110.14 |
| 2019-2020 | - | 26,093.33 | - | 9,020.36 | 59,301.25 |

**Joint Insurance Fund** – The School District is a member of the New Jersey School Boards Association Insurance Fund. The Fund provides its members with the following coverage:

Property (Including Crime and Auto Physical Damage)
General Liability
Automobile Liability
Workers' Compensation
School Board Legal Liability
Boiler and Machinery
Pollution/Environmental Legal Liability
Cyber Liability

For more information regarding claims, coverages and deductibles, the Fund publishes its own financial report for the year ended December 31, 2019, which can be obtained from:

New Jersey Schools Insurance Group
450 Veterans Drive
Burlington, New Jersey 08016

**Note 12. Contingencies**

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

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

## Note 13. Economic Dependency

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

## Note 14. Deferred Compensation

The School District offers its employees a choice of the following deferred compensation plans created in accordance with Internal Revenue Code Section 403(b) and 457. The plans, which are administered by the entities listed below, permits participants to defer a portion of their salary until future years. Amounts deferred under the plans are not available to employees until termination, retirement, death or unforeseeable emergency. The plan administrators are as follows:

American Fund/Capital Guardian
Ameriprise Financial Services, Inc.
AXA Equitable Life Insurance Companies
ING – Reliastar Life Insurance Co.
Lincoln Investment Planning
MetLife
Siracusa Benefits Program
Vanguard Fiduciary Trust Co.

## Note 15. Compensated Absences

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

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

The liability for vested compensated absences of the governmental fund types is recorded in the statement of net position under governmental activities. The current portion of the compensated absence balance is not considered material to the applicable funds total liabilities, and is therefore not shown separately from the long-term liability balance of compensated absences. The amount at June 30, 2022 is $308,583.73.

## Note 16. Tax Abatements

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

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

## Note 17. Calculation of Excess Surplus

The designation for Restricted Fund Balance – Excess Surplus is a required calculation pursuant to N.J.S.A.18A:7F-7. New Jersey school districts are required to reserve General Fund fund balance at the fiscal year-end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2022 was $2,827,538.21.

## Note 18. Fund Balance

**General Fund** – Of the $6,978,258.37 General Fund fund balance at June 30, 2022, $846,580.00 has been reserved in the Capital Reserve Account; $212,147.29 has been reserved in the Maintenance Reserve Account; $66,282.41 has been restricted for New Jersey Unemployment Trust; $2,827,538.21 restricted for current year excess surplus: $2,661,723.89 is restricted for excess surplus – designated for subsequent year's expenditures: $256,947.50 has been assigned for other purposes and $107,039.07 is unassigned.

**Special Revenue Fund** – Of the $66,747.33 Special Revenue Fund fund balance at June 30, 2022, $66,747.33 is restricted for student activities.

**Debt Service Fund** – Of the $0.48 Debt Service Fund fund balance at June 30, 2022, $0.48 is restricted for future debt service.

## Note 19. Deficit in Net Position

**Unrestricted Net Position** – The School District had a deficit in unrestricted net position in the amount of $(3,033,123.49) at June 30, 2022. The deficit is caused by the implementation of GASB 68 which requires the School District to report their proportionate share of the net pension liability for the Public Employee's Retirement System (PERS) as of June 30, 2022.

## Note 20. Subsequent Events

Management has reviewed and evaluated all events and transactions that occurred between June 30, 2022 and May 1, 2023, the date that the financial statements were available for issuance, for possible disclosure and recognition in the financial statements, and no items have come to the attention of the School District that would require disclosure.

# REQUIRED SUPPLEMENTARY INFORMATION - PART II

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C. Budgetary Comparison Schedules

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**STRATFORD BOROUGH SCHOOL DISTRICT**
**GENERAL FUND**
**BUDGETARY COMPARISON SCHEDULE**
**FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

| | ACCOUNT NUMBERS | JUNE 30, 2022 ORIGINAL BUDGET | BUDGET TRANSFERS | FINAL BUDGET | ACTUAL | VARIANCE FINAL TO ACTUAL FAVORABLE/ (UNFAVORABLE) |
|---|---|---|---|---|---|---|
| Revenues: | | | | | | |
| Local Sources: | | | | | | |
| Local Tax Levy | 10-1210 | $ 7,549,415.00 | $ - | $ 7,549,415.00 | $ 7,549,415.00 | $ - |
| Tuition from LEA's Within State | 10-1320 | - | - | - | 28,642.60 | 28,642.60 |
| Tuition from Other Government Sources Within Sta | 10-1321 | 2,046,666.00 | - | 2,046,666.00 | 2,080,144.35 | 33,478.35 |
| Interest Earned on Capital Reserve | 10-1000 | 100.00 | - | 100.00 | - | (100.00) |
| Interest Earned on Maintenance Reserve | 10-1000 | 100.00 | - | 100.00 | - | (100.00) |
| Miscellaneous | 10-1990 | 214,111.00 | - | 214,111.00 | 395,772.47 | 181,661.47 |
| Total Local Sources | | 9,810,392.00 | - | 9,810,392.00 | 10,053,974.42 | 243,582.42 |
| State Sources: | | | | | | |
| Extraordinary Aid | 10-3000-000-000 | 77,387.00 | - | 77,387.00 | 151,108.00 | 73,721.00 |
| School Choice Aid | 10-3116-000-000 | 215,254.00 | - | 215,254.00 | 215,254.00 | - |
| Categorical Special Education Aid | 10-3132-000-000 | 437,575.00 | - | 437,575.00 | 437,575.00 | - |
| Equalization Aid | 10-3176-000-000 | 5,006,842.00 | - | 5,006,842.00 | 5,006,842.00 | - |
| Categorical Security Aid | 10-3177-000-000 | 137,797.00 | - | 137,797.00 | 137,797.00 | - |
| Categorical Transportation Aid | 10-3121-000-000 | 202,610.00 | - | 202,610.00 | 202,610.00 | - |
| Nonpublic Transportation Aid | 10-3190-000-000 | - | - | - | 2,030.00 | 2,030.00 |
| Securing Our Children's Future Bond Act | 10-3256-000-000 | - | - | - | 44,592.00 | 44,592.00 |
| Nonbudgeted: | | | | | | |
| On-Behalf TPAF Pension Contributions | | - | - | - | 2,345,113.00 | 2,345,113.00 |
| On-Behalf TPAF Medical Contributions | | - | - | - | 547,913.00 | 547,913.00 |
| On-Behalf TPAF Long-Term Disability Insurance | | - | - | - | 620.00 | 620.00 |
| Reimbursed TPAF Social Contributions | | - | - | - | 515,598.70 | 515,598.70 |
| Total State Sources | | 6,077,465.00 | - | 6,077,465.00 | 9,607,052.70 | 3,529,587.70 |
| Federal Sources: | | | | | | |
| Medicaid Reimbursement | 10-4200 | 29,383.00 | - | 29,383.00 | 7,518.11 | (21,864.89) |
| Total Federal Sources | | 29,383.00 | - | 29,383.00 | 7,518.11 | (21,864.89) |
| Total Revenues | | 15,917,240.00 | - | 15,917,240.00 | 19,668,545.23 | 3,751,305.23 |
| Expenditures: | | | | | | |
| Current Expense: | | | | | | |
| Instruction - Regular Programs: | | | | | | |
| Salaries of Teachers: | | | | | | |
| Kindergarten | 11-110-100-101 | 382,895.00 | - | 382,895.00 | 329,952.26 | 52,942.74 |
| Grades 1 - 5 | 11-120-100-101 | 2,083,793.00 | 35,470.00 | 2,119,263.00 | 2,027,715.73 | 91,547.27 |
| Grades 6 - 8 | 11-130-100-101 | 1,260,396.00 | 11,183.00 | 1,271,579.00 | 1,242,310.32 | 29,268.68 |
| Home Instruction: | | | | | | |
| Salaries of Teachers | 11-150-100-101 | 12,000.00 | 14,092.45 | 26,092.45 | 26,092.45 | - |
| Purchased Professional - Educational Services | 11-150-100-320 | 25,000.00 | (12,745.45) | 12,254.55 | 7,722.32 | 4,532.23 |
| Regular Programs - Undistributed Instruction: | | | | | | |
| Purchased Professional - Educational Services | 11-190-100-320 | 2,500.00 | - | 2,500.00 | - | 2,500.00 |
| Other Purchased Services | 11-190-100-500 | 151,915.00 | (10,658.00) | 141,257.00 | 136,716.82 | 4,540.18 |
| General Supplies | 11-190-100-610 | 397,243.00 | 111,561.93 | 508,804.93 | 409,866.35 | 98,938.58 |
| Other Objects | 11-190-100-800 | 2,500.00 | 419.48 | 2,919.48 | 2,919.48 | - |
| Total Regular Programs - Instruction | | 4,318,242.00 | 149,323.41 | 4,467,565.41 | 4,183,295.73 | 284,269.68 |
| Special Education: | | | | | | |
| Learning & Language Disabilities: | | | | | | |
| Salaries of Teachers | 11-204-100-101 | 778,594.00 | (16,547.71) | 762,046.29 | 762,046.29 | - |
| Other Salaries for Instruction | 11-204-100-106 | 56,721.00 | 60,447.41 | 117,168.41 | 116,340.21 | 828.20 |
| Purchased Professional - Educational Services | 11-204-100-320 | 409,500.00 | (111,899.70) | 297,600.30 | 166,871.39 | 130,728.91 |
| General Supplies | 11-204-100-610 | 18,207.00 | 124.86 | 18,331.86 | 18,161.53 | 170.33 |
| Total Learning & Language Disabilities | | 1,263,022.00 | (67,875.14) | 1,195,146.86 | 1,063,419.42 | 131,727.44 |
| Behavioral Studies: | | | | | | |
| Salaries of Teachers | 11-209-100-101 | 70,349.00 | 3,275.00 | 73,624.00 | 73,624.00 | - |
| Other Salaries for Instruction | 11-209-100-106 | - | 26,000.00 | 26,000.00 | 14,030.25 | 11,969.75 |
| Purchased Professional - Educational Services | 11-209-100-320 | 168,000.00 | (54,252.27) | 113,747.73 | 67,864.50 | 45,883.23 |
| Other Purchased Services | 11-209-100-500 | 286.00 | - | 286.00 | - | 286.00 |
| General Supplies | 11-209-100-610 | 927.00 | 0.37 | 927.37 | 877.28 | 50.09 |
| Total Behavioral Studies | | 239,562.00 | (24,976.90) | 214,585.10 | 156,396.03 | 58,189.07 |

**STRATFORD BOROUGH SCHOOL DISTRICT**
**GENERAL FUND**
**BUDGETARY COMPARISON SCHEDULE**
**FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

| | ACCOUNT NUMBERS | JUNE 30, 2022 ORIGINAL BUDGET | BUDGET TRANSFERS | FINAL BUDGET | ACTUAL | VARIANCE FINAL TO ACTUAL FAVORABLE/ (UNFAVORABLE) |
|---|---|---|---|---|---|---|
| Multiple Disabilities: | | | | | | |
| Salaries of Teachers | 11-212-100-101 | 109,212.00 | 40,631.01 | 149,843.01 | 126,721.01 | 23,122.00 |
| Other Salaries for Instruction | 11-212-100-106 | 77,130.00 | 90,368.99 | 167,498.99 | 136,308.68 | 31,190.31 |
| Purchased Professional - Educational Services | 11-212-100-320 | 82,000.00 | (46,000.00) | 36,000.00 | 27,551.50 | 8,448.50 |
| Other Purchased Services | 11-212-100-500 | 500.00 | - | 500.00 | - | 500.00 |
| General Supplies | 11-212-100-610 | 6,419.00 | 24,142.87 | 30,561.87 | 11,137.79 | 19,424.08 |
| Other Objects | 11-212-100-800 | 500.00 | - | 500.00 | 300.55 | 199.45 |
| Total Multiple Disabilities | | 275,761.00 | 109,142.87 | 384,903.87 | 302,019.53 | 82,884.34 |
| Resource Room/Resource Center: | | | | | | |
| Salaries of Teachers | 11-213-100-101 | 286,076.00 | - | 286,076.00 | 246,833.60 | 39,242.40 |
| Other Salaries for Instruction | 11-213-100-106 | 23,000.00 | 2,000.00 | 25,000.00 | 6,458.30 | 18,541.70 |
| Purchased Professional - Educational Services | 11-213-100-320 | 10,000.00 | 13,000.00 | 23,000.00 | 20,111.49 | 2,888.51 |
| Other Purchased Services | 11-213-100-500 | 350.00 | - | 350.00 | - | 350.00 |
| General Supplies | 11-213-100-610 | 9,925.00 | (1,620.33) | 8,304.67 | 4,881.77 | 3,422.90 |
| Total Resource Room/Resource Center | | 329,351.00 | 13,379.67 | 342,730.67 | 278,285.16 | 64,445.51 |
| Autism: | | | | | | |
| Salaries of Teachers | 11-214-100-101 | 95,722.00 | - | 95,722.00 | 91,933.86 | 3,788.14 |
| Other Salaries for Instruction | 11-214-100-106 | 45,830.00 | 24,401.08 | 70,231.08 | 67,291.13 | 2,939.95 |
| Purchased Professional-Educational Services | 11-214-100-320 | 105,500.00 | (11,214.12) | 94,285.88 | 28,986.26 | 65,299.62 |
| Other Purchased Services | 11-214-100-500 | 500.00 | - | 500.00 | 298.00 | 202.00 |
| General Supplies | 11-214-100-610 | 1,845.00 | 516.42 | 2,361.42 | 2,349.96 | 11.46 |
| Other Objects | 11-214-100-800 | 3,210.00 | (398.98) | 2,811.02 | 2,455.57 | 355.45 |
| Total Autism | | 252,607.00 | 13,304.40 | 265,911.40 | 193,314.78 | 72,596.62 |
| Preschool Disabilities - Part-Time: | | | | | | |
| Salaries of Teachers | 11-215-100-101 | 127,559.00 | - | 127,559.00 | 123,557.91 | 4,001.09 |
| Other Salaries for Instruction | 11-215-100-106 | 49,238.00 | 10,785.98 | 60,023.98 | 56,522.11 | 3,501.87 |
| Purchased Professional - Educational Services | 11-215-100-320 | 4,500.00 | (2,000.00) | 2,500.00 | 2,189.70 | 310.30 |
| Other Purchased Services | 11-215-100-500 | 500.00 | - | 500.00 | - | 500.00 |
| General Supplies | 11-215-100-600 | 2,803.00 | 1,001.40 | 3,804.40 | 3,468.23 | 336.17 |
| Other Objects | 11-215-100-800 | 1,000.00 | (261.98) | 738.02 | 448.51 | 289.51 |
| Total Preschool Disabilities - Part-Time | | 185,600.00 | 9,525.40 | 195,125.40 | 186,186.46 | 8,938.94 |
| Total Special Education | | 2,545,903.00 | 52,500.30 | 2,598,403.30 | 2,179,621.38 | 418,781.92 |
| Basic Skills/Remedial: | | | | | | |
| Salaries of Teachers | 11-230-100-101 | 441,154.00 | - | 441,154.00 | 339,614.39 | 101,539.61 |
| Purchased Professional - Educational Services | 11-230-100-320 | 10,000.00 | (10,000.00) | - | - | - |
| General Supplies | 11-230-100-610 | 6,243.00 | 3,043.29 | 9,286.29 | 6,111.90 | 3,174.39 |
| Total Basic Skills/Remedial | | 457,397.00 | (6,956.71) | 450,440.29 | 345,726.29 | 104,714.00 |
| Bilingual Education - Instruction: | | | | | | |
| Salaries of Teachers | 11-240-100-101 | 185,102.00 | - | 185,102.00 | 181,248.60 | 3,853.40 |
| Purchased Professional-Educational Services | 11-240-100-320 | 8,000.00 | (1,500.00) | 6,500.00 | 753.36 | 5,746.64 |
| General Supplies | 11-240-100-610 | 2,055.00 | - | 2,055.00 | 1,094.03 | 960.97 |
| Total Bilingual Education - Instruction | | 195,157.00 | (1,500.00) | 193,657.00 | 183,095.99 | 10,561.01 |
| School Sponsored Cocurricular Activities: | | | | | | |
| Salaries | 11-401-100-100 | 67,837.00 | 359.40 | 68,196.40 | 66,551.73 | 1,644.67 |
| Purchased Services | 11-401-100-500 | 400.00 | - | 400.00 | 385.00 | 15.00 |
| Supplies and Materials | 11-401-100-600 | 4,700.00 | 110.77 | 4,810.77 | 759.99 | 4,050.78 |
| Other Objects | 11-401-100-800 | 600.00 | - | 600.00 | - | 600.00 |
| Total School Sponsored Cocurricular Activities | | 73,537.00 | 470.17 | 74,007.17 | 67,696.72 | 6,310.45 |
| School-Sponsored Athletics-Instruction: | | | | | | |
| Salaries | 11-402-100-100 | 40,000.00 | - | 40,000.00 | 31,907.00 | 8,093.00 |
| Purchased Services (300-500 series) | 11-402-100-500 | 10,950.00 | - | 10,950.00 | 5,941.78 | 5,008.22 |
| Supplies and Material | 11-402-100-600 | 10,000.00 | 852.42 | 10,852.42 | 3,775.15 | 7,077.27 |
| Other Objects | 11-402-100-800 | 400.00 | - | 400.00 | - | 400.00 |
| Total School Sponsored Athletics-Instruction | | 61,350.00 | 852.42 | 62,202.42 | 41,623.93 | 20,578.49 |
| Total Instruction | | 7,651,586.00 | 194,689.59 | 7,846,275.59 | 7,001,060.04 | 845,215.55 |

