

SCHOOL DISTRICT  
OF  
ALLAMUCHY TOWNSHIP

Allamuchy Township School District  
Board of Education  
Allamuchy Township, New Jersey

Annual Comprehensive Financial Report  
For the Fiscal Year Ended June 30, 2023

# Annual Comprehensive Financial Report

of the

Allamuchy Township School District  
Board of Education

Allamuchy Township, New Jersey

For the Fiscal Year Ended June 30, 2023

Prepared by

Allamuchy Township School District  
Board of Education

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
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INTRODUCTORY SECTION  
(UNAUDITED)



# Allamuchy Township School District

*Promoting The Allamuchy Learner*

20 Johnsonburg Road  
Allamuchy, NJ 07820

P: 908-852-1894  
F: 908-852-9816

[www.aes.k12.nj.us](http://www.aes.k12.nj.us)

January 10, 2024

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

Dear Honorable President and Board Members:

The Annual Comprehensive Financial Report of the Allamuchy Township School District (the “District”) for the fiscal year ended June 30, 2023 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 Allamuchy Board of Education (the “Board”). To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the basic financial statements and results of operations of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

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

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

The District provides a full range of educational services appropriate to grade levels K through 8. These include regular, as well as special education, for handicapped youngsters. The District completed the 2022-2023 fiscal year with an average daily enrollment of 421 students, which is 3 student less than the prior year's enrollment.

2. ECONOMIC CONDITION AND OUTLOOK: The Allamuchy area has developed at a faster rate than was experienced in the last decade due to a housing development that is located within the Township. This has resulted in an increase in the tax base. Construction is coming to an end, however, enrollment is expected to increase at a slower pace and the Allamuchy area will continue to prosper.
3. MAJOR INITIATIVES: Student Achievement and Growth remains as the major focus of activities within the District. Professional staff continue to work hard to review and revise curriculum to align to the New Jersey Student Learning Standards. State assessment results and data analysis in grades 3-8 are utilized to strengthen both program offerings and teaching strategies. Computerized assessment programs continue to be incorporated and staff have received professional development. Extended block scheduling allows for 400 minutes/week of math and 400 minutes/week of language arts in all grades. School wide enrichment activities are geared to reach all students and are supplemented by an active after school program through both the school and educational enhancement facility and community center, Rutherford Hall. Of particular note is our commitment to activities outside the traditional classroom, emphasizing authentic and inquiry-based learning with two outdoor classrooms in the district. Staff and students have access to one of the most beautiful natural resource areas in the state. During the year, the administration and staff make a major effort in the area of environmental education by utilizing the unique and rich environment. Initiatives include fishing, kayaking, hiking and team building. Transportation is provided to all students and for all activities, including Extended School Year programs and extracurricular clubs and sports. Professional staff development is stressed and Allamuchy has a relationship with Centenary University as a Professional Development School. Students utilize technology through Chromebooks, iPads and other state of the art technologies. Recent improvements have assured that all district classrooms are equipped with SmartBoards, and students in grades 3-8 have access to a 1-to-1 Chromebook.
4. INTERNAL ACCOUNTING CONTROLS: Management of the District is responsible for establishing and maintaining an internal control system designed to ensure that the assets of the District are protected from loss, theft or misuse, and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles (GAAP). The internal control system is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

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

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

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

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either cancelled or are included as reappropriations of fund balance in the subsequent year. Those amounts to be reappropriated are reported as restrictions, commitments and assignments of fund balance at June 30, 2023.

6. ACCOUNTING SYSTEM AND REPORTS: The District's accounting records reflect generally accepted accounting principles, as promulgated by the Governmental Accounting Standards Board (GASB). The accounting system of the District is organized on the basis of funds. These funds are explained in "Notes to the Basic Financial Statements", Note 1.
7. CASH MANAGEMENT: The investment policy of the District is guided in large part by state statute as detailed in "Notes to the Basic Financial Statements", Note 3. The District has adopted a cash management plan which requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution in New Jersey. The law requires governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act.
8. RISK MANAGEMENT: The Board carries various forms of insurance, including, but not limited to, general liability, excess liability, automobile liability and comprehensive/collision, hazard and theft insurance on property and contents, and fidelity bonds. A schedule of insurance coverage is found on Exhibit J-20.
9. OTHER INFORMATION: Independent Audit - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Nisivoccia LLP, CPAs, was selected by the Board. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and New Jersey's OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. The auditors' report on the basic financial statements and specific required supplementary information is included in the financial section of this report. The auditors' reports related specifically to the single audit and *Government Auditing Standards* are included in the single audit section of this report.

The Honorable President and Members of  
the Board of Education  
Allamuchy Township School District  
Page 4  
January 10, 2024

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

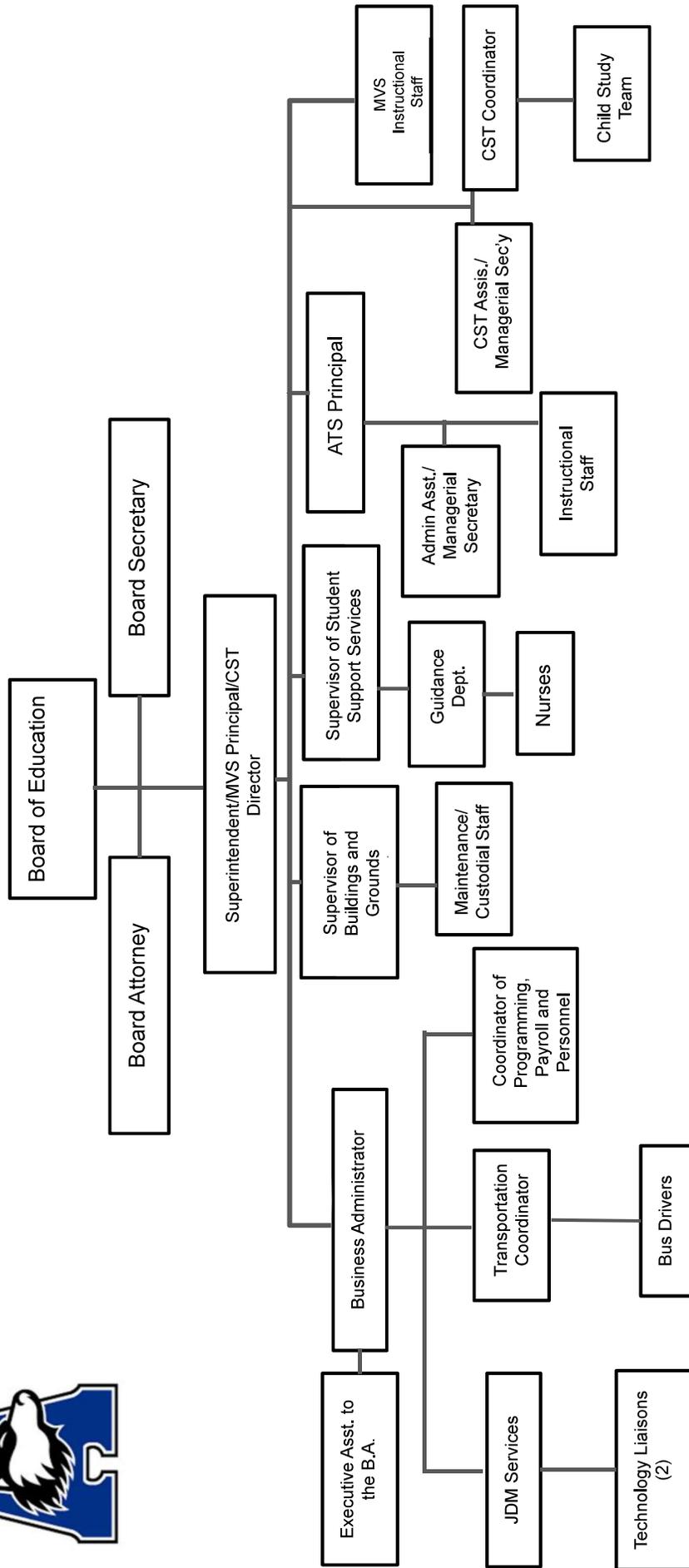
Respectfully submitted,

  
\_\_\_\_\_  
Dr. Melissa Sabol  
Superintendent

  
\_\_\_\_\_  
Louis F. Caruso, Ed. D  
Business Administrator/Board Secretary



Allamuchy Board of Education Organizational Chart 2022-2023



ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
ROSTER OF OFFICIALS  
JUNE 30, 2023

<u>Members of the Board of Education</u>	<u>Term Expires</u>
Lisa Strutin, President	2024
Mary Renaud, Vice President	2025
Stacy Bockbrader	2025
Abigail Christmann	2024
Harriet Gaddy	2024
Maryann Gibbs	2025
Craig Green	2023
Jensey Rodriguez	2023

<u>Other Officials</u>	<u>Title</u>
Dr. Melissa Sabol	Superintendent of Schools
Danielle Tarvin	Business Administrator/Board Secretary (To June 30, 2023)
Louis F. Caruso, Ed.D.	Business Administrator/Board Secretary (From June 19, 2023)

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
CONSULTANTS AND ADVISORS  
YEAR ENDED JUNE 30, 2023

**Audit Firm**

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

**Attorney**

Busch Law Group  
450 Main Street  
Metuchen, NJ 08840

**Special Projects Attorney**

Coughlin Duffy LLP  
350 Mount Kemble Ave.  
PO Box 1917  
Morristown, NJ 07962

**Special Education Attorney**

Scarinci & Hollenbeck, LLC  
1100 Valley Brook Avenue  
PO Box 790  
Lyndhurst, NJ 07071

**Official Depository**

Investors Bank  
388 State Rt. 517 West  
Washington, NJ 07882

FINANCIAL SECTION

## Independent Auditors' Report

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

### **Report on the Audit of the Financial Statements**

#### ***Opinion***

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Board of Education of the Allamuchy Township School District (the “District”), in the County of Warren, as of and for the fiscal year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District’s basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the District, as of June 30, 2023, and the respective changes in financial position, and, where applicable cash flows thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinions***

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

#### ***Responsibilities of Management for the Financial Statements***

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

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

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

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

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

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

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

***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, which follows this report, the pension and postemployment benefit schedules in exhibits L-1 through L-5 and the related notes, and the budgetary comparison information in Exhibits C-1 through C-3 be presented to supplement the basic financial statements. Such information, 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 District’s basic financial statements. The accompanying supplementary information schedules and the schedules of expenditures of federal and state awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*; and New Jersey’s OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying supplementary information schedules and the schedules of expenditures of federal and state awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

***Other Information***

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

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated January 10, 2024 on our consideration of the District’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District’s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District’s internal control over financial reporting and compliance.

January 10, 2024  
Mount Arlington, New Jersey

*Nisivoccia LLP*  
NISIVOCCIA LLP

*John J. Mooney*  
\_\_\_\_\_  
John J. Mooney  
Licensed Public School Accountant #2602  
Certified Public Accountant

REQUIRED SUPPLEMENTARY INFORMATION  
MANAGEMENT'S DISCUSSION AND ANALYSIS

## Allamuchy Township School District Management Discussion and Analysis

This section of Allamuchy Township School District’s annual financial report presents its discussion and analysis of the District’s financial performance during the fiscal year ending June 30, 2023. Please read it in conjunction with the transmittal letter at the front of this report and the District’s financial statements, which immediately follow this section.

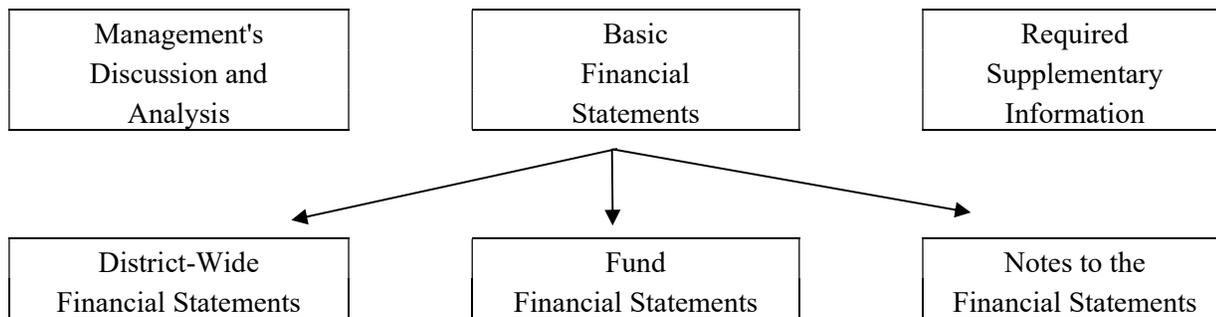
### Overview of the Financial Statements

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

- The first two statements are *District-wide financial statements* that provide both *short-term* and *long-term* information about the District’s *overall* financial status.
- The remaining statements are *fund financial statements* that focus on *individual parts* of the District, reporting the District’s operations in *more* detail than the District-wide statements.
- The *governmental funds statements* tell how basic services such as regular and special education were financed in the short-term as well as what remains for future spending.
- *Proprietary funds* statements offer *short-* and *long-term* financial information about the activities the District operates like a business, such as food services and Rutherford Hall.
- *Notes to Basic Financial Statements*: Provide additional information essential to a full understanding of the district-wide and fund financial statements.

The financial statements also include notes that explain some of the information in the statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the financial statements with a comparison of the District’s budget for the year. Figure A-1 shows how the various parts of this annual report are arranged and related to one another.

**Figure A-1**  
**Organization of Allamuchy Township School District’s Financial Report**



**Allamuchy Township School District  
Management Discussion and Analysis**

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

**Figure A-2**

*Major Features of the District-Wide and Fund Financial Statements*

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

## Allamuchy Township School District Management Discussion and Analysis

### District-wide Statements

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

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

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

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

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

### Fund Financial Statements

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

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

The District has two kinds of funds:

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

**Allamuchy Township School District  
Management Discussion and Analysis**

*Notes to the Basic Financial Statements:* Provide additional information essential to a full understanding of the District-wide and fund financial statements.

**Financial Analysis of the District as a Whole**

*Net Position.* The District's combined net position was (\$1,623,780) on June 30, 2023, which was \$354,763 or 17.93% more than the prior year (See Figure A-3).

**Figure A-3**

**Condensed Statement of Net Position**

	Government Activities		Business-Type Activities		Total School District		Total Percentage Change
	2022/23	(Restated) 2021/22	2022/23	2021/22	2022/23	(Restated) 2021/22	
Current and Other Assets	\$ 1,369,182	\$ 1,123,901	\$ 141,716	\$ 161,240	\$ 1,510,898	\$ 1,285,141	
Capital Assets, Net	7,274,273	7,699,938	16,020	15,708	7,290,293	7,715,646	
Total Assets	<u>8,643,455</u>	<u>8,823,839</u>	<u>157,736</u>	<u>176,948</u>	<u>8,801,191</u>	<u>9,000,787</u>	-2.22%
Deferred Outflow of Resources	<u>302,298</u>	<u>310,234</u>			<u>302,298</u>	<u>310,234</u>	-2.56%
Other Liabilities	1,215,634	847,358	227,276	300,828	1,442,910	1,148,186	
Long-Term Liabilities	8,827,028	9,027,027			8,827,028	9,027,027	
Total Liabilities	<u>10,042,662</u>	<u>9,874,385</u>	<u>227,276</u>	<u>300,828</u>	<u>10,269,938</u>	<u>10,175,213</u>	0.93%
Deferred Inflows of Resources	<u>457,331</u>	<u>1,114,351</u>			<u>457,331</u>	<u>1,114,351</u>	-58.96%
Net Position:							
Net Investment in Capital Assets	448,747	300,284	16,020	15,708	464,767	315,992	
Restricted	331,126	330,967			331,126	330,967	
Unrestricted/(Deficit)	<u>(2,334,113)</u>	<u>(2,485,914)</u>	<u>(85,560)</u>	<u>(139,588)</u>	<u>(2,419,673)</u>	<u>(2,625,502)</u>	
Total Net Position/ (Deficit)	<u>\$ (1,554,240)</u>	<u>\$ (1,854,663)</u>	<u>\$ (69,540)</u>	<u>\$ (123,880)</u>	<u>\$ (1,623,780)</u>	<u>\$ (1,978,543)</u>	17.93%

*Changes in Net Position.* Net position in the Governmental Activities increased primarily due to the maturity of long term liabilities, capital assets additions offset by depreciation expense as well as excess revenues and unexpended budget balances in the General Fund. An explanation for the change in Net Position for Business-Type Activities is included later in this section of the report.

**Allamuchy Township School District  
Management Discussion and Analysis**

**Figure A-4  
Changes in Net Position from Operating Results**

	Governmental Activities		Business-Type Activities		Total School District		Total
	2022/23	2021/22	2022/23	2021/22	2022/23	2021/22	Percentage Change
<b>Revenue:</b>							
<b>Program Revenue:</b>							
Charges for Services	\$ 354,254	\$ 216,143	\$ 342,589	\$ 155,518	\$ 696,843	\$ 371,661	
Operating Grants & Contribution	2,572,489	2,574,407	94,036	216,356	2,666,525	2,790,763	
<b>General Revenue:</b>							
Property Taxes	10,422,714	10,231,511			10,422,714	10,231,511	
Unrestricted Federal and State Aid	63,159	63,094			63,159	63,094	
Other	54,693	608,508	584	3	55,277	608,511	
<b>Total Revenue</b>	<b>13,467,309</b>	<b>13,693,663</b>	<b>437,209</b>	<b>371,877</b>	<b>13,904,518</b>	<b>14,065,540</b>	<b>-1.14%</b>
<b>Expenses:</b>							
Instruction	5,691,493	5,974,927			5,691,493	5,974,927	
Pupil and Instruction Services	3,913,771	3,631,311			3,913,771	3,631,311	
Administrative and Business	1,056,129	1,007,791			1,056,129	1,007,791	
Maintenance and Operations	1,123,418	1,136,425			1,123,418	1,136,425	
Transportation	1,076,085	1,211,113			1,076,085	1,211,113	
Other	305,990	286,966	382,869	373,461	688,859	660,427	
<b>Total Expenses</b>	<b>13,166,886</b>	<b>13,248,533</b>	<b>382,869</b>	<b>373,461</b>	<b>13,549,755</b>	<b>13,621,994</b>	<b>-0.53%</b>
<b>Increase/(Decrease) in Net Position</b>	<b>\$ 300,423</b>	<b>\$ 445,130</b>	<b>\$ 54,340</b>	<b>\$ (1,584)</b>	<b>\$ 354,763</b>	<b>\$ 443,546</b>	<b>-20.02%</b>

**Governmental Activities**

The financial position of the District's governmental activities increased \$300,423 primarily due to the maturity of long term liabilities, capital assets additions offset by depreciation expense as well as excess revenues and unexpended budget balances in the General Fund.

Figure A-5 presents the cost of six major District activities: instruction, pupil and instruction services, administrative and business, maintenance and operations, transportation and other expenses and shows each activity's net cost (total cost less fees generated by the activities and intergovernmental aid provided for specific programs – the financial obligation or burden placed on the District's taxpayers by each of these functions.

**Allamuchy Township School District  
Management Discussion and Analysis**

**Figure A-5  
Net Cost of Governmental Activities**

	<u>Total Costs of Services</u>		<u>Net Cost of Services</u>	
	<u>2022/23</u>	<u>2021/22</u>	<u>2022/23</u>	<u>2021/22</u>
Instruction	\$ 5,691,493	\$ 5,974,927	\$ 3,679,572	\$ 3,686,148
Pupil and Instruction Services	3,913,771	3,631,311	3,725,277	3,545,863
Administrative and Business	1,056,129	1,007,791	936,953	927,944
Maintenance and Operations	1,123,418	1,136,425	1,048,150	1,105,278
Transportation	1,076,085	1,211,113	544,201	905,784
Other	305,990	286,966	305,990	286,966
	<u>\$ 13,166,886</u>	<u>\$ 13,248,533</u>	<u>\$ 10,240,143</u>	<u>\$ 10,457,983</u>

**Business-Type Activities**

Net position from the District’s business-type activities increased by \$54,340 primarily due to the increase in daily sales in the food service fund as well as an increase in program fees in Rutherford Hall. (Refer to Figure A-4).

***Financial Analysis of the District’s Funds***

To maintain a stable financial position, the District must continue to practice sound fiscal management, including but not limited to cost containment practices, seeking out all available efficiencies and a continual evaluation of all offered services and programs.

**General Fund Budgetary Highlights**

Over the course of the year, the District revised the annual operating budget several times. These budget amendments fall into two categories:

- Changes made within budgetary line items for changes in school-based needs for programs, supplies and equipment.
- Changes in budgetary line accounts to more accurately reflect current requirements.

**Allamuchy Township School District  
Management Discussion and Analysis**

**Capital Asset Administration**

**Figure A-6**

**Capital Assets (net of depreciation)**

	Governmental Activities		Business-Type Activities		Total School District		Percentage
	2022/23	2021/22	2022/23	2021/22	2022/23	2021/22	Change
							2022/23
Sites	\$ 2,311,034	\$ 2,311,034			\$ 2,311,034	\$ 2,311,034	
Site Improvements	201,870	210,736			201,870	210,736	
Buildings & Building Improvements	4,661,369	5,020,482			4,661,369	5,020,482	
Machinery and Equipment	100,000	157,686	\$ 16,020	\$ 15,708	116,020	173,394	
<b>Total</b>	<b>\$ 7,274,273</b>	<b>\$ 7,699,938</b>	<b>\$ 16,020</b>	<b>\$ 15,708</b>	<b>\$ 7,290,293</b>	<b>\$ 7,715,646</b>	<b>-5.51%</b>

- The change in Capital Assets is a result of the acquisition of assets in the amount of \$117,991 offset by depreciation expense of \$543,344.

**Long-Term Liabilities**

At year-end, the District had \$6,300,000 in general obligation bonds outstanding as shown in Figure A-7. (More detailed information about the District’s long-term liabilities is presented in Note 7 to the basic financial statements.)

**Figure A-7**

**Outstanding Long-Term Liabilities**

	Total School District		Percentage
	2022/23	2021/22	Change
General Obligation Bonds (Financed with Property Taxes)	\$ 6,300,000	\$ 6,800,000	
Obligations Under Financed Purchases	525,526	599,654	
Net Pension Liability	1,735,275	1,355,162	
Compensated Absences Payable	266,227	272,211	
<b>Total</b>	<b>\$ 8,827,028</b>	<b>\$ 9,027,027</b>	<b>-2.22%</b>

- The District continued to pay down its debt, retiring \$500,000 of outstanding bonds.
- Obligations Under Financed Purchases decreased \$74,128 which comprised of additions in the amount of \$113,157 offset by a pay down of \$187,285.
- Compensated Absences Payable decreased \$5,984.
- Net Pension Liability increased by \$380,113.

## **Allamuchy Township School District Management Discussion and Analysis**

### **Factors Bearing on the District's Future**

The District closed the 2022-23 fiscal year with an Unassigned General Fund fund balance deficit of (\$17,296) on the budgetary basis of accounting. The State imposed tax levy cap limit of 2% leaves the District with little protection in the event of costly emergencies.

### **Contacting the District's Financial Management**

This financial report is designed to provide the District's citizens, taxpayers, customers and investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Board of Education Office at P.O. Box B, Allamuchy, New Jersey 07820.

