

**Annual Comprehensive
Financial Report**

of the

**Borough of Alpine School District
County of Bergen**

Alpine, New Jersey

For the Fiscal Year Ended June 30, 2023

Prepared by

**Borough of Alpine School District
Finance Department**

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INTRODUCTORY SECTION

***ALPINE SCHOOL DISTRICT
500 HILLSIDE AVENUE
ALPINE, NEW JERSEY 07620***

*Phillip Simotas
President
Board of Education*

*Olga Sico
Business Administrator/
Board Secretary*

December 19, 2023

Honorable President and
Members of the Board of Education
Alpine School District
County of Bergen, New Jersey

Dear Board Members:

The annual comprehensive financial report of the Alpine School 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 Business Office of the Board of Education. To the best of my knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The annual comprehensive financial report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter, the District's organizational chart and a list of principal officials. The financial section includes the basic financial statements and schedules, as well as the auditor's report thereon. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The District is required to undergo an annual single audit in conformity with the provisions of the Federal Uniform Guidance and the State Treasury Circular Letter OMB 15-08, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid Payments". Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations, are included in the single audit section of this report.

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

The District provided a full range of educational services appropriate to regular students grade levels K through 8. The District completed the 2022-23 fiscal year with an enrollment of 156 regular students. The following details the changes in the student enrollment of the District over the last ten years.

Fiscal Year	Average Daily Enrollment	
	Student Enrollment	Percent Change
2013-14	160.0	+9.97%
2014-15	156.0	-.025%
2015-16	152.0	-.026%
2016-17	157.0	+.032%
2017-18	147.0	-6.4%
2018-19	139.0	-5.4%
2019-20	153.0	+10.07%
2020-21	151.0	-.098%
2021-22	156.0	+3.31%
2022-23	156.0	0.00%

In addition, the district sent 45 students to Tenafly High School and 3 (three) students to Bergen Academies.

2) ECONOMIC CONDITION AND OUTLOOK: The Borough of Alpine has emerged from the effects of the recession of several years ago. Housing prices are relatively high when compared to the rest of the State.

3) MAJOR INITIATIVES: During the 2022-23 school years many initiatives were undertaken.

The Alpine District continued developing and expanding opportunities for students to incorporate the use of technology, safe and healthy environment in all their learning. The District continued the safety and security initiative and installed a vestibule scanner, upgraded a Public Address and emergency notification systems. The District replaced HVAC units for 9 instructional classrooms with the use of ARP ESSER, CRRSA ESSER and Capital Reserve Funds and started the installation of emergency generator. Also Alpine BOE applied and was approved for ROD grants to support roof replacement and HVAC units replacement and installation in instructional spaces, offices, and gymnasium. The school did major technology upgrades: purchased new SmartBoards to support the instructional process, replaced network switches and Wi-Fi access points to improve the connectivity to our network. With the help of Alpine Home and School Association we opened up a TV studio and installed outdoor LED sign.

A major focus of 2022 was the completion of curriculum updates to ensure full compliance with the most current New Jersey Student Learning Standards, including the seven curricular areas that were due for implementation in September 2022. Several Professional Development meetings with the faculty were dedicated to updating each course so that all would be in compliance with the latest curriculum standards by September of 2022. The school curriculum leaders broke down the requirements for each course to ensure a full understanding and complete compliance with every standard, through the 2020 standards. Each curricular area is organized by units and contains pacing guides, standards, skills, assessments, a list of core instructional materials and resources, and modifications for special education students, English Language Learners, students at risk, those identified as gifted. All state-required mandates are met in appropriate places in the curriculum and documented within each unit of study as such. The inclusion of interdisciplinary connections and the integration of 21st century themes and skills are documented through each course's units of study.

Faculty meetings were held twice per month, in addition to two afternoon-long PD days, in order to provide resource and work time for District-wide priorities related to both curriculum/instruction and social-emotional learning/wellness (see below). Teachers selected areas of interest/growth and used these to identify common professional learning communities (PLCs); roughly half of the faculty meetings were designated as PLC meeting times, which were attended and supported by the administration. Faculty also had the opportunity for professional learning through participation in (two workshops each at) the Northern Valley Curriculum Center, which were tailored to age group or content area.