**STRATFORD BOROUGH SCHOOL DISTRICT**
**GENERAL FUND**
**BUDGETARY COMPARISON SCHEDULE**
**FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

| | ACCOUNT | JUNE 30, 2022 ORIGINAL | BUDGET | FINAL | | ACTUAL FAVORABLE/ |
|---|---|---|---|---|---|---|
| Instruction: | | | | | | |
| Tuition to Other LEA's -State Regular | 11-000-100-561 | - | 23,930.59 | 23,930.59 | 23,930.59 | - |
| Tuition to County Special Services & Day Schools | 11-000-100-565 | 78,438.00 | 20,566.06 | 99,004.06 | 88,718.00 | 10,286.06 |
| Tuition to Private Schools for the Handicapped - S | 11-100-100-566 | 355,931.00 | 11,375.35 | 367,306.35 | 203,397.81 | 163,908.54 |
| Tuition - State Facilities | 11-000-100-568 | 69,872.00 | (6,061.00) | 63,811.00 | 63,811.00 | - |
| Total Undistributed Expenditures - Instruction | | 504,241.00 | 49,811.00 | 554,052.00 | 379,857.40 | 174,194.60 |
| Attendance & Social Work Services: | | | | | | |
| Salaries of Teachers | 11-000-211-100 | 53,672.00 | 1,328.04 | 55,000.04 | 55,000.04 | - |
| Total Attendance & Social Work Services | | 53,672.00 | 1,328.04 | 55,000.04 | 55,000.04 | - |
| Health Services: | | | | | | |
| Salaries | 11-000-213-100 | 176,154.00 | 594.00 | 176,748.00 | 171,539.20 | 5,208.80 |
| Purchased Professional & Technical Services | 11-000-213-300 | 14,500.00 | (4,422.04) | 10,077.96 | 5,737.50 | 4,340.46 |
| Other Purchased Services | 11-000-213-500 | 10,300.00 | (5,000.00) | 5,300.00 | 279.00 | 5,021.00 |
| Supplies and Materials | 11-000-213-600 | 3,848.00 | 2,886.00 | 6,734.00 | 5,628.47 | 1,105.53 |
| Other Objects | 11-000-213-800 | 830.00 | 4,000.00 | 4,830.00 | 4,507.52 | 322.48 |
| Total Health Services | | 205,632.00 | (1,942.04) | 203,689.96 | 187,691.69 | 15,998.27 |
| Other Support Services - Students - Related Services: | | | | | | |
| Salaries | 11-000-216-100 | 243,935.00 | 12,794.96 | 256,729.96 | 248,872.94 | 7,857.02 |
| Purchased Professional - Educational Services | 11-000-216-320 | 240,200.00 | (4,794.96) | 235,405.04 | 222,002.40 | 13,402.64 |
| Travel | 11-000-216-580 | - | 1,326.60 | 1,326.60 | 768.00 | 558.60 |
| Supplies and Materials | 11-000-216-600 | 1,874.00 | (230.22) | 1,643.78 | 1,567.09 | 76.69 |
| Other Objects | 11-000-216-800 | 1,000.00 | - | 1,000.00 | - | 1,000.00 |
| Total Other Support Services - Students - Related Services | | 487,009.00 | 9,096.38 | 496,105.38 | 473,210.43 | 22,894.95 |
| Other Support Services - Special Education - Extraordinary Services: | | | | | | |
| Salaries | 11-000-217-100 | 75,201.00 | 13,286.59 | 88,487.59 | 63,203.32 | 25,284.27 |
| Purchased Professional - Educational Services | 11-000-217-320 | 306,000.00 | (83,345.59) | 222,654.41 | 91,923.00 | 130,731.41 |
| Total Other Support Services - Special Education - Extraordinary Services | | 381,201.00 | (70,059.00) | 311,142.00 | 155,126.32 | 156,015.68 |
| Other Support Services - Students - Regular: | | | | | | |
| Salaries of Other Professional Staff | 11-000-218-104 | 209,576.00 | 4,559.00 | 214,135.00 | 211,207.00 | 2,928.00 |
| Supplies and Materials | 11-000-218-600 | 800.00 | - | 800.00 | 256.89 | 543.11 |
| Total Other Support Services - Students- Regular | | 210,376.00 | 4,559.00 | 214,935.00 | 211,463.89 | 3,471.11 |
| Other Support Services - Students - Special Services: | | | | | | |
| Salaries of Other Professional Staff | 11-000-219-104 | 362,553.00 | (2,631.86) | 359,921.14 | 300,322.62 | 59,598.52 |
| Salaries of Secretarial & Clerical Assistants | 11-000-219-105 | 56,460.00 | 2,631.86 | 59,091.86 | 59,091.86 | - |
| Other Salaries | 11-000-219-110 | 7,200.00 | 4,000.00 | 11,200.00 | 3,226.65 | 7,973.35 |
| Purchased Professional -Education Services | 11-000-219-320 | 115,360.00 | (39,000.00) | 76,360.00 | 32,451.67 | 43,908.33 |
| Purchased Professional - Technical Services | 11-000-219-390 | 12,000.00 | - | 12,000.00 | 1,194.19 | 10,805.81 |
| Other Purchased Services | 11-000-219-500 | 4,600.00 | - | 4,600.00 | 4,581.36 | 18.64 |
| Supplies and Materials | 11-000-219-600 | 28,165.00 | (1,096.22) | 27,068.78 | 17,443.42 | 9,625.36 |
| Other Objects | 11-000-219-800 | 500.00 | - | 500.00 | - | 500.00 |
| Total Other Support Services - Students Special Services | | 586,838.00 | (36,096.22) | 550,741.78 | 418,311.77 | 132,430.01 |

**STRATFORD BOROUGH SCHOOL DISTRICT**
**GENERAL FUND**
**BUDGETARY COMPARISON SCHEDULE**
**FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

| | ACCOUNT NUMBERS | JUNE 30, 2022 ORIGINAL BUDGET | BUDGET TRANSFERS | FINAL BUDGET | ACTUAL | VARIANCE FINAL TO ACTUAL FAVORABLE/ (UNFAVORABLE) |
|---|---|---|---|---|---|---|
| Improvement of Instruction Services/Other Support Services - Instruction Staff (continued): | | | | | | |
| Salaries of Other Professional Staff | 11-000-221-104 | 70,000.00 | - | 70,000.00 | 25,522.92 | 44,477.08 |
| Other Salaries | 11-000-221-110 | 94,882.00 | - | 94,882.00 | 94,064.36 | 817.64 |
| Purchased Professional - Educational Services | 11-000-221-320 | 15,250.00 | - | 15,250.00 | 10,687.50 | 4,562.50 |
| Supplies and Materials | 11-000-221-600 | 1,000.00 | - | 1,000.00 | - | 1,000.00 |
| Other Objects | 11-000-221-800 | 425.00 | - | 425.00 | 150.00 | 275.00 |
| Total Improvement of Instruction Services/ Other Support Services Instructional Staff | | 181,557.00 | - | 181,557.00 | 130,424.78 | 51,132.22 |
| Educational Media Services/School Library: | | | | | | |
| Salaries | 11-000-222-100 | 121,837.00 | - | 121,837.00 | 118,431.60 | 3,405.40 |
| Purchased Professional and Technical Services | 11-000-222-300 | 2,000.00 | - | 2,000.00 | 280.08 | 1,719.92 |
| Other Purchased Services | 11-000-222-500 | 1,500.00 | - | 1,500.00 | 1,463.64 | 36.36 |
| Supplies and Materials | 11-000-222-600 | 4,684.00 | 1,014.79 | 5,698.79 | 4,492.09 | 1,206.70 |
| Other Objects | 11-000-222-800 | 50.00 | - | 50.00 | - | 50.00 |
| Total Educational Media Services/Library | | 130,071.00 | 1,014.79 | 131,085.79 | 124,667.41 | 6,418.38 |
| Instructional Staff Training Services: | | | | | | |
| Other Purchased Services | 11-000-223-500 | 10,500.00 | - | 10,500.00 | 2,597.34 | 7,902.66 |
| Supplies & Materials | 11-000-223-600 | 200.00 | - | 200.00 | - | 200.00 |
| Total Instructional Staff Training Services | | 10,700.00 | - | 10,700.00 | 2,597.34 | 8,102.66 |
| Support Services General Administration: | | | | | | |
| Salaries | 11-000-230-100 | 231,478.00 | - | 231,478.00 | 231,202.78 | 275.22 |
| Legal Services | 11-000-230-331 | 15,000.00 | 5,964.00 | 20,964.00 | 20,964.00 | - |
| Audit Fees | 11-000-230-332 | 33,000.00 | (2,500.00) | 30,500.00 | 30,500.00 | - |
| Other Purchased Professional Services | 11-000-230-339 | 7,350.00 | (464.00) | 6,886.00 | 6,685.00 | 201.00 |
| Communications/Telephone | 11-000-230-530 | 27,870.00 | - | 27,870.00 | 10,696.94 | 17,173.06 |
| Other Purchased Services | 11-000-230-590 | 38,450.00 | 1,430.00 | 39,880.00 | 38,455.18 | 1,424.82 |
| General Supplies | 11-000-230-610 | 6,000.00 | (4,342.03) | 1,657.97 | 1,363.00 | 294.97 |
| BOE In-House Training/Meeting Supplies | 11-000-230-630 | 500.00 | - | 500.00 | 42.73 | 457.27 |
| Miscellaneous Expenditures | 11-000-230-890 | 5,000.00 | - | 5,000.00 | 2,436.79 | 2,563.21 |
| BOE Membership Dues & Fees | 11-000-230-895 | 6,250.00 | - | 6,250.00 | 6,072.40 | 177.60 |
| Total Support Services General Administration | | 370,898.00 | 87.97 | 370,985.97 | 348,418.82 | 22,567.15 |
| Support Services School Administration: | | | | | | |
| Salaries of Principals & Assistant Principals | 11-000-240-103 | 243,982.00 | (2,102.78) | 241,879.22 | 241,879.22 | - |
| Salaries of Secretarial & Clerical Assistants | 11-000-240-105 | 178,338.00 | 14,069.04 | 192,407.04 | 190,998.24 | 1,408.80 |
| Other Purchased Services | 11-000-240-500 | 7,050.00 | (2,462.52) | 4,587.48 | 4,587.48 | - |
| Supplies and Materials | 11-000-240-600 | 4,300.00 | (2,746.71) | 1,553.29 | 1,553.29 | - |
| Other Objects | 11-000-240-800 | 3,200.00 | 2,085.00 | 5,285.00 | 5,285.00 | - |
| Total Support Services School Administration | | 436,870.00 | 8,842.03 | 445,712.03 | 444,303.23 | 1,408.80 |
| Central Services: | | | | | | |
| Salaries | 11-000-251-100 | 225,061.00 | 16,811.77 | 241,872.77 | 224,846.77 | 17,026.00 |
| Miscellaneous Purchased Services | 11-000-251-592 | 21,643.00 | 7,535.65 | 29,178.65 | 29,118.61 | 60.04 |
| Supplies and Materials | 11-000-251-600 | 9,315.00 | (4,117.29) | 5,197.71 | 4,246.07 | 951.64 |
| Miscellaneous Expenditures | 11-000-251-890 | 2,500.00 | 3,340.00 | 5,840.00 | 5,300.73 | 539.27 |
| Total Central Services | | 258,519.00 | 23,570.13 | 282,089.13 | 263,512.18 | 18,576.95 |
| Salaries | 11-000-252-100 | 107,811.00 | 3,496.39 | 111,307.39 | 110,659.89 | 647.50 |
| Purchased Technical Services | 11-000-252-340 | 44,800.00 | (12,200.81) | 32,599.19 | 27,378.15 | 5,221.04 |
| Other Purchased Services | 11-000-252-500 | 500.00 | - | 500.00 | 490.00 | 10.00 |
| Supplies and Materials | 11-000-252-600 | 40,000.00 | - | 40,000.00 | 36,920.72 | 3,079.28 |
| Total Administrative Information Technology | | 193,111.00 | (8,704.42) | 184,406.58 | 175,448.76 | 8,957.82 |
| Allowable Maintenance for School Facilities: | | | | | | |
| Salaries | 11-000-261-100 | 12,945.00 | 128.02 | 13,073.02 | 13,073.02 | - |
| Cleaning, Repair & Maintenance Services | 11-000-261-420 | 248,659.00 | 305,089.19 | 553,748.19 | 412,480.18 | 141,268.01 |
| General Supplies | 11-000-261-610 | 11,775.00 | 58,723.52 | 70,498.52 | 65,010.46 | 5,488.06 |
| Total Allowable Maintenance for School Facilities | | 273,379.00 | 363,940.73 | 637,319.73 | 490,563.66 | 146,756.07 |

**STRATFORD BOROUGH SCHOOL DISTRICT**
**GENERAL FUND**
**FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

| | ACCOUNT NUMBERS | JUNE 30, 2022 ORIGINAL BUDGET | BUDGET TRANSFERS | FINAL BUDGET | ACTUAL | VARIANCE FINAL TO ACTUAL FAVORABLE/ (UNFAVORABLE) |
|---|---|---|---|---|---|---|
| Operation & Maintenance of Plant Services & | | | | | | |
| School Facilities: | | | | | | |
| Salaries | 11-000-262-100 | 440,381.00 | (2,000.00) | 438,381.00 | 405,344.61 | 33,036.39 |
| Purchased Professional & Technical Services | 11-000-262-300 | 5,600.00 | - | 5,600.00 | 3,785.00 | 1,815.00 |
| Cleaning, Repair & Maintenance Services | 11-000-262-420 | 36,000.00 | (5,994.90) | 30,005.10 | 14,449.14 | 15,555.96 |
| Other Purchased Property Services | 11-000-262-490 | 37,000.00 | (5,000.00) | 32,000.00 | 30,532.83 | 1,467.17 |
| Insurance | 11-000-262-520 | 74,700.00 | (4,430.00) | 70,270.00 | 70,185.60 | 84.40 |
| Miscellaneous Purchased Services | 11-000-262-590 | 3,800.00 | (800.00) | 3,000.00 | 428.00 | 2,572.00 |
| General Supplies | 11-000-262-610 | 77,500.00 | 82,536.33 | 160,036.33 | 141,192.25 | 18,844.08 |
| Energy (Natural Gas) | 11-000-262-621 | 30,000.00 | 60,488.61 | 90,488.61 | 71,658.72 | 18,829.89 |
| Energy (Electricity) | 11-000-262-622 | 185,000.00 | 17,800.00 | 202,800.00 | 202,793.35 | 6.65 |
| Energy (Gasoline) | 11-000-262-626 | 2,500.00 | 1,354.59 | 3,854.59 | 3,854.59 | - |
| Other Objects | 11-000-262-800 | 1,000.00 | (490.00) | 510.00 | 510.00 | - |
| Total Operation & Maintenance of Plant Services & School Facilities | | 893,481.00 | 143,464.63 | 1,036,945.63 | 944,734.09 | 92,211.54 |
| Security: | | | | | | |
| Salaries | 11-000-266-100 | 87,812.00 | 1,548.75 | 89,360.75 | 88,999.79 | 360.96 |
| Other Purchased Professional Technical Services | 11-000-266-300 | 76,000.00 | 7,098.05 | 83,098.05 | 81,754.10 | 1,343.95 |
| Total Security | | 163,812.00 | 8,646.80 | 172,458.80 | 170,753.89 | 1,704.91 |
| Student Transportation Services: | | | | | | |
| Salaries for Pupil Transportation (Between Home & School) - Sp Ed | 11-000-270-161 | 115,177.00 | - | 115,177.00 | 108,187.85 | 6,989.15 |
| Salaries for Pupil Transportation (Other than Between Home & School) | 11-000-270-162 | 3,000.00 | - | 3,000.00 | 275.00 | 2,725.00 |
| Cleaning, Repair, Maint. Services | 11-000-270-420 | 5,000.00 | - | 5,000.00 | 3,291.06 | 1,708.94 |
| Lease Purchase Payments School Buses | 11-000-270-443 | 42,000.00 | (42,000.00) | - | - | - |
| Contracted Services Aid in Liue NP Schools | 11-000-270-503 | 14,000.00 | - | 14,000.00 | 9,980.00 | 4,020.00 |
| Contracted Services Aid in Liue of Payments (Charte | 11-000-270-504 | 3,000.00 | - | 3,000.00 | - | 3,000.00 |
| Contracted Services Aid in Liue of Payments (Choice | 11-000-270-505 | 5,000.00 | - | 5,000.00 | 500.00 | 4,500.00 |
| Contracted Services (Between Home & School) - Vendors | 11-000-270-511 | 242,000.00 | - | 242,000.00 | 196,148.40 | 45,851.60 |
| Contracted Services (Other Than Between Home & School) - Vendors | 11-000-270-512 | 16,350.00 | 36,800.00 | 53,150.00 | 2,100.00 | 51,050.00 |
| Contracted Services (Special Education Students) - Vendors | 11-000-270-514 | 5,550.00 | - | 5,550.00 | 5,000.00 | 550.00 |
| Contracted Services (ESCs & CTSAs) | 11-000-270-518 | 366,800.00 | (78,919.30) | 287,880.70 | 51,450.98 | 236,429.72 |
| Misc. Purchased Svc.- Transp. | 11-000-270-593 | 8,500.00 | - | 8,500.00 | 8,184.23 | 315.77 |
| General Supplies | 11-000-270-610 | 15,300.00 | - | 15,300.00 | 10,704.93 | 4,595.07 |
| Total Student Transportation Services | | 841,677.00 | (84,119.30) | 757,557.70 | 395,822.45 | 361,735.25 |
| Unallocated Benefits - Employee Benefits: | | | | | | |
| Social Security Contributions | 11-000-291-220 | 181,500.00 | 16,677.58 | 198,177.58 | 185,753.98 | 12,423.60 |
| Other Retirement Contribution - PERS | 11-000-291-241 | 175,000.00 | (27,548.58) | 147,451.42 | 147,451.42 | - |
| Other Retirement Contribution - Regular | 11-000-291-249 | 23,000.00 | (1,970.07) | 21,029.93 | 21,029.93 | - |
| Workmen's Compensation | 11-000-291-260 | 116,450.00 | (44,052.14) | 72,397.86 | 72,397.86 | - |
| Health Benefits | 11-000-291-270 | 2,246,950.00 | 126,792.39 | 2,373,742.39 | 1,981,890.28 | 391,852.11 |
| Tuition Reimbursements | 11-000-291-280 | 40,300.00 | (22,233.50) | 18,066.50 | 18,066.50 | - |
| PSA Tuition Reimbursements | 11-000-291-281 | - | 6,728.56 | 6,728.56 | 6,728.56 | - |
| Other Employee Benefits | 11-000-291-290 | 242,511.00 | (90,680.32) | 151,830.68 | 151,830.68 | - |
| Unused Vacation Payments | 11-000-291-298 | - | 29,893.15 | 29,893.15 | 24,107.92 | 5,785.23 |
| Unused Sick Payments | 11-000-291-299 | - | 52,480.00 | 52,480.00 | 48,400.00 | 4,080.00 |
| Total Unallocated Benefits - Employee Benefits | | 3,025,711.00 | 46,087.07 | 3,071,798.07 | 2,657,657.13 | 414,140.94 |