BASIC FINANCIAL STATEMENTS

DISTRICT-WIDE FINANCIAL STATEMENTS

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
STATEMENT OF NET POSITION  
JUNE 30, 2023

	Governmental Activities	Business-Type Activities	Total
<b>ASSETS:</b>			
Cash and Cash Equivalents	\$ 874,168	\$ 58,278	\$ 932,446
Receivables from State Government	162,615	87	162,702
Receivables from Federal Government	53,792	1,696	55,488
Receivables from Other Governments	16,605		16,605
Other Accounts Receivable		9,590	9,590
Internal Balances	(69,124)	69,124	
Inventory		2,941	2,941
Restricted Cash and Cash Equivalents	331,126		331,126
Capital Assets:			
Sites (Land)	2,311,034		2,311,034
Depreciable Site Improvements, Buildings and Building Improvements and Machinery and Equipment	4,963,239	16,020	4,979,259
Total Assets	<u>8,643,455</u>	<u>157,736</u>	<u>8,801,191</u>
<b>DEFERRED OUTFLOWS OF RESOURCES:</b>			
Deferred Outflows Related to Pensions	302,298		302,298
Total Deferred Outflows of Resources	<u>302,298</u>		<u>302,298</u>
<b>LIABILITIES:</b>			
Accounts Payable	1,088,448	158,939	1,247,387
Payable to Federal Government	6,743		6,743
Unearned Revenue	46,943	68,337	115,280
Accrued Interest Payable	73,500		73,500
Noncurrent Liabilities:			
Due Within One Year	703,598		703,598
Due Beyond One Year	8,123,430		8,123,430
Total Liabilities	<u>10,042,662</u>	<u>227,276</u>	<u>10,269,938</u>
<b>DEFERRED INFLOWS OF RESOURCES:</b>			
Deferred Inflows Related to Pensions	457,331		457,331
Total Deferred Inflows of Resources	<u>457,331</u>		<u>457,331</u>
<b>NET POSITION:</b>			
Net Investment in Capital Assets	448,747	16,020	464,767
Restricted for:			
Capital Projects	203,532		203,532
Maintenance Reserve	71,813		71,813
Unemployment Compensation	14,161		14,161
Student Activities	41,620		41,620
Unrestricted/(Deficit)	(2,334,113)	(85,560)	(2,419,673)
Total Net Position/(Deficit)	<u>\$ (1,554,240)</u>	<u>\$ (69,540)</u>	<u>\$ (1,623,780)</u>

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

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Functions/Programs	Expenses	Program Revenue			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
<b>Governmental Activities:</b>							
<b>Instruction:</b>							
Regular	\$ 4,202,148	\$ 142,644	\$ 860,883		\$ (3,198,621)	\$ (3,198,621)	
Special Education	1,259,853		967,257		(292,596)	(292,596)	
Other Special Instruction	37,084		6,876		(30,208)	(30,208)	
Other Instruction	192,408		34,261		(158,147)	(158,147)	
<b>Support Services:</b>							
Tuition	2,742,843				(2,742,843)	(2,742,843)	
Student & Instruction Related Services	1,170,928	61,937	126,557		(982,434)	(982,434)	
General Administrative Services	464,732		34,919		(429,813)	(429,813)	
School Administrative Services	307,253		84,257		(222,996)	(222,996)	
Central Services	284,144				(284,144)	(284,144)	
Plant Operations and Maintenance	1,123,418		75,268		(1,048,150)	(1,048,150)	
Pupil Transportation	1,076,085	149,673	382,211		(544,201)	(544,201)	
Transfer to Charter School	38,457				(38,457)	(38,457)	
Capital Outlay	1,366				(1,366)	(1,366)	
Interest on Long-Term Debt	266,167				(266,167)	(266,167)	
<b>Total Governmental Activities</b>	<b>13,166,886</b>	<b>354,254</b>	<b>2,572,489</b>	<b>\$ -0-</b>	<b>(10,240,143)</b>	<b>(10,240,143)</b>	

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

Functions/Programs	Expenses	Program Revenue			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Business-Type Activities:							
Food Service	\$ 192,385	\$ 119,545	\$ 94,036		\$ 21,196	\$ 21,196	
Rutherford Hall	190,484	223,044			32,560	32,560	
Total Business-Type Activities	382,869	342,589	94,036		53,756	53,756	
Total Primary Government	\$ 13,549,755	\$ 696,843	\$ 2,666,525	\$ -0-	\$ (10,240,143)	\$ (10,186,387)	
General Revenue:							
Taxes:							
Property Taxes, Levied for General Purposes, Net					9,713,873	9,713,873	
Taxes Levied for Debt Service					708,841	708,841	
Federal and State Aid not Restricted					63,159	63,159	
Miscellaneous Income					54,693	584	55,277
Total General Revenue					10,540,566	584	10,541,150
Change in Net Position					300,423	54,340	354,763
Net Position/(Deficit) - Beginning (Restated)					(1,854,663)	(123,880)	(1,978,543)
Net Position/(Deficit) - Ending					\$ (1,554,240)	\$ (69,540)	\$ (1,623,780)

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

FUND FINANCIAL STATEMENTS

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2023

	General Fund	Special Revenue Fund	Debt Service Fund	Total Governmental Funds
<b>ASSETS:</b>				
Cash and Cash Equivalents	\$ 874,168			\$ 874,168
Receivables From State Government	162,615			162,615
Receivables From Federal Governments		\$ 53,792		53,792
Other Receivables	16,605			16,605
Interfund Receivable	23,176			23,176
Restricted Cash and Cash Equivalents	289,506	41,620		331,126
Total Assets	\$ 1,366,070	\$ 95,412	\$ -0-	\$ 1,461,482
<b>LIABILITIES AND FUND BALANCES:</b>				
Liabilities:				
Accounts Payable	\$ 938,747	\$ 4,700		\$ 943,447
Interfunds Payable	69,124	23,176		92,300
Payable to Federal Government		6,743		6,743
Unearned Revenue	27,770	19,173		46,943
Total Liabilities	1,035,641	53,792		1,089,433
Fund Balances:				
Restricted:				
Capital Reserve Account	203,532			203,532
Maintenance Reserve Account	71,813			71,813
Unemployment Compensation	14,161			14,161
Student Activities		41,620		41,620
Assigned:				
Year-End Encumbrances	58,219			58,219
Unassigned	(17,296)			(17,296)
Total Fund Balances	330,429	41,620		372,049
Total Liabilities and Fund Balances	\$ 1,366,070	\$ 95,412	\$ -0-	

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.	\$ 7,274,273
Accrued liability for interest on long-term debt is not due and payable in the current period and is not reported as a liability in the funds.	(73,500)
Certain amounts related to the Net Pension Liability are deferred and amortized in the Statement of Activities and are not reported in the Governmental Funds:	
Deferred Outflows	157,297
Deferred Inflows	(457,331)
Long-term liabilities, including bonds payable, net pension liability and other long-term liabilities, are not due and payable in the current period and therefore are not reported as liabilities in the funds.	(8,827,028)
Net Position of Governmental Activities	\$ (1,554,240)

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

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	General Fund	Special Revenue Fund	Debt Service Fund	Total Governmental Funds
<b>REVENUES</b>				
<b>Local Sources:</b>				
Local Tax Levy	\$ 9,713,873		\$ 708,841	\$ 10,422,714
Tuition	142,644			142,644
Transportation From Other LEA's	149,673			149,673
Restricted Miscellaneous Revenues	2,558	\$ 63,440		65,998
Unrestricted Miscellaneous Revenues	52,135			52,135
<b>Total - Local Sources</b>	<b>10,060,883</b>	<b>63,440</b>	<b>708,841</b>	<b>10,833,164</b>
State Sources	2,673,221	24,592	63,159	2,760,972
Federal Sources		215,913		215,913
<b>Total Revenues</b>	<b>12,734,104</b>	<b>303,945</b>	<b>772,000</b>	<b>13,810,049</b>
<b>EXPENDITURES:</b>				
<b>Current:</b>				
Regular Instruction	2,398,037	139,466		2,537,503
Special Education Instruction	737,584	102,542		840,126
Other Special Instruction	22,309			22,309
Other Instruction	117,682			117,682
<b>Support Services and Undistributed Costs:</b>				
Tuition	2,742,843			2,742,843
Student & Instruction Related Services	831,486	64,336		895,822
General Administrative Services	395,874			395,874
School Administrative Services	191,864			191,864
Central Services	204,117			204,117
Plant Operations and Maintenance	934,300			934,300
Pupil Transportation	890,037			890,037
Unallocated/Allocated Benefits	3,290,722			3,290,722
Transfer to Charter School	38,457			38,457
Capital Outlay	181,673			181,673

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	General Fund	Special Revenue Fund	Debt Service Fund	Total Governmental Funds
Debt Service:				
Principal			\$ 500,000	\$ 500,000
Interest and Other Charges			272,000	272,000
Total Expenditures	\$ 12,976,985	\$ 306,344	772,000	14,055,329
Excess/(Deficiency) of Revenue over/(under) Expenditures	(242,881)	(2,399)		(245,280)
OTHER FINANCING SOURCES/(USES):				
Financed Purchases Payable (Non-budgeted)	113,157			113,157
Total Other Financing Sources/(Uses)	113,157			113,157
Net Change in Fund Balances	(129,724)	(2,399)		(132,123)
Fund Balance - July 1 (Restated)	460,153	44,019		504,172
Fund Balance - June 30	\$ 330,429	\$ 41,620	\$ - 0 -	\$ 372,049

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

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Total Net Change in Fund Balances - Governmental Funds (from Exhibit B-2) \$ (132,123)

Amounts Reported for Governmental Activities in the Statement of Activities (A-2) are Different Because:

Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation differs from the capital asset additions for the current year.

Depreciation Expense	\$ (538,822)
Capital Outlays	<u>113,157</u>
	(425,665)

In the statement of activities, interest on long-term debt in the statement of activities is accrued, regardless of when due, regardless of when due. In the governmental funds, interest is reported when due. When the accrued interest exceeds the interest paid, the difference is a reduction in the reconciliation (-); when the interest paid exceeds the accrued interest, the difference is an addition to the reconciliation (+).

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 (+).

The net pension liability reported in the statement of activities does not require the use of current financial resources and is not reported as an expenditure in the Governmental Funds:

Change in Net Pension Liability	(380,113)
Change in Deferred Outflows	(4,641)
Change in Deferred Inflows	657,020

Financed purchases obligations are other financing sources in the Governmental Funds, but the obligations increase Long-term Liabilities in the Statement of Net Position and are not reported in the Statement of Activities.

Repayment of serial bonds and financed purchases payable 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.

Change in Net Position of Governmental Activities (Exhibit A-2) 687,285

\$ 300,423

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

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
JUNE 30, 2023

	<u>Business-Type Activities - Enterprise Funds</u>		
	<u>Major Fund</u>		
	<u>Food Service</u>	<u>Non-Major Fund</u>	<u>Total Enterprise</u>
<b>ASSETS:</b>			
Current Assets:			
Cash and Cash Equivalents	\$ 58,278		\$ 58,278
Interfund Receivable	69,124		69,124
Intergovernmental Accounts Receivable:			
State	87		87
Federal	1,696		1,696
Other Accounts Receivable		\$ 9,590	9,590
Inventories	2,941		2,941
Total Current Assets	<u>132,126</u>	<u>9,590</u>	<u>141,716</u>
Non-Current Assets:			
Capital Assets	82,920		82,920
Less: Accumulated Depreciation	(66,900)		(66,900)
Total Non-Current Assets	<u>16,020</u>		<u>16,020</u>
Total Assets	<u>148,146</u>	<u>9,590</u>	<u>157,736</u>
<b>LIABILITIES:</b>			
Current Liabilities:			
Accounts Payable	6,252	152,687	158,939
Unearned Revenue - Summer Events		61,041	61,041
Unearned Revenue - Donations		3,725	3,725
Unearned Revenue - Donated Commodities	793		793
Unearned Revenue - Prepaid Sales/Fees	2,778		2,778
Total Current Liabilities	<u>9,823</u>	<u>217,453</u>	<u>227,276</u>
Total Liabilities	<u>9,823</u>	<u>217,453</u>	<u>227,276</u>
<b>NET POSITION:</b>			
Investment in Capital Assets	16,020		16,020
Unrestricted/(Deficit)	122,303	(207,863)	(85,560)
Total Net Position/(Deficit)	<u>\$ 138,323</u>	<u>\$ (207,863)</u>	<u>\$ (69,540)</u>

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

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION  
PROPRIETARY FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Business-Type Activities - Enterprise Funds		
	Major Fund		
	Food Service	Non-Major Fund	Total Enterprise
Operating Revenue:			
Daily Sales:			
Reimbursable Programs	\$ 93,478		\$ 93,478
Non-Reimbursable Programs	26,067		26,067
Program Fees		\$ 223,044	223,044
Total Operating Revenue	119,545	223,044	342,589
Operating Expenses:			
Cost of Sales:			
Reimbursable Programs	93,644		93,644
Non-Reimbursable Programs	7,049		7,049
Salaries	67,868	107,469	175,337
Purchased Professional Technical Services		16,118	16,118
Supplies and Materials	10,682	32,097	42,779
Miscellaneous Expenses		34,800	34,800
Management Fee	8,620		8,620
Depreciation Expense	4,522		4,522
Total Operating Expenses	192,385	190,484	382,869
Operating Income/(Loss)	(72,840)	32,560	(40,280)
Non-Operating Revenue:			
Local Sources:			
Interest Income	584		584
State Sources:			
State School Lunch Program	2,105		2,105
Federal Sources:			
National School Lunch Program	41,999		41,999
Supply Chain Assistance Funding	33,748		33,748
Food Distribution Program	16,184		16,184
Total Non-Operating Revenue	94,620		94,620
Change in Net Position	21,780	32,560	54,340
Net Position/(Deficit) - Beginning of Year	116,543	(240,423)	(123,880)
Net Position/(Deficit)- End of Year	\$ 138,323	\$ (207,863)	\$ (69,540)

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

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Business-Type Activities - Enterprise Funds		
	Major Fund		Total Enterprise
	Food Service	Non-Major Fund	
Cash Flows from Operating Activities:			
Receipts from Customers	\$ 119,545	\$ 223,044	\$ 342,589
Payments to Food Service Company	(67,868)		(67,868)
Payments to/for Employees	(157,940)	(107,469)	(265,409)
Payments to Suppliers	(10,682)	(115,575)	(126,257)
Net Cash (Used for) Operating Activities	(116,945)		(116,945)
Cash flows from Financing Activities:			
Interest Income	584		584
Net Cash Provided by Financing Activities	584		584
Cash flows from Capital and Related Financing Activities:			
Purchase of Capital Assets	(4,834)		(4,834)
Net Cash Used for Capital and Related Financing Activities	(4,834)		(4,834)
Cash Flows from Noncapital Financing Activities:			
State Sources	2,310		2,310
Federal Sources	86,721		86,721
Net Cash Provided by Noncapital Financing Activities	89,031		89,031
Net Decrease in Cash and Cash Equivalents	(32,164)		(32,164)
Cash and Cash Equivalents, July 1	90,442		90,442
Cash and Cash Equivalents, June 30	\$ 58,278	\$ -0-	\$ 58,278
Adjustment to Reconcile Operating Income/(Loss)			
Net Cash (Used for) Operating Activities:			
Operating Income/(Loss)	\$ (72,840)	\$ 32,560	\$ (40,280)
Depreciation	4,522		4,522
Food Distribution Program	16,184		16,184
Changes in Assets and Liabilities:			
(Increase)/Decrease in Other Accounts Receivable		22,328	22,328
(Increase)/Decrease in Interfund Receivable	(69,863)		(69,863)
Increase/(Decrease) in Accounts Payable	25	(54,888)	(54,863)
Increase/(Decrease) in Unearned Revenue - Donated Commodities	21		21
Increase/(Decrease) in Unearned Revenue - Prepaid Sales/Fees	2,778		2,778
(Increase)/Decrease in Inventory	2,228		2,228
Net Cash (Used for) Operating Activities	\$ (116,945)	\$ -0-	\$ (116,945)

Noncash Investing, Capital and Financing Activities:

The Food Service Enterprise Fund received U.S.D.A. Commodities through the Food Distribution Program valued at \$16,205 and utilized U.S.D.A. Commodities valued at \$16,184.

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

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity:

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

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

B. Basis of Presentation:

District-Wide Financial Statements:

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

The statement of activities presents a comparison between direct expenses and program revenue for business-type activities and for each function of the District's governmental activities. Direct expenses are those that are specifically associated with and are clearly identifiable to a particular function. Indirect expenses are allocated to the functions using an appropriate allocation method or association with the specific function. Indirect expenses include health benefits, employer's share of payroll taxes, compensated absences and tuition reimbursements.

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

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

B. Basis of Presentation: (Cont'd)

District-Wide Financial Statements: (Cont'd)

Program revenue includes (a) charges paid by the recipients of goods or services offered by the programs, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenue that is not classified as program revenue, including all taxes, is presented as general revenue. The comparison of direct expenses with program revenues identifies the extent to which each government function is self-financing or draws from the general revenues of the District.

Fund Financial Statements:

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

The District reports the following governmental funds:

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

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

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

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

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

B. Basis of Presentation: (Cont'd)

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

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

The District reports the following governmental funds:

Enterprise (Food Service and Rutherford Hall) Funds: The Enterprise Funds account for all revenue and expenses pertaining to the Board's cafeteria and Rutherford Hall operations. The food service fund and Rutherford Hall funds are utilized to account for operations that are financed and operated in a manner similar to private business enterprises. The stated intent is that the cost (i.e., expenses including depreciation and indirect costs) of providing goods or services to the students or public on a continuing basis are financed or recovered primarily through user charges.

C. Measurement Focus and Basis of Accounting:

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

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

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

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

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

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

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

D. Budgets/Budgetary Control:

It is the District's policy to first apply cost-reimbursement grant resources to such programs, followed by general revenue.

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue and debt service funds. The budget for the fiscal year ended June 30, 2023 was submitted to the County office and was approved by a vote of the Board of Education. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:20-2A.2(m)1. All budget Amendments/Transfers must be made by School Board resolution. All budgeting amounts presented in the accompanying supplementary information reflect the original budget and the amended budget (which have been adjusted for legally authorized revisions of the annual budget during the year).

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

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

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

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

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

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

	General Fund	Special Revenue Fund
Sources/Inflows of Resources:		
Actual Amounts (Budgetary Basis) "Revenue"		
from the Budgetary Comparison Schedule	\$ 12,743,554	\$ 304,894
Differences - Budget to GAAP:		
Grant Accounting Budgetary Basis Differs from GAAP in that the Budgetary Basis Recognizes Encumbrances as Expenditures and Revenue while the GAAP Basis does not.		(949)
Prior Year State Aid Payments Recognized for GAAP Statements not Recognized for Budgetary Purposes	79,875	
Current Year State Aid Payments Recognized for Budgetary Purposes, not Recognized for GAAP Statements	(89,325)	
Total Revenues as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds.	\$ 12,734,104	\$ 303,945
	General Fund	Special Revenue Fund
Uses/Outflows of Resources:		
Actual Amounts (Budgetary Basis) "Total Outflows" from the Budgetary Comparison Schedule	\$ 12,976,985	\$ 307,293
Differences - Budget to GAAP:		
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.		(949)
Total Expenditures as Reported on the Statement of Revenue, Expenditures, and Changes in Fund Balances - Governmental Funds	\$ 12,976,985	\$ 306,344

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

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

E. Cash and Cash Equivalents, and Investments:

Cash and cash equivalents include petty cash and cash in banks. Certificates of deposit with maturities of one year or less when purchased are stated at cost.

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

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

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

F. Interfund Transactions:

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

On fund financial statements, short-term interfund loans are classified as interfund receivables/payables. These amounts are eliminated in the statement of net position.

G. Allowance for Uncollectible Accounts:

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

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

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

H. Encumbrances:

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

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

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

I. Short-term Interfund Receivables/Payables:

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

J. Inventories and Prepaid Expenses:

Inventories and prepaid expenses, which benefit future periods, are recorded as an expenditure during the year of purchase.

K. Capital Assets:

During the year ended June 30, 1994, the District established a formal system of accounting for its capital assets. Capital assets acquired or constructed subsequent to June 30, 1994, are recorded at historical cost including ancillary charges necessary to place the asset into service. Capital assets acquired or constructed prior to the establishment of the formal system are valued at cost based on historical records or through estimation procedures performed by an independent appraisal company.

Land has been recorded at estimated historical cost. Donated capital assets are valued at acquisition value. The cost of normal maintenance and repairs is not capitalized. The District does not possess any infrastructure. The capitalization threshold (the dollar value above which asset acquisitions are added to the capital asset accounts) is \$2,000. The depreciation method is straight-line. The estimated useful lives of capital assets reported in the district-wide statements and proprietary funds are as follows:

	<u>Estimated Useful Life</u>
Buildings and Building Improvements	50 Years
Site Improvements	20 Years
Machinery and Equipment	10 to 15 Years
Vehicles	8 Years

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

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

K. Capital Assets: (Cont'd)

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

L. Lease Assets

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

M. Subscription Assets

Intangible right-to-use subscription assets are subscription-based information technology arrangements (SBITAs) with subscription terms of more than one year. The value of subscription assets is determined by the sum of the subscription liability and payments made to the SBITA vendor, including capitalizable initial implementation costs, before the commencement date of the subscription term.

N. Long Term Liabilities:

In the District-wide statement of net position, long-term debt and other long-term obligations are reported as liabilities in the governmental activities. Bond premiums and discounts, are reported as deferred charges and amortized over the term of the related debt using the straight-line method of amortization. In the fund financial statements, governmental fund types recognize bond discounts, as expenditures in the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses.

O. Accrued Salaries and Wages:

The District allows certain employees who provide services over the ten-month academic year the option to have their salaries evenly distributed during the entire twelve-month year. As of June 30, 2023, the amount earned by these employees but not distributed was \$175,835.

P. Compensated Absences:

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

District employees are granted varying amounts of vacation and sick leave in accordance with the District's personnel policy. In the event of termination, an employee is reimbursed for accumulated vacation. Sick leave benefits provide for ordinary sick pay and begin vesting with the employee after fifteen years of service.

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

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

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

Q. Lease Payable

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

R. Subscription Payable

In the district-wide financial statements, subscription payables are reported as liabilities in the Statement of Net Position. In the governmental Fund financial statements, the present value of subscription payments at the District's incremental borrowing rate over the subscription term is reported as other financing sources.

S. Unearned Revenue:

Unearned revenue in the special revenue fund represents cash which has been received but not yet earned. See Note 1(D) regarding the special revenue fund.

T. Fund Balance Appropriated:

General Fund: Of the \$330,429 General Fund fund balance at June 30, 2023, \$203,532 is restricted in the capital reserve account; \$71,813 is restricted in the maintenance reserve account; \$14,161 is restricted for unemployment compensation; \$58,219 is assigned for year end encumbrances which is \$5,576 less than the budgetary basis due to the final two state aid payments, which are not recognized until the fiscal year ended June 30, 2024; \$0 is assigned for subsequent year's expenditures which is \$83,749 less than the budgetary basis due to the final two state aid payments, which are not recognized until the fiscal year ended June 30, 2024, and (\$17,296) is unassigned.

Special Revenue Fund: The Special Revenue Fund fund balance at June 30, 2022 is \$41,620 and is restricted for student activities.