The Visual and Performing Arts continued to play a key role in the curriculum. The extra music period was continued in the K-4 classes; students learn the recorders in 3rd grade and continue to learn the ukulele in 4th grade. Lessons in music theory are supplemented by technology (Quaver Music and virtual instruments to learn fundamental musical elements and skills such as creating melodies, creating beats, and collaborating with peers using the technology). The middle school students were offered expanded programs in the visual and performing arts through the use of the STEAM program. The middle school enrichment program included both beginning and advanced keyboards to learn piano skills and bucket drumming to learn introductory percussion skills. Media Arts is a new requirement in conformance with the 2020 VPA NJSLs. Curriculum supervisors developed a K-8 curriculum to reflect these new standards. While these curricula are not taught in discrete courses, the areas it addresses (manipulating new forms of media to express ideas and persuade audiences) are found in a variety of content areas.

Mathematics courses in the middle school continue to be tiered to accommodate the many levels of skills our students exhibit. Geometry was once again part of the math curriculum for grade 8. Teachers were able to leverage Start Strong data as well as NJSLA data to target instruction based on analyses of which standards students exceeded or fell within the state average.

The school continued focusing on developing units to reflect continued appropriateness, rigor, and complexity with concentration on Reading Literature 6-8, Reading Non-fiction 6-8, Writing 6-8, Speaking 6-8, Language 6-8; Writing History, Science and Technical subjects 6-8 to appear as interdisciplinary connections in applicable subjects.

We continued providing training in Dyslexia Instruction, as well as strategies for differentiation.

The 2022-23 school year saw a major mandate become legislated for social studies, namely a two-semester-long civics course - one that is taught outside a US-I or US-II course. This required administrators and teachers to attend professional development on best practices regarding the implementation of the course, effective with the 2022-23 school year. Although this civics component touches on the literacy skills that are part of the literacy content areas (reading and writing in the technical subjects), the primary focus is on civic engagement and understanding of the republican system of government. In total, four discrete units of study were created for implementation the subsequent school year. Brain Busters continues to be a part of Alpine School's opportunities for academically-gifted students; much of the content within this trivia-competition is social studies- and geography-based, but there are also other subjects such as math and science that are incorporated.

Social-emotional learning - wellness for staff and students - continued to be a major focus for Alpine School. Social skills classes as well as individual and small group counseling were offered daily. The goal of the weekly Social Skills classes is to provide students with the communication and listening skills needed for success in school and life.

We continued to meet diverse needs of our students who are presenting with a myriad of social emotional needs. With increasing access to social media, technology and smartphones, students around the state are experiencing higher levels of inattention, anxiety and depression. We hosted Tom Kersting, a renowned speaker, on the management of technology as it pertains to children and families.

Our Calming Room, which is furnished with comfortable and welcoming furniture which was gifted to our school by the Class of 2021, continued to be a safe space for students who have either small group or individual sessions. Through our collaboration with West Bergen Mental Health and The Behaved Brain, students at Alpine School are able to access Licenced Counselors daily. Moreover, these counselors provided support to parents and families to ensure that there is a continuum of support both at home and in school. Last year, we hosted our first drop in day for parents to meet these counselors and see some of the tools and resources offered to students. Additionally there were other opportunities for students and families to learn coping strategies throughout the year.

4) INTERNAL ACCOUNTING CONTROLS: Management of the District is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the District are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles (GAAP). The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that:

- (1) the cost of a control should not exceed the benefits likely to be derived; and
- (2) the evaluation of costs and benefits requires estimates and judgments by management.

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

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

5) **BUDGETARY CONTROLS**: In addition to internal accounting controls, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the voters of the municipality. Annual appropriated budgets are adopted for the general fund, and the special revenue fund. The district has no debt service fund.

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either canceled or are included as reappropriations of fund balance in the subsequent year. Those amounts to be reappropriated are reported as reserves 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 Financial Statements" Note 1.

7) **FINANCIAL INFORMATION AT FISCAL YEAR-END**: As demonstrated by the various statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management.