**STRATFORD BOROUGH SCHOOL DISTRICT**
**GENERAL FUND**
**BUDGETARY COMPARISON SCHEDULE**
**FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

| | ACCOUNT NUMBERS | JUNE 30, 2022 ORIGINAL BUDGET | BUDGET TRANSFERS | FINAL BUDGET | ACTUAL | VARIANCE FINAL TO ACTUAL FAVORABLE/ (UNFAVORABLE) |
|---|---|---|---|---|---|---|
| Nonbudgeted: | | | | | | |
| On-Behalf TPAF Pension Contributions | | - | - | - | 2,345,113.00 | (2,345,113.00) |
| On-Behalf TPAF Medical Contributions | | - | - | - | 547,913.00 | (547,913.00) |
| On-Behalf TPAF Long-Term Disability | | - | - | - | 620.00 | (620.00) |
| Reimbursed TPAF Social Security Contributions | | - | - | - | 515,598.70 | (515,598.70) |
| Total Undistributed Expenditures | | 9,208,755.00 | 459,527.59 | 9,668,282.59 | 11,438,809.98 | (1,770,527.39) |
| Total Expenditures - Current Expense | | 16,860,341.00 | 654,217.18 | 17,514,558.18 | 18,439,870.02 | (925,311.84) |
| Capital Outlay: | | | | | | |
| Increase in Capital Reserve | 10-604-000-000 | 100.00 | - | 100.00 | - | 100.00 |
| Increase in Maintenance Reserve | 10-606-000-000 | 100.00 | - | 100.00 | - | 100.00 |
| Equipment: | | | | | | |
| Grades 1-5 | 12-120-100-730 | - | 332,670.33 | 332,670.33 | 285,010.33 | 47,660.00 |
| Undistributed Expenditures: | | | | | | |
| Admin Info Tech. | 12-000-252-730 | - | 27,532.80 | 27,532.80 | 27,532.80 | - |
| Maintenance of School Facilities | 12-000-261-730 | 50,000.00 | (50,000.00) | - | - | - |
| Custodial Services | 12-000-262-730 | 6,000.00 | 393,074.23 | 399,074.23 | 64,550.23 | 334,524.00 |
| Facilities Acquisition & Construction Services: | | | | | | |
| Other Purchased Professional & Construction Services | 12-000-400-450 | 12,000.00 | - | 12,000.00 | - | 12,000.00 |
| Assessment for Debt Service on SDA Funding | 12-000-400-896 | 28,107.00 | - | 28,107.00 | 28,107.00 | - |
| Total Capital Outlay | | 96,307.00 | 703,277.36 | 799,584.36 | 405,200.36 | 394,384.00 |
| Total Expenditures | | 16,956,648.00 | 1,357,494.54 | 18,314,142.54 | 18,845,070.38 | (530,927.84) |
| Excess/(Deficiency) of Revenues Over/(Under) Expenditures Before Other Financing Sources/(Uses) | | (1,039,408.00) | (1,357,494.54) | (2,396,902.54) | 823,474.85 | 3,220,377.39 |
| Other Financing Sources/(Uses): | | | | | | |
| Transfer to Chater Schools | 10-000-100-56X | - | (14,000.00) | (14,000.00) | (13,951.00) | 49.00 |
| Total Other Financing Sources/(Uses) | | - | (14,000.00) | (14,000.00) | (13,951.00) | 49.00 |
| Excess/(Deficiency) of Revenues Over/(Under) Expenditures After Other Financing Sources/(Uses) | | (1,039,408.00) | (1,371,494.54) | (2,410,902.54) | 809,523.85 | 3,220,426.39 |
| Fund Balance, July 1 | | 6,755,437.52 | - | 6,755,437.52 | 6,755,437.52 | - |
| Fund Balances, June 30 | | $ 5,716,029.52 | $ (1,371,494.54) | $ 4,344,534.98 | $ 7,564,961.37 | $ 3,220,426.39 |

**RECAPITULATION OF BUDGET TRANSFERS:**

| | |
|---|---|
| Prior Year Encumbrances | $ 1,371,494.54 |
| Total | $ 1,371,494.54 |

**RECAPITULATION OF FUND BALANCE**

| | |
|---|---|
| **Restricted Fund Balance:** | |
| Capital Reserve | $ 846,580.00 |
| Maintenance Reserve | 212,147.29 |
| Unemployment Compensation | 66,282.41 |
| Excess Surplus - Designated for Subsequent Year | 2,661,723.89 |
| Excess Surplus | 2,827,538.21 |
| **Assigned Fund Balance:** | |
| Year End Encumbrances | 256,947.50 |
| Designated for Subsequent Year's Expenditures | - |
| **Unassigned Fund Balance** | 693,742.07 |
| Subtotal | 7,564,961.37 |
| Reconciliation to Governmental Fund Statements (GAAP): | |
| Last State Aid Payment Not Recognized on GAAP Basis | (586,703.00) |
| Fund Balance per Governmental Funds (GAAP) | $ 6,978,258.37 |

EXHIBIT C-2

**STRATFORD BOROUGH SCHOOL DISTRICT**
**SPECIAL REVENUE FUND**
**BUDGETARY COMPARISON SCHEDULE**
**FOR FISCAL YEAR ENDED JUNE 30, 2022**

| | JUNE 30, 2022 | | | | VARIANCE POSITIVE/ (NEGATIVE) |
|---|---|---|---|---|---|
| | ORIGINAL BUDGET | BUDGET TRANSFERS | FINAL BUDGET | ACTUAL | FINAL TO ACTUAL |
| REVENUES: | | | | | |
| State Sources | $ 416,585.00 | $ 96,023.00 | $ 512,608.00 | $ 422,139.49 | $ (90,468.51) |
| Federal Sources | 447,498.00 | 1,553,593.29 | 2,001,091.29 | 1,079,006.56 | (922,084.73) |
| Local Sources | - | 66,054.55 | 66,054.55 | 44,671.18 | (21,383.37) |
| Total Revenues | 864,083.00 | 1,715,670.84 | 2,579,753.84 | 1,545,817.23 | (1,033,936.61) |
| EXPENDITURES: | | | | | |
| Instruction: | | | | | |
| Salaries of Teachers | 123,733.00 | 466,805.78 | 590,538.78 | 203,337.06 | 387,201.72 |
| Other Salaries | - | 15,999.00 | 15,999.00 | 468.48 | 15,530.52 |
| Purchased Professional Educational Services | 284,430.00 | 257,001.00 | 541,431.00 | 443,121.50 | 98,309.50 |
| Other Purchased Services | 39,335.00 | 168,671.00 | 208,006.00 | 208,006.00 | - |
| General Supplies | 416,585.00 | 168,710.51 | 585,295.51 | 507,058.43 | 78,237.08 |
| Textbooks | - | 13,505.00 | 13,505.00 | 13,470.00 | 35.00 |
| Other Objects | - | 10,796.00 | 10,796.00 | - | 10,796.00 |
| Total Instruction | 864,083.00 | 1,101,488.29 | 1,965,571.29 | 1,375,461.47 | 590,109.82 |
| Support Services: | | | | | |
| Employee Benefits | - | 168,440.00 | 168,440.00 | 68,850.00 | 99,590.00 |
| Purchased Professional Services | - | 125,145.00 | 125,145.00 | 21,000.00 | 104,145.00 |
| Other Purchased Services | - | 39,925.00 | 39,925.00 | 34,834.58 | 5,090.42 |
| Student Activities | - | 66,054.55 | 66,054.55 | 50,941.39 | 15,113.16 |
| General Supplies | - | 128,001.00 | 128,001.00 | 1,000.00 | 127,001.00 |
| Other Objects | - | 5,002.00 | 5,002.00 | - | 5,002.00 |
| Total Support Services | - | 532,567.55 | 532,567.55 | 176,625.97 | 355,941.58 |
| Facilities Acquisition & Construction Services: | | | | | |
| Noninstructional Equipment | - | 81,615.00 | 81,615.00 | - | 81,615.00 |
| Total Facilities Acquisition & Construction Services | - | 81,615.00 | 81,615.00 | - | 81,615.00 |
| Total Expenditures | 864,083.00 | 1,715,670.84 | 2,579,753.84 | 1,552,087.44 | 1,027,666.40 |
| Total Outflows | 864,083.00 | 1,715,670.84 | 2,579,753.84 | 1,552,087.44 | 1,027,666.40 |
| Excess/(Deficiency) of Revenues Over/(Under) Expenditures | - | - | - | (6,270.21) | (6,270.21) |
| Fund Balance, July 1 | - | - | - | 71,017.54 | 71,017.54 |
| Fund Balance, June 30 | $ - | $ - | $ - | $ 64,747.33 | $ 64,747.33 |

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# NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PART II

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

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

| | GENERAL FUND | SPECIAL REVENUE FUND |
|---|---|---|
| **Sources/Inflows of Resources:** | | |
| Actual Amounts (Budgetary Basis) "Revenue" From the Budgetary Comparison Schedule (C-Series) | $ 19,668,545.23 | $ 1,545,817.23 |
| Difference - Budget to GAAP: | | |
| Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized. | - | (36,255.07) |
| State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes | 494,459.00 | - |
| State aid payment recognized for budgetary purposes, not recognized for GAAP Statements until the subsequent year | (586,703.00) | - |
| Total Revenue as reported on the statement of revenues, expenditures and changes in fund balances – governmental funds | $ 19,576,301.23 | $ 1,509,562.16 |
| **Uses/outflows of resources:** | | |
| Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule | $ 18,845,070.38 | $ 1,552,087.44 |
| Differences - budget to GAAP | | |
| Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for *budgetary* purposes, but in the year the supplies are received for *financial reporting* purposes. | - | (36,255.07) |
| Total Expenditures as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds (B-2) | $ 18,845,070.38 | $ 1,515,832.37 |

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# REQUIRED SUPPLEMENTARY INFORMATION - PART III

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

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

| | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 |
|---|---|---|---|---|---|---|---|---|---|
| School District's proportion of the net pension liability | 0.01259% | 0.01477% | 0.01615% | 0.01625% | 0.01691% | 0.01753% | 0.01971% | 0.01730% | 0.01804% |
| School District's proportionate share of the net pension liability | $ 1,491,681.00 | $ 2,409,237.00 | $ 2,909,671.00 | $ 3,198,722.00 | $ 3,936,828.00 | $ 5,190,816.00 | $ 4,425,306.00 | $ 3,238,813.00 | $ 3,447,049.00 |
| School District's covered payroll | $ 1,040,311.00 | $ 910,063.00 | $ 1,075,426.00 | $ 1,082,526.00 | $ 1,106,584.00 | $ 1,116,842.00 | $ 1,156,408.00 | $ 1,180,952.00 | $ 1,270,768.00 |
| School District's proportionate share of the net pension liability as a percentage of its covered payroll | 143.39% | 264.73% | 270.56% | 295.49% | 355.76% | 464.78% | 382.68% | 274.25% | 271.26% |
| Plan fiduciary net position as a percentage of the total pension liability | 70.33% | 58.32% | 56.27% | 53.60% | 48.10% | 40.14% | 47.93% | 52.08% | 48.72% |

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

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

**STRATFORD BOROUGH SCHOOL DISTRICT**
**SCHEDULE OF SCHOOL DISTRICT CONTRIBUTIONS**
**PUBLIC EMPLOYEES' RETIREMENT SYSTEM (PERS)**
**LAST NINE FISCAL YEARS**

| | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 |
|---|---|---|---|---|---|---|---|---|---|
| Contractually required contribution | $ 147,464.00 | $ 161,619.00 | $ 157,075.00 | $ 149,045.00 | $ 161,596.00 | $ 156,671.00 | $ 155,702.00 | $ 169,484.00 | $ 142,609.00 |
| Contributions in relation to the contractually required contribution | (147,464.00) | (161,619.00) | (157,075.00) | (149,045.00) | (161,596.00) | (156,671.00) | (155,702.00) | (169,484.00) | (142,609.00) |
| Contribution deficiency (excess) | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - |
| District's covered-employee payroll | $ 1,040,311.00 | $ 910,063.00 | $ 1,075,426.00 | $ 1,082,526.00 | $ 1,106,584.00 | $ 1,116,842.00 | $ 1,156,408.00 | $ 1,180,952.00 | $ 1,270,768.00 |
| Contributions as a percentage of covered-employee payroll | 14.17% | 17.76% | 14.61% | 13.77% | 14.60% | 14.03% | 13.46% | 14.35% | 11.22% |

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

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

| | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 |
|---|---|---|---|---|---|---|---|---|---|
| School District's proportion of the net pension liability | 0.0000% | 0.0000% | 0.0000% | 0.0000% | 0.0000% | 0.0000% | 0.0000% | 0.0000% | 100.0000% |
| School District's proportionate share of the net pension liability | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - |
| State's proportionate share of the net pension liability associated with the School District | $ 27,446,432.00 | $ 39,564,952.00 | $ 37,244,880.00 | $ 38,332,882.00 | $ 37,526,495.00 | $ 43,669,843.00 | $ 35,626,160.00 | $ 28,245,623.00 | $ 25,418,706.00 |
| | $ 27,446,432.00 | $ 39,564,952.00 | $ 37,244,880.00 | $ 38,332,882.00 | $ 37,526,495.00 | $ 43,669,843.00 | $ 35,626,160.00 | $ 28,245,623.00 | $ 25,418,706.00 |
| School District's covered payroll | $ 7,127,994.00 | $ 6,368,948.00 | $ 6,350,642.00 | $ 6,270,844.00 | $ 7,349,084.00 | $ 6,697,016.00 | $ 6,629,512.00 | $ 6,559,992.00 | $ 6,102,796.00 |
| School District's proportionate share of the net pension liability as a percentage of its covered payroll | 385.05% | 621.22% | 586.47% | 611.29% | 510.63% | 652.08% | 537.39% | 430.57% | 416.51% |
| Plan fiduciary net position as a percentage of the total pension liability | 24.60% | 24.60% | 26.95% | 26.49% | 25.41% | 22.33% | 28.71% | 33.64% | 33.76% |

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

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

EXHIBIT L-4

**STRATFORD BOROUGH SCHOOL DISTRICT**
**SCHEDULE OF SCHOOL DISTRICT CONTRIBUTIONS**
**TEACHERS' PENSION AND ANNUITY FUND (TPAF)**
**LAST TEN FISCAL YEARS**

This schedule is not applicable. There is a special funding situation where the State of New Jersey pays 100% of the required contributions associated with the School District.

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

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**EXHIBIT M-1**

**STRATFORD BOROUGH SCHOOL DISTRICT**
**SCHEDULE OF THE CHANGE IN NET OPEB LIABILITY AND RELATED RATIOS**
**STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES PLAN (OPEB)**
**LAST FIVE FISCAL YEARS***

| | 2022 | 2021 | 2020 | 2019 | 2018 |
|---|---|---|---|---|---|
| Total OPEB Liabiblity Associated with the District | | | | | |
| Service Cost | $ 1,744,706.00 | $ 1,084,160.00 | $ 1,086,336.00 | $ 1,195,313.00 | $ 1,443,124.00 |
| Interest Cost | 976,457.00 | 975,256.00 | 1,169,880.00 | 1,239,834.00 | 1,071,630.00 |
| Change in Benefit Terms | (40,065.00) | - | - | - | - |
| Differences Between Expected and Actual | (7,938,021.00) | 7,171,673.00 | (4,250,753.00) | (2,553,528.00) | - |
| Changes of Assumptions | 37,136.00 | 7,965,201.00 | 404,737.00 | (3,390,272.00) | (4,477,935.00) |
| Contributions: Member | 24,963.00 | 23,009.00 | 24,701.00 | 27,303.00 | 28,840.00 |
| Gross Benefit Payments | (769,174.00) | (759,133.00) | (833,276.00) | (789,984.00) | (783,225.00) |
| Net Change in Total OPEB Liability Associated with the District | (5,963,998.00) | 16,460,166.00 | (2,398,375.00) | (4,271,334.00) | (2,717,566.00) |
| Total OPEB Liability Associated with the District (Beginning) | 43,605,359.00 | 27,145,193.00 | 29,543,568.00 | 33,814,902.00 | 36,532,468.00 |
| Total OPEB Liability Associated with the District (Ending) | $ 37,641,361.00 | $ 43,605,359.00 | $ 27,145,193.00 | $ 29,543,568.00 | $ 33,814,902.00 |
| District's Covered Employee Payrol | 8,168,305.00 | 7,279,011.00 | 7,426,068.00 | 7,353,370.00 | 8,455,668.00 |
| Net OPEB Liability Associated with the District as a Percentage of Payroll | 461% | 599% | 366% | 402% | 400% |

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

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

**STRATFORD BOROUGH SCHOOL DISTRICT**
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PART III**
**FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

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

**Changes in Benefit Terms -** None.

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

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

**Changes in Benefit Terms -** None.

**Changes in Assumptions** - None.

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

**Changes in Benefit Terms -** None.

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

# OTHER SUPPLEMENTARY INFORMATION

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D. School Based Budget Schedules

Not Applicable

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E. Special Revenue Fund

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**STRATFORD BOROUGH SCHOOL DISTRICT**
**SPECIAL REVENUE FUND**
**COMBINING SCHEDULE OF PROGRAM REVENUES**
**AND EXPENDITURES - BUDGETARY BASIS**
**FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

| | IDEA REGULAR | ESSER II MENTAL HEALTH | TITLE I | TITLE III | TITLE IV |
|---|---|---|---|---|---|
| Revenues: | | | | | |
| Federal Sources | $ 284,064.85 | $ 22,000.00 | $ 221,850.00 | $ 5,328.24 | $ 9,721.00 |
| Total Revenues | $ 284,064.85 | $ 22,000.00 | $ 221,850.00 | $ 5,328.24 | $ 9,721.00 |
| Expenditures: | | | | | |
| Instruction: | | | | | |
| Salaries of Teachers | $ - | $ - | $ 153,000.00 | $ - | $ - |
| Other Salaries | - | - | - | 468.48 | - |
| Purchased Professional Educational Services | 76,058.85 | - | - | - | - |
| Other Purchased Services (400-500 Series) | 208,006.00 | - | - | - | - |
| General Supplies | - | - | - | 2,182.02 | 9,721.00 |
| Total Instruction | 284,064.85 | - | 153,000.00 | 2,650.50 | 9,721.00 |
| Support Services: | | | | | |
| Personal Services - Employee Benefits | - | - | 68,850.00 | - | - |
| Purchased Educational Services | - | 21,000.00 | - | - | - |
| General Supplies | - | 1,000.00 | - | - | - |
| Other Purchased Services (400-500 Series) | - | - | - | 2,677.74 | - |
| Total Support Services | - | 22,000.00 | 68,850.00 | 2,677.74 | - |
| Total Expenditures | $ 284,064.85 | $ 22,000.00 | $ 221,850.00 | $ 5,328.24 | $ 9,721.00 |