Calculation of Excess Surplus: In accordance with N.J.S.A. 18A:7F-7 as amended by P.L. 2003, c.73 (S1701), the designation for Restricted Fund Balance-Excess Surplus is a required pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to restrict General Fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent year's budget. The District had no excess surplus at June 30, 2023.

The District's unassigned fund balance in the General Fund is less on a GAAP basis than the budgetary basis by \$89,325 as reported in the fund statements (modified accrual basis). P.L. 2003, C.97 provides that in the event state school aid payments are not made until the following school budget year, districts must record the state aid payment as revenue, for budget purposes only, in the current school budget year. The bill provides legal authority for school districts to recognize this revenue in the current budget year. For intergovernmental transactions, GASB Statement No. 33 requires that recognition (revenue, expenditure, asset, liability) should be in symmetry, i.e., if one government recognizes an asset, the other government recognizes a liability. Since the State is recording the last two state aid payments in the subsequent fiscal year, the school district cannot recognize the last two state aid payments on the GAAP financial statements until the year the State records the payable. The excess surplus calculation is calculated using the fund balance reported on the Budgetary Comparison Schedule, including the final two state aid payments and not the fund balance reported on the fund statement which excludes the last state aid payments.

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

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

U. Deficit Net Position/Fund Balance:

The District has a \$2,334,113 deficit in its governmental activities unrestricted net position as well as a \$1,554,240 total deficit net position in its governmental activities at June 30, 2023. This is primarily a result of the net pension liability and deferred inflows related to pensions. This deficit does not indicate that the District is having financial difficulties and is a permitted practice under generally accepted accounting principles. The District has a \$17,296 deficit fund balance in the general fund. The District will review their budget and monitor their spending on a regular basis to eliminate a deficit fund balance.

The District has a \$85,560 deficit in Business type Activities unrestricted net position as well as a \$69,540 total deficit net position at June 30, 2023 primarily as a result of the deficit in unrestricted net position in Rutherford Hall fund of \$207,863. The Board has a plan in place to address the Rutherford Hall fund deficit net position in the upcoming years.

V. Net Position:

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

A deferred outflow of resources is a consumption of net position by the District that is applicable to a future reporting period. A deferred inflow of resources is an acquisition of net position by the District that is applicable to a future reporting period. The District had deferred outflows of resources and deferred inflows of resources related to pensions at June 30, 2023.

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

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

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

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

W. Fund Balance Restrictions, Commitments and Assignments:

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

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

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

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

Fund balance restrictions have been established for a capital reserve, a maintenance reserve, student activities and for unemployment compensation insurance.

The Board of Education has the responsibility to formally commit resources for specific purposes through a motion or a resolution passed by a majority of the Members of the Board of Education at a public meeting of that governing body. The Board of Education must also utilize a formal motion or a resolution passed by a majority of the Members of the Board of Education at a public meeting of that governing body in order to remove or change the commitment of resources. The District had no committed resources at June 30, 2023.

The assignment of resources is generally made by the District Board of Education through a motion or a resolution passed by a majority of the Members of the Board of Education. These resources are intended to be used for a specific purpose. The process is not as restrictive as the commitment of resources and the Board of Education may allow an official of the District to assign resources through policies adopted by the Board of Education. The District has assigned resources for encumbrances and amounts designated in subsequent years expenditures in the General Fund at June 30, 2023.

X. Revenue - Exchange and Nonexchange Transactions:

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

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

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

Y. Operating Revenue and Expenses:

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

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

(Continued)

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

Z. Management Estimates:

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

AA. Pensions:

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

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

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

NOTE 3. CASH AND CASH EQUIVALENTS AND INVESTMENTS

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

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

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

Custodial Credit Risk – The District does not have a policy with respect to custodial credit risk but ensures that funds are only deposited in financial institutions permitted by NJ statute.

Deposits:

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

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

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

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

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

Deposits: (Cont'd)

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

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

Investments:

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

- (1) Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America;
- (2) Government money market mutual funds;
- (3) Any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligation bears a fixed rate of interest not dependent on any index or other external factor;
- (4) Bonds or other obligations of the school district or bonds or other obligations of the local unit or units within which the school district is located.
- (5) Bonds or other obligations, having a maturity date not more than 397 days from the date of purchase, issued by New Jersey school districts, municipalities, counties, and entities subject to the "Local Authorities Fiscal Control Law", P.L. 1983, c.313 (C.40A:5A-1 et seq.). Other bonds or obligations having a maturity date not more than 397 days from the date of purchase may be approved by the Division of Investment in the Department of the Treasury for investment by local units;
- (6) Local government investment pools;
- (7) Deposits with the State of New Jersey Cash Management Fund established pursuant to section 1 of P.L. 1977, c.281 (C.52:18A-90.4); or
- (8) Agreements for the repurchase of fully collateralized securities if:
  - (a) the underlying securities are permitted investments pursuant to paragraphs (1) and (3) of this subsection a. or are bonds or other obligations, having a maturity date of not more than 397 days from the date of purchase, issued by New Jersey school districts, municipalities, counties, and entities subject to the requirements of the "Local Authorities Fiscal Control Law," P.L. 1983, c. 313 (C.40A:5A-1 et seq.). ;

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

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

Investments: (Cont'd)

- (b) the custody of collateral is transferred to a third party;
  - (c) the maturity of the agreement is not more than 30 days;
  - (d) the underlying securities are purchased through a public depository as defined in section 1 of P.L. 1970, c.236 (C.17:9-41); and
  - (e) a master repurchase agreement providing for the custody and security of collateral is executed; or
- (9) Deposit of funds in accordance with the following conditions:
- (a) The funds are initially invested through a public depository as defined in section 1 of P.L. 1970, c. 236 (C.17:9-41) designated by the school district;
  - (b) The designated public depository arranges for the deposit of the funds in deposit accounts in one or more federally insured banks, savings banks or savings and loan associations or credit unions for the account of the school district;
  - (c) 100 percent of the principal and accrued interest of each deposit is insured by the Federal Deposit Insurance Corporation or the National Credit Union Share Insurance Fund;
  - (d) The designated public depository acts as custodian for the school district with respect to these deposits; and
  - (e) On the same date that the school district's funds are deposited pursuant to subparagraph (b) of this paragraph, the designated public depository receives an amount of deposits from customers of other financial institutions, wherever located, equal to the amounts of funds initially invested by the school district through the designated public depository.

As of June 30, 2023, cash and cash equivalents of the District consisted of the following:

	<u>Cash and Cash Equivalents</u>	<u>Restricted Cash and Cash Equivalents</u>	<u>Total</u>
Checking Accounts	<u>\$ 932,446</u>	<u>\$ 331,126</u>	<u>\$ 1,263,572</u>

The carrying amount of the Board's cash and cash equivalents at June 30, 2023, was \$1,263,572 and the bank balance was \$1,862,860. The District did not hold any investments during the fiscal year ended June 30, 2023.

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

NOTE 4. CAPITAL RESERVE ACCOUNT

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

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

The activity of the capital reserve for the July 1, 2022 to June 30, 2023 fiscal year is as follows:

Balance at June 30, 2022	\$ 203,532
Balance at June 30, 2023	<u>\$ 203,532</u>

The June 30, 2023 LRFP balance of local support costs of uncompleted capital projects exceeds the balance in the capital reserve account at June 30, 2023.

NOTE 5: TRANSFERS TO CAPITAL OUTLAY

During the year ended June 30, 2023, the District had no transfers to capital outlay accounts.

NOTE 6. CAPITAL ASSETS

Depreciation expense was charged to governmental functions as follows:

Regular Instruction	\$ 315,229
Special Education	25,602
Other Instruction	1,149
Student and Instruction Related Services	6,827
General Administrative Services	15,656
School Administrative Services	15,656
Plant Operations and Maintenance	27,964
Pupil Transportation	<u>130,739</u>
Total Depreciation Expense	<u>\$ 538,822</u>

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

NOTE 6. CAPITAL ASSETS (Cont'd)

Capital asset balances and activity for the year ended June 30, 2023 were as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
<b>Governmental Activities:</b>				
Capital Assets not being Depreciated:				
Sites (Land)	\$ 2,311,034			\$ 2,311,034
Total Capital Assets not Being Depreciated	<u>2,311,034</u>			<u>2,311,034</u>
Capital Assets Being Depreciated				
Site Improvements	346,591			346,591
Buildings and Building Improvements	11,204,585			11,204,585
Machinery and Equipment	1,223,527	\$ 113,157		1,336,684
Total Capital Assets Being Depreciated	<u>12,774,703</u>	<u>113,157</u>		<u>12,887,860</u>
Governmental Activities Capital Assets	<u>15,085,737</u>	<u>113,157</u>		<u>15,198,894</u>
Less Accumulated Depreciation for:				
Site Improvements	(135,855)	(8,866)		(144,721)
Buildings and Building Improvements	(6,184,103)	(359,113)		(6,543,216)
Machinery and Equipment	(1,065,841)	(170,843)		(1,236,684)
Total Accumulated Depreciation	<u>(7,385,799)</u>	<u>(538,822)</u>		<u>(7,924,621)</u>
Governmental Activities Capital Assets, Net of Accumulated Depreciation	<u>\$ 7,699,938</u>	<u>\$ (425,665)</u>	<u>\$ -0-</u>	<u>\$ 7,274,273</u>
<b>Business Type Activities:</b>				
Capital Assets Being Depreciated:				
Machinery and Equipment	\$ 78,086	\$ 4,834		\$ 82,920
Less Accumulated Depreciation	<u>(62,378)</u>	<u>(4,522)</u>		<u>(66,900)</u>
Business Type Activities Capital Assets, Net of Accumulated Depreciation	<u>\$ 15,708</u>	<u>\$ 312</u>	<u>-0-</u>	<u>\$ 16,020</u>

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

NOTE 7. LONG-TERM LIABILITIES

During the fiscal year ended June 30, 2023, the following changes occurred in liabilities reported in the district-wide financial statements:

	Balance 6/30/2022	Issued/ Accrued	Retired	Balance 6/30/2023
Serial Bonds Payable	\$ 6,800,000		\$ 500,000	\$ 6,300,000
Net Pension Liability	1,355,162	\$ 380,113		1,735,275
Financed Purchases Payable	599,654	113,157	187,285	525,526
Compensated Absences Payable	272,211		5,984	266,227
	<u>\$ 9,027,027</u>	<u>\$ 493,270</u>	<u>\$ 693,269</u>	<u>\$ 8,827,028</u>

A. Bonds Payable:

Bonds are authorized in accordance with State law by the voters of the municipality through referendums. All bonds are retired in serial installments within the statutory period of usefulness. Bonds issued by the Board are general obligation bonds. The Debt Service Fund will be used to liquidate the serial bonds.

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

Year Ending June 30,	Serial Bonds		Total
	Principal	Interest	
2024	\$ 515,000	\$ 252,000	\$ 767,000
2025	540,000	231,400	771,400
2026	565,000	209,800	774,800
2027	585,000	187,200	772,200
2028	615,000	163,800	778,800
2029-2033	3,480,000	429,200	3,909,200
	<u>\$ 6,300,000</u>	<u>\$ 1,473,400</u>	<u>\$ 7,773,400</u>

The District had serial bonds outstanding as of June 30, 2023 as follows:

Purpose	Issue Dates	Interest Rates	Final Date of Maturity	Balance June 30, 2023
2016 Refunding Bonds	2/11/2016	4.00%	3/15/2033	<u>\$ 6,300,000</u>

B. Bonds Authorized But Not Issued:

As of June 30, 2023, the Board has no bonds authorized but not issued.

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

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

C. Financed Purchases Payable:

The District has financed purchases agreements for transportation, smartboards, and various capital equipment under financed purchases. All finance purchase agreements are for terms of four to five years. The District has entered into the financed purchase agreements totaling \$1,202,283 of which \$676,757 has been liquidated. The following is a schedule of the future minimum financed purchases payments under these agreements, and the present value of the net minimum financed purchases payments at June 30, 2023. The general fund will be used to liquidate the financed purchases.

<u>Year</u>	<u>Amount</u>
2024	\$ 201,521
2025	169,332
2026	156,094
2027	<u>24,168</u>
Total Minimum Financed Purchases Payments	551,115
Less: Amount representing interest	<u>(25,589)</u>
Present value of net minimum financed purchases payments	<u>\$ 525,526</u>

The current portion of Financed Purchases payable at June 30, 2023 is \$188,598, the long term portion payable is \$336,928. Financed purchases will be liquidated through the General Fund.

D. Compensated Absences Payable:

The liability for compensated absences of the governmental fund types is recorded as a long-term liability. There is no current portion of the compensated absences balance of the governmental funds in the current year. The long-term portion of compensated absences is \$266,227. The General Fund will be used to liquidate compensated absences payable.

The liability for vested compensated absences of the proprietary fund types is recorded within those funds as the benefits accrue to employees. As of June 30, 2023, no liability existed for compensated absences in the Food Service Fund.

E. Net Pension Liability

The Public Employee's Retirement System (PERS) net pension liability of the governmental fund types is recorded in the current long-term portions and will be liquidated by the General Fund. The current portion of the net pension liability at June 30, 2023 is \$-0- and the long term portion is \$1,735,275. See Note 8 for further information on the PERS.

NOTE 8. PENSION PLANS

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

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

NOTE 8. PENSION PLANS (Cont'd)

A. Public Employees' Retirement System (PERS)

Plan Description

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

Benefits Provided

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

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

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

Contributions

The contribution policy for PERS is set by N.J.S.A. 43:15A and requires contributions by active members and contributing members. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount, which 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.

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

NOTE 8. PENSION PLANS (Cont'd)

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

Contributions (Cont'd)

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

District contributions to PERS amounted to \$148,296 for the current fiscal year. During the fiscal year ended June 30, 2023, the State of New Jersey contributed \$3,651 to the PERS for normal pension benefits on behalf of the District.

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

Special Funding Situation

A special funding situation exists for certain local employers of the PERS. The State of New Jersey, as a nonemployer, is required to pay the additional costs incurred by local employers Chapter 133, P.L. 2001. The special funding situation for Chapter 133, P.L. 2001 is due to the State paying the additional normal cost related to benefit improvements from Chapter 133. Previously, this additional normal cost was paid from the Benefit Enhancement Fund (BEF). As of June 30, 2022, there is no net pension liability associated with this special funding situation and there was no accumulated difference between the annual additional normal cost under the special funding situation and the actual State contribution through the valuation date. The State special funding situation for the fiscal year ending June 30, 2022, is the actuarially determined contribution amount that the State owes for the fiscal year ending June 30, 2022. The pension expense is deemed to be a State administrative expense due to the special funding situation.

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

At June 30, 2023, the District reported a liability of \$1,735,275 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2021 which was rolled forward to June 30, 2022. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At June 30, 2022, the District's proportion was 0.0115%, which was an increase of 0.00006% from its proportion measured as of June 30, 2021.

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

NOTE 8. PENSION PLANS (Cont'd)

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

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

For the fiscal year ended June 30, 2023, the District recognized an actual pension benefit of \$127,268 related to the District's proportionate share of the net pension liability. Additionally, for the fiscal year ended June 30, 2022, the State recognized pension expense on behalf of the District in the amount of \$3,651 and the District recognized pension expense and revenue for that same amount in the fiscal year ended June 30, 2023 financial statements.

There was no state proportionate share of net pension liability attributable to the District as of June 30, 2023.

At June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

NOTE 8. PENSION PLANS (Cont'd)

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

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

	<u>Year</u>	<u>Amortization Period in Years</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Changes in Assumptions	2018	5.63		\$ 41,713
	2019	5.21		52,127
	2020	5.16		153,281
	2021	5.13		12,718
	2022	5.04	\$ 5,376	
			<u>5,376</u>	<u>259,839</u>
Difference between Expected and Actual Experience	2018	5.63		1,588
	2019	5.21	3,984	
	2020	5.16	8,540	
	2021	5.13		4,276
	2022	5.04		5,181
			<u>12,524</u>	<u>11,045</u>
Changes in Proportion	2018	5.63	28,458	
	2019	5.21	30,108	
	2020	5.16		133,873
	2021	5.13		52,574
	2022	5.04	9,010	
			<u>67,576</u>	<u>186,447</u>
Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	2019	5.00	1,716	
	2020	5.00	51,584	
	2021	5.00	(321,749)	
	2022	5.00	340,270	
			<u>71,821</u>	
District Contribution Subsequent to the Measurement Date	2022	1.00	145,001	
			<u>\$ 302,298</u>	<u>\$ 457,331</u>

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

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

NOTE 8. PENSION PLANS (Cont'd)

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

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

Fiscal Year Ending June 30,	Total
2023	\$ (148,850)
2024	(75,834)
2025	(36,983)
2026	80,683
2027	(179)
	\$ (181,163)

Actuarial Assumptions

The total pension liability for the June 30, 2022 measurement date was determined by an actuarial valuation as of July 1, 2021 which was rolled forward to June 30, 2022. This actuarial valuation used the following actuarial assumptions:

Inflation Rate:	
Price	2.75%
Wage	3.25%
Salary Increases	2.75 – 6.55% based on years of service
Investment Rate of Return	7.00%

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

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

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

NOTE 8. PENSION PLANS (Cont'd)

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

Long Term Expected Rate of Return

In accordance with State statute, the long-term expected rate of return on pension plan investments (7.00% at June 30, 2022) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the Board of Trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected\_returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in PERS' target asset allocation as of June 30, 2022 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Equity	27.00%	8.12%
Non-U.S. Developed Markets Equity	13.50%	8.38%
Emerging Markets Equity	5.50%	10.33%
Private Equity	13.00%	11.80%
Real Estate	8.00%	11.19%
Real Assets	3.00%	7.60%
High Yield	4.00%	4.95%
Private Credit	8.00%	8.10%
Investment Grade Credit	7.00%	3.38%
Cash Equivalents	4.00%	1.75%
U.S. Treasuries	4.00%	1.75%
Risk Mitigation Strategies	3.00%	4.91%

Discount Rate

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2022. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity will be based upon 100% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments in determining the total pension liability.

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

NOTE 8. PENSION PLANS (Cont'd)

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

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

The following presents the District's proportionate share of the collective net pension liability as of June 30, 2022 calculated using the discount rate as disclosed below, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	June 30, 2022		
	At 1% Decrease (6.00%)	Current Discount Rate (7.00%)	At 1% Increase (8.00%)
District's proportionate share of the Net Pension Liability	\$ 2,229,320	\$ 1,735,275	\$ 1,314,823

Pension Plan Fiduciary Net Position

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

B. Teachers' Pension and Annuity Fund (TPAF)

Plan Description

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

Benefits Provided

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

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

NOTE 8. PENSION PLANS (Cont'd)

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

Benefits Provided (Cont'd)

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

Contributions

The contribution policy for TPAF is set by N.J.S.A. 18A:66 and requires contributions by active members and contributing members. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount which included the employer portion of the normal cost and an amortization of the unfunded accrued liability. For fiscal year 2022, the State's pension contribution was more than the actuarial determined amount.

Special Funding Situation

The employer contributions for local participating employers are legally required to be funded by the State in accordance with N.J.S.A. 18:66-33. Therefore, these local participating employers are considered to be in a special funding situation as defined by GASB Statement No. 68 and the State is treated as a nonemployer contributing entity. Since the local participating employers do not contribute directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to report in the financial statements of the local participating employers. However, the notes to the financial statements of the local participating employers must disclose the portion of the nonemployer contributing entities' total proportionate share of the net pension liability that is associated with the local participating employer. In addition, each local participating employer must recognize pension expense associated with the employer as well as revenue in an amount equal to the nonemployer contributing entities' total proportionate share of the collective pension expense associated with the local participating employer. During the fiscal year ended 2023, the State of New Jersey contributed \$1,098,262 to the TPAF for normal pension benefits on behalf of the District, which is more than the contractually required contribution of \$345,809.

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

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

At June 30, 2023, the State's proportionate share of the net pension liability associated with the District was \$12,849,227. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2021 which was rolled forward to June 30, 2022. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At June 30, 2022, the District's proportion was 0.025%, which was an increase of 0.0004% from its proportion measured as of June 30, 2021.

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

NOTE 8. PENSION PLANS (Cont'd)

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

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

District's Proportionate Share of the Net Pension Liability	\$	-0-
State's Proportionate Share of the Net Pension Liability Associated with the District		<u>12,849,227</u>
Total	\$	<u><u>12,849,227</u></u>

For the fiscal year ended June 30, 2022, the State recognized pension expense on behalf of the District in the amount of \$345,809 and the District recognized pension expense and revenue for that same amount in the fiscal year ended June 30, 2023 financial statements.

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

	Year of Deferral	Amortization Period in Years	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in Assumptions	2015	8.30	\$ 213,742,984	
	2016	8.30	1,695,809,748	
	2017	8.30		\$ 3,681,530,748
	2018	8.29		2,705,362,525
	2019	8.04		2,012,738,111
	2020	7.99	1,007,402,060	
	2021	7.93		11,041,509,093
	2022	7.83	96,143,072	
			3,013,097,864	19,441,140,477
Difference Between Expected and Actual Experience	2015	8.30	13,201,022	
	2016	8.30		21,088,845.00
	2017	8.30	65,502,212	
	2018	8.29	474,592,771	
	2019	8.04		78,198,040
	2020	7.99		5,368,990
	2021	7.93	146,524,969	
	2022	7.83	18,009,041	
		699,820,974	122,664,916	
Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	2019	5.00	36,220,692	
	2020	5.00	482,791,080	
	2021	5.00	(2,665,975,358)	
	2022	5.00	3,319,334,659	
		1,172,371,073		
		\$ 4,885,289,911	\$ 19,563,805,393	

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

NOTE 8. PENSION PLANS (Cont'd)

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

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

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

Fiscal Year Ending June 30,	Total
2023	\$ (2,658,825,381)
2024	(3,823,762,872)
2025	(3,351,102,048)
2026	(1,509,375,379)
2027	(1,647,727,819)
Thereafter	(1,687,721,983)
	\$ (14,678,515,482)

Actuarial Assumptions

The total pension liability for the June 30, 2022 measurement date was determined by an actuarial valuation as of July 1, 2021 which was rolled forward to June 30, 2022. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement.

Inflation Rate	
Price	2.75%
Wage	3.25%
Salary Increases	2.75 – 5.65% based on years of service
Investment Rate of Return	7.00%

Pre-retirement mortality rates were based on the Pub-2010 Teachers Above-Median Income Employee mortality table with a 93.9% adjustment for males and 85.3% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 Teachers Above-Median Income Healthy Retiree mortality table with a 114.7% adjustment for males and a 99.6% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability mortality rates were based on the Pub-2010 Non-Safety Disabled Retiree mortality table with a 106.3% adjustment for males and 100.3% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2022.

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

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

NOTE 8. PENSION PLANS (Cont'd)

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

Long Term Expected Rate of Return

In accordance with State statute, the long-term expected rate of return on pension plan investments (7.00% at June 30, 2022) 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 returned, 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, 2022 are summarized in the following table.