**STRATFORD BOROUGH SCHOOL DISTRICT**
**SPECIAL REVENUE FUND**
**COMBINING SCHEDULE OF PROGRAM REVENUES**
**AND EXPENDITURES - BUDGETARY BASIS**
**FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

| | NON PUBLIC TECHNOLOGY | NON PUBLIC SECURITY AID | NON PUBLIC TEXTBOOK | NON PUBLIC NURSING | NON PUBLIC CH. 192 AUXILIARY | NON PUBLIC CH. 193 HANDICAPPED |
|---|---|---|---|---|---|---|
| Revenues: | | | | | | |
| State Sources | $ 9,450.00 | $ 32,156.84 | $ 13,470.00 | $ 24,948.00 | $ 206,446.72 | $ 135,667.93 |
| Total Revenues | $ 9,450.00 | $ 32,156.84 | $ 13,470.00 | $ 24,948.00 | $ 206,446.72 | $ 135,667.93 |
| Expenditures: | | | | | | |
| Instruction: | | | | | | |
| Purchased Professional Educational Services | $ - | $ - | $ - | $ 24,948.00 | $ 206,446.72 | $ 135,667.93 |
| Textbooks | - | - | 13,470.00 | - | - | - |
| General Supplies | 9,450.00 | - | - | - | - | - |
| Total Instruction | 9,450.00 | - | 13,470.00 | 24,948.00 | 206,446.72 | 135,667.93 |
| Support Services: | | | | | | |
| Other Purchased Services | - | 32,156.84 | - | - | - | - |
| Total Support Services | - | 32,156.84 | - | - | - | - |
| Total Expenditures | $ 9,450.00 | $ 32,156.84 | $ 13,470.00 | $ 24,948.00 | $ 206,446.72 | $ 135,667.93 |

**STRATFORD BOROUGH SCHOOL DISTRICT**
**SPECIAL REVENUE FUND**
**COMBINING SCHEDULE OF PROGRAM REVENUES**
**AND EXPENDITURES - BUDGETARY BASIS**
**FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

| | STUDENT ACTIVITIES | ESSER III | ESSER III BEYOND THE SCHOOL DAY | CARES ACT | CORONAVIRUS RELIEF | TOTAL |
|---|---|---|---|---|---|---|
| Revenues: | | | | | | |
| Local Sources | $ 44,671.18 | $ - | $ - | $ - | $ - | $ 44,671.18 |
| State Sources | - | - | - | - | - | 422,139.49 |
| Federal Sources | - | 479,894.80 | 6,773.28 | 3,326.81 | 46,047.58 | 1,079,006.56 |
| Total Revenues | $ 44,671.18 | $ 479,894.80 | $ 6,773.28 | $ 3,326.81 | $ 46,047.58 | $ 1,545,817.23 |
| Expenditures: | | | | | | |
| Instruction: | | | | | | |
| Salaries of Teachers | $ - | $ - | $ 6,773.28 | $ - | $ 43,563.78 | $ 203,337.06 |
| Other Salaries | - | - | - | - | - | 468.48 |
| Purchased Professional Educational Services | - | - | - | - | - | 443,121.50 |
| Other Purchased Services (400-500 Series) | - | - | - | - | - | 208,006.00 |
| General Supplies | - | 479,894.80 | | 3,326.81 | 2,483.80 | 507,058.43 |
| Textbooks | - | - | - | - | - | 13,470.00 |
| Total Instruction | - | 479,894.80 | 6,773.28 | 3,326.81 | 46,047.58 | 1,375,461.47 |
| Support Services: | | | | | | |
| Personal Services - Employee Benefits | - | - | - | - | - | 68,850.00 |
| Purchased Educational Services | - | - | - | - | - | 21,000.00 |
| Other Purchased Services (400-500 Series) | - | - | - | - | - | 34,834.58 |
| General Supplies | - | - | - | - | - | 1,000.00 |
| Student Activites | 50,941.39 | - | - | - | - | 50,941.39 |
| Total Support Services | 50,941.39 | - | - | - | - | 176,625.97 |
| Total Expenditures | $ 50,941.39 | $ 479,894.80 | $ 6,773.28 | $ 3,326.81 | $ 46,047.58 | $ 1,552,087.44 |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | (6,270.21) | - | - | - | - | (6,270.21) |
| Fund Balance, July 1 | 71,017.54 | - | - | - | - | 71,017.54 |
| Fund Balance, June 30 | $ 64,747.33 | $ - | $ - | $ - | $ - | $ 64,747.33 |

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## F. Capital Projects Fund

Not Applicable

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G. Proprietary Funds

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Enterprise Funds

This section has been included on Exhibit B-4, B-5 & B-6

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Internal Service Fund

Not Applicable

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# I. Long-Term Debt

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EXHIBIT I-1

**STRATFORD BOROUGH SCHOOL DISTRICT**
**LONG-TERM DEBT**
**SCHEDULE OF SERIAL BONDS**
**JUNE 30, 2022**

| ISSUE | DATE OF ISSUE | AMOUNT OF ISSUE | ANNUAL MATURITIES DATE | ANNUAL MATURITIES AMOUNT | INTEREST RATE | BALANCE JULY 1, 2021 | ISSUED | RETIRED | BALANCE JUNE 30, 2022 |
|---|---|---|---|---|---|---|---|---|---|
| 2019 Refunding Bonds | 3/21/2019 | $ 3,415,000.00 | 8/1/2022 | $ 300,000.00 | 4.00% | $ 3,105,000.00 | $ - | $ 285,000.00 | $ 2,820,000.00 |
| | | | 8/1/2023 | 310,000.00 | 4.00% | | | | |
| | | | 8/1/2024 | 325,000.00 | 5.00% | | | | |
| | | | 8/1/2025 | 345,000.00 | 5.00% | | | | |
| | | | 8/1/2026 | 360,000.00 | 5.00% | | | | |
| | | | 8/1/2027 | 375,000.00 | 5.00% | | | | |
| | | | 8/1/2028 | 395,000.00 | 5.00% | | | | |
| | | | 8/1/2029 | 410,000.00 | 5.00% | | | | |
| | | | | | Total | $ 3,105,000.00 | $ - | $ 285,000.00 | $ 2,820,000.00 |

EXHIBIT I-3

**STRATFORD BOROUGH SCHOOL DISTRICT**
**DEBT SERVICE FUND**
**BUDGETARY COMPARISON SCHEDULE**
**FOR FISCAL YEAR ENDED JUNE 30, 2022**

| | JUNE 30, 2022 | | | | VARIANCE POSITIVE/ (NEGATIVE) |
|---|---|---|---|---|---|
| | ORIGINAL BUDGET | BUDGET TRANSFERS | FINAL BUDGET | ACTUAL | FINAL TO ACTUAL |
| Revenues: | | | | | |
| Local Sources: | | | | | |
| Local Tax Levy | $ 422,861.00 | $ - | $ 422,861.00 | $ 422,861.08 | $ 0.08 |
| Total Revenues | 422,861.00 | - | 422,861.00 | 422,861.08 | 0.08 |
| Expenditures: | | | | | |
| Regular Debt Service: | | | | | |
| Interest | 140,600.00 | - | 140,600.00 | 140,600.00 | - |
| Redemption of Principal | 285,000.00 | - | 285,000.00 | 285,000.00 | - |
| Total Expenditures | 425,600.00 | - | 425,600.00 | 425,600.00 | - |
| Excess/(Deficiency) of Revenues Over/(Under) Expenditures | (2,739.00) | - | (2,739.00) | (2,738.92) | 0.08 |
| Fund Balance, July 1 | 2,739.40 | - | 2,739.40 | 2,739.40 | - |
| Fund Balance, June 30 | $ 0.40 | $ - | $ 0.40 | $ 0.48 | $ 0.08 |

**STATISTICAL SECTION (Unaudited)**

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EXHIBIT J-1

**STRATFORD BOROUGH SCHOOL DISTRICT**
**NET POSITION BY COMPONENT**
**LAST TEN FISCAL YEARS**
***(Accrual Basis of Accounting)***
***(Unaudited)***

| | FISCAL YEAR ENDING JUNE 30, | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 |
| Governmental Activities: | | | | | | | | | | |
| Net Investment in Capital Assets | $ 5,619,422.81 | $ 5,369,044.54 | $ 5,151,565.30 | $ 5,120,430.81 | $ 5,275,718.45 | $ 5,374,698.13 | $ 5,556,177.71 | $ 5,660,971.07 | $ 5,913,028.87 | $ 6,024,715.02 |
| Restricted | 6,679,019.61 | 4,865,823.40 | 2,730,611.71 | 1,550,571.42 | 1,347,871.80 | 1,660,676.21 | 1,358,352.24 | 1,466,748.31 | 1,291,583.24 | 715,975.32 |
| Unrestricted | (3,033,123.49) | (2,603,081.24) | (3,465,167.65) | (4,189,730.59) | (4,509,204.43) | (4,376,531.28) | (4,197,486.49) | (3,943,710.35) | (435,158.25) | (451,666.22) |
| Total Governmental Activities Net Position | $ 9,265,318.93 | $ 7,631,786.70 | $ 4,417,009.36 | $ 2,481,271.64 | $ 2,114,385.82 | $ 2,658,843.06 | $ 2,717,043.46 | $ 3,184,009.03 | $ 6,769,453.86 | $ 6,289,024.12 |
| Business-Type Activities: | | | | | | | | | | |
| Net Investment in Capital Assets | $ 102,062.09 | $ 113,576.37 | $ 101,046.31 | $ 115,473.25 | $ 112,299.19 | $ 127,888.13 | $ 113,706.67 | $ 94,342.31 | $ 104,623.19 | $ 114,904.07 |
| Unrestricted | 285,004.59 | 201,279.59 | 202,153.33 | 197,519.54 | 184,585.98 | 170,788.79 | 171,995.70 | 243,113.22 | 193,648.94 | 177,357.48 |
| Total Business-Type Activities Net Position | $ 387,066.68 | $ 314,855.96 | $ 303,199.64 | $ 312,992.79 | $ 296,885.17 | $ 298,676.92 | $ 285,702.37 | $ 337,455.53 | $ 298,272.13 | $ 292,261.55 |
| Government-Wide: | | | | | | | | | | |
| Net Investment in Capital Assets | $ 5,721,484.90 | $ 5,482,620.91 | $ 5,252,611.61 | $ 5,235,904.06 | $ 5,388,017.64 | $ 5,502,586.26 | $ 5,669,884.38 | $ 5,755,313.38 | $ 6,017,652.06 | $ 6,139,619.09 |
| Restricted | 6,679,019.61 | 4,865,823.40 | 2,730,611.71 | 1,550,571.42 | 1,347,871.80 | 1,660,676.21 | 1,358,352.24 | 1,466,748.31 | 1,291,583.24 | 715,975.32 |
| Unrestricted | (2,748,118.90) | (2,401,801.65) | (3,263,014.32) | (3,992,211.05) | (4,324,618.45) | (4,205,742.49) | (4,025,490.79) | (3,700,597.13) | (241,509.31) | (274,308.74) |
| Total Government-Wide Net Position | $ 9,652,385.61 | $ 7,946,642.66 | $ 4,720,209.00 | $ 2,411,270.99 | $ 2,957,519.98 | $ 3,002,745.83 | $ 3,521,464.56 | $ 7,067,725.99 | $ 6,581,285.67 | $ 7,105,767.00 |

**STRATFORD BOROUGH SCHOOL DISTRICT**
**CHANGES IN NET POSITION - (ACCRUAL BASIS OF ACCOUNTING)**
**LAST TEN FISCAL YEARS**

| | FISCAL YEAR ENDING JUNE 30, | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 |
| Expenses: | | | | | | | | | | |
| Governmental Activities | | | | | | | | | | |
| Instruction: | | | | | | | | | | |
| Regular | $ 5,522,502.13 | $ 4,647,240.09 | $ 4,878,221.67 | $ 7,609,789.51 | $ (4,657,163.29) | $ (4,549,952.12) | $ (4,137,390.84) | $ (4,255,502.32) | $ (3,881,412.27) | $ (3,925,411.86) |
| Special Education | 2,179,621.38 | 1,831,049.21 | 1,773,016.52 | 2,995,339.91 | (1,539,180.40) | (1,526,357.58) | (1,449,938.47) | (1,301,261.79) | (1,319,593.84) | (1,167,349.57) |
| Basic Skill/Remedial Instruction | 528,822.28 | 327,035.83 | 266,066.16 | - | - | - | - | - | - | - |
| Other Instruction | 109,320.65 | 74,837.11 | 117,140.82 | 754,088.59 | (629,677.45) | (624,159.27) | (688,561.27) | (602,776.78) | (576,274.96) | (478,066.12) |
| Support Services: | | | | | | | | | | |
| Tuition | 379,857.40 | 284,793.16 | 317,667.07 | 1,021,114.80 | (1,084,400.93) | (787,394.94) | (850,707.82) | (684,119.38) | (452,128.04) | (501,840.83) |
| Student & Instruction Related Services | 1,935,119.64 | 1,517,596.15 | 1,720,755.72 | 2,515,011.55 | (1,693,462.84) | (1,513,927.64) | (1,467,952.55) | (1,482,852.36) | (1,266,446.47) | (1,193,005.96) |
| School Administrative Services | 444,303.23 | 383,591.00 | 406,874.94 | 433,678.91 | (447,668.97) | (419,925.09) | (419,605.39) | (421,434.15) | (460,211.86) | (462,651.39) |
| General & Business Administrative Services | 787,379.76 | 776,790.17 | 669,956.13 | 355,453.72 | (713,435.43) | (732,628.71) | (684,620.99) | (805,987.94) | (748,498.24) | (761,143.53) |
| Central Services | - | - | - | 184,375.39 | - | - | 2.00 | - | - | - |
| Administrative Information Services | - | - | - | 566,378.45 | - | - | 2.00 | - | - | - |
| Plant Operations & Maintenance | 1,606,051.64 | 1,013,418.69 | 1,043,505.35 | 1,533,345.32 | (973,127.62) | (1,005,645.45) | (1,001,941.62) | (1,043,345.61) | (933,802.58) | (901,780.35) |
| Pupil Transportation | 395,822.45 | 338,834.81 | 484,617.86 | 786,743.99 | (539,731.61) | (480,501.61) | (520,865.10) | (466,033.94) | (335,789.42) | (368,120.88) |
| Employee Benefits | - | - | - | - | (7,637,439.13) | (6,875,538.05) | (5,656,300.76) | (4,615,882.24) | (3,037,725.55) | (3,139,599.49) |
| Unallocated Benefits | 4,986,222.61 | 7,284,644.97 | 5,643,354.64 | - | - | - | 4,602,430.00 | 3,010,602.00 | 3,231,394.00 | 2,797,928.00 |
| Special Schools | - | - | - | 47,755.00 | (44,699.00) | (18,891.00) | - | (18,432.00) | (67,249.00) | - |
| Interest on Long-Term Debt | 118,679.39 | 129,816.89 | 131,350.22 | 247,517.06 | (169,985.84) | (205,162.62) | (212,199.08) | (219,892.84) | (378,455.86) | (257,951.16) |
| Revaluation of Fixed Assets | - | - | - | - | - | - | - | - | 647,073.00 | - |
| Security | - | - | - | - | (54,201.57) | (71,336.07) | - | - | - | - |
| Transfer to Charter Schools | 13,951.00 | - | 13,704.00 | - | - | - | - | - | - | - |
| Unallocated Depreciation | 456,992.68 | 456,992.68 | 456,992.68 | - | (456,992.68) | (427,575.38) | (453,865.90) | (485,818.67) | (481,811.89) | (434,132.24) |
| Total Governmental Activities Expenses | 19,464,646.24 | 19,066,640.76 | 17,923,223.78 | 19,050,592.19 | (20,641,166.76) | (19,238,995.73) | (17,543,949.79) | (16,403,340.02) | (13,989,399.98) | (13,665,802.38) |
| Business-Type Activities: | | | | | | | | | | |
| Food Service | 414,841.87 | 226,872.33 | 319,822.99 | 389,323.94 | (407,440.20) | (389,602.91) | (439,445.94) | (322,944.49) | (333,944.59) | (309,553.15) |
| Summer Drama Camp | - | - | - | 18,118.23 | (13,611.00) | (13,058.50) | (11,988.38) | (10,608.47) | (10,509.85) | (9,892.88) |
| Summer Technology Camp | - | - | - | 1,187.87 | (3,229.50) | (2,583.60) | (4,832.78) | - | - | - |
| Summer Music Lessons | - | - | - | 19.10 | (347.95) | (322.95) | - | - | - | - |
| Total Business-Type Activities Expense | 414,841.87 | 226,872.33 | 319,822.99 | 408,649.14 | (424,628.75) | (405,567.96) | (456,267.10) | (333,552.96) | (344,454.44) | (319,446.03) |
| Total District Expenses | $ 19,879,488.11 | $ 19,293,513.09 | $ 18,243,046.77 | $ 19,459,241.33 | $ (21,065,795.51) | $ (19,644,563.69) | $ (18,000,216.89) | $ (16,736,892.98) | $ (14,283,854.42) | $ (13,985,248.41) |

**STRATFORD BOROUGH SCHOOL DISTRICT**
**CHANGES IN NET POSITION - (ACCRUAL BASIS OF ACCOUNTING)**
**LAST TEN FISCAL YEARS**

| | FISCAL YEAR ENDING JUNE 30, | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 |
| Program Revenues: | | | | | | | | | | |
| Instruction (Tuition) | $ - | $ - | $ - | $ - | $ 1,927,655.22 | $ 2,171,359.28 | $ 1,705,913.08 | $ 2,046,649.39 | $ 1,594,433.24 | $ 635,463.17 |
| Support Services- Tuition | - | - | - | - | 29,349.00 | 27,886.00 | 29,520.89 | 24,425.58 | 38,221.47 | - |
| Operating Grants & Contributions | 4,514,531.07 | 6,112,903.21 | 4,687,428.94 | 4,820,742.63 | 4,588,597.29 | 4,084,942.42 | 3,617,445.99 | 3,216,663.26 | 1,736,875.39 | 1,834,692.64 |
| Total Governmental Activities Program Revenues | 4,514,531.07 | 6,112,903.21 | 4,687,428.94 | 4,820,742.63 | 6,545,601.51 | 6,284,188.60 | 5,352,879.96 | 5,287,738.23 | 3,369,530.10 | 2,470,155.81 |
| Business-Type Activities: | | | | | | | | | | |
| Charges for Services: | | | | | | | | | | |
| Food Service | 5,068.75 | 20,967.06 | 151,776.43 | 232,649.82 | 192,778.00 | 202,096.00 | 191,758.10 | 185,429.00 | 213,016.00 | 224,536.00 |
| Summer Drama Camp | - | - | - | - | 18,161.00 | 16,117.00 | 14,856.30 | 13,244.65 | 9,822.56 | 1,616.00 |
| Summer Technology Camp | - | - | - | - | 3,485.00 | 2,723.75 | 5,625.00 | - | - | - |
| Summer Music Lessons | - | - | - | - | 360.00 | 330.00 | - | - | - | - |
| Operating Grants & Contributions | 481,983.84 | 217,561.59 | 158,253.41 | 192,106.94 | 115,992.00 | 104,389.00 | 115,745.00 | 120,374.00 | 124,752.00 | 100,546.00 |
| Total Business Type Activities Program Revenues | 487,052.59 | 238,528.65 | 310,029.84 | 424,756.76 | 422,837.00 | 418,542.51 | 404,513.94 | 372,736.36 | 350,465.02 | 344,932.83 |
| Total District Program Revenues | $ 5,001,583.66 | $ 6,351,431.86 | $ 4,997,458.78 | $ 5,245,499.39 | $ 6,968,438.51 | $ 6,702,731.11 | $ 5,757,393.90 | $ 5,660,474.59 | $ 3,719,995.12 | $ 2,815,088.64 |
| Net (Expense)/Revenue: | | | | | | | | | | |
| Governmental Activities | $ (14,950,115.17) | $ (12,953,737.55) | $ (14,379,211.82) | $ (14,229,849.56) | $ (14,095,565.25) | $ (12,954,807.13) | $ (12,191,069.83) | $ (11,115,601.79) | $ (10,569,869.88) | $ (11,195,646.57) |
| Business-Type Activities | 72,210.72 | 11,656.32 | 83,157.51 | 16,107.62 | (1,791.75) | 12,974.55 | (51,753.00) | 39,183.40 | 6,010.58 | 25,486.80 |
| Total District-Wide Net Expense | $ (14,877,904.45) | $ (12,942,081.23) | $ (14,296,054.31) | $ (14,213,741.94) | $ (14,097,357.00) | $ (12,941,832.58) | $ (12,242,822.99) | $ (11,076,418.39) | $ (10,563,859.30) | $ (11,170,159.77) |

**STRATFORD BOROUGH SCHOOL DISTRICT**
**CHANGES IN NET POSITION - (ACCRUAL BASIS OF ACCOUNTING)**
**LAST TEN FISCAL YEARS**

| | FISCAL YEAR ENDING JUNE 30, | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 |
| General Revenues & Other Changes in Net Position: | | | | | | | | | | |
| Governmental Activities: | | | | | | | | | | |
| Property Taxes Levied for General Purposes, Net | $ 7,549,415.00 | $ 7,401,387.00 | $ 7,258,770.00 | $ 7,066,887.00 | $ 6,712,467.00 | $ 6,423,150.00 | $ 6,161,630.00 | $ 5,829,924.00 | $ 5,804,375.00 | $ 5,706,500.00 |
| Taxes Levied for Debt Service | 422,861.08 | 425,425.00 | 456,114.00 | 445,190.00 | 432,965.00 | 404,634.00 | 371,102.00 | 358,978.00 | 320,226.50 | 316,407.00 |
| Unrestricted Grants & Contributions | 6,062,140.72 | 5,402,439.33 | 5,172,608.72 | 5,097,469.59 | 6,158,834.75 | 5,794,883.44 | 5,023,433.38 | 4,565,179.60 | 4,399,538.43 | 4,309,164.00 |
| Restricted Grants | - | - | - | 1,743,044.87 | - | - | - | - | - | - |
| Tuition | 2,108,786.95 | 2,151,472.63 | 2,137,663.00 | - | - | - | - | - | - | - |
| Investment Earnings | - | - | - | - | - | - | - | - | - | - |
| Miscellaneous Income | 440,443.65 | 474,202.32 | 338,665.87 | 244,143.92 | 246,841.26 | 273,939.29 | 167,938.88 | 223,124.36 | 288,672.45 | 330,625.53 |
| Adjustment to Capital Assets | - | - | (9,570.91) | - | - | (12,667.00) | (54,234.00) | - | 237,487.00 | (17,018.00) |
| Loss on Disposal of Fixed Assets | - | - | - | - | - | - | - | - | - | - |
| Total Governmental Activities | 16,583,647.40 | 15,854,926.28 | 15,354,250.68 | 14,596,735.38 | 13,551,108.01 | 12,896,606.73 | 11,724,104.26 | 10,977,205.96 | 11,050,299.62 | 10,645,678.06 |
| Total District-Wide | $ 16,583,647.40 | $ 15,854,926.28 | $ 15,354,250.68 | $ 14,596,735.00 | $ 13,551,108.01 | $ 12,896,606.73 | $ 11,724,104.26 | $ 10,977,205.96 | $ 11,050,299.62 | $ 10,645,678.06 |
| Change in Net Position: | | | | | | | | | | |
| Governmental Activities | $ 1,633,532.23 | $ 2,901,188.73 | $ 2,400,513.13 | $ 366,885.82 | $ (544,457.24) | $ (58,200.40) | $ (466,965.57) | $ (138,395.83) | $ 480,429.74 | $ (549,968.51) |
| Business-Type Activities | 72,210.72 | 11,656.32 | 11,656.32 | 16,107.62 | (1,791.75) | 12,974.55 | (51,753.16) | 39,183.40 | 6,010.58 | 25,486.80 |
| Total District | $ 1,705,742.95 | $ 2,912,845.05 | $ 2,412,169.45 | $ 382,993.44 | $ (546,248.99) | $ (45,225.85) | $ (518,718.73) | $ (99,212.43) | $ 486,440.32 | $ (524,481.71) |

EXHIBIT J-3

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

| | FISCAL YEAR ENDING JUNE 30, | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 |
| General Fund: | | | | | | | | | | |
| Capital Reserve | $ 846,580.00 | $ 846,580.00 | $ 846,580.00 | $ 1,550,571.02 | $ 435,580.00 | $ 470,000.00 | $ 351,543.24 | $ 351,543.24 | $ 251,543.24 | $ 174,234.00 |
| Maintenance Reserve | 212,147.29 | 212,147.29 | 212,147.29 | 305,907.97 | 262,147.29 | 437,815.00 | 550,289.00 | 870,000.00 | 670,000.00 | - |
| Unemployment Reserve | 66,282.41 | 66,110.14 | - | - | - | - | - | - | - | - |
| Excess Surplus | 5,489,262.10 | 3,667,229.03 | 1,851,863.14 | (18,454.94) | 650,144.11 | 752,860.81 | 456,519.85 | 245,204.42 | 429,649.01 | 342,761.53 |
| Assigned | 256,947.50 | 1,405,397.40 | 918,116.52 | - | 49,590.62 | 78,825.51 | - | 70,774.81 | 100,644.04 | 159,871.28 |
| Unassigned | 107,039.07 | 63,514.66 | (143,841.10) | - | (153,981.18) | (91,684.63) | (184,582.85) | (177,774.57) | (195,935.00) | (148,293.00) |
| Total General Fund | $ 6,978,258.37 | $ 6,260,978.52 | $ 3,684,865.85 | $ 1,838,024.05 | $ 1,243,480.84 | $ 1,647,816.69 | $ 1,173,769.24 | $ 1,359,747.90 | $ 1,255,901.29 | $ 528,573.81 |
| All Other Governmental Funds: | | | | | | | | | | |
| Unreserved, Reported in: | | | | | | | | | | |
| Special Revenue Fund | $ 64,747.33 | $ 71,017.54 | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - |
| Capital Projects Fund | - | - | - | - | - | - | - | - | - | 87,882 |
| Debt Service Fund | 0.48 | 2,739.40 | 2,739.40 | 0.40 | 0.40 | 0.40 | 0.15 | 0.65 | 4,862.65 | 9,501.15 |
| Total All Other Governmental Funds | $ 64,747.81 | $ 73,756.94 | $ 2,739.40 | $ 0.40 | $ 0.40 | $ 0.40 | $ 0.15 | $ 0.65 | $ 4,862.65 | $ 97,382.94 |

EXHIBIT J-4

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

| | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 |
|---|---|---|---|---|---|---|---|---|---|---|
| Revenues: | | | | | | | | | | |
| Tax Levy | $ 7,972,276.08 | $ 7,826,812.00 | $ 7,714,884.00 | $ 7,512,077.00 | $ 7,145,432.00 | $ 6,287,784.00 | $ 6,532,732.00 | $ 6,188,902.00 | $ 6,124,601.50 | $ 6,022,907.00 |
| Tuition Charges | 2,108,786.95 | 2,151,472.63 | 2,137,663.00 | 1,743,044.87 | 1,927,655.22 | 2,171,359.28 | 1,705,913.08 | 2,046,649.39 | 1,594,433.24 | 635,463.17 |
| Transportion Fees from other LEAs | - | 8,250.80 | 33,279.00 | 29,094.88 | 29,349.00 | 27,886.90 | 29,520.89 | 24,425.58 | 38,221.47 | - |
| Interest Earnings | - | - | - | - | - | - | - | - | - | 10,435.90 |
| Miscellaneous | 440,443.65 | 465,951.52 | 122,668.75 | 221,612.04 | 246,841.26 | 273,939.29 | 168,084.88 | 220,389.45 | 288,672.45 | 319,988.11 |
| State Sources | 9,889,340.20 | 8,581,259.62 | 8,260,421.01 | 7,824,518.22 | 7,170,127.88 | 6,772,398.54 | 6,427,501.03 | 6,186,578.26 | 5,792,904.11 | 5,767,183.12 |
| Federal Sources | 1,097,877.59 | 542,449.92 | 501,093.65 | 277,505.00 | 434,313.16 | 474,177.32 | 482,536.34 | 380,123.60 | 343,509.71 | 376,673.52 |
| Total Revenue | 21,508,724.47 | 19,576,196.49 | 18,770,009.41 | 17,607,852.01 | 16,953,718.52 | 16,547,545.33 | 15,346,288.22 | 15,047,068.28 | 14,182,342.48 | 13,132,650.82 |
| Expenditures: | | | | | | | | | | |
| Instruction: | | | | | | | | | | |
| Regular Instruction | 5,522,502.13 | 4,647,240.09 | 4,878,434.67 | 4,234,815.57 | 4,657,163.29 | 4,549,952.12 | 4,178,207.71 | 4,296,319.19 | 3,922,229.14 | 3,925,411.86 |
| Special Education Instruction | 2,179,621.38 | 1,831,049.21 | 1,773,016.52 | 1,666,893.95 | 1,539,180.40 | 1,526,357.58 | 1,449,938.47 | 1,301,261.79 | 1,319,593.84 | 1,167,349.67 |
| Basic Skill/Remedial Instruction | 528,822.28 | 327,035.83 | 266,066.16 | - | - | - | - | - | - | - |
| Other Instruction | 109,320.65 | 74,837.11 | 117,140.82 | 419,647.10 | 629,677.45 | 624,159.27 | 688,561.27 | 602,776.78 | 576,274.96 | 478,066.12 |
| Support Services: | | | | | | | | | | |
| Tuition | 379,857.40 | 284,793.16 | 317,667.07 | 743,954.03 | 1,084,400.93 | 787,394.94 | 850,707.82 | 684,119.38 | 452,128.04 | 501,840.83 |
| Student & Instruction Related Services | 1,935,119.64 | 1,517,596.15 | 1,720,755.72 | 189,154.46 | 1,693,462.84 | 1,513,927.64 | 1,467,952.55 | 1,482,852.36 | 1,266,446.47 | 1,193,005.96 |
| School Administrative Services | 444,303.23 | 383,591.00 | 406,874.94 | 134,330.45 | 447,668.97 | 419,925.09 | 419,605.39 | 421,434.15 | 460,211.86 | 462,651.39 |
| General & Business Administration Services | 787,379.76 | 776,790.17 | 669,956.13 | - | 705,980.43 | 732,628.71 | 684,620.99 | 805,987.94 | 748,498.24 | 761,143.53 |
| Central Services | - | - | - | 412,646.58 | - | - | - | - | - | - |
| Admin. Information Technology | - | - | - | 1,094,292.59 | - | - | - | - | - | - |
| Plant Operations & Maintenance | 1,606,051.64 | 1,013,418.69 | 1,043,505.35 | 573,198.39 | 973,127.62 | 1,005,645.45 | 1,001,941.62 | 1,043,345.61 | 933,802.58 | 901,780.35 |
| Pupil Transportation | 395,822.45 | 338,834.81 | 484,617.86 | 4,661,549.19 | 539,731.61 | 480,501.61 | 520,865.10 | 466,033.94 | 335,789.42 | 368,120.88 |
| Allocated Benefits | - | - | - | - | - | - | - | - | - | - |
| Unallocated Benefits | 2,657,657.13 | 2,375,379.45 | 2,525,808.91 | - | - | - | - | - | - | - |
| Security | - | - | - | - | 54,201.57 | 71,336.07 | - | - | - | - |
| Other Support Services | - | - | - | 2,218,147.22 | 4,450,327.26 | 3,888,941.40 | 3,747,255.29 | 3,413,364.44 | 2,993,465.50 | 2,990,139.61 |
| On Behalf TPAF Pension and Social Security Contributions | 3,409,244.70 | 2,681,644.79 | 2,286,696.11 | - | - | - | - | - | - | - |
| Transfer of Fund to Charter Schools | | | - | 47,755.00 | 44,699.00 | 18,891.00 | - | 18,432.00 | 67,249.00 | - |
| Capital Outlay | 377,093.36 | 354,194.31 | 107,849.56 | 140,585.27 | 105,468.00 | 49,203.00 | 151,508.67 | 48,316.09 | 269,431.85 | 158,967.73 |
| Debt Service: | | | | | | | | | | |
| Principal | 285,000.00 | 275,000.00 | 335,000.00 | 283,042.00 | 260,000.00 | 225,000.00 | 185,000.00 | 170,000.00 | 125,000.00 | 110,000.00 |
| Interest & Other Charges | 168,707.00 | 178,532.00 | 146,482.00 | 291,392.50 | 172,965.00 | 179,633.75 | 186,102.50 | 193,840.00 | 199,865.00 | 231,239.99 |
| Total Expenditures | 20,786,502.75 | 17,059,936.77 | 17,079,871.82 | 17,111,404.30 | 17,358,054.37 | 16,073,497.63 | 15,532,267.38 | 14,948,083.67 | 13,669,985.90 | 13,249,717.92 |
| Excess (Deficiency) of Revenues Over/(Under) Expenditures | 722,221.72 | 2,516,259.72 | 2,516,259.72 | 496,447.71 | (404,335.85) | 474,047.70 | (185,979.16) | 98,984.61 | 512,356.58 | 209,513.00 |
| Other Financing Sources/(Uses): | | | | | | | | | | |
| Capital Leases | - | - | - | - | - | - | - | - | 122,450.61 | - |
| Transfers In | - | - | (9,570.91) | - | - | - | - | - | - | 18,884.00 |
| Transfers Out | (13,951.00) | - | (13,704.00) | - | - | - | - | - | - | (18,884.00) |
| Deposit to Refunding Escrow | - | - | - | (3,836,489.85) | - | - | - | - | - | - |
| Bond Proceeds | - | - | - | 3,934,585.35 | - | - | - | - | - | - |
| Total Other Financing Sources/(Uses) | (13,951.00) | - | (23,274.91) | 98,095.50 | - | - | - | - | 122,450.61 | - |
| Net Change in Fund Balances | $ 708,270.72 | $ 2,516,259.72 | $ 2,492,984.81 | $ 594,543.21 | $ (404,335.85) | $ 474,047.70 | $ (185,979.16) | $ 98,984.61 | $ 634,807.19 | $ 209,513.00 |
| Debt Service as a Percentage of Noncapital Expenditures | 2.2% | 2.7% | 2.7% | 2.6% | 2.6% | 2.5% | 2.5% | 2.4% | 264.0% | 2.7% |

Source: District records

Note: Noncapital expenditures are total expenditures less capital outlay.

EXHIBIT J-5

**STRATFORD BOROUGH SCHOOL DISTRICT**
**GOVERNMENTAL FUND - OTHER LOCAL REVENUE BY SOURCE**
**LAST TEN FISCAL YEARS**
***(Modified Accrual Basis of Accounting)***

| FISCAL YEAR ENDING JUNE 30, | PRIOR YEAR TUITION | OTHER REIMBURSEMENTS | MISCELLANEOUS | INTEREST ON INVESTMENTS | PRIOR YEARS' REFUNDS | SHARED SERVICE FEES | PRIOR YEAR SHARED SERVICE | TRANSPORTATION FEES | ANNUAL TOTAL |
|---|---|---|---|---|---|---|---|---|---|
| 2022 | $ - | $ - | $ 109,738.92 | $ 16,575.14 | $ 12,267.01 | $ 257,191.40 | $ - | $ - | $ 395,772.47 |
| 2021 | - | - | 161,272.43 | - | - | 232,135.35 | - | 8,250.80 | 401,658.58 |
| 2020 | - | 182,718.12 | 121,298.75 | - | - | - | - | 33,279.00 | 337,295.87 |
| 2019 | - | - | - | - | 215,049.04 | - | - | 29,094.88 | 244,143.92 |
| 2018 | 6,779.22 | - | 6,461.21 | - | 6,244.06 | 228,343.49 | - | 29,349.00 | 277,176.98 |
| 2017 | - | 34,018.93 | 11,052.43 | - | 16,493.10 | 206,406.64 | - | 27,886.90 | 295,858.00 |
| 2016 | - | - | 6,938.20 | - | - | 158,727.68 | - | 29,520.89 | 195,186.77 |
| 2015 | - | 1,606.52 | 5,413.65 | 0.19 | 2,420.01 | 196,890.97 | 7,661.81 | 24,425.58 | 238,418.73 |
| 2014 | 24,473.52 | - | 1,848.33 | 4,882.97 | 41,922.00 | 191,342.02 | 21,709.59 | 38,221.47 | 324,399.90 |
| 2013 | 106,806.73 | 14,820.47 | 6,705.29 | 7,324.05 | 1,146.63 | 43,672.19 | 137,709.46 | - | 318,184.82 |
| TOTAL | $ 138,059.47 | $ 233,164.04 | $ 430,729.21 | $ 28,782.35 | $ 295,541.85 | $ 1,514,709.74 | $ 167,080.86 | $ 220,028.52 | $ 3,028,096.04 |