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Equity	27.00%	8.12%
Non-U.S. Developed Markets Equity	13.50%	8.38%
Emerging Markets Equity	5.50%	10.33%
Private Equity	13.00%	11.80%
Real Estate	8.00%	11.19%
Real Assets	3.00%	7.60%
High Yield	4.00%	4.95%
Private Credit	8.00%	8.10%
Investment Grade Credit	7.00%	3.38%
Cash Equivalents	4.00%	1.75%
U.S. Treasuries	4.00%	1.75%
Risk Mitigation Strategies	3.00%	4.91%

Discount Rate – TPAF

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2022. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on 100% of the actuarially determined contributions for the State. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all projected benefit payments in determining the total pension liability.

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

NOTE 8. PENSION PLANS (Cont'd)

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

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

The following presents the net pension liability of the State as of June 30, 2022 calculated using the discount rate as disclosed above, as well as what the State's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	June 30, 2022		
	At 1% Decrease (6.00%)	Current Discount Rate (7.00%)	At 1% Increase (8.00%)
State's Proportionate Share of the Net Pension Liability Associated with the District	\$ 15,065,992	\$ 12,849,227	\$ 10,981,881

Pension Plan Fiduciary Net Position - TPAF

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

C. Defined Contribution Retirement Program (DCRP)

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

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

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

For DCRP, the District recognized pension expense of \$3,774 for the fiscal year ended June 30, 2023. Employee contributions to DCRP amounted to \$5,989 for the fiscal year ended June 30, 2023.

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

NOTE 9. DEFERRED COMPENSATION

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

AXA Equitable

VALIC

NOTE 10. RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets, errors and omissions; injuries to employees; and natural disasters. Health Benefits are provided to the employees through the State of New Jersey Health Benefits Plan.

Property and Liability

The Allamuchy Township School District is currently a member of the School Alliance Insurance Fund (“SAIF”). The SAIF provides its members with Workers' Compensation, Property Building and Contents, General Liability, Automotive Liability, and Employer Liability Insurance. A complete schedule of insurance coverage can be found in the Statistical Section of this Annual Comprehensive Financial Report. The SAIF is a risk-sharing public entity risk pool that is both an insured and self-administered group of school districts established for the purpose of providing low-cost insurance coverage for its members in order to keep local property taxes at a minimum. Each member appoints an official to represent their respective district for the purpose of creating a governing body from which officers for the SAIF is elected. As a member of the SAIF, the Board of Education could be subject to supplemental assessments in the event of deficiencies. If the assets of the SAIF were to be exhausted, members would become responsible for their respective shares of the SAIF's liabilities.

The SAIF can declare and distribute dividends to members upon approval of the State of New Jersey Department of Banking and Insurance. These distributions are divided amongst the members in the same ratio as their individual assessment relates to the total assessment of the membership body. In accordance with the Governmental Accounting Standards Board, these distributions are used to reduce the amount recorded for membership expense in the year in which the distribution was declared.

Below is selected financial information for the SAIF as of June 30, 2023 is as follows:

Total Assets	\$ 55,099,784
Net Position	\$ 19,896,776
Total Revenue	\$ 53,694,497
Total Expenses	\$ 54,788,356
Change in Net Position	\$ (1,093,859)
Members Dividends	\$ -0-

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

NOTE 10. RISK MANAGEMENT (Cont'd)

Property and Liability (Cont'd)

Financial statements for the SAIF are available at the respective SAIF's Executive Director's Office:

Risk and Loss Managers Inc.  
51 Everett Drive, Suite B-40  
West Windsor, NJ 08550  
(609) 275-1155

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 remit 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 the District's contributions, employee contributions, interest earnings, reimbursements to the State for benefits paid and the ending balance of the District's Unemployment Compensation Restricted Fund Balance in the General Fund for the current and previous two years:

<u>Fiscal Year</u>	<u>District Contributions</u>	<u>Employee Contributions</u>	<u>Interest Earned</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2020-2021	\$ -0-	\$ 2,708	\$ 2	\$ 6,770	\$ 6,746
2021-2022	-0-	4,856	1		11,603
2022-2023	-0-	2,460	98		14,161

NOTE 11. 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, may have an effect on the District's programs and activities.

NOTE 12. TAX CALENDAR

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

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

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

NOTE 13. INTERFUND RECEIVABLES, PAYABLES

The District had the following interfund payables or receivables on their various balance sheets as of June 30, 2023:

Fund	Interfund Receivable	Interfund Payable
General Fund	\$ 23,176	\$ 69,124
Special Revenue Fund		23,176
Food Service Fund	69,124	
	\$ 92,300	\$ 92,300

The general fund receivable is to cover the cash deficit for grants receivable in the special revenue fund. Additionally, the payable in general fund is for subsidy reimbursements received in the general fund not turned over to the food service fund.

NOTE 14. ACCOUNTS PAYABLE

At year end June 30, 2023, the Board has the following accounts payable:

	Governmental Funds		Governmental Funds	Contribution Subsequent to Measurement Date	Total Governmental Activities	Business-Type Activities
	General Fund	Special Revenue Fund				Proprietary Funds
	\$	\$				\$
Vendors	\$ 370,755	\$ 4,700	\$ 375,455		\$ 375,455	\$ 158,939
Payroll Deductions and Withholdings	392,157		392,157		392,157	
Accrued Salaries and Wages	175,835		175,835		175,835	
Due to:						
State of New Jersey				\$ 145,001	145,001	
	\$ 938,747	\$ 4,700	\$ 943,447	\$ 145,001	\$ 1,088,448	\$ 158,939

NOTE 15. COMMITMENTS AND CONTINGENCIES

Grant Programs

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

Encumbrances

At June 30, 2023, there were encumbrances as detailed below in the governmental funds. All of the governmental funds are considered to be major funds:

General Fund	Special Revenue Fund	Total Governmental Funds
\$ 63,795	\$ 949	\$ 64,744

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

NOTE 15. COMMITMENTS AND CONTINGENCIES (Cont'd)

Encumbrances

On the District's Governmental Funds Balance Sheet as of June 30, 2023, \$-0- is assigned for year-end encumbrances in the Special Revenue Fund, which is \$949 less than the actual year-end encumbrances on a budgetary basis. On the GAAP basis, encumbrances are not recognized on a GAAP basis and are reflected as either a reduction in grants receivables or an increase in unearned revenue.

Litigation

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

NOTE 16. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

State Health Benefit Program Fund – Local Education Retired Employees Plan

General Information about the OPEB Plan

Plan Description and Benefits Provided

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

The State of New Jersey reports a liability as a result of its statutory requirements to pay other post-employment (health) benefits for the State Health Benefit Local Education Retired 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 Benefits Local Education Retired Employees Plan provides medical, prescription drug, and Medicare Part B reimbursement to retirees and their covered dependents of local education employers.

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

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

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

NOTE 16. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Cont'd)

State Health Benefit Program Fund – Local Education Retired Employees Plan (Cont'd)

Plan Description and Benefits Provided (Cont'd)

For additional information about the State Health Benefit Local Education Retired Education Plan, please refer to the Division’s Annual Comprehensive Financial Report (ACFR) which can be found at <https://www.state.nj.us/treasury/pensions/gasb-notices-opeb.shtml>.

Employees Covered by Benefit Terms

At June 30, 2021, the plan membership consisted of the following:

Inactive Plan Members or Beneficiaries Currently Receiving Benefit Payments	151,669
Active Plan Members	213,148
Total	364,817

Total Nonemployer OPEB Liability

The total nonemployer OPEB liability as of June 30, 2022 was determined by an actuarial valuation as of June 30, 2021, which was rolled forward to June 30, 2022.

Actuarial Assumptions and Other Inputs

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

	TPAF/ABP	PERS	PFRS
Salary Increases:	2.75 - 4.25% based on years of service	2.75 - 6.55% based on years of service	3.25 - 16.25% based on years of service

The actuarial assumptions used in the July 1, 2021 valuation were based on the results of the TPAF, PERS and PFRS experience studies prepared for July 1, 2018 – June 30, 2021.

Mortality Rates

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

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

NOTE 16. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Cont'd)

State Health Benefit Program Fund – Local Education Retired Employees Plan (Cont'd)

Health Care Trend Assumptions

For pre-Medicare medical benefits, the trend rate is initially 6.25% and decreases to a 4.50% long term trend rate after eight years. For post-65 medical benefits PPO, the trend is initially -1.99% in fiscal year 2023, increasing to 13.44% in fiscal year 2026 and decreases to 4.50% in fiscal year 2033. For HMO the trend is initially -3.54% in fiscal year 2023, increasing to 15.19% in fiscal year 2026 and decreases to 4.50% in fiscal year 2033. For prescription drug benefits, the initial trend rate is 8.00% and decreases to a 4.50% long term rate after eight years. For the Medicare Part B reimbursement, the trend rate is 5.00%.

Discount Rate

The discount rates used to measure the total OPEB liability was 3.54%. This represents the municipal bond rate as chosen by the State of New Jersey Division of Pensions and Benefits. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. As the long-term rate of return is less than the municipal bond rate, it is not considered in the calculation of the discount rate, rather the discount rate is set at the municipal bond rate.

Changes in the State's Proportionate Share of the Total OPEB Liability Attributable to the District

	Total OPEB Liability
Balance at June 30, 2021	\$ 16,924,313
Changes for Year:	
Service Cost	875,775
Interest Cost	390,900
Changes in Assumptions	(3,956,913)
Differences between Expected and Actual Experience	891,050
Member Contributions	12,422
Gross Benefit Payments	(387,199)
Net Changes	(2,173,965)
Balance at June 30, 2022	\$ 14,750,348

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

NOTE 16. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Cont'd)

State Health Benefit Program Fund – Local Education Retired Employees Plan (Cont'd)

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

The following presents the total nonemployer OPEB Liability attributable to the District as of June 30, 2022, calculated using the discount rate as disclosed in this note, as well as what the total nonemployer OPEB liability attributable to the District would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	June 30, 2022		
	At 1% Decrease (2.54%)	At Discount Rate (3.54%)	At 1% Increase (4.54%)
Total OPEB Liability Attributable to the District	\$ 17,337,482	\$ 14,750,348	\$ 12,676,889

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

The following presents the total nonemployer OPEB Liability attributable to the District as of June 30, 2022, calculated using the healthcare trend rate as disclosed in this note, as well as what the total nonemployer OPEB liability attributable to the District would be if it were calculated using a healthcare trend rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	June 30, 2022		
	1% Decrease	Healthcare Cost Trend Rate	1% Increase
Total OPEB Liability Attributable to the District	\$ 12,192,064	\$ 14,750,348	\$ 18,110,809

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

For the fiscal year ended June 30, 2023 the District recognized OPEB expense of \$699,628 as determined by the State of New Jersey Division of Pensions and Benefits. This expense and the related offsetting revenue are for benefits provided by the State through a defined benefit OPEB plan that meets the criteria in GASB Codification Section P50, in which there is a special funding situation.

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

At June 30, 2022 the State had deferred outflows of resources and deferred inflows of resources related to OPEB associated with the District from the following sources:

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

NOTE 16. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Cont'd)

State Health Benefit Program Fund – Local Education Retired Employees Plan (Cont'd)

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

	Deferral Year	Period in Years	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in Assumptions	2017	9.54		\$ 765,854
	2018	9.51		730,842
	2019	9.29	\$ 103,184	
	2020	9.24	2,436,218	
	2021	9.24	13,510	
	2022	9.13		3,523,516
			<u>2,552,912</u>	<u>5,020,213</u>
Differences between Expected and Actual Experience	2018	9.51		690,874
	2019	9.29		1,214,480
	2020	9.24	2,270,651	
	2021	9.24		2,598,098
	2022	9.13	362,872	
			<u>2,633,522</u>	<u>4,503,452</u>
Changes in Proportion	N/A	N/A	1,161,923	54,839
			<u>\$ 6,348,357</u>	<u>\$ 9,578,504</u>

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,	Total
2023	\$ (733,100)
2024	(733,099)
2025	(733,099)
2026	(633,581)
2027	(362,290)
Thereafter	(1,142,064)
	<u>\$ (4,337,233)</u>

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

NOTE 17. MAINTENANCE RESERVE ACCOUNT

A maintenance reserve account was established by the Allamuchy Township School District by board resolution. The funds for the establishment of this reserve were withdrawn from unassigned general fund balance. These funds are restricted to be used for specific activities necessary for the purpose of keeping a school facility open and safe for use or in its original condition, and for keeping its constituent buildings systems fully and efficiently functional and for keeping their warranties valid but cannot be used for routine or capital maintenance. The purpose of the reserve is to provide funds for anticipated expenditures required to maintain a building.

Pursuant to N.J.A.C. 6A:26A-4.2 funds may be deposited into the maintenance reserve account at any time by board resolution to meet the required maintenance of the district by transferring unassigned general fund balance or by transferring excess, unassigned general fund balance that is anticipated to be deposited during the current year in the advertised recapitulation of balances of the subsequent year's budget that is certified for taxes. Funds may be withdrawn from the maintenance reserve account and appropriated into the required maintenance account lines at budget time or any time during the year by board resolution for use on required maintenance activities by school facility as reported in the comprehensive maintenance plan.

Funds withdrawn from the maintenance reserve account are restricted to required maintenance appropriations and may not be transferred to any other line-item account. In any year that maintenance reserve account funds are withdrawn, unexpended required maintenance appropriations, up to the amount of maintenance reserve account funds withdrawn, shall be restored to the maintenance reserve account at year-end. At no time, shall the maintenance reserve account have a balance that exceeds four percent of the replacement cost of the current year of the district's school facilities. If the account exceeds this maximum amount at June 30, the excess shall be restricted and designated in the subsequent year's budget. The maintenance reserve account is maintained in the general fund and its activity is included in the general fund annual budget. The activity of the maintenance reserve for the July 1, 2022 to June 30, 2023 fiscal year is as follows:

Balance at June 30, 2022	\$ 71,813
Balance at June 30, 2023	<u>\$ 71,813</u>

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

NOTE 18. PRIOR PERIOD ADJUSTMENT

The District made a prior year adjustment in the district-wide financial statements to record an adjustment to general fund cash. Expenditures in the prior year were excluded from the appropriation ledger and therefore were not incorporated into the cash reconciliation.

	<u>Balance</u> June 30, 2022 as Previously Reported	<u>Retroactive</u> <u>Adjustments</u>	<u>Balance</u> June 30, 2022 as Restated
<u>Statement of Net Position:</u>			
<u>Governmental Activities:</u>			
Net Position/(Deficit) - Ending	\$ (1,612,102)	\$ (242,561)	\$ (1,854,663)
 <u>Statement of Revenues, Expenditures and Changes in</u> <u>Fund Balances - Governmental Funds:</u>			
General Fund:			
Fund Balance - June 30	\$ 702,714	\$ (242,561)	\$ 460,153

SCHEDULES OF REQUIRED  
SUPPLEMENTARY INFORMATION

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

	Fiscal Year Ending June 30,									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	
District's proportion of the net pension liability	0.0123819468%	0.0108838593%	0.0112990335%	0.0115549207%	0.0126826105%	0.0132548630%	0.0118344579%	0.0114393428%	0.0115443900%	
District's proportionate share of the net pension liability	\$ 2,318,239	\$ 2,443,208	\$ 3,346,450	\$ 2,689,801	\$ 2,497,143	\$ 2,388,329	\$ 1,929,891	\$ 1,355,162	\$ 1,735,275	
District's covered employee payroll	\$ 860,363	\$ 763,085	\$ 725,896	\$ 844,343	\$ 918,588	\$ 892,734	\$ 916,398	\$ 842,113	\$ 969,277	
District's proportionate share of the net pension liability as a percentage of its covered employee payroll	269.45%	320.18%	461.01%	318.57%	271.85%	267.53%	210.60%	160.92%	179.03%	
Plan fiduciary net position as a percentage of the total pension liability	52.08%	47.92%	40.14%	48.10%	53.60%	56.27%	58.32%	70.33%	46.41%	

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

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

	Fiscal Year Ending June 30,								
	2015	2016	2017	2018	2019	2020	2021	2022	2023
Contractually required contribution	\$ 105,282	\$ 96,798	\$ 114,798	\$ 112,949,01	\$ 130,461	\$ 133,160	\$ 132,822	\$ 147,294	\$ 145,001
Contributions in relation to the contractually required contribution	(105,282)	(96,798)	(114,798)	(112,949)	(130,461)	(133,160)	(132,822)	(147,294)	(145,001)
Contribution deficiency/(excess)	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-
District's covered employee payroll	\$ 763,085	\$ 725,896	\$ 844,343	\$ 918,588	\$ 892,734	\$ 916,398	\$ 842,113	\$ 969,277	\$ 1,043,189
Contributions as a percentage of covered employee payroll	13.80%	13.33%	13.60%	12.30%	14.61%	14.53%	15.77%	15.20%	13.90%

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

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES  
SCHEDULE OF STATE'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY ATTRIBUTABLE TO THE DISTRICT  
TEACHERS' PENSION AND ANNUITY FUND  
LAST NINE FISCAL YEARS

	Fiscal Year Ending June 30,									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	
State's proportion of the net pension liability attributable to the District	0.02337727%	0.0221522183%	0.0235400819%	0.0229126128%	0.0217996390%	0.0210587927%	0.0234119774%	0.0244730793%	0.0249042977%	
State's proportionate share of the net pension liability attributable to the District	\$ 12,494,391	\$ 14,001,148	\$ 18,516,127	\$ 15,448,510	\$ 13,868,462	\$ 12,923,980	\$ 15,416,502	\$ 11,765,479	\$ 12,849,227	
District's covered employee payroll	\$ 2,290,291	\$ 2,343,733	\$ 2,022,353	\$ 2,209,360	\$ 2,439,181	\$ 2,602,542	\$ 2,805,161	\$ 2,973,390	\$ 3,111,521	
District's proportionate share of the net pension liability attributable to the district as a percentage of its covered employee payroll	545.54%	597.39%	915.57%	699.23%	568.57%	496.59%	549.58%	395.69%	412.96%	
Plan fiduciary net position as a percentage of the total pension liability	33.64%	28.71%	22.33%	25.41%	26.49%	26.95%	24.60%	35.52%	32.29%	

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

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

	Fiscal Year Ending June 30,									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	
Contractually required contribution	\$ 672,316	\$ 854,896	\$ 1,391,380	\$ 1,070,195	\$ 808,483	\$ 762,290	\$ 958,664	\$ 276,847	\$ 1,042,307	
Contributions in relation to the contractually required contribution	-0-	-0-	-0-	328,822	422,845	522,718	711,403	1,025,225	(1,103,609)	
Contribution deficiency/(excess)	\$ 672,316	\$ 854,896	\$ 1,391,380	\$ 1,399,017	\$ 1,231,328	\$ 1,285,008	\$ 1,670,067	\$ 1,302,072	\$ (61,302)	
District's covered employee payroll	\$ 2,343,733	\$ 2,022,353	\$ 2,209,360	\$ 2,439,181	\$ 2,602,542	\$ 2,805,161	\$ 2,973,390	\$ 3,111,521	\$ 3,324,551	
Contributions as a percentage of covered employee payroll	28.69%	42.27%	62.98%	43.88%	31.07%	27.17%	32.24%	8.90%	31.35%	

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

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES  
SCHEDULE OF CHANGES IN THE STATE'S PROPORTIONATE SHARE OF THE TOTAL OPEB  
LIABILITY ATTRIBUTABLE TO THE DISTRICT AND RELATED RATIOS  
LAST SIX FISCAL YEARS  
UNAUDITED

	Fiscal Years Ending June 30,					
	2017	2018	2019	2020	2021	2022
Total OPEB Liability						
Service Cost	\$ 793,005	\$ 660,555	\$ 571,489	\$ 577,488	\$ 993,715	\$ 875,775
Interest Cost	456,982	532,946	494,751	411,215	439,035	390,900
Changes to Benefit Terms					(18,014)	
Differences between Expected and Actual Experiences		(1,457,901)	(1,945,421)	3,696,317	(3,372,818)	891,050
Changes in Assumptions	(1,945,262)	(1,420,662)	168,964	3,507,237	16,697	(3,956,913)
Member Contributions	12,268	11,441	10,312	10,131	11,224	12,422
Gross Benefit Payments	(333,178)	(331,036)	(347,864)	(334,262)	(345,836)	(387,199)
Net Change in Total OPEB Liability	(1,016,185)	(2,004,657)	(1,047,769)	7,868,126	(2,275,997)	(2,173,965)
Total OPEB Liability - Beginning	15,400,795	14,384,610	12,379,953	11,332,184	19,200,310	16,924,313
Total OPEB Liability - Ending	\$ 14,384,610	\$ 12,379,953	\$ 11,332,184	\$ 19,200,310	\$ 16,924,313	\$ 14,750,348
District's Covered Employee Payroll *	\$ 2,748,249	\$ 3,053,703	\$ 3,357,769	\$ 3,357,769	\$ 3,357,769	\$ 3,495,276
Total OPEB Liability as a Percentage of Covered Employee Payroll	19%	25%	30%	17%	20%	24%

\* - Covered payroll for the fiscal years ending June 30, 2017, 2018, 2019, 2020, 2021, and 2022 are based on the payroll on the June 30, 2016, 2017, 2018, 2019, 2020, and 2021 census data.

Note: This schedule does not contain ten years of information as GASB No. 68 was implemented during the fiscal year ended June 30, 2018.

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

A. PUBLIC EMPLOYEES' RETIREMENT SYSTEM

Benefit Changes

There were none.

Changes of Actuarial Assumptions

In the July 1, 2021 actuarial valuation the salary increases were 2.75% – 6.55% based on years of service while in the July 1, 2020 actuarial valuation the salary increases were 2.00%-6.00% through 2026 and 3.00-7.00% thereafter based on years of service.

The actuarial assumptions used in the July 1, 2021 valuation were based on the results of an actuarial experience study for the period July 1, 2018 to June 30, 2021. The actuarial assumptions used in the July 1, 2020 actuarial valuation were based on the results of an actuarial experience study for the period July 1, 2014 to June 30, 2018.

B. TEACHERS' PENSION AND ANNUITY FUND

Benefit Changes

There were none.

Changes of Actuarial Assumptions

In the July 1, 2021 actuarial valuation the salary increases were 2.75% – 5.65% based on years of service while in the July 1, 2020 actuarial valuation the salary increases were 1.55%-4.45% through 2026 and 2.75%-5.65% thereafter based on years of service.

The actuarial assumptions used in the July 1, 2021 valuation were based on the results of an actuarial experience study for the period July 1, 2018 to June 30, 2021. The actuarial assumptions used in the July 1, 2020 actuarial valuation were based on the results of an actuarial experience study for the period July 1, 2015 to June 30, 2018.

C. STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES OPEB PLAN

Benefit Changes

There were none.

Changes of Actuarial Assumptions

The discount rate for June 30, 2022 was 3.54%. The discount rate for June 30, 2021 was 2.16%, a change of 1.38%.

The salary increases for TPAF/ABP thereafter were 1.55% - 4.45% through 2026 and 2.75% - 5.65% for thereafter in the valuation as of June 30, 2021. The salary increases for TPAF/ABP were 2.75% - 4.25% in the valuation as of June 30, 2022.

The salary increases for PERS were 2.00% - 6.00% through 2026 and 3.00% - 7.00% for thereafter in the valuation as of June 30, 2021. The salary increases for PERS were 2.75% - 6.55% in the valuation as of June 30, 2022.

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

C. STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES OPEB PLAN (Cont'd)

Changes of Actuarial Assumptions (Cont'd)

The salary increases for PFRS were 3.25% - 15.25% through 2026 and not applicable for thereafter in the valuation as of June 30, 2021. The salary increases for PFRS were 3.25% - 16.25% in the valuation as of June 30, 2022.

The health care trend rates in the valuation as of June 30, 2022 were based on the following:

For pre-Medicare medical benefits, the trend rate is initially 6.25% and decreases to a 4.50% long term trend rate after eight years. For post-65 medical benefits PPO, the trend is initially -1.99% in fiscal year 2023, increasing to 13.44% in fiscal year 2026 and decreases to 4.5% in fiscal year 2033. For HMO the trend is initially -3.54% in fiscal year 2023, increasing to 15.19% in fiscal year 2026 and decreases to 4.50% in fiscal year 2033. For prescription drug benefits, the initial trend rate is 8.00% and decreases to a 4.50% long term rate after eight years.

The health care trend rates in the valuation as of June 30, 2021 were based on the following:

For pre-Medicare medical benefits, the trend rate is initially 5.65% and decreases to a 4.5% long term trend rate after seven years. For post-65 medical benefits, the actual fully-insured Medicare Advantage trend rates for fiscal years 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 decreasing to 15.23% in fiscal year 2025 and decreasing to 4.5% after 11 years. For HMO the trend is initially 6.01% in fiscal year 2024, increasing to 15.23% in fiscal year 2025 and decreasing to 4.5% after 11 years. For prescription drug benefits, the initial trend rate is 6.75% and decreases to a 4.5% long term rate after seven years.

BUDGETARY COMPARISON SCHEDULES

ALLAMUCHY SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Revenues from Local Sources:					
Local Tax Levy	\$ 9,713,873		\$ 9,713,873	\$ 9,713,873	
Tuition From Individuals	124,000		124,000	142,644	\$ 18,644
Transportation Fees From Other LEAs	249,159		249,159	149,673	(99,486)
Rents and Royalties	25,000		25,000	24,827	(173)
Unrestricted Miscellaneous Revenues	12,500		12,500	27,308	14,808
Other Restricted Miscellaneous Revenues				2,558	2,558
Total Revenues from Local Sources	10,124,532		10,124,532	10,060,883	(63,649)
Revenues from State Sources:					
Categorical Transportation Aid	305,042		305,042	305,042	
Extraordinary Aid	62,450		62,450	137,803	75,353
Categorical Special Education Aid	540,659		540,659	540,659	
Categorical Security Aid	48,918		48,918	48,918	
Nonpublic Transportation Aid				13,728	13,728
State Reimbursement for Lead Testing of Drinking Water				2,740	2,740
TPAF Post Retirement Contributions (Non-Budgeted)				289,915	289,915
TPAF Pension Contributions (Non-Budgeted)				1,098,262	1,098,262
TPAF Non-Contributory Insurance (Non-Budgeted)				15,102	15,102
TPAF Long-Term Disability Insurance (Non-Budgeted)				494	494
Reimbursed TPAF Social Security Contributions				230,008	230,008
Total Revenues from State Sources	957,069		957,069	2,682,671	1,725,602
TOTAL REVENUE	11,081,601		11,081,601	12,743,554	1,661,953

ALLAMUCHY SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>GENERAL CURRENT EXPENSE</b>					
Regular Programs - Instruction:					
Kindergarten - Salaries of Teachers	\$ 272,600	\$ 25,279	\$ 297,879	\$ 296,472	\$ 1,407
Grades 1-5 - Salaries of Teachers	1,377,537	(163,595)	1,213,942	1,213,942	
Grades 6-8 - Salaries of Teachers	590,755	30,338	621,093	621,093	
Regular Programs - Home Instruction:					
Salaries of Teachers	5,040	(2,720)	2,320	2,320	
Purchased Professional-Educational Services	2,500	(650)	1,850	1,850	
Regular Programs - Undistributed Instruction:					
Other Salaries for Instruction	61,850	7,078	68,928	68,928	
Purchased Professional-Educational Services	21,000	(12,995)	8,005	8,005	
Purchased Technical Services	84,878	6,175	91,053	84,252	6,801
Other Purchased Services (400-500 series)	12,050	4,523	16,573	13,671	2,902
General Supplies	88,494	(15,471)	73,023	72,128	895
Textbooks	50,000	(19,173)	30,827	9,382	21,445
Other Objects	7,480	(1,483)	5,997	5,994	3
Total Regular Programs - Instruction	2,574,184	(142,694)	2,431,490	2,398,037	33,453
Special Education - Instruction:					
Multiple Disabilities:					
Salaries of Teachers	229,612	69,388	299,000	299,000	
General Supplies	450	(46)	404	404	
Total Multiple Disabilities	230,062	69,342	299,404	299,404	

ALLAMUCHY SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Resource Room/Resource Center:					
Salaries of Teachers	\$ 107,542	\$ 31,787	\$ 139,329	\$ 139,329	
Other Salaries for Instruction	265,876	(14,297)	251,579	251,579	
General Supplies	1,500		1,500	1,500	
Total Resource Room/Resource Center	374,918	17,490	392,408	392,408	
Preschool Disabilities - Part-Time:					
Salaries of Teachers	29,744	(2,195)	27,549	26,002	\$ 1,547
Other Salaries for Instruction	25,217	(5,447)	19,770	19,770	
General Supplies	425	(425)			
Total Preschool Disabilities - Part-Time	55,386	(8,067)	47,319	45,772	1,547
TOTAL SPECIAL EDUCATION - INSTRUCTION	660,366	78,765	739,131	737,584	1,547
School-Spon. Cocurricular & Extracurricular Actvts. - Inst.:					
Salaries	99,980	2,772	102,752	102,752	
Supplies and Materials	5,840	(70)	5,770	5,770	
Other Objects	100	(100)			
Total School-Spon. Cocurricular & Extracurricular Actvts. - Inst.	105,920	2,602	108,522	108,522	
School-Sponsored Athletics - Instruction:					
Salaries	10,030	(1,600)	8,430	8,430	
Purchased Services (300-500 series)	1,000	(270)	730	730	
Supplies and Materials	500	(500)			
Total School-Sponsored Athletics - Instruction	11,530	(2,370)	9,160	9,160	

ALLAMUCHY SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Summer School - Instruction:					
Salaries of Teachers	\$ 60,652	\$ (38,343)	\$ 22,309	\$ 22,309	
Total Summer School - Instruction	60,652	(38,343)	22,309	22,309	
Total Summer School	60,652	(38,343)	22,309	22,309	
TOTAL INSTRUCTION	3,412,652	(102,040)	3,310,612	3,275,612	\$ 35,000
Undistributed Expenditures - Instruction:					
Tuition to Other LEAs Within the State-Regular	2,298,278	(63,560)	2,234,718	2,230,278	4,440
Tuition to Other LEAs Within the State-Special	107,487	189,720	297,207	296,771	436
Tuition to County Voc. School Dist.-Regular	38,032	(23,001)	15,031	15,031	
Tuition to Priv. Sch. for the Handicap. W/I State	60,369	28,896	89,265	89,265	
Tuition to Priv Sch Handicap & Oth LEAs-Spl,O/S St		94,175	94,175	94,175	
Tuition - Other	16,267	1,056	17,323	17,323	
Total Undistributed Expenditures - Instruction	2,520,433	227,286	2,747,719	2,742,843	4,876
Undistributed Expenditures - Health Services:					
Salaries	138,946	1,004	139,950	139,611	339
Purchased Professional and Technical Services	4,000	2,422	6,422	6,422	
Supplies and Materials	2,000	(2,000)			
Other Objects	190	(60)	130	105	25
Total Undist. Expenditures - Health Services	145,136	1,366	146,502	146,138	364

ALLAMUCHY SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist. Expend. - Speech, OT, PT, Related Svcs:					
Salaries	\$ 83,688	\$ 2,738	\$ 86,426	\$ 86,426	
Purchased Professional - Educational Services	14,100	16,408	30,508	29,805	\$ 703
Supplies and Materials	825	(550)	275	275	
Total Undist. Expend. - Speech, OT, PT, Related Svcs	98,613	18,596	117,209	116,506	703
Undist. Expend.-Other Supp.Serv.Students-Extra.Serv.:					
Salaries	49,410	14,352	63,762	63,762	
Purchased Professional - Educational Services	10,300	25,316	35,616	35,616	
Total Undist. Expend. - Other Supp. Svcs. Students - Extra. Serv.	59,710	39,668	99,378	99,378	
Undist. Expend.-Guidance:					
Salaries of Other Professional Staff	121,308	27,355	148,663	148,663	
Supplies and Materials	800	(800)			
Total Undist Expend. - Guidance	122,108	26,555	148,663	148,663	
Undist. Expend.-Child Study Team:					
Salaries of Other Professional Staff	81,488	10,238	91,726	91,726	
Salaries of Secretarial and Clerical Assistants	36,545	9,455	46,000	46,000	
Purchased Professional - Educational Services	71,350	6,411	77,761	77,904	(143)
Supplies and Materials	1,600	1,369	2,969	2,969	
Other Objects	200		200	190	10
Total Undist Expend. - Child Study Team	191,183	27,473	218,656	218,789	(133)

ALLAMUCHY SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist. Expend.-Improv. of Inst. Serv.:					
Purchased Professional - Educational Services	\$ 1,300	\$ (1,300)			
Total Undist. Expend.-Improv. of Inst. Serv.	1,300	(1,300)			
Undist. Expend.-Edu. Media Serv./Sch. Library:					
Salaries	76,848		\$ 76,848	\$ 76,848	
Purchased Professional and Technical Services	4,567	(4,392)	175	11,977	\$ (11,802)
Supplies and Materials	1,900	(1,867)	33	2,153	(2,120)
Total Undist Expend-Edu. Media Serv./Sch. Library	83,315	(6,259)	77,056	90,978	(13,922)
Undist.Expend.-Instructional Staff Training Services:					
Other Purchased Services (400-500 series)	10,770	299	11,069	11,034	35
Total Undist.Expend.-Instructional Staff Training Services	10,770	299	11,069	11,034	35
Undist. Expend.-Support Serv.-Gen. Admin.:					
Salaries	190,562	(10,381)	180,181	180,181	
Legal Services	38,500	21,803	60,303	60,112	191
Audit Fees	26,250	250	26,500	26,500	
Architectural/Engineering Services		11,000	11,000	26,500	(15,500)
Other Purchased Professional Services	77,021	(10,957)	66,064	63,374	2,690
Communications / Telephone	6,365	430	6,795	5,832	963
Other Purch. Serv. (400-500 series other than 530 & 585)	23,905	(8,653)	15,252	15,252	
General Supplies	3,395	(2,786)	609	609	
Miscellaneous Expenditures	20,827	(2,928)	17,899	17,514	385
Total Undist. Expend.-Support Serv.-Gen. Admin.	386,825	(2,222)	384,603	395,874	(11,271)

ALLAMUCHY SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist. Expend.-Support Serv.-School Admin.:					
Salaries of Principals/Assistant Principals/Prog Director	\$ 113,609	\$ 15,000	\$ 128,609	\$ 128,381	\$ 228
Salaries of Secretarial and Clerical Assistants	70,237	(20,000)	50,237	48,537	1,700
Purchased Professional and Technical Services	15,000		15,000	14,946	54
Supplies and Materials	1,750	(299)	1,451	1,451	
Other Objects	100		100	100	
Total Undist. Expend.-Support Serv.-School Adm.	200,696	(5,299)	195,397	191,864	3,533
Undist. Expend. - Central Services:					
Salaries	149,727	32,365	182,092	182,092	
Purchased Technical Services	22,652		22,652	22,025	627
Miscellaneous Purchased Services (400-500 series other than 594)	775		775	775	
Supplies and Materials	200		200		200
Total Undist. Expend. - Central Services	173,354	32,365	205,719	204,117	1,602
Undist. Expend.-Required Maintenance for School Facilities:					
Salaries	170,790	(60,000)	110,790	107,316	3,474
Cleaning, Repair, and Maintenance Services	90,725	(8,116)	82,609	69,739	12,870
General Supplies	15,375	(7,665)	7,710	7,710	
Other Objects	1,470	(1,120)	350	350	
Total Undist. Expend.- Required Maint. for School Facilities	278,360	(76,901)	201,459	185,115	16,344

ALLAMUCHY SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist. Expend.-Custodial Services:					
Salaries	\$ 187,825	\$ 3,016	\$ 190,841	\$ 187,396	\$ 3,445
Purchased Professional and Technical Services	15,900	1,600	17,500	17,242	258
Cleaning, Repair, and Maintenance Services	95,425	(12,997)	82,428	84,181	(1,753)
Other Purchased Property Services	15,998	3,578	19,576	19,576	
Insurance	40,000	(9,298)	30,702	30,702	
General Supplies	45,075	801	45,876	43,670	2,206
Energy (Natural Gas)	4,800	3,000	7,800	4,856	2,944
Energy (Electricity)	93,000	19,981	112,981	107,038	5,943
Energy (Oil)	135,936	16,486	152,422	148,326	4,096
Other Objects	1,420	3,817	5,237	4,782	455
Total Undist. Expend.-Custodial Services	635,379	29,984	665,363	647,769	17,594
Care and Upkeep of Grounds:					
Salaries	55,458	39,699	95,157	93,675	1,482
Purchased Professional and Technical Services	13,000	(5,671)	7,329	6,912	417
General Supplies	2,060		2,060	829	1,231
Total Care And Upkeep Of Grounds	70,518	34,028	104,546	101,416	3,130
Total Undist. Expend. -oper. And Maint. Of Plant Serv.	984,257	(12,889)	971,368	934,300	37,068

ALLAMUCHY SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist. Expend.-Student Transportation Serv.:					
Sal. for Pupil Trans. (Bet. Home and Sch)-Reg.	\$ 281,508	\$ (15,755)	\$ 265,753	\$ 265,753	
Sal. for Pupil Trans. (Bet. Home and Sch)-Spl. Ed.	21,960	27,525	49,485	49,485	
Sal. for Pupil Trans. (Oth. than Bet. Home & Sch)	21,960	4,090	26,050	26,050	
Sal. For Pupil Trans. (Bet. Home & Sch) Non Public		100	100	100	
Other Purchased Professional and Technical Services	3,300	445	3,745	3,745	
Cleaning, Repair, and Maint. Services	113,750	5,938	119,688	119,688	
Lease Purchase Payments - School Buses	85,744	(40,607)	45,137	45,137	
Contract. Serv. - Aid in Lieu of Payments-Nonpublic Studs	56,934	(10,833)	46,101	44,968	\$ 1,133
Contr Serv.-Aid in Lieu of Payments-Charter Sch Stud.		2,102	2,102	2,044	58
Contr Serv.-Aid in Lieu of Payments-Choice Stud.		2,044	2,044	2,044	
Contract. Serv.(Bet. Home & Sch.)-Vendors	9,000	9,981	18,981	18,981	
Contract. Serv.(Spl. Ed. Students)-Joint Agrmnts	1,000	10,000	11,000	7,935	3,065
Contract. Serv.(Spl. Ed. Students)-ESCs & CTSA's	108,936	98,391	207,327	197,935	9,392
Misc. Purchased Serv. - Transportation	26,366		26,366	26,366	
Transportation Supplies	83,150	(6,610)	76,540	76,540	
Other Objects	1,930	1,336	3,266	3,266	
Total Undist. Expend.-Student Trans. Serv.	815,538	88,147	903,685	890,037	13,648

ALLAMUCHY SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>UNALLOCATED BENEFITS</b>					
Social Security Contributions	\$ 135,000	\$ 37,657	\$ 172,657	\$ 172,657	\$ 9,636
T.P.A.F. Contributions - ERIP	10,000	(364)	9,636		(82,675)
Other Retirement Contributions - PERS	138,780	(73,159)	65,621	148,296	1,226
Other Retirement Contributions - Regular	5,000		5,000	3,774	10,000
Unemployment Compensation	10,000		10,000		20,392
Workers Compensation	67,078	(4,516)	62,562	42,170	24,839
Health Benefits	1,485,563	(244,979)	1,240,584	1,215,745	
Tuition Reimbursement	10,534	6,949	17,483	17,483	910
Other Employee Benefits	15,635	8,728	24,363	23,453	
Unused Sick Payment to Terminated/Retired Staff	25,000	8,363	33,363	33,363	
<b>TOTAL UNALLOCATED BENEFITS</b>	<b>1,902,590</b>	<b>(261,321)</b>	<b>1,641,269</b>	<b>1,656,941</b>	<b>(15,672)</b>
<b>ON-BEHALF CONTRIBUTIONS (NON-BUDGETED)</b>					
TPAF Post Retirement Contributions (Non-Budgeted)				289,915	(289,915)
TPAF Pension Contributions (Non-Budgeted)				1,098,262	(1,098,262)
TPAF Non-Contributory Insurance (Non-Budgeted)				15,102	(15,102)
TPAF Long-Term Disability Insurance (Non-Budgeted)				494	(494)
Reimbursed TPAF Social Security Contributions				230,008	(230,008)
<b>TOTAL ON-BEHALF CONTRIBUTIONS (NON-BUDGETED)</b>				<b>1,633,781</b>	<b>(1,633,781)</b>
<b>TOTAL PERSONAL SERVICES - EMPLOYEE BENEFITS</b>	<b>1,902,590</b>	<b>(261,321)</b>	<b>1,641,269</b>	<b>3,290,722</b>	<b>(1,649,453)</b>
<b>TOTAL UNDISTRIBUTED EXPENDITURES</b>	<b>7,695,828</b>	<b>172,465</b>	<b>7,868,293</b>	<b>9,481,243</b>	<b>(1,612,950)</b>

ALLAMUCHY SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
TOTAL GENERAL CURRENT EXPENSE	\$ 11,108,480	\$ 70,425	\$ 11,178,905	\$ 12,756,855	\$ (1,577,950)
CAPITAL OUTLAY					
Equipment					
Undistributed:					
School Buses - Regular	28,040		28,040		28,040
Total Equipment	28,040		28,040		28,040
Facilities Acquisition and Construction Serv.:					
Land and Improvements	67,150		67,150	67,150	
Assessment for Debt Service on SDA Funding	1,366		1,366	1,366	
Total Facilities Acquisition and Const. Serv.	68,516		68,516	68,516	
Assets Acquired Under Financed Purchases (Non-Budgeted):					
Transportation - School Buses				113,157	(113,157)
Total Assets Acquired Under Financed Purchases (Non-Budgeted)				113,157	(113,157)
TOTAL CAPITAL OUTLAY	96,556		96,556	181,673	(85,117)
Total Transfer of Funds to Charter Schools	38,457		38,457	38,457	
TOTAL EXPENDITURES	11,243,493	70,425	11,313,918	12,976,985	(1,663,067)
Excess/(Deficit) of Revenues Over/(Under) Expenditures	(161,892)	(70,425)	(232,317)	(233,431)	1,114

ALLAMUCHY SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Other Financing Sources/(Uses):					
Financed Purchases (Non-budgeted)				\$ 113,157	\$ 113,157
Total Other Financing Sources/(Uses):				113,157	113,157
Excess/(Deficit) of Revenues and Other Financing Sources					
Over/(Under) Expenditures and Other Financing Uses	\$ (161,892)	\$ (70,425)	\$ (232,317)	(120,274)	112,043
Fund Balance, July 1 (Restated)	540,028		540,028	540,028	
Fund Balance, June 30	\$ 378,136	\$ (70,425)	\$ 307,711	\$ 419,754	\$ 112,043
<u>Recapitulation:</u>					
Restricted Fund Balance:				\$ 203,532	
Capital Reserve				71,813	
Maintenance Reserve				14,161	
Unemployment Compensation				63,795	
Assigned Fund Balance:				83,749	
Year End Encumbrances				(17,296)	
Designated for Subsequent Year's Expenditures				419,754	
Unassigned Fund Balance/(Deficit)				(89,325)	
Reconciliation to Governmental Funds Statement (GAAP):					
Last State Aid Payments not Recognized on GAAP basis				\$ 330,429	
Fund Balance per Governmental Funds (GAAP)				\$ 330,429	

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
SPECIAL REVENUE FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>REVENUES:</b>					
State Sources				\$ 25,542	\$ 25,542
Federal Sources	\$ 161,753	\$ 174,563	\$ 336,316	215,912	(120,404)
Local Sources	708,841	(644,505)	64,336	63,440	(896)
Total Revenues	870,594	(469,942)	400,652	304,894	(95,758)
<b>EXPENDITURES:</b>					
Instruction					
Salaries of Teachers	25,000	20,890	45,890	41,061	4,829
Purchased Professional - Technical Services	47,000	(23,191)	23,809	23,809	
Other Purchased Services	100,000	(3,401)	96,599	96,599	
General Supplies	45,000	8,282	53,282	19,909	33,373
Total Instruction	217,000	2,580	219,580	181,378	38,202
Support Services					
Purchased Professional/Technical Services	130,000	(117,587)	12,413	12,413	
Other Purchased Services	500,000	(452,323)	47,677	11,956	35,721
Supplies and Materials	20,000	(1,732)	18,268	18,268	
Student Activities		64,336	64,336	64,336	
Total Support Services	650,000	(507,306)	142,694	106,973	35,721
Facilities Acquisition and Construction Services:					
Non-Instructional Equipment	3,594	34,784	38,378	18,942	19,436
Total Facilities Acquisition and Construction Services	3,594	34,784	38,378	18,942	19,436
Total Expenditures	870,594	(469,942)	400,652	307,293	93,359
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ - 0 -	\$ - 0 -	\$ - 0 -	\$ (2,399)	\$ (2,399)

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION  
BUDGETARY COMPARISON SCHEDULE  
NOTE TO RSI  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

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

	<u>General Fund</u>	<u>Special Revenue Fund</u>
Sources/Inflows of Resources:		
Actual Amounts (Budgetary Basis) "Revenue" from the Budgetary Comparison Schedule	\$ 12,743,554	\$ 304,894
Difference - Budget to GAAP:		
Grant Accounting Budgetary Basis Differs from GAAP in that the Budgetary Basis Recognizes Encumbrances as Expenditures and Revenue while the GAAP Basis does not.		(949)
Prior year State Aid Payments Recognized for GAAP Statements, not Recognized for Budgetary Purposes	79,875	
Current Year State Aid Payments Recognized for Budgetary Purposes, not Recognized for GAAP Statements	(89,325)	
Total Revenues as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	<u>\$ 12,734,104</u>	<u>\$ 303,945</u>
Uses/Outflows of Resources:		
Actual Amounts (Budgetary Basis) "Total Outflows" from the Budgetary Comparison Schedule	\$ 12,976,985	\$ 307,293
Differences - Budget to GAAP		
Encumbrances for Supplies and Equipment Ordered but Not Received are Reported in the Year the Order is Placed for Budgetary Purposes, but in the Year the Supplies are Received for Financial Reporting Purposes.		(949)
Total Expenditures as Reported on the Statement of Revenue, Expenditures, and Changes in Fund Balances - Governmental Funds	<u>\$ 12,976,985</u>	<u>\$ 306,344</u>

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue and debt service funds. The budget for the fiscal year ended June 30, 2024 was submitted to the County office and was approved by a vote of the Board of Education. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:20-2A.2(m)1. Transfers of appropriations may be made by School Board resolution at any time during the fiscal year. All budgetary amounts presented in the accompanying supplementary information reflect the original budget and the amended budget (which have been adjusted for legally authorized revisions of the annual budgets during the year).