Source: District records

EXHIBIT J-6

**STRATFORD BOROUGH SCHOOL DISTRICT**
**ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY,**
**LAST TEN FISCAL YEARS**

| FISCAL YEAR ENDED JUNE 30, | VACANT LAND | RESIDENTIAL | FARM REG. | QFARM | COMMERCIAL | INDUSTRIAL | APARTMENT | TOTAL ASSESSED VALUE | LESS: TAX EXEMPT PROPERTY | PUBLIC UTILITIES | NET VALUATION TAXABLE | TOTAL DIRECT SCHOOL TAX RATE | ESTIMATED ACTUAL (COUNTY EQUALIZED) VALUE |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 2022 | | Information not available | | | | | | | | | | | |
| 2021 | | Information not available | | | | | | | | | | | |
| 2020 | | Information not available | | | | | | | | | | | |
| 2019 | 1,952,000 | 332,256,900 | - | - | 54,944,900 | - | 19,051,800 | 408,205,600 | 162,575,900 | 100 | 245,629,800 | 1.875 | 433,722,438 |
| 2018 | 1,952,000 | 333,543,300 | - | - | 58,260,700 | - | 19,051,800 | 412,807,800 | 159,259,700 | 100 | 253,548,200 | 1.771 | 427,977,349 |
| 2017 | 1,952,000 | 332,370,500 | - | - | 58,690,500 | - | 19,051,800 | 412,064,800 | 158,515,300 | 100 | 253,549,600 | 1.696 | 427,668,193 |
| 2016 | 1,910,700 | 332,339,600 | - | - | 59,786,600 | - | 19,051,800 | 413,088,700 | 158,668,600 | 100 | 254,420,200 | 1.618 | 427,792,367 |
| 2015 | 1,948,700 | 331,915,300 | - | - | 60,706,200 | - | 19,051,800 | 413,622,000 | 158,787,400 | 100 | 254,834,700 | 1.538 | 431,242,479 |
| 2014 | 2,028,800 | 331,915,900 | - | - | 62,743,100 | - | 19,410,700 | 416,098,500 | 158,535,400 | 100 | 257,563,200 | 1.480 | 426,787,872 |
| 2013 | 1,264,800 | 224,552,200 | - | - | 44,441,000 | - | 11,293,700 | 281,551,700 | 114,456,600 | 474,998 | 167,570,098 | 2.154 | 452,277,495 |

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

EXHIBIT J-7

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

| FISCAL YEAR ENDED JUNE 30, | SCHOOL DISTRICT DIRECT RATE | | | OVERLAPPING RATES | | | TOTAL DIRECT & OVERLAPPING TAX RATE |
|---|---|---|---|---|---|---|---|
| | BASIC RATE | DEBT SERVICE | TOTAL DIRECT | BOUROUGH OF STRATFORD | REGIONAL HIGH SCHOOL | CAMDEN COUNTY | |
| 2022 | 1.865 | 0.107 | 1.972 | 1.072 | 0.741 | 0.874 | 4.659 |
| 2021 | 1.929 | 0.107 | 2.036 | 1.041 | 0.663 | 0.873 | 4.613 |
| 2020 | 1.897 | 0.107 | 2.004 | 0.996 | 0.665 | 0.869 | 4.534 |
| 2019 | 1.875 | 0.107 | 1.982 | 0.999 | 0.684 | 0.866 | 4.531 |
| 2018 | 1.664 | 0.107 | 1.771 | 0.996 | 0.651 | 0.873 | 4.291 |
| 2017 | 1.595 | 0.101 | 1.696 | 0.980 | 0.691 | 0.871 | 4.238 |
| 2016 | 1.526 | 0.092 | 1.618 | 0.961 | 0.667 | 0.862 | 4.108 |
| 2015 | 1.449 | 0.089 | 1.538 | 0.937 | 0.702 | 0.864 | 4.041 |
| 2014 | 1.403 | 0.077 | 1.480 | 0.916 | 0.709 | 0.824 | 3.929 |
| 2013 | 2.041 | 0.113 | 2.154 | 1.344 | 1.084 | 1.250 | 5.832 |

Source: District Records and Municipal Tax Collector

EXHIBIT J-8

**STRATFORD BOROUGH SCHOOL DISTRICT**
**PRINCIPAL PROPERTY TAX PAYERS,**
**CURRENT YEAR AND NINE YEARS AGO**

| | 2022 | | |
|---|---|---|---|
| TAXPAYER | TAXABLE ASSESSED VALUE | RANK | % OF TOTAL DISTRICT NET ASSESSED VALUE |
| Liberty Venture I LP | $139,621,280.00 | 1 | 9.732% |
| SVF Oldmans Creek Logan LLC | 58,380,000.00 | 2 | 4.069% |
| MEPT 1150 Commerce | 31,620,000.00 | 3 | 2.204% |
| RAR2 395 Pedricktown Rd- Ryan, LLC | 28,900,000.00 | 4 | 2.014% |
| TR Birch Creek LLC | 26,190,000.00 | 5 | 1.825% |
| Cabot Industrial Core Fund Operating | 22,616,600.00 | 6 | 1.576% |
| Chelten House Products, Inc. | 21,067,500.00 | 7 | 1.468% |
| Tech Data Corp | 19,660,000.00 | 8 | 1.370% |
| Liberty Property LTD Partnership | 19,558,400.00 | 9 | 1.363% |
| Columbia Gas Transmission Corp | 18,751,400.00 | 10 | 1.307% |
| Total | $386,365,180.00 | | 17.998% |

| | 2013 | | |
|---|---|---|---|
| | TAXABLE ASSESSED VALUE | RANK | % OF TOTAL DISTRICT NET ASSESSED VALUE |
| Liberty Ventures I, LLP | $ 77,345,000.00 | 1 | 12.481% |
| Mid-Atlantic Ind. LLC | 27,891,700.00 | 2 | 4.501% |
| Pureland VI Limited Partnership | 14,832,900.00 | 3 | 2.394% |
| US Industrial REIT II | 13,475,000.00 | 4 | 2.174% |
| Sun East Equity Funding | 12,289,100.00 | 5 | 1.983% |
| Baker-Properties, LP | 12,065,700.00 | 6 | 1.947% |
| Wachovia Development Corp | 10,000,000.00 | 7 | 1.614% |
| Liberty Property LTD Partnership | 8,036,400.00 | 8 | 1.297% |
| Allen Commercial Realty | 7,502,800.00 | 9 | 1.211% |
| Cardinal Health 200, Inc | 7,162,100.00 | 10 | 1.156% |
| Total | $190,600,700.00 | | 30.758% |

Source: Municipal Tax Assessor

EXHIBIT J-9

**STRATFORD BOROUGH SCHOOL DISTRICT**
**SCHOOL PROPERTY TAX LEVIES AND COLLECTIONS**
**LAST TEN FISCAL YEARS**

| FISCAL YEAR ENDED JUNE 30, | TAXES LEVIED FOR THE FISCAL YEAR | COLLECTED WITHIN THE FISCAL YEAR OF THE LEVY | | COLLECTIONS IN SUBSEQUENT YEARS |
|---|---|---|---|---|
| | | AMOUNT | PERCENTAGE OF LEVY | |
| 2022 | $ 7,972,276.08 | $ 7,972,276.08 | 100.00% | - |
| 2021 | 7,826,812.00 | 7,826,812.00 | 100.00% | - |
| 2020 | 7,714,884.00 | 7,714,884.00 | 100.00% | - |
| 2019 | 7,512,077.00 | 7,512,077.00 | 100.00% | - |
| 2018 | 6,712,467.00 | 6,712,467.00 | 100.00% | - |
| 2017 | 6,423,150.00 | 6,423,150.00 | 100.00% | - |
| 2016 | 6,161,630.00 | 6,161,630.00 | 100.00% | - |
| 2015 | 5,829,924.00 | 5,829,924.00 | 100.00% | - |
| 2014 | 6,124,601.00 | 6,124,601.00 | 100.00% | - |
| 2013 | 6,022,907.00 | 6,022,907.00 | 100.00% | - |

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

EXHIBIT J-10

**STRATFORD BOROUGH SCHOOL DISTRICT**
**RATIOS OF OUTSTANDING DEBT BY TYPE**
**LAST TEN FISCAL YEARS**

| FISCAL YEAR ENDED JUNE 30, | GOVERNMENTAL ACTIVITIES | | | TOTAL DISTRICT | PERCENTAGE OF PERSONAL INCOME | PER CAPITA |
|---|---|---|---|---|---|---|
| | GENERAL OBLIGATION BONDS | CERTIFICATES OF PARTICIPATION | CAPITAL LEASES | | | |
| 2022 | $ 2,820,000.00 | $ - | $ - | $ 2,820,000.00 | N/A | N/A |
| 2021 | 3,105,000.00 | - | - | 3,105,000.00 | N/A | N/A |
| 2020 | 3,380,000.00 | - | - | 3,380,000.00 | 0.83% | 57.45 |
| 2019 | 3,715,000.00 | - | - | 3,715,000.00 | 0.97% | 67.60 |
| 2018 | 4,361,000.00 | - | - | 4,361,000.00 | 1.18% | 82.24 |
| 2017 | 4,621,000.00 | - | 40,816.87 | 4,661,816.87 | 1.31% | 91.24 |
| 2016 | 4,846,000.00 | - | 81,633.74 | 4,927,633.74 | 1.43% | 99.77 |
| 2015 | 5,031,000.00 | - | - | 5,031,000.00 | 1.50% | 104.81 |
| 2014 | 5,031,000.00 | - | - | 5,031,000.00 | 1.56% | 108.91 |
| 2013 | 5,326,000.00 | - | - | 5,326,000.00 | 1.71% | 119.80 |

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

EXHIBIT J-11

**STRATFORD BOROUGH SCHOOL DISTRICT**
**RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING**
**LAST TEN FISCAL YEARS**

| | GENERAL BONDED DEBT OUTSTANDING | | | | |
|---|---|---|---|---|---|
| FISCAL YEAR ENDED JUNE 30, | GENERAL OBLIGATION BONDS | DEDUCTIONS | NET GENERAL BONDED DEBT OUTSTANDING | PERCENTAGE OF ACTUAL TAXABLE VALUE OF PROPERTY | PER CAPITA |
| 2022 | $ 2,820,000.00 | $ - | $ 2,820,000.00 | N/A | N/A |
| 2021 | 3,105,000.00 | - | 3,105,000.00 | N/A | N/A |
| 2020 | 3,380,000.00 | - | 3,380,000.00 | N/A | 57 |
| 2019 | 3,715,000.00 | - | 3,715,000.00 | 0.90% | 68 |
| 2018 | 4,361,000.00 | - | 4,361,000.00 | 1.06% | 82 |
| 2017 | 4,621,000.00 | - | 4,621,000.00 | 1.12% | 90 |
| 2016 | 4,846,000.00 | - | 4,846,000.00 | 1.17% | 98 |
| 2015 | 5,031,000.00 | - | 5,031,000.00 | 1.22% | 105 |
| 2014 | 5,031,000.00 | - | 5,031,000.00 | 1.21% | 109 |
| 2013 | 5,326,000.00 | - | 5,326,000.00 | 1.89% | 120 |

EXHIBIT J-12

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

| GOVERNMENTAL UNIT | DEBT OUTSTANDING | ESTIMATED PERCENTAGE APPLICABLE | SHARE OF OVERLAPPING DEBT |
|---|---|---|---|
| Debt Repaid With Property Taxes: | | | |
| Stratford Borough | $ 3,793,808.25 | 100.00% | $ 3,793,808.25 |
| County of Camden General Obligation Debt | 37,613,881.00 | 1.29% | 485,219.06 |
| Subtotal, Overlapping Debt | | | 4,279,027.31 |
| Stratford Borough School District Direct Debt | | | 2,820,000.00 |
| Total Direct & Overlapping Debt | | | $ 7,099,027.31 |

Sources: Assessed value data used to estimate applicable percentages provided by the Logan Township or Gloucester County Board of Taxation.

EXHIBIT J-13

**STRATFORD BOROUGH SCHOOL DISTRICT**
**LEGAL DEBT MARGIN INFORMATION**
**LAST TEN FISCAL YEARS**

| | FISCAL YEAR | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 |
| Debt Limit | $ 13,643,996.07 | $ 13,281,588.29 | $ 12,794,160.45 | $ 12,969,505.58 | $ 12,808,294.77 | $ 12,863,056.75 | $ 12,938,582.10 | $ 13,190,321.02 | $ 13,817,168.31 | $ 14,558,060.55 |
| Total Net Debt Applicable to Limit | 2,820,000.00 | 3,105,000.00 | 3,380,000.00 | 3,715,000.00 | 4,361,000.00 | 4,621,000.00 | 4,846,000.00 | 5,031,000.00 | 5,201,000.00 | 5,326,000.00 |
| Legal Debt Margin | $ 10,823,996.07 | $ 10,176,588.29 | $ 9,414,160.45 | $ 9,254,505.58 | $ 8,447,294.77 | $ 8,242,056.75 | $ 8,092,582.10 | $ 8,159,321.02 | $ 8,616,168.31 | $ 9,232,060.55 |
| Total Net Debt Applicable to the Limit as a Percentage of Debt Limit | 20.67% | 23.38% | 26.42% | 28.64% | 34.05% | 35.92% | 37.45% | 38.14% | 37.64% | 36.58% |

**Legal Debt Margin Calculation for Fiscal Year 2021**

| | Equalized Valuation Basis |
|---|---|
| 2021 | $ 485,369,697.00 |
| 2020 | 436,098,486.00 |
| 2019 | 442,931,424.00 |
| | $ 1,364,399,607.00 |
| Average Equalized Valuation of Taxable Property | $ 454,799,869.00 |
| Debt Limit (3 % of Average Equalization Value) | 13,643,996.07 |
| Net Bonded School Debt | 2,820,000.00 |
| Legal Debt Margin | $ 10,823,996.07 |

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

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

EXHIBIT J-14

**STRATFORD BOROUGH SCHOOL DISTRICT**
**DEMOGRAPHIC AND ECONOMIC STATISTICS**
**LAST TEN FISCAL YEARS**

| YEAR | POPULATION | PERSONAL INCOME | PER CAPITA PERSONAL INCOME | UNEMPLOYMENT RATE |
|---|---|---|---|---|
| 2022 | N/A | N/A | N/A | N/A |
| 2021 | 6,961 | N/A | N/A | 6.4% |
| 2020 | 6,937 | 408,103,710.00 | 58,830.00 | 10.4% |
| 2019 | 6,955 | 382,232,890.00 | 54,958.00 | 3.9% |
| 2018 | 6,967 | 369,432,142.00 | 53,026.00 | 4.3% |
| 2017 | 6,968 | 356,036,928.00 | 51,096.00 | 5.0% |
| 2016 | 6,978 | 344,657,376.00 | 49,392.00 | 5.0% |
| 2015 | 6,985 | 335,293,970.00 | 48,002.00 | 5.8% |
| 2014 | 6,982 | 322,519,526.00 | 46,193.00 | 7.3% |
| 2013 | 6,999 | 311,154,543.00 | 44,457.00 | 9.1% |

Source: State of New Jersey, Department of Labor and Workforce Development, Labor Planning and Analysis.

EXHIBIT J-15

**STRATFORD BOROUGH SCHOOL DISTRICT**
**PRINCIPAL EMPLOYERS**
**CURRENT YEAR AND NINE YEARS AGO**

| | 2022 | | |
|---|---|---|---|
| | (1) EMPLOYEES | RANK | PERCENTAGE OF TOTAL EMPLOYMENT |
| Inspira Health | 1,825 | 1 | |
| Kennedy Health Alliance | 1,675 | 2 | |
| Washington Township School District | 1,586 | 3 | |
| Rowan University | 1,483 | 4 | |
| County of Gloucester | 1,368 | 5 | |
| Missa Bay, LLC | 950 | 6 | |
| Monroe Township School District | 814 | 7 | |
| U.S. Foodservices | 725 | 8 | |
| ExxonMobil Research and Engineering | 540 | 9 | |
| LaBrea Bakery | 525 | 10 | |
| | 11,491 | | N/A |

| | 2012 | |
|---|---|---|
| | | |
| | N/A | |

This exhibit reflects principal employers for Gloucester County.

Source: (1) Gloucester County Office of Economic Development for company and employee data.
(2) New Jersey Department of Labor and Workforce Development for the total employment data.

**STRATFORD BOROUGH SCHOOL DISTRICT**
**FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM**
**LAST TEN FISCAL YEAR**

| Function/Program | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 | 2012 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Instruction: | | | | | | | | | | | |
| Regular | 63.20 | 63.20 | 57.60 | 57.60 | 57.60 | 57.60 | 55.10 | 54.50 | 51.80 | 47.30 | 45.80 |
| Special Education | 18.80 | 18.80 | 18.80 | 18.80 | 18.80 | 18.80 | 18.50 | 16.80 | 16.50 | 15.00 | 15.00 |
| Other Special Education | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Support Services: | | | | | | | | | | | |
| Student & Instruction Related Services | 30.10 | 30.10 | 28.10 | 28.10 | 28.10 | 28.10 | 25.50 | 26.80 | 27.70 | 25.30 | 22.60 |
| General & Business Administrative Services | 3.00 | 3.00 | 3.00 | 3.00 | 2.70 | 2.70 | 2.70 | 1.70 | 1.70 | 1.70 | 1.90 |
| School Administrative Services | 7.00 | 7.00 | 2.70 | 2.70 | 7.40 | 7.40 | 7.80 | 8.50 | 8.50 | 8.50 | 8.50 |
| Central Services | 2.00 | 2.00 | 6.40 | 6.40 | 3.00 | 3.00 | 3.20 | 3.20 | 3.20 | 3.20 | 3.20 |
| Administrative Information Technology | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.20 | 1.20 | 1.20 |
| Plant Operations & Maintenance | 8.00 | 8.00 | 11.40 | 11.40 | 11.40 | 11.40 | 10.60 | 11.40 | 10.30 | 9.80 | 9.80 |
| Pupil Transportation | 2.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 |
| Food Service | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Total | 135.60 | 134.60 | 130.50 | 130.50 | 131.50 | 131.50 | 125.90 | 125.40 | 122.40 | 113.50 | 109.50 |

Source: School District Records.