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION  
BUDGETARY COMPARISON SCHEDULE  
NOTE TO RSI  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

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

Formal budgetary integration into the accounting system is employed as a management control device during the year. For governmental funds, there are not substantial differences between the budgetary basis of accounting and generally accepted accounting principles, with the exception of the special revenue fund as noted in the above paragraph. 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 General Fund budgetary revenue differs from GAAP revenue due to a difference in recognition of the last two state aid payments for the current year. Since the State is recording the last state aid payments in the subsequent fiscal year, the District cannot recognize these payments on the GAAP financial statements.

SCHOOL LEVEL SCHEDULES  
(NOT APPLICABLE)

SPECIAL REVENUE FUND

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF REVENUE AND EXPENDITURES - BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Elementary and Secondary Education Act				I.D.E.A.	
	Title I	Title II	Title IV	Preschool		Basic
<b>REVENUE:</b>						
Local Sources						
State Sources						
Federal Sources	\$ 21,447	\$ 6,263	\$ 10,000	\$ 5,943	\$	\$ 96,599
<b>Total Revenue</b>	21,447	6,263	10,000	5,943		96,599
<b>EXPENDITURES:</b>						
Instruction:						
Salaries of Teachers	21,447			5,943		
Purchased Professional/Technical Services						96,599
Other Purchased Services			3,850			
General Supplies						
<b>Total Instruction</b>	21,447		3,850	5,943		96,599
Support Services:						
Purchased Professional/Technical Services		6,263	6,150			
Other Purchased Services						
Supplies and Materials						
Student Activities						
<b>Total Support Services</b>		6,263	6,150			
Facilities Acquisition and Construction Services:						
Non-Instructional Equipment						
<b>Total Facilities Acquisition and Construction Services</b>						
<b>Total Expenditures</b>	\$ 21,447	\$ 6,263	\$ 10,000	\$ 5,943		\$ 96,599

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF REVENUE AND EXPENDITURES - BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Emergent Capital & Maintenance Needs	Climate Change Awareness	Local Grants	REAP
REVENUE:				
Local Sources	\$ 18,942	\$ 6,600	\$ 1,503	
State Sources				\$ 46,129
Federal Sources				
Total Revenue	<u>18,942</u>	<u>6,600</u>	<u>1,503</u>	<u>46,129</u>
EXPENDITURES:				
Instruction:				
Salaries of Teachers				23,809
Purchased Professional/Technical Services				
Other Purchased Services		6,600	1,503	4,052
General Supplies				
Total Instruction		<u>6,600</u>	<u>1,503</u>	<u>27,861</u>
Support Services:				
Purchased Professional/Technical Services				
Other Purchased Services				18,268
Supplies and Materials				
Student Activities				
Total Support Services				<u>18,268</u>
Facilities Acquisition and Construction Services:				
Non-Instructional Equipment	18,942			
Total Facilities Acquisition and Construction Services	<u>18,942</u>			
Total Expenditures	<u>\$ 18,942</u>	<u>\$ 6,600</u>	<u>\$ 1,503</u>	<u>\$ 46,129</u>

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF REVENUE AND EXPENDITURES - BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	ARP				
	Evidence Based Summer Learning and Enrichment	Evidence Based Comprehensive Beyond the School Day	Student Activities	Totals	
<b>REVENUE:</b>					
Local Sources			\$ 61,937	\$ 63,440	
State Sources	\$ 11,956	\$ 1,238		25,542	
Federal Sources				215,912	
<b>Total Revenue</b>	11,956	1,238	61,937	304,894	
<b>EXPENDITURES:</b>					
Instruction:					
Salaries of Teachers		1,238		41,061	
Purchased Professional/Technical Services	12,433			23,809	
Other Purchased Services				96,599	
General Supplies	3,904			19,909	
<b>Total Instruction</b>	16,337	1,238		181,378	
Support Services:					
Purchased Professional/Technical Services				12,413	
Other Purchased Services	11,956			11,956	
Supplies and Materials				18,268	
Student Activities			64,336	64,336	
<b>Total Support Services</b>	11,956		64,336	106,973	
Facilities Acquisition and Construction Services:					
Non-Instructional Equipment				18,942	
<b>Total Facilities Acquisition and Construction Services</b>				18,942	
<b>Total Expenditures</b>	\$ 11,956	\$ 1,238	\$ 64,336	\$ 307,293	

CAPITAL PROJECTS FUND  
(NOT APPLICABLE)

PROPRIETARY FUNDS

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
ENTERPRISE FUNDS  
COMBINING STATEMENT OF NET POSITION  
JUNE 30, 2023

	<u>Major Fund</u>	<u>Non-Major Fund</u>	
	<u>Food</u>	<u>Rutherford</u>	
	<u>Service</u>	<u>Hall</u>	<u>Totals</u>
<b>ASSETS:</b>			
Current Assets:			
Cash and Cash Equivalents	\$ 58,278		\$ 58,278
Interfund Receivable	69,124		69,124
Intergovernmental Accounts Receivable:			
State	87		87
Federal	1,696		1,696
Other Accounts Receivable		\$ 9,590	9,590
Inventories	2,941		2,941
Total Current Assets	<u>132,126</u>	<u>9,590</u>	<u>141,716</u>
Non-Current Assets:			
Capital Assets	82,920		82,920
Less: Accumulated Depreciation	<u>(66,900)</u>		<u>(66,900)</u>
Total Non-Current Assets	<u>16,020</u>		<u>16,020</u>
Total Assets	<u>148,146</u>	<u>9,590</u>	<u>157,736</u>
<b>LIABILITIES:</b>			
Current Liabilities:			
Accounts Payable	6,252	152,687	158,939
Unearned Revenue - Summer Events		61,041	61,041
Unearned Revenue - Donations		3,725	3,725
Unearned Revenue - Donated Commodities	793		793
Unearned Revenue - Prepaid Sales/Fees	<u>2,778</u>		<u>2,778</u>
Total Current Liabilities:	<u>9,823</u>	<u>217,453</u>	<u>227,276</u>
Total Liabilities	<u>9,823</u>	<u>217,453</u>	<u>227,276</u>
<b>NET POSITION:</b>			
Investment in Capital Assets	16,020		16,020
Unrestricted/(Deficit)	<u>122,303</u>	<u>(207,863)</u>	<u>(85,560)</u>
Total Net Position/(Deficit)	<u>\$ 138,323</u>	<u>\$ (207,863)</u>	<u>\$ (69,540)</u>

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
ENTERPRISE FUNDS  
COMBINING STATEMENT OF REVENUE, EXPENSES AND CHANGES IN NET POSITION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	<u>Major Fund</u>	<u>Non-Major Fund</u>	
	Food Service	Rutherford Hall	Totals
Operating Revenue:			
Daily Sales:			
Reimbursable Programs	\$ 93,478		\$ 93,478
Non-Reimbursable Programs	26,067		26,067
Program Fees		\$ 223,044	223,044
Total Operating Revenue	<u>119,545</u>	<u>223,044</u>	<u>342,589</u>
Operating Expenses:			
Cost of Sales:			
Reimbursable Programs	93,644		93,644
Non-Reimbursable Programs	7,049		7,049
Salaries	67,868	107,469	175,337
Purchased Professional Technical Services		16,118	16,118
Supplies and Materials	10,682	32,097	42,779
Miscellaneous Expenses		34,800	34,800
Management Fee	8,620		8,620
Depreciation Expense	4,522		4,522
Total Operating Expenses	<u>192,385</u>	<u>190,484</u>	<u>382,869</u>
Operating Income/(Loss)	<u>(72,840)</u>	<u>32,560</u>	<u>(40,280)</u>
Non-Operating Revenue:			
Interest Income	584		584
State Sources:			
State School Lunch Program	2,105		2,105
Federal Sources:			
National School Lunch Program	41,999		41,999
Supply Chain Assistance Funding	33,748		33,748
Food Distribution Program	16,184		16,184
Total Non-Operating Revenue	<u>94,620</u>		<u>94,620</u>
Change in Net Position	21,780	32,560	54,340
Net Position / (Deficit) - Beginning of Year	<u>116,543</u>	<u>(240,423)</u>	<u>(123,880)</u>
Net Position / (Deficit) - End of Year	<u>\$ 138,323</u>	<u>\$ (207,863)</u>	<u>\$ (69,540)</u>

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
ENTERPRISE FUNDS  
COMBINING STATEMENT OF CASH FLOWS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	<u>Major Fund</u>	<u>Non-Major Fund</u>	
	Food	Rutherford	
	Service	Hall	Totals
Cash Flows from Operating Activities:			
Receipts from Customers	\$ 119,545	\$ 223,044	\$ 342,589
Payments to Food Service Company	(67,868)		(67,868)
Payments to/for Employees	(157,940)	(107,469)	(265,409)
Payments to Suppliers	(10,682)	(115,575)	(126,257)
Net Cash (Used for) Operating Activities	<u>(116,945)</u>		<u>(116,945)</u>
Cash Flows from Financing Activities:			
Interest Income	584		584
Net Cash Provided by Financing Activities	<u>584</u>		<u>584</u>
Cash Flows from Capital and Related Financing Activities:			
Purchase of Capital Assets	(4,834)		(4,834)
Net Cash Used for Capital and Related Financing Activities	<u>(4,834)</u>		<u>(4,834)</u>
Cash Flows by Noncapital Financing Activities:			
State Sources	2,310		2,310
Federal Sources	86,721		86,721
Net Cash Provided by Noncapital Financing Activities	<u>89,031</u>		<u>89,031</u>
Net Decrease in Cash and Cash Equivalents	(32,164)		(32,164)
Cash and Cash Equivalents, July 1	90,442		90,442
Cash and Cash Equivalents, June 30	<u>\$ 58,278</u>	<u>\$ -0-</u>	<u>\$ 58,278</u>
Adjustment to Reconcile Operating Income/(Loss)			
Net Cash (Used for) Operating Activities:			
Operating Income/(Loss)	\$ (72,840)	\$ 32,560	\$ (40,280)
Depreciation	4,522		4,522
Food Distribution Program	16,184		16,184
Changes in Assets and Liabilities:			
(Increase)/Decrease in Other Accounts Receivable		22,328	22,328
(Increase)/Decrease in Interfund Receivable	(69,863)		(69,863)
Increase/(Decrease) in Accounts Payable	25	(54,888)	(54,863)
Increase/(Decrease) in Unearned Revenue - Donated Commodities	21		21
Increase/(Decrease) in Unearned Revenue - Prepaid Sales/Fees	2,778		2,778
(Increase)/Decrease in Inventory	2,228		2,228
Net Cash (Used for) Operating Activities	<u>\$ (116,945)</u>	<u>\$ -0-</u>	<u>\$ (116,945)</u>

Noncash Investing, Capital and Financing Activities:

The Food Service Enterprise Fund received U.S.D.A. Commodities through the Food Distribution Program valued at \$16,205 and utilized U.S.D.A. Commodities valued at \$16,184.

FIDUCIARY ACTIVITIES  
(NOT APPLICABLE)

LONG-TERM LIABILITES

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
LONG-TERM LIABILITIES  
SCHEDULE OF SERIAL BONDS

Purpose	Date of Issue	Original Issue	Maturities of Bonds				Matured	Balance June 30, 2023
			Date	Amount	Interest Rate	Balance June 30, 2022		
2016 Refunding Bonds	2/11/2016	\$ 8,740,000	3/15/2024	\$ 515,000	4.00%			
			3/15/2025	540,000	4.00%			
			3/15/2026	565,000	4.00%			
			3/15/2027	585,000	4.00%			
			3/15/2028	615,000	4.00%			
			3/15/2029	640,000	4.00%			
			3/15/2030	665,000	4.00%			
			3/15/2031	695,000	4.00%			
			3/15/2032	725,000	4.00%			
			3/15/2033	755,000	4.00%			
						\$ 500,000	\$ 6,300,000	
						\$ 500,000	\$ 6,300,000	

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
LONG-TERM LIABILITIES  
SCHEDULE OF OBLIGATIONS UNDER FINANCED PURCHASES PAYABLE

Item	Interest Rate	Original Issue	Balance June 30, 2022	Issued	Matured	Balance June 30, 2023
Buses (5)	2.444%	\$ 569,850	\$ 244,014		\$ 58,812	\$ 185,202
Bus (1)	2.125%	96,000	39,205		19,161	20,044
Various Capital Equipment	1.280%	325,000	260,220		63,819	196,401
Smartboards	4.135%	50,599	21,500		10,528	10,972
Smartboards	3.380%	47,677	34,715		10,796	23,919
Bus (1)	3.398%	113,157	<u>          </u>	<u>\$ 113,157</u>	<u>24,169</u>	<u>88,988</u>
			<u>\$ 599,654</u>	<u>\$ 113,157</u>	<u>\$ 187,285</u>	<u>\$ 525,526</u>

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
DEBT SERVICE FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Original Budget	Final Budget	Actual	Variance Final to Actual
<b>REVENUE:</b>				
Local Sources:				
Local Tax Levy	\$ 708,841	\$ 708,841	\$ 708,841	
State Sources:				
Debt Service State Aid Support	63,159	63,159	63,159	
<b>Total Revenue</b>	<u>772,000</u>	<u>772,000</u>	<u>772,000</u>	
<b>EXPENDITURES:</b>				
Regular Debt Service:				
Interest	272,000	272,000	272,000	
Redemption of Principal	500,000	500,000	500,000	
<b>Total Regular Debt Service</b>	<u>772,000</u>	<u>772,000</u>	<u>772,000</u>	
<b>Total Expenditures</b>	<u>772,000</u>	<u>772,000</u>	<u>772,000</u>	
<b>Fund Balance, July 1</b>				
<b>Fund Balance, June 30</b>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>

**STATISTICAL SECTION**  
**(UNAUDITED)**

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

**Contents**

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

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

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
NET POSITION BY COMPONENT  
 LAST TEN FISCAL YEARS  
UNAUDITED  
*(accrual basis of accounting)*

	June 30,									
	2014	2015	2016	2017	2018	2019	2020	2021	Restated 2022	2023
<b>Governmental Activities</b>										
Net Investment in Capital Assets	\$ 1,202,205	\$ 1,092,433	\$ 1,455,944	\$ 1,768,330	\$ 2,039,067	\$ 2,438,843	\$ 2,743,305	\$ 70,921	\$ 300,284	\$ 448,747
Restricted	278,298	185,236	632,514	658,727	575,340	397,812	561,315	431,880	330,967	331,126
Unrestricted/(Deficit)	(84,743)	(2,232,235)	(2,140,552)	(2,426,355)	(2,509,767)	(2,619,617)	(2,610,450)	(2,560,033)	(2,485,914)	(2,334,113)
Total Governmental Activities Net Position	\$ 1,395,760	\$ (954,566)	\$ (52,094)	\$ 702	\$ 104,640	\$ 217,038	\$ 694,170	\$ (2,057,232)	\$ (1,854,663)	\$ (1,554,240)
<b>Business-Type Activities</b>										
Investment in Capital Assets	\$ 43,610	\$ 38,674	\$ 37,648	\$ 82,270	\$ 78,293	\$ 70,587	\$ 63,547	\$ 20,230	\$ 15,708	\$ 16,020
Unrestricted	(113,853)	(192,891)	(200,312)	(208,173)	(207,366)	(141,750)	(195,797)	(142,526)	(139,588)	(85,560)
Total Business-Type Activities Net Position	\$ (70,243)	\$ (154,217)	\$ (162,664)	\$ (125,903)	\$ (129,073)	\$ (71,163)	\$ (132,250)	\$ (122,296)	\$ (123,880)	\$ (69,540)
<b>District-Wide</b>										
Net Investment in Capital Assets	\$ 1,245,815	\$ 1,131,107	\$ 1,493,592	\$ 1,850,600	\$ 2,117,360	\$ 2,509,430	\$ 2,806,852	\$ 91,151	\$ 315,992	\$ 464,767
Restricted	278,298	185,236	632,514	658,727	575,340	397,812	561,315	431,880	330,967	331,126
Unrestricted/(Deficit)	(198,596)	(2,425,126)	(2,340,864)	(2,634,528)	(2,717,133)	(2,761,367)	(2,806,247)	(2,702,559)	(2,625,502)	(2,419,673)
Total District Net Position	\$ 1,325,517	\$ (1,108,783)	\$ (214,758)	\$ (125,201)	\$ (24,433)	\$ 145,875	\$ 561,920	\$ (2,179,528)	\$ (1,978,543)	\$ (1,623,780)

Source: School District Financial Reports

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
CHANGES IN NET POSITION  
LAST TEN FISCAL YEARS  
UNAUDITED  
*(accrual basis of accounting)*

	Fiscal Year Ending June 30,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Expenses:</b>										
Governmental Activities:										
Instruction:										
Regular	\$ 2,777,284	\$ 2,619,331	\$ 2,516,299	\$ 2,924,138	\$ 4,074,799	\$ 4,112,068	\$ 3,992,227	\$ 4,628,872	\$ 4,632,400	\$ 4,202,148
Special Education	764,929	908,399	833,425	675,940	1,068,179	802,038	925,123	1,022,845	1,055,898	1,259,853
Other Special Education								63,445	97,678	37,084
Other Instruction	157,353	91,943	102,342	92,967	129,017	168,952	153,456	135,516	188,951	192,408
Support Services:										
Tuition	1,966,282	2,838,921	2,881,678	2,852,171	2,614,756	2,596,940	2,668,966	2,769,239	2,579,406	2,742,843
Student & Instruction Related Services	1,174,738	976,799	931,559	1,018,138	1,279,539	1,318,807	1,268,744	1,054,840	1,051,905	1,170,928
General and Business Administrative Services	390,896	470,840	393,524	457,865	508,343	560,621	546,884	276,997	330,569	464,732
School Administrative Services	297,084	303,508	334,263	366,243	492,093	592,203	456,226	544,713	427,699	307,253
Central Services								244,079	249,523	284,144
Plant Operations And Maintenance	926,860	779,532	783,662	936,449	1,017,558	1,016,189	979,494	967,329	1,136,425	1,123,418
Pupil Transportation	769,233	842,102	861,670	963,716	1,019,483	1,059,522	1,103,246	978,568	1,211,113	1,076,085
Business and Support Services								35,624		
Charter Schools					20,230	39,986				38,457
Interest On Long-Term Debt	458,332	451,622	259,588	366,004	348,442	331,831	318,950	304,233	285,600	266,167
Capital Outlay	1,366	1,366	1,366	1,366	1,366	1,366	1,366	1,366	1,366	1,366
Total Governmental Activities Expenses	9,684,359	10,284,364	9,899,376	10,654,997	12,573,804	12,600,524	12,414,682	13,027,666	13,248,533	13,166,886
Business-Type Activities:										
Food Service	153,884	141,945	132,806	143,446	145,487	136,680	105,674	149,269	221,298	192,385
Rutherford Hall	206,216	215,580	201,541	214,470	215,375	219,399	193,199	63,246	152,163	190,484
Total Business-Type Activities Expenses	360,101	357,525	334,346	357,916	360,862	356,079	298,873	212,515	373,461	382,869
Total District Expenses	\$ 10,044,460	\$ 10,641,889	\$ 10,233,722	\$ 11,012,913	\$ 12,934,666	\$ 12,956,603	\$ 12,713,555	\$ 13,240,181	\$ 13,621,994	\$ 13,549,755

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT

CHANGES IN NET POSITION  
LAST TEN FISCAL YEARS

UNAUDITED

(Continued)

(accrual basis of accounting)

	Fiscal Year Ending June 30,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Program Revenues:</b>										
<b>Governmental Activities:</b>										
Charges For Services:										
Instruction (Tuition)	\$ 247,395	\$ 165,894	\$ 215,540	\$ 84,948	\$ 65,612	\$ 14,760	\$ 62,974	\$ 78,723	\$ 185,563	\$ 292,317
Student & Instruction Related Services	511,475	510,824	280,516	365,741	370,245	326,693	474,368	57,708	30,581	61,937
Operating Grants and Contributions	1,297,257	1,127,676	1,140,865	1,193,308	3,148,235	2,931,301	2,622,902	2,658,880	2,574,406	2,572,489
<b>Total Governmental Activities Program Revenues</b>	<u>2,056,127</u>	<u>1,804,394</u>	<u>1,636,921</u>	<u>1,643,996</u>	<u>3,584,092</u>	<u>3,272,754</u>	<u>3,160,244</u>	<u>2,795,311</u>	<u>2,790,550</u>	<u>2,926,743</u>
<b>Business-Type Activities:</b>										
Charges for Services:										
Food Service	117,368	114,777	114,531	120,104	118,562	101,055	70,699	2,280	8,456	119,545
Rutherford Hall	179,284	127,600	179,129	196,028	158,723	233,903	138,736	44,279	147,062	223,044
Operating Grants and Contributions	33,813	30,976	32,141	28,288	29,972	28,575	28,252	198,014	216,356	94,036
<b>Total Business-Type Activities Program Revenues</b>	<u>330,465</u>	<u>273,353</u>	<u>325,801</u>	<u>344,420</u>	<u>307,257</u>	<u>363,533</u>	<u>237,687</u>	<u>244,573</u>	<u>371,874</u>	<u>436,625</u>
<b>Total District Program Revenues</b>	<u>\$ 2,386,592</u>	<u>\$ 2,077,747</u>	<u>\$ 1,962,722</u>	<u>\$ 1,988,416</u>	<u>\$ 3,891,349</u>	<u>\$ 3,636,287</u>	<u>\$ 3,397,931</u>	<u>\$ 3,039,884</u>	<u>\$ 3,162,424</u>	<u>\$ 3,363,368</u>
<b>Net (Expense)/Revenue</b>	<u>\$ (7,628,232)</u>	<u>\$ (8,479,970)</u>	<u>\$ (8,262,455)</u>	<u>\$ (9,011,001)</u>	<u>\$ (8,989,712)</u>	<u>\$ (9,327,770)</u>	<u>\$ (9,254,438)</u>	<u>\$ (10,232,355)</u>	<u>\$ (10,457,983)</u>	<u>\$ (10,240,143)</u>
<b>Governmental Activities</b>	<u>(29,636)</u>	<u>(84,172)</u>	<u>(8,545)</u>	<u>(13,496)</u>	<u>(53,605)</u>	<u>7,454</u>	<u>(61,186)</u>	<u>32,058</u>	<u>(1,587)</u>	<u>53,756</u>
<b>Business-Type Activities</b>	<u>(7,657,869)</u>	<u>(8,564,142)</u>	<u>(8,271,000)</u>	<u>(9,024,497)</u>	<u>(9,043,317)</u>	<u>(9,320,316)</u>	<u>(9,315,624)</u>	<u>(10,200,297)</u>	<u>(10,459,570)</u>	<u>(10,186,387)</u>
<b>General Revenues and Other Changes in Net Position</b>										
<b>Governmental Activities:</b>										
Property Taxes Levied for General Purposes, Net	\$ 7,340,882	\$ 8,089,997	\$ 8,345,824	\$ 8,512,609	\$ 8,666,893	\$ 8,811,890	\$ 9,075,073	\$ 9,336,672	\$ 9,523,405	\$ 9,713,873
Taxes Levied for Debt Service	327,760	65,853	554,962	395,046	363,241	428,719	443,850	706,637	708,106	708,841
Unrestricted Grants and Contributions	42,718	48,012	53,559	72,466	54,705	53,120	37,412	62,963	63,094	63,159
Investment Earnings	3,010	3,408	3,127	4,724	7,927	10,352	6,285	2	116	
Miscellaneous Income	196,540	58,484	102,455	128,953	50,883	186,087	91,515	280,672	608,392	54,693
Proceeds of Long-Term Debt			105,000							
Transfers				(50,000)		(50,000)				
<b>Total Governmental Activities</b>	<u>7,910,910</u>	<u>8,265,754</u>	<u>9,164,927</u>	<u>9,063,797</u>	<u>9,093,649</u>	<u>9,440,168</u>	<u>9,654,136</u>	<u>10,386,946</u>	<u>10,903,113</u>	<u>10,540,566</u>
<b>Business-Type Activities:</b>										
Investment Earnings	139	198	98	257	435	456	99	4	3	584
Miscellaneous Income								14,170		
Transfers										
<b>Total Business-Type Activities</b>	<u>139</u>	<u>198</u>	<u>98</u>	<u>257</u>	<u>435</u>	<u>456</u>	<u>99</u>	<u>4</u>	<u>3</u>	<u>584</u>
<b>Total District-Wide</b>	<u>\$ 7,911,049</u>	<u>\$ 8,265,952</u>	<u>\$ 9,165,025</u>	<u>\$ 9,114,054</u>	<u>\$ 9,144,084</u>	<u>\$ 9,490,624</u>	<u>\$ 9,654,235</u>	<u>\$ 10,401,120</u>	<u>\$ 10,903,116</u>	<u>\$ 10,541,150</u>
<b>Change in Net Position</b>										
<b>Governmental Activities</b>	282,677	(214,216)	902,472	52,796	103,937	112,399	399,698	154,591	445,130	300,423
<b>Business-Type Activities</b>	(29,497)	(83,974)	(8,447)	36,761	(3,170)	57,910	(61,087)	46,232	(1,584)	54,340
<b>Total District</b>	<u>\$ 253,180</u>	<u>\$ (298,190)</u>	<u>\$ 894,025</u>	<u>\$ 89,557</u>	<u>\$ 100,767</u>	<u>\$ 170,309</u>	<u>\$ 338,611</u>	<u>\$ 200,823</u>	<u>\$ 443,546</u>	<u>\$ 354,763</u>