**STRATFORD BOROUGH SCHOOL DISTRICT**
**OPERATING STATISTICS**
**LAST TEN FISCAL YEARS**

| FISCAL YEAR | ENROLLMENT | OPERATING EXPENDITURES (a) | COST PER PUPIL | PERCENTAGE CHANGE | TEACHING STAFF (b) | PUPIL/ TEACHER RATIO | | AVERAGE DAILY ENROLLMENT (ADE) (c) | AVERAGE DAILY ATTENDANCE (ADA) (c) | % CHANGE IN AVERAGE DAILY ENROLLMENT | STUDENT ATTENDANCE PERCENTAGE |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | PARKVIEW | YELLIN | | | | |
| 2022 | 879 | $ 19,955,702.39 | $ 22,702.73 | 20.69% | 82 | 1:20 | 1:20 | 879.0 | 807.0 | 3.28% | 91.81% |
| 2021 | 864 | 16,252,210.46 | 18,810.43 | -1.45% | 82 | 1:20 | 1:20 | 851.1 | 813.7 | -3.86% | 95.61% |
| 2020 | 864 | 16,490,540.26 | 19,086.27 | -4.74% | 90 | 1:20 | 1:20 | 885.3 | 849.0 | 3.53% | 95.90% |
| 2019 | 854 | 17,111,404.00 | 20,036.77 | -0.89% | 89 | 1:20 | 1:20 | 855.1 | 834.6 | -2.61% | 97.60% |
| 2018 | 832 | 16,819,621.00 | 20,215.89 | 12.34% | 89 | 1:20 | 1:20 | 878.0 | 803.0 | 1.20% | 91.46% |
| 2017 | 868 | 15,619,661.00 | 17,995.00 | -1.21% | 84 | 1:22 | 1:22 | 867.6 | 827.6 | 4.04% | 95.39% |
| 2016 | 824 | 15,009,656.00 | 18,215.60 | 8.40% | 84 | 1:21 | 1:21 | 833.9 | 796.6 | -2.90% | 95.53% |
| 2015 | 865 | 14,535,928.00 | 16,804.54 | 9.27% | 83 | 1:21 | 1:21 | 858.8 | 819.3 | 1.37% | 95.40% |
| 2014 | 829 | 12,749,510.00 | 15,379.38 | -2.77% | 78 | 1:21 | 1:21 | 847.2 | 815.2 | 5.23% | 96.22% |
| 2013 | 806 | 12,749,510.00 | 15,818.25 | 5.17% | 76 | 1:19 | 1:21 | 805.1 | 752.8 | 2.91% | 93.50% |

**Sources:** District records

**STRATFORD BOROUGH SCHOOL DISTRICT**
**SCHOOL BUILDING INFORMATION**
**LAST TEN FISCAL YEAR**
**REVISED**

| DISTRICT BUILDINGS | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 |
|---|---|---|---|---|---|---|---|---|---|---|
| Elementary Schools: | | | | | | | | | | |
| Parkview Elementary (1964): | | | | | | | | | | |
| Square Feet | 48,198 | 48,198 | 48,198 | 48,198 | 48,198 | 48,198 | 48,198 | 48,198 | 48,198 | 48,198 |
| Capacity (Students) | 400 | 307 | 307 | 307 | 307 | 307 | 307 | 307 | 307 | 307 |
| Enrollment | 398 | 333 | 369 | 359 | 353 | 353 | 356 | 378 | 350 | 347 |
| Yellin Elementary (1957): | | | | | | | | | | |
| Square Feet | 76,682 | 76,682 | 76,682 | 76,682 | 76,682 | 76,682 | 76,682 | 76,682 | 76,682 | 76,682 |
| Capacity (Students) | 547 | 547 | 547 | 547 | 547 | 547 | 547 | 547 | 547 | 547 |
| Enrollment (a) | 481 | 531 | 495 | 495 | 515 | 515 | 468 | 487 | 479 | 460 |

Number of Buildings at June 30, 2022:
- Elementary = 2
- Middle = 0
- High School = 0
- Other = 0

**Source:** District Facilities Office, Long Range Facility Plan - FES and District Capacity report.

**STRATFORD BOROUGH SCHOOL DISTRICT**
**SCHEDULE OF REQUIRED MAINTENANCE**
**LAST TEN FISCAL YEARS**

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

| | Samuel Yellin School | Parkview School | TOTAL |
|---|---|---|---|
| 2022 | $ 301,784.00 | $ 175,706.00 | $ 477,490.00 |
| 2021 | 114,754.00 | 76,502.00 | $ 191,256.00 |
| 2020 | 83,569.00 | 55,712.00 | $ 139,281.00 |
| 2019 | 121,432.00 | 80,954.00 | $ 202,386.00 |
| 2018 | 106,635.00 | 69,270.00 | $ 175,905.00 |
| 2017 | 125,944.00 | 65,621.00 | $ 191,565.00 |
| 2016 | 117,049.00 | 59,779.00 | $ 176,828.00 |
| 2015 | 138,183.00 | 94,686.00 | $ 232,869.00 |
| 2014 | 103,288.00 | 52,499.00 | $ 155,787.00 |
| 2013 | 104,503.00 | 54,656.00 | $ 159,159.00 |

Total School Facilities

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

Source: District records

EXHIBIT J-20

**STRATFORD BOROUGH SCHOOL DISTRICT**
**INSURANCE SCHEDULE**
**JUNE 30, 2022**

| | COVERAGE | DEDUCTIBLE |
|---|---|---|
| **School Package Policy:** | | |
| Property | | |
| Building and Contents (All Locations) | $ 31,393,732.00 | $ 5,000.00 |
| Comprehensive General Liability | 6,000,000.00 | N/A |
| Comprehensive Automobile Liability | 6,000,000.00 | N/A |
| Comprehensive Crime Coverage: | | |
| Faithful Perfomrance | 250,000.00 | 1,000.00 |
| Money Orders/Counterfeit | 10,000.00 | 500.00 |
| Money and Securities | 10,000.00 | 500.00 |
| Secretarys Bond | 200,000.00 | 1,000.00 |
| Computer Fraud | 250,000.00 | 1,000.00 |
| Forgery and Alteration | 25,000.00 | 500.00 |
| Equipment and Breakdown | 100,000,000.00 | 5,000.00 |
| Workers Compensation | Statutory | |
| School Leaders Errors and Admissions | 6,000,000.00 | 5,000.00 |
| Supplemental Workers Compensation | Statutory | |
| Student Accident Insurance | $ 5,000,000.00 | |
| Berkley Life and Health Insurance Company | | |
| Student Accident Policy Catastrophe | $ 1,000,000.00 | |
| Cyber and Privacy | $ 500,000.00 | 5,000.00 |

Source: District records - SAIF Risk Mgmt Plan

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**SINGLE AUDIT SECTION**

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HMA
HOLT MCNALLY & ASSOCIATES
Certified Public Accountants & Advisors

EXHIBIT K-1

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

Honorable President and Members
of the Board of Education
Borough of Stratford School District
County of Camden
Stratford, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Borough of Stratford School District (the "School District") as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements, and have issued our report thereon dated May 1, 2023.

**Internal Control Over Financial Reporting**

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

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

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deficiencies in internal control that we consider to be material weaknesses. We did identify a deficiency in internal control that we consider to be a material weakness, described in the accompanying comments and recommendation section as Finding No. 2022-002.

**Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the School District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed two instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards,* and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey and is described in the accompanying schedule of findings and questioned costs as Finding 2022-001 and 2022-002.

**School District's Response to Findings**

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

**Purpose of this Report**

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

Respectfully Submitted,

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

Michael Holt

Michael Holt
Certified Public Accountant
Public School Accountant, No. 1148

Medford, New Jersey
May 1, 2023

HMA
HOLT MCNALLY & ASSOCIATES
Certified Public Accountants & Advisors

EXHIBIT K-2

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

Honorable President and Members
of the Board of Education
Borough of Stratford School District
County of Camden
Stratford, New Jersey

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

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

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

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

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

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

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

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**Responsibilities of Management for Compliance**

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

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

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the School District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid;* and audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individual or in the aggregate, it would influence the judgement made by a reasonable user of the report on compliance about the School District's compliance with the requirements of each major federal and state program as a whole.

In performing an audit in accordance with generally accepted accounting standards, *Government Auditing Standards*, and New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding School District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

- Obtain an understanding of School District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, but not for the purpose of expressing an opinion on the effectiveness of School District's internal control over compliance. Accordingly, no such opinion is expressed.

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

**Report on Internal Control Over Compliance**

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

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

**Other Matters**

The results of our auditing procedures disclosed instances of noncompliance which are required to be reported in accordance with the Uniform Guidance and New Jersey's OMB's Circular 15-08 and which are described in the accompanying schedule of findings and questioned costs as Finding No's. 2022-001 and 2022-003. Our opinion on each major federal and state program is not modified with respect to these matters.

The School District's response to the noncompliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The School District's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

**Purpose of this Report**

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

Respectfully Submitted,

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

Michael Holt

Michael Holt
Certified Public Accountant
Public School Accountant, No. 1148

Medford, New Jersey
May 1, 2023

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**STRATFORD BOROUGH SCHOOL DISTRICT**
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**
**FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

| FEDERAL GRANTOR PASS-THROUGH GRANTOR GRANTOR/PROGRAM TITLE | ASSISTANCE LISTING NUMBER | FEDERAL AWARD IDENTIFICATION NUMBER | PASST THROUGH ENTITY IDENTIFYING NUMBER | AWARD AMOUNT | GRANT PERIOD | BALANCE AT JUNE 30, 2021 | CASH RECEIVED | BUDGETARY EXPENDITURES | REPAYMENT OF PRIOR YEARS' BALANCES | SUBRECEIPIENT EXPENDITURES | (ACCOUNTS RECEIVABLE) AT JUNE 30, 2022 | UNEARNED REVENUE AT JUNE 30, 2022 | DUE TO GRANTOR JUNE 30, 2022 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES PASSED-THROUGH NEW JERSEY DEPARTMENT OF HUMAN SERVICES** | | | | | | | | | | | | | |
| Medical Assistance Program (SEMI) | 93.778 | 2205NJ5MAP | 100-054-7540-211 | 7,518.11 | 7/1/21-6/30/22 | $ - | $ 6,011.21 | $ (7,518.11) | $ - | $ - | $ (1,506.90) | $ - | $ - |
| | | | | | | - | 6,011.21 | (7,518.11) | - | - | (1,506.90) | - | - |
| **TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES** | | | | | | - | 6,011.21 | (7,518.11) | - | - | (1,506.90) | - | - |
| **U.S. DEPARTMENT OF AGRICULTURE PASSED-THROUGH STATE DEPARTMENT OF EDUCATION:** | | | | | | | | | | | | | |
| **Enterprise Fund:** | | | | | | | | | | | | | |
| **Child Nurition Cluster** | | | | | | | | | | | | | |
| Noncash Assistance | | | | | | | | | | | | | |
| Food Distribution Program | 10.555 | 211NJ304N1099 | Unavailable | 17,081.10 | 7/1/20-6/30/21 | 8,222.39 | - | (8,222.39) | - | - | - | - | - |
| Food Distribution Program | 10.555 | 221NJ304N1099 | Unavailable | 19,063.74 | 7/1/21-6/30/22 | - | 19,063.74 | (15,267.63) | - | - | - | 3,796.11 | - |
| Cash Assistance | | | | | | | | | | | | | |
| COVID-19 National School Lunch Program | 10.555 | 221NJ304N1099 | 100-010-3350-026 | 339,666.49 | 7/1/21-6/30/22 | - | 317,187.05 | (339,666.49) | - | - | (22,479.44) | - | - |
| COVID-19 National School Lunch Program | 10.555 | 211NJ304N1099 | 100-010-3350-026 | 118,766.50 | 7/1/20-6/30/21 | (861.32) | 861.32 | - | - | - | - | - | - |
| COVID-19 Healthy Hunger-Free Kids Act | 10.555 | 211NJ304N1099 | 100-010-3350-026 | 2,355.15 | 7/1/20-6/30/21 | (17.08) | 17.08 | - | - | - | - | - | - |
| COVID-19 National School Breakfast Program | 10.553 | 221NJ304N1099 | 100-010-3350-028 | 94,552.11 | 7/1/21-6/30/22 | - | 87,286.76 | (94,552.11) | - | - | (7,265.35) | - | - |
| COVID-19 National School Breakfast Program | 10.553 | 211NJ304N1099 | 100-010-3350-028 | 76,037.70 | 7/1/20-6/30/21 | (551.44) | 551.44 | - | - | - | - | - | - |
| COVID-19 Emergency Operational Cost Reimbursement | 10.555 | 221NJ304N1099 | 100-010-3350-112 | 14,879.99 | 7/1/21-6/30/22 | | 14,879.99 | (14,879.99) | - | - | - | - | - |
| Total Child Nutrition Cluster | | | | | | 6,792.55 | 439,847.38 | (472,588.61) | - | - | (29,744.79) | 3,796.11 | - |
| COVID-19 Pandemic EBT Admin Cost Reimbursement | 10.649 | | 100-010-3350-115 | 1,242.00 | 7/1/21-6/30/22 | - | 1,242.00 | (1,242.00) | - | - | - | - | - |
| | | | | | | - | 1,242.00 | (1,242.00) | - | - | - | - | - |
| Total Enterprise Fund | | | | | | 6,792.55 | 441,089.38 | (473,830.61) | - | - | (29,744.79) | 3,796.11 | - |
| **U.S. DEPARTMENT OF EDUCATION PASSED-THROUGH STATE DEPARTMENT OF EDUCATION:** | | | | | | | | | | | | | |
| **Special Revenue Fund:** | | | | | | | | | | | | | |
| Title I | 84.010 | S010A200030 | 100-034-5064-194 | 160,268.00 | 7/1/20-9/30/21 | (95,313.95) | 95,313.95 | (10,425.00) | - | - | (10,425.00) | - | - |
| Title I | 84.010 | S010A190030 | 100-034-5064-194 | 112,985.00 | 7/1/19-9/30/20 | (21,714.39) | - | - | - | - | (21,714.39) | - | - |
| Title I | 84.010 | S010A210030 | 100-034-5064-194 | 211,425.00 | 7/1/21-9/30/22 | - | - | (211,425.00) | - | - | (211,425.00) | - | - |
| Subtotal | | | | | | (117,028.34) | 95,313.95 | (221,850.00) | - | - | (243,564.39) | - | - |
| Title II - Part A | 84.367 | S367A200029 | 100-034-5063-290 | 5,109.00 | 7/1/20-9/30/21 | (2,038.58) | 2,038.58 | - | - | - | - | - | - |
| Title II - Part A | 84.367 | S367A190029 | 100-034-5063-290 | 19,593.00 | 7/1/19-9/30/20 | (3,000.42) | 3,000.42 | - | - | - | - | - | - |
| Subtotal | | | | | | (5,039.00) | 5,039.00 | - | - | - | - | - | - |
| Title III | 84.365 | S365A200030 | 100-034-5064-187 | 26,820.00 | 7/1/20-9/30/21 | (10,783.21) | 10,783.21 | - | - | - | - | - | - |
| Title III | 84.365 | S365A190030 | 100-034-5064-187 | 17,116.00 | 7/1/19-9/30/20 | (157.43) | - | - | - | - | (157.43) | - | - |
| Title III | 84.365 | S365A210030 | 100-034-5064-187 | 25,327.00 | 7/1/21-9/30/22 | - | - | (5,328.24) | - | - | (5,328.24) | - | - |
| Subtotal | | | | | | (10,940.64) | 10,783.21 | (5,328.24) | - | - | (5,485.67) | - | - |
| Title IV | 84.424 | S424A200031 | 100-034-5063-348 | 10,964.00 | 7/1/20-9/30/21 | (10,944.00) | 10,944.00 | - | - | - | - | - | - |
| Title IV | 84.424 | S424A190031 | 100-034-5063-348 | 10,000.00 | 7/1/19-9/30/20 | (806.40) | - | - | - | - | (806.40) | - | - |
| Title IV | 84.424 | S424A210031 | 100-034-5063-348 | 10,020.00 | 7/1/21-9/30/22 | - | - | (9,721.00) | - | - | (9,721.00) | - | - |
| Subtotal | | | | | | (11,750.40) | 10,944.00 | (9,721.00) | - | - | (10,527.40) | - | - |
| Special Education Cluster: | | | | | | | | | | | | | |
| I.D.E.A. B -Basic | 84.027A | H027A200100 | 100-034-5065-016 | 290,938.00 | 7/1/20-9/30/21 | (293,097.02) | 293,097.02 | - | - | - | - | - | - |
| I.D.E.A. B -Basic | 84.027A | H027A210100 | 100-034-5065-016 | 292,484.00 | 7/1/21-9/30/22 | - | 188,219.00 | (284,064.85) | - | - | (95,845.85) | - | - |
| Subtotal | | | | | | (293,097.02) | 481,316.02 | (284,064.85) | - | - | (95,845.85) | - | - |
| I.D.E.A. - Preschool | 84.173A | H173A200114 | 100-034-5065-020 | 30,179.00 | 7/1/20-9/30/21 | - | 30,179.00 | - | - | - | - | 30,179.00 | - |
| Subtotal | | | | | | - | 30,179.00 | - | - | - | - | 30,179.00 | - |
| Total Special Education Cluster | | | | | | (293,097.02) | 511,495.02 | (284,064.85) | - | - | (95,845.85) | 30,179.00 | - |
| Education Stabilization Fund: | | | | | | | | | | | | | |
| COVID-19 CARES Emergency Relief Grant | 84.425D | S425D200027 | 100-034-5120-513 | 101,461 | 3/13/20-9/30/22 | (100,889.30) | - | (3,326.81) | - | - | (104,216.11) | - | - |
| | | | | | | (100,889.30) | - | (3,326.81) | - | - | (104,216.11) | - | - |
| COVID-19 ESSER II - Mental Health | 84.425D | S425D200027 | 100-034-5120-518 | 45,000 | 3/13/20-9/30/23 | - | - | (22,000.00) | - | - | (22,000.00) | - | - |
| | | | | | | - | - | (22,000.00) | - | - | (22,000.00) | - | - |
| COVID-19 ESSER III | 84.425U | S425U210027 | 100-034-5120-523 | 727,194 | 3/13/20-9/30/24 | - | - | (479,894.80) | - | - | (479,894.80) | - | - |
| COVID-19 ESSER III - Beyond the School Day | 84.425U | S425U210027 | 100-034-5120-523 | 40,000 | 3/13/20-9/30/24 | - | - | (6,773.28) | - | - | (6,773.28) | - | - |
| | | | | | | - | - | (486,668.08) | - | - | (486,668.08) | - | - |
| Total Education Stabilization Fund | | | | | | (100,889.30) | - | (511,994.89) | - | - | (612,884.19) | - | - |
| **U.S. DEPARTMENT OF THE TREASURY** | | | | | | | | | | | | | |
| COVID Relief Funds Cluster: | | | | | | | | | | | | | |
| COVID-19 American Rescue Plan - Corona Virus Relief Fund | 21.019 | Unavailable | 100-034-5120-495 | 48,114 | 3/1/20-12/31/21 | 46,353.81 | - | (46,047.58) | - | - | - | - | 306.23 |
| COVID-19 Nonpublic CRF Technology | 21.019 | Unavailable | 100-034-5120-495 | 11,441 | 7/1/21-6/30/21 | 79.60 | - | - | - | - | - | - | 79.60 |
| Total COVID Relief Funds Cluster | | | | | | 46,433.41 | - | (46,047.58) | - | - | - | - | 385.83 |
| Total Special Revenue Fund | | | | | | (492,311.29) | 633,575.18 | (1,079,006.56) | - | - | (968,307.50) | 30,179.00 | 385.83 |
| Total Federal Financial Assistance | | | | | | $ (485,518.74) | $ 1,080,675.77 | $ (1,560,355.28) | $ - | $ - | $ (999,559.19) | $ 33,975.11 | $ 385.83 |