Source: School District Financial Reports

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
FUND BALANCES - GOVERNMENTAL FUNDS  
LAST TEN FISCAL YEARS

UNAUDITED

*(modified accrual basis of accounting)*

	June 30,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>General Fund:</b>										
Restricted	\$ 237,224	\$ 163,175	\$ 497,893	\$ 549,775	\$ 564,484	\$ 423,504	\$ 531,988	\$ 382,997	\$ 286,948	\$ 289,506
Assigned	203,352	266,071	290,777	173,221	118,295	68,458	53,000	181,481	161,892	58,219
Unassigned	215,170	189,111	218,650	211,064	235,785	215,885	217,264	180,366	253,874	(17,296)
<b>Total General Fund</b>	<b>\$ 655,746</b>	<b>\$ 618,357</b>	<b>\$ 1,007,320</b>	<b>\$ 934,060</b>	<b>\$ 918,564</b>	<b>\$ 707,847</b>	<b>\$ 802,252</b>	<b>\$ 744,844</b>	<b>\$ 702,714</b>	<b>\$ 330,429</b>
<b>All Other Governmental Funds:</b>										
Restricted	\$ 7,353		\$ 52,067	\$ 52,067			\$ 66,627	\$ 48,883	\$ 44,019	\$ 41,620
Assigned										
<b>Total All Other Governmental Funds</b>	<b>\$ 7,353</b>	<b>\$ -0-</b>	<b>\$ 52,067</b>	<b>\$ 52,067</b>	<b>\$ -0-</b>	<b>\$ -0-</b>	<b>\$ 66,627</b>	<b>\$ 48,883</b>	<b>\$ 44,019</b>	<b>\$ 41,620</b>
<b>Total Governmental Funds:</b>										
Restricted	\$ 237,224	\$ 163,175	\$ 549,960	\$ 601,842	\$ 564,484	\$ 423,504	\$ 598,615	\$ 431,880	\$ 330,967	\$ 331,126
Assigned	210,705	266,071	290,777	173,221	118,295	68,458	53,000	181,481	161,892	58,219
Unassigned	215,170	189,111	218,650	211,064	235,785	215,885	217,264	180,366	253,874	(17,296)
<b>Total Governmental Funds</b>	<b>\$ 663,099</b>	<b>\$ 618,357</b>	<b>\$ 1,059,387</b>	<b>\$ 986,127</b>	<b>\$ 918,564</b>	<b>\$ 707,847</b>	<b>\$ 868,879</b>	<b>\$ 793,727</b>	<b>\$ 746,733</b>	<b>\$ 372,049</b>

Source: School District Financial Reports

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS

	Fiscal Year Ending June 30,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Revenues										
Tax Levy	\$ 8,084,412	\$ 8,565,136	\$ 9,093,734	\$ 9,207,135	\$ 9,324,611	\$ 9,510,217	\$ 9,775,467	\$ 10,043,309	\$ 10,231,511	\$ 10,422,714
Tuition Charges	247,395	165,894	215,540	84,948	65,612	14,760	62,974	78,723	185,563	292,317
Transportation Fees	95,705	101,538	87,568	66,261	75,768	57,085	217,824		384,788	
Rents and Royalties								9,349	1,325	
Restricted Miscellaneous Revenues	199,550	61,892	105,582	152,713	59,305	196,603	97,800	80,119	45,530	65,998
Unrestricted Miscellaneous Revenues	1,066,476	1,021,244	1,058,077	1,077,370	1,448,322	1,547,626	1,703,835	1,994,676	2,463,712	2,755,322
State Sources	273,499	154,444	136,348	169,368	165,599	183,266	199,377	276,199	746,505	221,563
Federal Sources	9,967,037	10,070,148	10,696,849	10,757,794	11,139,217	11,509,557	12,057,277	12,753,696	14,276,472	13,810,049
Total Revenue										
Expenditures:										
Instruction:										
Regular Instruction	1,895,567	1,742,486	1,778,728	1,944,333	2,172,355	2,210,020	2,294,592	2,597,989	3,068,240	2,537,503
Special Education Instruction	549,663	678,835	616,800	489,385	602,118	445,373	545,283	693,358	726,251	840,126
Other Special Instruction								34,037	60,652	22,309
Other Instruction	110,009	66,137	73,653	63,558	68,203	90,320	87,306	70,754	112,335	117,682
Support Services:										
Tuition	1,966,282	2,838,921	2,881,678	2,852,171	2,614,756	2,596,940	2,668,966	2,769,239	2,579,406	2,742,843
Student & Instruction Related Services	912,470	724,673	683,149	736,365	781,018	808,071	802,732	769,998	832,222	895,822
General And Business Administrative Services	307,398	350,194	370,722	367,961	351,879	394,441	430,328	277,363	277,427	395,874
School Administrative Services	206,796	220,446	230,125	249,145	260,423	331,238	264,292	311,954	270,794	191,864
Central Services								165,850	193,427	204,117
Plant Operations And Maintenance	795,786	729,007	651,735	792,099	758,766	740,218	739,693	800,612	982,159	934,300
Pupil Transportation	725,342	795,870	745,652	835,149	759,838	806,013	861,338	792,050	1,040,521	890,037
Allocated and Unallocated Benefits	1,538,957	1,442,129	1,447,358	1,521,103	1,895,726	2,196,917	2,392,281	2,722,793	3,235,175	3,290,722
Debt Service:										
Principal	325,004	65,000	480,000	390,000	410,000	425,000	440,000	460,000	480,000	500,000
Interest And Other Charges	461,088	452,475	282,483	371,050	353,750	335,550	322,800	309,600	291,200	272,000
Capital Outlay	24,816	8,717	609,036	168,735	107,720	250,185	220,067	378,251	221,334	181,673
Charter Schools										
Total Expenditures	9,819,178	10,114,890	10,851,119	10,781,054	11,156,781	11,670,273	12,069,678	13,153,848	14,371,143	14,055,329
Excess/(Deficiency) Of Revenues Over/(Under) Expenditures	147,858	(44,742)	(154,271)	(23,260)	(17,563)	(160,716)	(12,401)	(400,152)	(94,671)	(245,280)
Other Financing Sources (Uses)			595,301	(50,000)	(50,000)	(50,000)	96,000	325,000	47,677	113,157
Financing Purchases (Non-Budgeted) Transfers Out				(50,000)	(50,000)	(50,000)	96,000	325,000	47,677	113,157
Total Other Financing Sources (Uses)			595,301	(50,000)	(50,000)	(50,000)	96,000	325,000	47,677	113,157
Net Change In Fund Balances	\$ 147,858	\$ (44,742)	\$ 441,030	\$ (73,260)	\$ (67,563)	\$ (210,716)	\$ 83,599	\$ (75,152)	\$ (46,994)	\$ (132,123)
Debt Service As A Percentage Of Noncapital Expenditures	8.03%	5.12%	7.44%	7.17%	6.91%	6.66%	6.44%	6.00%	5.43%	5.54%

Source: School District Financial Reports

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
GENERAL FUND - OTHER LOCAL REVENUE BY SOURCE  
LAST TEN FISCAL YEARS  
UNAUDITED  
*(modified accrual basis of accounting)*

Fiscal Year Ending June 30,	Interest on Investments	Tuition	Prior Year Refunds	Other	Total
2014	\$ 3,010	\$ 247,395		\$ 292,245	\$ 542,650
2015	3,408	165,894		160,022	329,324
2016	3,127	215,540	\$ 43,335	148,122	410,124
2017	4,724	87,448	29,485	165,898	287,555
2018	7,927	65,612	14,810	112,866	201,215
2019	10,352	14,760	33,274	209,898	268,284
2020	6,285	62,974	8,649	300,690	378,598
2021	231	78,723	1,032	279,409	359,395
2022	116	185,563	3,594	604,798	794,071
2023	9,104	142,644	19,866	175,396	347,010

Source: Allamuchy Township School District records

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

Year Ended Dec. 31,	Vacant Land		Residential		Farm		Commercial	Apartment	Total Assessed Value	Public Utilities <sup>a</sup>	Net Valuation Taxable	Total Direct School Tax Rate <sup>b</sup>	Estimated Actual (County Equalized Value)
2013	\$ 11,114,700	\$ 476,465,300	\$ 21,945,700	\$ 24,309,500					\$ 533,835,200	\$ 1,276,451	\$ 535,111,651	\$ 1.485	\$ 562,515,326
2014	10,325,300	479,465,200	22,054,500	19,604,700					531,449,700	906,575	532,356,275	1.526	575,790,232
2015	6,991,900	492,125,700	22,373,000	18,971,700					540,462,300		540,462,300	1.609	584,260,244
2016	7,160,000	501,673,600	22,372,200	18,041,700					549,247,500		549,247,500	1.664	602,220,217
2017	5,230,900	511,499,900	22,310,700	18,225,700					557,267,200		557,267,200	1.664	614,775,390
2018	5,359,200	521,386,900	22,511,400	13,722,900			\$ 4,337,800		567,318,200		567,318,200	1.676	628,189,791
2019	7,407,400	527,255,300	22,551,500	13,887,900			4,337,800		575,439,900		575,439,900	1.699	654,727,387
2020	5,216,600	540,280,500	22,564,700	13,802,600			4,337,800		586,202,200		586,202,200	1.689	694,305,579
2021	2,598,000	553,041,700	22,117,300	13,802,600			4,337,800		595,897,400		595,897,400	1.696	763,011,808
2022	1,862,400	556,613,300	23,314,900	13,802,600			4,337,800		599,931,000		599,931,000	1.720	759,543,059

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

- a Taxable Value of Machinery, Implements and Equipment of Telephone, Telegraph and Messenger System Companies.
- b Tax rates are per \$100 of assessed valuation.

Source: Municipal Tax Assessor

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
DIRECT AND OVERLAPPING PROPERTY TAX RATES  
LAST TEN YEARS  
UNAUDITED  
*(rate per \$100 of assessed value)*

Year Ended December 31,	Allamuchy Township School District			Overlapping Rates		Total Direct and Overlapping Tax Rate
	Basic Rate <sup>a</sup>	General Obligation Debt Service <sup>b</sup>	Total Direct	Allamuchy Township	Warren County	
2013	1.34	0.15	1.49	0.48	0.65	2.62
2014	1.38	0.15	1.53	0.45	0.77	2.75
2015	1.51	0.10	1.61	0.43	0.84	2.87
2016	1.53	0.14	1.66	0.43	0.83	2.91
2017	1.53	0.14	1.66	0.43	0.84	2.94
2018	1.54	0.14	1.68	0.43	0.85	2.96
2019	1.57	0.13	1.70	0.45	0.82	2.96
2020	1.57	0.12	1.69	0.45	0.82	2.95
2021	1.58	0.12	1.70	0.45	0.83	2.97
2022	1.60	0.12	1.72	0.45	0.86	3.03

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

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

Source: Municipal Tax Collector and School Business Administrator

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
PRINCIPAL PROPERTY TAXPAYERS  
CURRENT YEAR AND NINE YEARS AGO  
UNAUDITED

	2022		2013			2013	
	Taxpayer	Taxable Assessed Value	% of Total District Net Assessed Value	Taxpayer		Taxable Assessed Value	% of Total District Net Assessed Value
Baker Residential Ltd. Partnership		\$ 6,647,800	1.12%	Baker Residential Ltd. Partnership	\$ 7,362,400	1.38%	
Colonial Manor at Panther Valley LLC		4,337,800	0.73%	Allamuchy Mall Partners LLC	4,500,000	0.84%	
Allamuchy Mall Partners LLC		4,049,000	0.68%	Colonial Manor at Panther Valley LLC	4,337,800	0.81%	
EMS Partnership LLC		2,700,000	0.45%	EMS Partnership LLC	2,900,000	0.54%	
Van Vugt		2,140,200	0.36%	Bowers Glen, Inc.	2,107,900	0.39%	
13 Old Farm LLC		1,817,500	0.31%	Allamuchy Corp Center	1,420,000	0.27%	
Allamuchy Corp Center		1,420,000	0.24%	Berkowitz Florida	1,400,000	0.26%	
Individual Taxpayer 1		1,311,100	0.22%	Individual Taxpayer #1	1,253,170	0.23%	
Allamuchy Land Development		1,189,500	0.20%	Individual Taxpayer #2	1,214,000	0.23%	
Individual Taxpayer 2		1,146,600	0.19%	Allamuchy Land Development	1,186,800	0.22%	
Total		\$ 26,759,500	4.49%		\$ 27,682,070	5.17%	

NOTE: Individual Taxpayers are numbered in the year assessed; however, they may not be the same individual taxpayers in the two years presented.

Source: Allamuchy Municipal Tax Assessor

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

<u>Fiscal Year</u> <u>Ended June 30,</u>	<u>Taxes Levied</u> <u>for the</u> <u>Fiscal Year</u>	<u>Collected within the</u> <u>Fiscal Year of the Levy</u> <sup>a</sup>		<u>Collections in</u> <u>Subsequent</u> <u>Years</u>
		<u>Amount</u>	<u>Percentage</u> <u>of Levy</u>	
2014	\$ 8,084,412	\$ 8,084,412	100.00%	-0-
2015	8,565,136	8,565,136	100.00%	-0-
2016	9,093,734	9,093,734	100.00%	-0-
2017	9,207,135	9,207,135	100.00%	-0-
2018	9,324,611	9,324,611	100.00%	-0-
2019	9,510,217	9,510,217	100.00%	-0-
2020	9,775,467	9,775,467	100.00%	-0-
2021	10,043,309	10,043,309	100.00%	-0-
2022	10,231,511	10,231,511	100.00%	-0-
2023	10,422,714	10,422,714	100.00%	-0-

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

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

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

Fiscal Year Ended June 30,	Governmental Activities							Total District	Percentage of Personal Income <sup>a</sup>	Per Capita <sup>a</sup>
	General Obligation Bonds	Certificates of Participation	Financed Purchases	Bond		Total District				
				Anticipation	Notes (BANs)					
2014	\$ 10,055,000	-0-	\$ 299,410	-0-	-0-	\$ 10,354,410	4.87%	\$ 2,296		
2015	9,990,000	-0-	206,834	-0-	-0-	10,196,834	4.66%	2,243		
2016	9,405,000	-0-	700,942	-0-	-0-	10,105,942	4.42%	2,209		
2017	9,015,000	-0-	604,191	-0-	-0-	9,619,191	4.03%	2,089		
2018	8,605,000	-0-	505,411	-0-	-0-	9,110,411	3.65%	1,966		
2019	8,180,000	-0-	430,081	-0-	-0-	8,610,081	3.33%	1,842		
2020	7,740,000	-0-	432,494	-0-	-0-	8,172,494	3.07%	1,720		
2021	7,280,000	-0-	715,548	-0-	-0-	7,995,548	2.34%	1,474		
2022	6,800,000	-0-	599,654	-0-	-0-	7,399,654	2.16%	1,360		
2023	6,300,000	-0-	525,526	-0-	-0-	6,825,526	1.99%	1,254		

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

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

Source: School District Financial Reports.

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

Fiscal Year Ended June 30,	General Bonded Debt Outstanding			Percentage of Actual Taxable Net Valuation <sup>a</sup> Taxable	Per Capita <sup>b</sup>
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding		
2014	\$ 10,055,000	-0-	\$ 10,055,000	1.88%	\$ 2,229.98
2015	9,990,000	-0-	9,990,000	1.88%	2,197.54
2016	9,405,000	-0-	9,405,000	1.74%	2,056.19
2017	9,015,000	-0-	9,015,000	1.64%	1,958.08
2018	8,605,000	-0-	8,605,000	1.54%	1,856.93
2019	8,180,000	-0-	8,180,000	1.44%	1,749.73
2020	7,740,000	-0-	7,740,000	1.35%	1,629.13
2021	7,280,000	-0-	7,280,000	1.24%	1,342.43
2022	6,800,000	-0-	6,800,000	1.14%	1,249.77
2023	6,300,000	-0-	6,300,000	1.05%	1,157.88

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

- a See Exhibit J-6 for property tax data. This ratio is calculated using valuation data for the prior calendar year.
- b See Exhibit J-14 for population data. This ratio is calculated using population for the prior calendar year.

Source: School District Financial Reports.

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
RATIOS OF OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT  
UNAUDITED  
AS OF DECEMBER 31, 2022

<u>Governmental Unit</u>	Debt Outstanding	Estimated Percentage Applicable <sup>a</sup>	Estimated Share of Overlapping Debt
Debt Repaid With Property Taxes:			
Allamuchy Township	\$ 6,870,616	100.00%	\$ 6,870,616
Warren County General Obligation Debt	830,000	6.719%	55,771
Subtotal, Overlapping Debt			6,926,387
Township of Allamuchy School District			6,800,000
Total Direct And Overlapping Debt			\$ 13,726,387

Sources: Assessed value data used to estimate applicable percentages provided by the Township of Allamuchy Chief Financial Officer and Warren County Treasurer's Office; debt outstanding data provided by each governmental unit.

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

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

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

Legal Debt Margin Calculation for Fiscal Year 2023

Year Ended December 31,	Equalized Valuation Basis
2022	\$ 844,022,228
2021	754,369,425
2020	694,305,579
	<u>\$ 2,292,697,232</u>
Average Equalized Valuation of Taxable Property	<u>\$ 764,232,411</u>
Debt Limit (3% of Average Equalization Value) <sup>a</sup>	\$ 22,926,972
Net Bonded School Debt	<u>6,300,000</u>
Legal Debt Margin	<u>\$ 16,626,972</u>

	Fiscal Year				
	2014	2015	2016	2017	2018
Debt Limit	\$ 17,813,349	\$ 17,338,688	\$ 17,430,494	\$ 17,746,919	\$ 18,125,596
Total Net Debt Applicable to Limit	<u>10,055,000</u>	<u>10,085,000</u>	<u>9,990,000</u>	<u>9,015,000</u>	<u>8,605,000</u>
Legal Debt Margin	<u>\$ 7,758,349</u>	<u>\$ 7,253,688</u>	<u>\$ 7,440,494</u>	<u>\$ 8,731,919</u>	<u>\$ 9,520,596</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	56.45%	58.16%	57.31%	50.80%	47.47%

	Fiscal Year				
	2019	2020	2021	2022	2023
Debt Limit	\$ 18,670,123	\$ 19,309,857	\$ 19,832,027	\$ 21,170,140	\$ 22,926,972
Total Net Debt Applicable to Limit	<u>8,180,000</u>	<u>7,740,000</u>	<u>7,280,000</u>	<u>6,800,000</u>	<u>6,300,000</u>
Legal Debt Margin	<u>\$ 10,490,123</u>	<u>\$ 11,569,857</u>	<u>\$ 12,552,027</u>	<u>\$ 14,370,140</u>	<u>\$ 16,626,972</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	43.81%	40.08%	36.71%	32.12%	27.48%

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

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

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

<u>Year</u>	<u>Population <sup>a</sup></u>	<u>Warren County Per Capita Personal Income <sup>c</sup></u>	<u>Personal Income (thousands of dollars) <sup>b</sup></u>	<u>Unemployment Rate <sup>d</sup></u>
2014	4,509	\$ 48,887	\$ 220,431,483	5.20%
2015	4,546	50,704	230,500,384	5.20%
2016	4,574	51,503	235,574,722	4.00%
2017	4,604	53,149	244,697,996	3.80%
2018	4,634	54,973	254,744,882	3.40%
2019	4,675	56,956	266,269,300	3.00%
2020	4,751	60,525	287,554,275	8.30%
2021	5,423	63,041	341,871,343	4.70%
2022	5,441	63,041 *	343,006,081 ***	3.00%
2023	5,441 **	63,041 *	343,006,081 ***	N/A

\* - Latest Warren County per capita personal income available (2021) was used for calculation purposes.

\*\* - Latest population data available (2022) was used for calculation purposes.

\*\*\* - Latest per capita personal income available (2021) and latest population data available (2022) was used for calculation purposes.

N/A - Information Not Available for this year

Sources:

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

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
PRINCIPAL EMPLOYERS, COUNTY OF WARREN  
CURRENT YEAR AND NINE YEARS AGO  
UNAUDITED

	2022		
Employer	Employees	Rank	Percentage of Total Employment

INFORMATION IS NOT AVAILABLE

	2013		
Employer	Employees	Rank (Optional)	Percentage of Total Employment
Mars Snack Foods	1,000	1	1.84%
Warren Hospital	1,000	2	1.84%
Hackettstown Regional Medical Center	900	3	1.65%
Warren County government	766	4	1.41%
Phillipsburg Board of Education	630	5	1.16%
Mallinckrodt/Baker, Inc.	483	6	0.89%
Genesis Health Center	425	7	0.78%
ShopRite of Greenwich	407	8	0.75%
Wal-Mart Stores, Inc.	363	9	0.67%
Centenary College	350	10	0.64%
	6,324		11.62%
Total Employment	54,424		

Source: New Jersey Department of Labor

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

<u>Function/Program</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Instruction:										
Regular	26.5	29.2	26.5	27.9	38.5	30.5	31.5	32.0	29.0	31.0
Special Education	8.1	8.9	8.1	6.9	3.5	3.5	3.8	4.0	6.0	6.0
Other Special Education	6.4	6.0	6.4	5.0	10.5	7.5	9.5	12.0	13.0	13.0
Support Services:										
Student & Instruction Related Services	9.0	11.0	9.0	20.3	15.3	13.5	13.8	9.5	7.0	7.0
School Administrative Services	5.6	4.5	5.6	5.0	4.5	4.5	4.0	4.5	6.0	6.0
General Administrative Services	2.6	1.6	2.6	1.6	1.4	1.4	1.4	1.4	2.0	2.0
Plant Operations and Maintenance	5.7	5.7	5.7	5.4	4.0	4.0	5.0	6.0	7.5	7.5
Pupil Transportation	11.5	11.0	11.5	11.0	10.6	10.6	10.6	12.6	13.0	12.0
Total	<u>75.4</u>	<u>77.9</u>	<u>75.4</u>	<u>83.1</u>	<u>88.3</u>	<u>75.5</u>	<u>79.6</u>	<u>82.0</u>	<u>83.5</u>	<u>84.5</u>

Source: Allamuchy Township School District personnel records.