**STRATFORD BOROUGH SCHOOL DISTRICT**
**SCHEDULE OF STATE FINANCIAL ASSISTANCE**
**FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

| STATE GRANTOR/PROGRAM TITLE | GRANT OR STATE PROJECT NUMBER | AWARD AMOUNT | GRANT PERIOD | BALANCE AT JUNE 30, 2021 | ADJUSTMENTS | CASH RECEIVED | BUDGETARY EXPENDITURES | REPAYMENT OF PRIOR YEARS' BALANCES | SUBRECEIPIENT EXPENDITURES | (ACCOUNTS RECEIVABLE) AT JUNE 30, 2022 | UNEARNED REVENUE AT JUNE 30, 2022 | DUE TO GRANTOR JUNE 30, 2022 | MEMO BUDGETARY RECEIVABLE | MEMO CUMULATIVE TOTAL EXPENDITURES |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **State Department of Education** | | | | | | | | | | | | | | |
| General Fund: | | | | | | | | | | | | | | |
| State Aid Public: | | | | | | | | | | | | | | |
| Equalization Aid | 495-034-5120-078 | 5,006,842.00 | 7/1/21-6/30/22 | $ - | $ - | $ 5,006,842.00 | $ (5,006,842.00) | $ - | $ - | $ - | $ - | $ - | $ 489,581.85 | $ 5,006,842.00 |
| Special Education Categorical Aid | 495-034-5120-089 | 437,575.00 | 7/1/21-6/30/22 | - | - | 437,575.00 | (437,575.00) | - | - | - | - | - | 42,787.20 | 437,575.00 |
| Security Aid | 495-034-5120-084 | 137,797.00 | 7/1/21-6/30/22 | - | - | 137,797.00 | (137,797.00) | - | - | - | - | - | 13,474.14 | 137,797.00 |
| School Choice Aid | 495-034-5120-068 | 215,254.00 | 7/1/21-6/30/22 | - | - | 215,254.00 | (215,254.00) | | - | - | - | - | 21,048.09 | 215,254.00 |
| Total State Aid Public | | | | - | - | 5,797,468.00 | (5,797,468.00) | - | - | - | - | - | 566,891.28 | 5,797,468.00 |
| Transportation Aid | 495-034-5120-014 | 202,610.00 | 7/1/21-6/30/22 | - | - | 202,610.00 | (202,610.00) | - | - | - | - | - | 19,811.72 | 202,610.00 |
| Extraordinary Aid | 495-034-5120-044 | 151,108.00 | 7/1/21-6/30/22 | - | - | | (151,108.00) | - | - | (151,108.00) | - | - | - | 151,108.00 |
| Extraordinary Aid | 495-034-5120-044 | 248,535.00 | 7/1/20-6/30/21 | (237,896.00) | - | 237,896.00 | - | - | - | - | - | - | - | - |
| Additional Non Public Transportation Aid | 495-034-5120-014 | 2,030.00 | 7/1/21-6/30/22 | - | - | - | (2,030.00) | - | - | (2,030.00) | - | - | - | 2,030.00 |
| Additional Non Public Transportation Aid | 495-034-5120-014 | 2,320.00 | 7/1/19-6/30/20 | (2,320.00) | 2,320.00 | - | - | - | - | - | - | - | - | - |
| Additional Non Public Transportation Aid | 495-034-5120-014 | 2,900.00 | 7/1/20-6/30/21 | (2,900.00) | - | 2,900.00 | - | - | - | - | - | - | - | - |
| Securing Our Children's Future Bond Act | unavailable | 44,592.00 | 7/1/20-6/30/22 | - | - | - | (44,592.00) | - | - | (44,592.00) | - | - | - | 44,592.00 |
| On-Behalf TPAF Social Security Reimbursement | 495-034-5094-003 | 515,598.70 | 7/1/21-6/30/22 | - | - | 490,461.35 | (515,598.70) | - | - | (25,137.35) | - | - | - | 515,598.70 |
| On-Behalf TPAF Social Security Reimbursement | 495-034-5094-003 | 447,121.05 | 7/1/20-6/30/21 | (22,499.56) | - | 22,499.56 | - | - | - | - | - | - | - | - |
| TPAF Pension Contribution (Noncash Assistance) | 495-034-5094-002 | 2,345,113.00 | 7/1/21-6/30/22 | - | - | 2,345,113.00 | (2,345,113.00) | - | - | - | - | - | - | 2,345,113.00 |
| TPAF Post-Retirement Medical (Noncash Assistance) | 495-034-5094-001 | 547,913.00 | 7/1/21-6/30/22 | - | - | 547,913.00 | (547,913.00) | - | - | - | - | - | - | 547,913.00 |
| TPAF Long-Term Disability Insurance (Noncash Assistance) | 495-034-5094-004 | 620.00 | 7/1/21-6/30/22 | - | - | 620.00 | (620.00) | - | - | - | - | - | - | 620.00 |
| Total General Fund | | | | (265,615.56) | 2,320.00 | 9,647,480.91 | (9,607,052.70) | - | - | (222,867.35) | - | - | 586,703.00 | 9,607,052.70 |
| **Special Revenue Fund:** | | | | | | | | | | | | | | |
| Non-Public Aid: | | | | | | | | | | | | | | |
| Textbooks | 100-034-5120-064 | 16,067.00 | 7/1/20-6/30/21 | 119.55 | - | - | - | (119.55) | - | - | - | - | - | - |
| Textbooks | 100-034-5120-064 | 13,805.00 | 7/1/21-6/30/22 | - | - | 13,805.00 | (13,470.00) | - | - | - | - | 335.00 | - | 13,470.00 |
| Nursing Services | 100-034-5120-070 | 26,826.00 | 7/1/20-6/30/21 | 369.23 | - | - | - | (369.23) | - | - | - | - | - | - |
| Nursing Services | 100-034-5120-070 | 27,760.00 | 7/1/21-6/30/22 | - | - | 25,760.00 | (24,948.00) | - | - | - | - | 812.00 | - | 24,948.00 |
| Technology Initiative | 100-034-5120-373 | 9,660.00 | 7/1/21-6/30/22 | - | - | 9,660.00 | (9,450.00) | - | - | - | - | 210.00 | - | 9,450.00 |
| Security Aid | 100-034-5120-509 | 46,025.00 | 7/1/20-6/30/21 | 8,315.80 | - | - | - | (8,315.80) | - | - | - | - | - | - |
| Security Aid | 100-034-5120-509 | 40,250.00 | 7/1/21-6/30/22 | - | - | 40,250.00 | (32,156.84) | - | - | - | - | 8,093.16 | - | 32,156.84 |
| Auxiliary Services Aid (Chapter 192): | | | | | | | | | | | | | | |
| Compensatory Education | 100-034-5120-067 | 211,631.00 | 7/1/20-6/30/21 | 63,623.10 | - | - | - | (63,623.10) | - | - | - | - | - | - |
| Compensatory Education | 100-034-5120-067 | 189,910.00 | 7/1/21-6/30/22 | - | - | 189,910.00 | (163,483.50) | - | - | - | - | 26,426.50 | - | 163,483.50 |
| Transportation | 100-034-5120-067 | 30,823.00 | 7/1/20-6/30/21 | 2,804.75 | - | - | - | (2,804.75) | - | - | - | - | - | - |
| Transportation | 100-034-5120-067 | 33,427.00 | 7/1/21-6/30/22 | - | - | 33,427.00 | (25,058.62) | - | - | - | - | 8,368.38 | - | 25,058.62 |
| ESL | 100-034-5120-067 | 31,085.00 | 7/1/20-6/30/21 | 7,602.43 | - | - | - | (7,602.43) | - | - | - | - | - | - |
| ESL | 100-034-5120-067 | 28,319.00 | 7/1/21-6/30/22 | - | - | 28,319.00 | (17,904.60) | - | - | - | - | 10,414.40 | - | 17,904.60 |
| Handicapped Services (Chapter 193): | | | | | | | | | | | | | | |
| Examination and Classification | 100-034-5120-066 | 77,842.00 | 7/1/20-6/30/21 | 13,764.25 | - | - | - | (13,764.25) | - | - | - | - | - | - |
| Examination and Classification | 100-034-5120-066 | 62,384.00 | 7/1/21-6/30/22 | - | - | 62,384.00 | (53,278.93) | - | - | - | - | 9,105.07 | - | 53,278.93 |
| Corrective Speech | 100-034-5120-066 | 49,216.00 | 7/1/20-6/30/21 | 11,939.74 | - | - | - | (11,939.74) | - | - | - | - | - | - |
| Corrective Speech | 100-034-5120-066 | 54,870.00 | 7/1/21-6/30/22 | - | - | 54,870.00 | (32,829.00) | - | - | - | - | 22,041.00 | - | 32,829.00 |
| Supplementary Instruction | 100-034-5120-066 | 63,139.00 | 7/1/20-6/30/21 | 12,477.32 | - | - | - | (12,477.32) | - | - | - | - | - | - |
| Supplementary Instruction | 100-034-5120-066 | 56,168.00 | 7/1/21-6/30/22 | - | - | 56,168.00 | (49,560.00) | - | - | - | - | 6,608.00 | - | 49,560.00 |
| Total Special Revenue Fund | | | | 121,016.17 | - | 514,553.00 | (422,139.49) | (121,016.17) | - | - | - | 92,413.51 | - | 422,139.49 |
| **Enterprise Fund:** | | | | | | | | | | | | | | |
| National School Lunch Program | 100-010-3360-067 | 7,980.96 | 7/1/21-6/30/22 | - | - | 7,463.62 | (7,980.96) | - | - | (517.34) | - | - | - | 7,980.96 |
| National School Lunch Program | 100-010-3360-067 | 5,479.63 | 7/1/20-6/30/21 | (62.22) | - | 62.22 | - | - | - | - | - | - | - | - |
| Total Enterprise Fund | | | | (62.22) | - | 7,525.84 | (7,980.96) | - | - | (517.34) | - | - | - | 7,980.96 |
| Total State Financial Assistance | | | | $ (144,661.61) | $ 2,320.00 | $ 10,169,559.75 | $ (10,037,173.15) | $ (121,016.17) | $ - | $ (223,384.69) | $ - | $ 92,413.51 | $ 586,703.00 | $ 10,037,173.15 |
| Less: Grants Not Subject to Type A/B Threshold Calculation: | | | | | | | | | | | | | | |
| On-Behalf TPAF Pension Contributions | 495-034-5094-002 | 2,345,113.00 | 7/1/21-6/30/22 | | | | 2,345,113.00 | | | | | | | |
| On-Behalf TPAF Post-Retirement Medical | 495-034-5094-001 | 547,913.00 | 7/1/21-6/30/22 | | | | 547,913.00 | | | | | | | |
| On-Behalf Long-Term Disability Insurance | 495-034-5094-004 | 620.00 | 7/1/21-6/30/22 | | | | 620.00 | | | | | | | |
| Total State Financial Assistance subject to Major Program Determination | | | | | | | $ (7,143,527.15) | | | | | | | |

# BOROUGH OF STRATFORD SCHOOL DISTRICT
# NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
# FOR THE FISCAL YEAR ENDED JUNE 30, 2022

## Note 1. Basis of Presentation

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

## Note 2. Summary of Significant Accounting Policies

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

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

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

## Note 3. Relationship to Basic Financial Statements

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

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

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

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is $(92,244.00) for the general fund and $(36,255.07) for the special revenue fund. See Exhibit C-3 Note A of the basic financial statements, for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance expenditures reported in the School District's basic financial statements on a GAAP basis are presented as follows:

| Fund | Federal | State | Total |
|---|---|---|---|
| General Fund | $ 7,518.11 | $ 9,514,808.70 | $ 9,522,326.81 |
| Special Revenue Fund | 1,090,359.48 | 374,531.50 | 1,464,890.98 |
| Food Service Fund | 473,830.61 | 7,980.96 | 481,811.57 |
| Total Awards & Financial Assistance | $ 1,571,708.20 | $ 9,897,321.16 | $ 11,469,029.36 |

**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 Borough of Stratford School District had no loan balances outstanding at June 30, 2022.

**BOROUGH OF STRATFORD SCHOOL DISTRCIT**
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**
**FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**Section I - Summary of Auditor's Results**

**Financial Statements**

| | |
|---|---|
| Type of auditor's report issued | Unmodified |
| Internal control over financial reporting: | |
| 1) Material weakness(es) identified? | X yes ____ no |
| 2) Significant deficiency(ies) identified? | ____ yes X none reported |
| Noncompliance material to financial statements noted? | X yes ____ no |

**Federal Awards**

| | |
|---|---|
| Internal control over major programs: | |
| 1) Material weakness(es) identified? | ____ yes X no |
| 2) Significant deficiency(ies) identified? | ____ yes X none reported |
| Type of auditor's report issued on compliance for major programs | Unmodified |
| Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200 section .516(a) of Uniform Guidance? | X yes ____ no |

Identification of major programs:

| CFDA Number(s) | FAIN Number(s) | Name of Federal Program or Cluster |
|---|---|---|
| 84.425D84.425U | S425D200027/S425U210027 | Education Stabalization Funds |
| | | |
| Child Nutrition Cluster: | | |
| 10.555 | 221NJ304N1099 | National School Lunch Program |
| 10.553 | 221NJ304N1099 | National School Breakfast Program |
| | | |

| | |
|---|---|
| Dollar threshold used to determine Type A programs | $750,000.00 |
| Auditee qualified as low-risk auditee? | ____ yes X no |

**BOROUGH OF STRATFORD SCHOOL DISTRCIT**
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**
**FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

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

**State Financial Assistance**

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

Identification of major programs:

| State Grant/Project Number(s) | Name of State Program |
|---|---|
| | State Aid - Public: |
| 495-034-5120-078 | Equalization Aid |
| 495-034-5120-084 | Categorical Security Aid |
| 495-034-5120-089 | Categorical Special Education Aid |
| 495-034-5120-068 | School Choice Aid |
| | |
| | |
| | |

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

**Section II – Financial Statement Findings**

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

Financial Statement Findings

**Finding 2022-001 (See Federal Awards Finding 2022-001):**

**Criteria or specific requirement:**
The New Jersey Department of Agriculture requires a School Food Authority to maintain a nonprofit School Food Service. The nonprofit status of the School Food Service is determined by evaluating net cash resources, which may not exceed three months average expenditures.

**Condition:**
Net cash resources in the Food Service Fund exceeded three months average expenditures.

**Context:**
Utilizing the USA net cash resource calculation form, it was determined that the District's net cash resources exceeded the three months average expenditure by $153,083, as of June 30, 2022.

**Effect:**
The New Jersey Department of Agriculture requirement regarding Net Cash Resources was note met.

**Cause:**
The School District received free meal reimbursement rates for all meals served during the school year. This caused a larger than normal cash influx while operating expenditures remained consistent.

**Recommendation:**
The District should reduce net cash resources on hand in the Food Service Fund through capital expenditure or other improvements to the Food Service Program.

**Views of responsible officials and planned corrective actions:**
Management agrees with above finding and will take necessary corrective action.

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

**Section II – Financial Statement Findings (continued)**

**Finding No. 2022-002**

**Criteria or Specific Requirement:**

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

**Condition:**

The District did not maintain an accurate subsidiary ledger for accounts receivable.

**Context:**

Accounts receivable were not reconciled to other District records and as a result material audit adjustments were required.

**Cause:**

The District was unable to maintain a full accounts receivable listing due to lack of office personnel.

**Effect:**

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

**Recommendation:**

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

**View of Responsible Officials and Planned Corrective Action:**

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

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

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

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

**FEDERAL AWARDS**

**Finding 2022-001:**

**Criteria or specific requirement:**
The New Jersey Department of Agriculture requires a School Food Authority to maintain a nonprofit School Food Service. The nonprofit status of the School Food Service is determined by evaluating net cash resources, which may not exceed three months average expenditures.

**Condition:**
Net cash resources in the Food Service Fund exceeded three months average expenditures.

**Questioned Costs:**
None.

**Context:**
Utilizing the USA net cash resource calculation form, it was determined that the District's net cash resources exceeded the three months average expenditure by $153,083, as of June 30, 2022.

**Effect:**
The New Jersey Department of Agriculture requirement regarding Net Cash Resources was note met.

**Cause:**
The School District received free meal reimbursement rates for all meals served during the school year. This caused a larger than normal cash influx while operating expenditures remained consistent.

**Recommendation:**
The District should reduce net cash resources on hand in the Food Service Fund through capital expenditure or other improvements to the Food Service Program.

**Views of responsible officials and planned corrective actions:**
Management agrees with above finding and will take necessary corrective action.

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

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

**STATE FINANCIAL ASSISTANCE**

**Finding No. 2022-003**

**Information on the State Program:**

| | |
|---|---|
| State Aid Public: | |
| Equalization Aid | 495-034-5120-078 |
| Security Aid | 495-034-5120-084 |
| Special Education Categorical Aid | 495-034-5120-089 |
| School Choice Aid | 495-034-5120-068 |

**Criteria or Specific Requirement:**

N.J.S.A 18A:55-3 requires Districts to maximize participation in the Special Education Medicaid Initiative (SEMI) Program.

**Condition:**

The District is not maximizing its efforts under the Special Education Medicaid Initiative (SEMI) Program for obtaining federal funding for special education services.

**Questioned Costs:**

None.

**Context:**

The District's reimbursement was below the required 100 percent.

**Effect or Potential Effect:**

The District did not comply with N.J.S.A 18A:55-3 requirements.

**Cause:**

The District did not accurately monitor reimbursements.

**Identification as a Repeat Finding:**

Repeat finding from 2021 audit.

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

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

**Finding No. 2022-003 (continued)**

**Recommendation:**

The District should establish procedures to ensure that it maximizes its efforts under SEMI for obtaining federal reimbursement for special education services.

**View of Responsible Officials:**

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

EXHIBIT K-7

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

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

Financial Statement Findings

**Finding No. 2021-001**

Condition

The School District's Food Service Fund Net Cash Resources exceeded its three months average expenditures by $121,466.36.

Current Status:

This finding has not been corrected.

**Finding No. 2021-002**

Condition

The capital assets records were not properly updated for additions, disposals or depreciation.

Current Status:

This finding has been corrected.

**Finding No. 2021-003**

Condition

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

Current Status:

This finding has been corrected.

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

Financial Statement Findings (continued)

**Finding No. 2021-004**

Condition

The District did not go out to bid for a purchase over the bid threshold.

Current Status:

This finding has been corrected.

Federal Awards

No Prior Year Findings.

State Financial Assistance

**Finding No. 2021-004**

Condition

The District did not go out to bid for a purchase over the bid threshold.

Current Status:

This finding has been corrected.

**Finding No. 2021-005**

Condition

The District did not administer English Language Proficiency Tests as required.

Current Status:

This finding has been corrected.

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

State Financial Assistance Findings (continued)

**Finding No. 2021-006**

Condition

The District is not maximizing its efforts under the Special Education Medicaid Initiative (SEMI) Program for obtaining federal funding for special education services.

Current Status:

This finding has not been corrected.