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
OPERATING STATISTICS,  
LAST TEN FISCAL YEARS  
UNAUDITED

Fiscal Year	Enrollment	Operating Expenditures <sup>a</sup>	Cost Per Pupil <sup>d</sup>	Percentage Change	Teaching Staff <sup>b</sup>	Pupil/Teacher Ratio Elementary	Average Daily		% Change in Average Daily Enrollment	Student Attendance Percentage
							Enrollment (ADE) <sup>c</sup>	Attendance (ADA) <sup>c</sup>		
2014	444	\$ 9,008,270	\$ 20,289	0.04%	42	10.7	447.3	427.9	5.00%	95.66%
2015	433	9,588,697	22,145	9.15%	43	10.1	433.7	410.8	-3.04%	94.72%
2016	423	9,479,600	22,410	1.20%	44	9.6	423.8	409.8	-2.28%	96.70%
2017	412	9,851,269	23,911	6.70%	40	10.3	413.9	394.9	-2.34%	95.41%
2018	425	10,285,311	24,201	1.21%	38	11.0	418.4	401.4	1.09%	95.94%
2019	431	10,659,539	24,732	2.20%	42	10.3	434.3	416.1	3.80%	95.81%
2020	431	11,086,811	25,723	4.01%	45	9.5	428.2	415.6	-1.40%	97.06%
2021	423	12,005,997	28,383	10.34%	48	8.7	418.9	404.7	-2.17%	96.61%
2022	424	13,378,609	31,553	11.17%	48	8.8	421.6	397.9	0.64%	94.38%
2023	421	13,101,656	31,120	-1.37%	45	9.3	420.3	394.3	-0.31%	93.81%

Note: Enrollment based on annual October district count.

- a Operating expenditures equal total expenditures less debt service and capital outlay.
- b Teaching staff includes only full-time equivalents of certificated staff.
- c Average daily 142,644
- d The Cost Per Pupil calculated above is the sum of the operating expenditures divided by enrollment.  
This Cost Per Pupil may be different from other Cost Per Pupil Calculations.

Source: Allamuchy Township School District records.

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

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<u>District Building</u>										
Allamuchy Elementary School										
Square Feet	56,879	56,879	56,879	56,879	56,879	56,879	56,879	56,879	56,879	56,879
Capacity (Students)	398	398	398	398	398	398	398	398	398	398
Enrollment	340	350	272	276	275	276	282	287	288	261
Mountain Villa School										
Square Feet	27,260	27,260	27,260	27,260	27,260	27,260	27,260	27,260	27,260	27,260
Capacity (Students)	180	180	180	180	180	180	180	180	180	180
Enrollment	107	99	150	136	151	155	149	136	136	160

Number of Schools at June 30, 2023:

Elementary = 2

Note: Enrollment is based on the annual October District count.

Source: Allamuchy Township School District Facilities Office.

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
SCHEDULE OF REQUIRED MAINTENANCE FOR SCHOOL FACILITIES  
LAST TEN FISCAL YEARS  
UNAUDITED

Undistributed Expenditures:  
 Required Maintenance for School Facilities  
 11-000-261-XXXX

School Facilities *	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Allamuchy Elementary School	\$ 127,983	\$ 116,773	\$ 125,406	\$ 209,679	\$ 173,086	\$ 137,400	\$ 103,468	\$ 82,013	\$ 180,883	\$ 125,140
Mountain Villa School	60,999	50,748	35,110	71,448	56,536	46,819	35,257	27,225	86,690	59,975
	<u>\$ 188,982</u>	<u>\$ 167,521</u>	<u>\$ 160,516</u>	<u>\$ 281,127</u>	<u>\$ 229,622</u>	<u>\$ 184,219</u>	<u>\$ 138,725</u>	<u>\$ 109,238</u>	<u>\$ 267,573</u>	<u>\$ 185,115</u>

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

Source: Allamuchy Township School District records.

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
INSURANCE SCHEDULE  
JUNE 30, 2023  
UNAUDITED

	<u>Coverage</u>	<u>Deductible</u>
School Alliance Insurance Fund (SAIF):		
School Package Policy:		
Building & Personal Property	\$ 29,909,900 Per Occurrence	\$ 5,000
General Liability including Auto, Employee Benefits:	11,000,000 Per Occurrence	1,000
Workers Compensation	3,600,293 Per Occurrence	N/A
Equipment Breakdown	100,000,000	5,000
Valuable Papers	10,000,000	5,000
Extra Expense	50,000,000 Per Occurrence	5,000
Underground Storage Tanks	1,000,000 Per Occurrence	10,000
Crime & Bonds		
Faithful Performance	1,000,000	1,000
Forgery & Alteration	100,000	1,000
Money & Securities	100,000	500
Money Orders/Counterfit	100,000	500
Computer Fraud	250,000	1,000
Crime- Blanket Employee Dishonesty	1,000,000	1,000
Per Loss member aggregate limit	400,000	N/A
Environmental Impairment Liability	1,000,000 Various	N/A
Non-SAIF Coverages:		
Employee Dishonesty	305,000	N/A
Student Accident Insurance	1,000,000	N/A
Bond for Board Secretary/School Business Administrator	180,000	N/A

Source: Allamuchy Township School District records.

SINGLE AUDIT SECTION

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

Independent Auditors' Report

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and the audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey (the "Department"), the financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the Board of Education of the Allamuchy Township School District, in the County of Warren (the "District") as of and for the fiscal year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated January 10, 2024.

**Report on Internal Control Over Financial Reporting**

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

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

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

The Honorable President and Members of  
the Board of Education  
Allamuchy Township School District  
Page 2

**Report on Compliance and Other Matters**

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

**Purpose of this Report**

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

January 10, 2024  
Mount Arlington, New Jersey

*Nisivoccia LLP*  
NISIVOCCIA LLP

*John J. Mooney*  
\_\_\_\_\_  
John J. Mooney  
Licensed Public School Accountant #2602  
Certified Public Accountant

Report on Compliance for Each Major State Program;  
Report on Internal Control Over Compliance Required by NJOMB 15-08

Independent Auditors' Report

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

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

***Opinion on Each Major State Program***

We have audited the Board of Education of the Allamuchy Township School District's (the "District's") compliance with the types of compliance requirements identified as subject to audit in the *New Jersey State Aid/Grant Compliance Supplement* that could have a direct and material effect on each of the District's major state programs for the fiscal year ended June 30, 2023. The District's major state programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major state programs for the fiscal year ended June 30, 2023.

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

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

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

### ***Responsibilities of Management for Compliance***

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

### ***Auditors' Responsibilities for the Audit of Compliance***

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

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

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

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

### **Report on Internal Control Over Compliance**

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

The Honorable President and Members of  
the Board of Education  
Allamuchy Township School District  
Page 3

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

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

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

January 10, 2024  
Mount Arlington, New Jersey

*Nisiroccia LLP*  
NISIVOCCIA LLP

*John J. Mooney*  
\_\_\_\_\_  
John J. Mooney  
Licensed Public School Accountant #2602  
Certified Public Accountant

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Federal Grantor/Pass Through Grantor/Program Title/Cluster Title	Assistance Listing Number	Grant or State Project Number	Grant Period	Award Amount	Balance Unearned Revenue/(Accounts Receivable) 6/30/2022	Cash Received	Budgetary Expenditures	Cancellation of Prior Years' Encumbrance	Balance at 6/30/2023 Accounts Receivable	Unearned Revenue	Due to Grantor 6/30/2023	Amount Paid to Subrecipients
<b>Enterprise Fund</b>												
U.S. Department of Agriculture												
Passed-through State Department of Agriculture:												
Child Nutrition Cluster:												
Federal Food Distribution Program	10,555	N/A	7/1/22-6/30/23	\$ 16,205	\$	\$ 16,205	\$ (15,412)			\$ 793		
Federal Food Distribution Program	10,555	N/A	7/1/21-6/30/22	14,087	\$ 772		(772)					
COVID 19 - Seamless Summer Option - Lunch	10,555	N/A	7/1/21-6/30/22	195,938	(12,670)	12,670						
National School Lunch Program	10,555	N/A	7/1/22-6/30/23	41,999		40,303	(41,999)		\$ (1,696)			
COVID 19 - Supply Chain Assistance Award	10,555	N/A	7/1/22-6/30/23	20,649		33,748	(33,748)					
Total Child Nutrition Cluster					(11,898)	102,926	(91,931)		(1,696)	793		
Total Enterprise Fund					(11,898)	102,926	(91,931)		(1,696)	793		
Passed-through State Department of Education:												
Special Revenue Fund:												
U.S. Department of Education:												
Passed-through State Department of Education:												
Elementary and Secondary Education Act Consolidated Grant:												
Title I	84,010	ESEA003023	7/1/22-9/30/23	21,547		17,257	(21,387)		(4,130)			
Title I	84,010	ESEA003022	7/1/21-9/30/22	26,089	60		(60)		(719)			
Title I	84,010	ESEA003021	7/1/20-9/30/21	29,914	(719)				(595)			
Title I	84,010	ESEA003020	7/1/19-9/30/20	37,200	(595)						\$ 39	
Title I	84,010	ESEA003016	7/1/15-6/30/16	16,156	39							
Total Title I					(1,215)	17,257	(21,447)		(5,444)			
Title IIA	84,367	ESEA003023	7/1/22-9/30/23	6,263		6,263	(6,263)					
Title IIA	84,367	ESEA003021	7/1/20-9/30/21	7,287	40						40	
Total Title IIA					40	6,263	(6,263)				40	
Title IV	84,424	ESEA003023	7/1/22-9/30/23	10,000		9,315	(10,000)		(685)			
Title IV	84,424	ESEA003020	7/1/19-9/30/20	14,659	5,731						5,731	
Total Title IV					5,731	9,315	(10,000)		(685)			
Rural School Achievement Program	84,358A	S358A212829	7/1/22-9/30/23	46,129		46,129	(43,412)			2,717		
Rural School Achievement Program	84,358A	S358A222684	7/1/21-9/30/22	41,755	(41,755)	44,472	(2,717)					
Total Rural School Achievement Program					(41,755)	90,601	(46,129)			2,717		
Special Education Cluster:												
I.D.E.A. Part B, Basic	84,027	IDEA-2030-23	7/1/22-9/30/23	96,599		96,599	(96,599)					
I.D.E.A. Part B, Basic	84,027	IDEA-2030-21	7/1/20-9/30/21	94,762	933						933	
I.D.E.A. Part B, Preschool	84,173	IDEA-2030-23	7/1/22-9/30/23	5,943		5,943	(5,943)					
Total Special Education Cluster					933	102,542	(102,542)				933	
Education Stabilization Fund												
COVID-19 CARES - Emergency Relief Fund	84,425D	N/A	3/13/20-9/30/22	25,229	859					859		
COVID-19 CRRSA ESSER II	84,425D	N/A	3/13/20-9/30/23	98,056	(62,662)	14,999			(47,663)			
COVID-19 CRRSA Learning Acceleration	84,425D	N/A	3/13/20-9/30/23	25,000	(12,750)	12,750		\$ 497		497		

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Federal Grantor/Pass Through Grantor/Program Title/Cluster Title	Assistance Listing Number	Grant or State Project Number	Grant Period	Award Amount	Balance Unearned Revenues/(Accounts Receivable) 6/30/2022	Cash Received	Budgetary Expenditures	Cancellation of Prior Years' Encumbrance	Balance at 6/30/2023 Accounts Receivable	Unearned Revenue	Due to Grantor 6/30/2023	Amount Paid to Subrecipients
COVID-19 ARP												
ESSER III	84425U	N/A	3/13/20-9/30/24	\$ 220,375	\$ (192,541)	\$ 204,503	\$ (11,956)		\$	6		
Accelerated Learning Coach and Educator Support	84425U	N/A	3/13/20-9/30/24	50,000	(50,000)	50,000	(16,337)					
Evidence Based Summer Learning and Enrichment	84425U	N/A	3/13/20-9/30/24	40,000	(1,785)	18,122	(1,238)			3,871		
Evidence Based Comprehensive Beyond the School Day	84425U	N/A	3/13/20-9/30/24	40,000	(10,492)	15,601	(1,238)					
NJTSS Mental Health Support Staffing	84425U	N/A	3/13/20-9/30/24	45,000	(45,000)	45,000						
Total Education Stabilization Fund					(374,371)	360,975	(29,531)	497	(47,663)	5,233		
U.S. Department of Treasury Passed-through State Department of Education:												
COVID 19 - Additional or Compensatory Special Education and Related Services	21.027	N/A	7/1/21-6/30/22	69,300	(34,650)	34,650		497	(53,792)	7,950	6,743	
Total Special Revenue Fund/U.S. Department of Treasury					(445,287)	621,603	(215,912)	497	(53,792)	7,950	6,743	
Total Federal Awards					(457,185)	724,529	(307,843)	497	(55,488)	8,743	6,743	-0-

N/A: Not Available/Applicable

SEE ACCOMPANYING NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
SCHEDULE OF EXPENDITURES OF STATE AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Budgetary Balance Unearned Revenue/ (Accounts Receivable) 6/30/2022	Carryover/ (Walkover) Amount	Cash Received	Budgetary Expenditures	Balance at 6/30/2023		Memo		
								GAAP (Accounts Receivable)	Budgetary Unearned Revenue	Budgetary Receivable	Cumulative Total Expenditures	
<b>General Fund</b>												
NJ Department of Education:												
Transportation Aid	23-495-034-5120-014	7/1/22-6/30/23	\$ 305,042			\$ 274,584	\$ (305,042)			\$ (30,458)	\$ 305,042	
Special Education Aid	23-495-034-5120-089	7/1/22-6/30/23	540,659			486,676	(540,659)			(55,983)	540,659	
Security Aid	23-495-034-5120-084	7/1/22-6/30/23	48,918			44,034	(48,918)			(4,884)	48,918	
Lead Testing Reimbursement	N/A	7/1/22-6/30/23	2,740			2,740	(2,740)				2,740	
Non-Public Transportation Aid	23-495-034-5120-014	7/1/22-6/30/23	13,728				(13,728)			(13,728)	13,728	
Extraordinary Aid	23-495-034-5120-044	7/1/22-6/30/23	137,803				(137,803)			(137,803)	137,803	
Reimbursed TPAF Social Security Contributions	23-495-034-5095-003	7/1/22-6/30/23	230,008			218,924	(230,008)			(11,084)	230,008	
Transportation Aid	22-495-034-5120-014	7/1/21-6/30/22	277,862	\$ (27,739)		27,739					277,862	
Special Education Aid	22-495-034-5120-089	7/1/21-6/30/22	484,811	(48,397)		48,397					484,811	
Security Aid	22-495-034-5120-084	7/1/21-6/30/22	37,450	(3,739)		3,739					37,450	
Non-Public Transportation Aid	22-495-034-5120-014	7/1/21-6/30/22	11,890	(11,890)		11,890					11,890	
Extraordinary Aid	22-495-034-5120-044	7/1/21-6/30/22	78,624	(78,624)		40,717					78,624	
Securing Our Children's Future Bond Act	N/A	7/1/20-6/30/21	23,012	(23,012)		23,012					23,012	
Reimbursed TPAF Social Security Contributions	22-495-034-5095-003	7/1/21-6/30/22	238,432	(10,868)		10,868					238,432	
On-Behalf TPAF Post Retirement Contribution	23-495-034-5094-001	7/1/22-6/30/23	289,915			289,915	(289,915)				289,915	
On-Behalf TPAF Pension Contribution	23-495-034-5094-002	7/1/22-6/30/23	1,098,262			1,098,262	(1,098,262)				1,098,262	
On-Behalf TPAF Non-Contributory Insurance	23-495-034-5094-004	7/1/22-6/30/23	15,102			15,102	(15,102)				15,102	
On-Behalf TPAF Long-Term Disability Insurance	23-495-034-5094-004	7/1/22-6/30/23	494			494	(494)				494	
Total General Fund State Aid				(204,269)		2,597,093	(2,682,671)		(162,615)	(251,940)	3,834,752	
<b>Debt Service Fund:</b>												
Debt Service Aid Type II	23-100-034-5120-124	7/1/22-6/30/23	63,159			63,159	(63,159)				63,159	
Total Debt Service Aid						63,159	(63,159)				63,159	
<b>Special Revenue</b>												
School Development Authority:												
Emergent and Capital Maintenance Needs	N/A	7/1/22-6/30/23	18,942			18,942	(18,942)				18,942	
Educational Programs and Student Services												
Climate Change Education Grants to Schools	N/A	4/1/23-6/30/23	6,600			6,600	(6,600)				6,600	
Total Special Revenue Fund						25,542	(25,542)				25,542	
Total NJ Department of Education				(204,269)		2,685,794	(2,771,372)		(162,615)	(251,940)	3,923,453	
New Jersey Department of Agriculture:												
Food Service Fund:												
School Lunch Program - State	23-100-010-3350-023	7/1/22-6/30/23	2,105	(292)		2,018	(2,105)		(87)	(87)	2,105	
COVID 19 - Seamless Summer Option	22-100-010-3350-023	7/1/21-6/30/22	4,606			292					4,606	
Total NJ Department of Agriculture				(292)		2,310	(2,105)		(87)	(87)	6,711	
Total State Awards Subject to Single Audit Determination				(204,561)	\$ -0-	\$ 2,688,104	(2,773,477)		(162,702)	\$ (252,027)	\$ 3,930,164	

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
SCHEDULE OF EXPENDITURES OF STATE AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Budgetary Balance (Accounts Receivable) 06/30/15	Carryover/ (Walkover) Amount	Cash Received	Budgetary Expenditures	Balance 6/30/16		Memo	
								GAAP (Accounts Receivable)	Budgetary Unearned Revenue		
Less: State Awards Not Subject to Single Audit Major Program Determination											
On-Behalf TPAF Pension System Contributions:											
On-Behalf TPAF Post Retirement Contributions	23-495-034-5094-001	7/1/22-6/30/23	\$ (289,915)				\$ 289,915				
On-Behalf TPAF Pension Contributions	23-495-034-5094-002	7/1/22-6/30/23	(1,098,262)				1,098,262				
On-Behalf TPAF Non-Contributory Insurance	23-495-034-5094-004	7/1/22-6/30/23	(15,102)				15,102				
On-Behalf TPAF Long-Term Disability Insurance	23-495-034-5094-004	7/1/22-6/30/23	(494)				494				
Subtotal - On-Behalf TPAF Pension System Contributions							1,403,773				
Total State Awards Subject to Single Audit Major Program Determination							\$ (1,369,704)				

N/A - Not Available

SEE ACCOMPANYING NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Note 1: Basis of Presentation

The accompanying schedules of expenditures of federal and state awards (the “Schedules”) include the federal and state grant activity of the Allamuchy Board of Education under programs of the federal and state governments for the fiscal year ended June 30, 2023. The information in these schedules is presented in accordance with the requirements of the Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (“Uniform Guidance”) and New Jersey's OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Because the schedules present only a selected portion of the operations of the District, they are not intended to and do not present the financial position, changes in net position or cash flows of the District.

Note 2: Summary of Significant Accounting Policies

Expenditures reported on the accompanying schedules of expenditures of federal and state awards are reported on the budgetary basis of accounting. This basis of accounting is described in Note 1 to the District’s basic financial statements. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts, if any, shown on the Schedules represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

Note 3: Indirect Cost Rate

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

Note 4: Relationship to Basic Financial Statements

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

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is (\$9,450) for the General Fund and (\$949) for the Special Revenue Fund. See exhibit C-3 for a reconciliation of the Budgetary Basis to the modified accrual basis of accounting for the general and special revenue funds.

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

(Continued)

Note 4: Relationship to Basic Financial Statements (Cont'd)

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

	Federal	State	Total
General Fund		\$ 2,673,221	\$ 2,673,221
Special Revenue Fund	\$ 215,913	24,592	240,505
Debt Service Fund		63,159	63,159
Food Service Fund	91,931	2,105	94,036
Total Financial Awards	\$ 307,844	\$ 2,763,077	\$ 3,070,921

Note 5: Relationship to Federal and State Financial Reports

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

Note 6: Federal and State Loans Outstanding

The Allamuchy Township School District had no loan balances outstanding at June 30, 2023.

Note 7: Other

T.P.A.F. Social Security Contributions represent the amount reimbursed by the State for the employer’s share of social security contributions for T.P.A.F. members for the fiscal year ended June 30, 2023. Revenue and expenditures reported under the Federal Food Distribution Program represents current year value received and current year distributions, respectively.

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Summary of Auditors' Results:

- The Independent Auditors' Report expresses an unmodified opinion on the financial statements as the District.
- There were no material weaknesses or significant deficiencies disclosed during the audit of the financial statements as reported in the *Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards*.
- No instances of noncompliance material to the financial statements of the District which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.
- There were no material weaknesses or significant deficiencies in internal control over major state programs disclosed during the audit as reported in the *Independent Auditors' Report on Compliance For Each Major State Program; Report on Internal Control Over Compliance Required by NJ OMB 15-08*.
- The auditor's report on compliance for the major state programs for the District expresses an unmodified opinion on the major state programs.
- The audit did not disclose any audit findings which are required to be reported in accordance with New Jersey's OMB Circular 05-18 or 2 CFR 200.516(a) of the Uniform Guidance.
- The District's programs tested as major state programs for the current fiscal year consisted of the following awards:

State Program:	Assistance Listing/ State Grant Number	Grant Period	Award Amount	Budgetary Expenditures
State Awards:				
Special Education Categorical Aid	23-495-034-5120-089	7/1/22-6/30/23	\$ 540,659	\$ 540,659
Security Aid	23-495-034-5120-084	7/1/22-6/30/23	48,918	48,918

- The threshold used for distinguishing between Type A and Type B state programs was \$750,000.
- The District was not determined to be a "low-risk" auditee for state programs.

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

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

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

(Continued)

Findings and Questioned Costs for State Awards:

- The audit did not disclose any audit findings which are required to be reported in accordance with New Jersey's OMB Circular 15-08 or 2 CFR 200.516(a) of the Uniform Guidance.

Findings and Questioned Costs for Federal Awards:

- Not Applicable since federal expenditures were below the single audit threshold.

ALLAMUCHY TOWNSHIP SCHOOL DISTRICT  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
FOR THE YEAR ENDED JUNE 30, 2023

Status of Prior Year Findings/Recommendations:

The District had no prior year audit findings.