8) **DEBT ADMINISTRATION**: At June 30, 2023 the district had no outstanding debt. The Board, after a defeated referendum in December of 1992, made a commitment to fund capital projects on an annual basis taking care of the most urgent repairs first. This commitment may need to be revisited in future as recent legislation has severely restricted the district's ability to fund capital projects on an annual basis.

9) **CASH MANAGEMENT**: The investment policy of the District is guided in large part by state statute as detailed in "Notes to the Financial Statements", Note 2. The District has adopted a cash management plan which requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 and was revised in 2009 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. Each year the Board designates its official depository at its reorganization meeting.

10) RISK MANAGEMENT: The Board carries various forms of insurance, including but not limited to general liability, hazard and theft insurance on property and contents, and fidelity bonds. The Board participates in the North East Bergen County School Board Insurance Group (NESBIG).

The insurance pool is self-insured for Workers' Compensation claims. It is the model for insurance pools in New Jersey and the pool is audited annually by an independent auditing firm. Its funds are conservatively invested.

11) OTHER INFORMATION:

Independent Audit – State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Suplee, Clooney and Company, 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 the Federal Uniform Guidance and State Treasury Circular Letter OMB 15-08. The auditor's report on the basic financial statements and combining of individual fund statements and schedules is included in the financial section of this report. The auditor's report related specifically to the single audit is included in the single audit section of this report.

12) ACKNOWLEDGMENTS:

We would like to express appreciation to the members of the Alpine Board of Education for their commitment to provide fiscal accountability to the citizens and taxpayers of the school district and thereby contributing their full support to the maintenance of the school district's financial operation.

Respectfully submitted,

Olga Sico

Olga Sico
Board Secretary/Business Administrator

Maureen McCann

Maureen McCann
Chief School Administrator

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**ALPINE BOARD OF EDUCATION
ALPINE, NEW JERSEY**

**ROSTER OF OFFICIALS
JUNE 30, 2023**

<u>Members of the Board of Education</u>	Term Expires
Philip Simotas, President	2023
Maureen Cheesman, Vice President	2024
Shai Barbi	2023
Maria Dibiase	2023
Christine Lewis	2024

Other Officials:

Maureen McCann - Superintendent

Olga Sico - School Business Administrator / Board Secretary

Marilyn Hayward - Treasurer

**BOROUGH OF ALPINE SCHOOL DISTRICT
CONSULTANTS AND ADVISORS
JUNE 30, 2023**

Architect

Environetics Group Architects
180 Sylvan Avenue
Englewood Cliffs, NJ 07632

Audit Firm

Suplee, Clooney & Company
308 East Broad Street
Westfield, NJ 07090

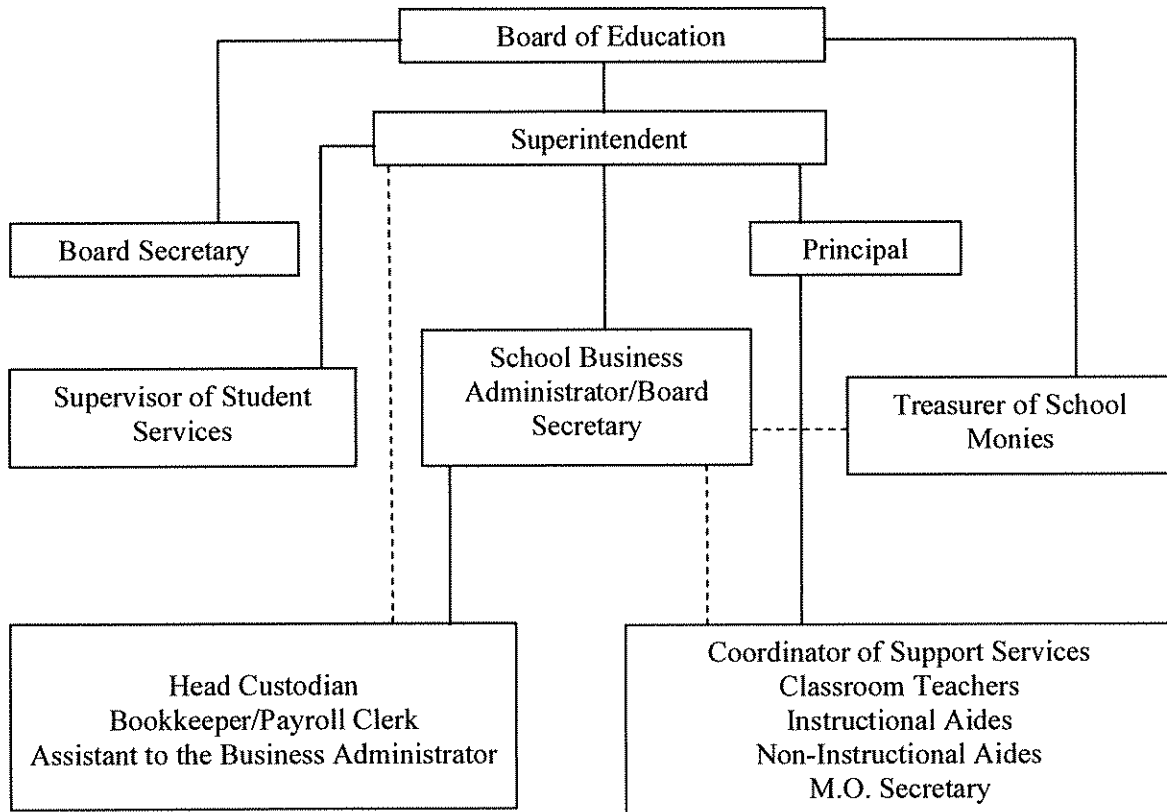
Attorney

Fogarty and Hara
16-00 Route 208 South
Fair Lawn, NJ 07410

Official Depository

Capital One Bank
177 Main Street
Fort Lee, NJ 07024

1110 ORGANIZATIONAL CHART



Adopted: 01 December 2016



FINANCIAL SECTION



SUPLEE, CLOONEY & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

308 East Broad Street, Westfield, New Jersey 07090-2122

Telephone 908-789-9300

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E-mail info@senco.com

INDEPENDENT AUDITOR'S REPORT

Honorable President and Members
of the Board of Education
Borough of Alpine School District
County of Bergen
Alpine, New Jersey 07620

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities and each major fund of the Borough of Alpine School District, in the County of Bergen, State of New Jersey (the "District") as of and for the 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 financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities and each major fund of the District as of June 30, 2023, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America, audit requirements prescribed by the Division of Finance, Department of Education, State of New Jersey, the audit requirements of State of New Jersey OMB Circular 15-08 "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid", 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 and provisions 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.

SUPLEE, CLOONEY & COMPANY

Change in Accounting Principle

As discussed in Note 1 to the basic financial statements, for the year ended June 30, 2023, the District adopted Governmental Accounting Standards Board Statement No. 96, *Subscription-Based Information Technology Arrangements*. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, the State of New Jersey OMB Circular 15-08 and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, the State of New Jersey OMB Circular 15-08 and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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.

SUPLEE, CLOONEY & COMPANY

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, budgetary comparison information in Exhibit C-1 through C-3, the schedules related to accounting and reporting for pensions in Exhibit L-1 through L-4 and the schedules related to accounting and reporting for postretirement benefits other than pensions (OPEB) in Exhibits M-1 and M-2 are presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying supplementary information schedules and data such as the combining statements and individual fund financial statements, and the Schedules of Expenditures of Federal Awards and State Financial Assistance, as listed in the table of contents, New Jersey's OMB Circular 15-08, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid," and the State of New Jersey, Department of Education, Division of Finance, 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 combining and individual fund financial statements and the schedule of expenditures of federal awards and state financial assistance are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

SUPLEE, CLOONEY & COMPANY

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 December 19, 2023 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 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 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.



CERTIFIED PUBLIC ACCOUNTANTS



PUBLIC SCHOOL ACCOUNTANT NO. 948

December 19, 2023

REQUIRED SUPPLEMENTARY INFORMATION – Part I

**MANAGEMENT'S DISCUSSION AND ANALYSIS
(UNAUDITED)**

**BOROUGH OF ALPINE SCHOOL DISTRICT
ALPINE, NEW JERSEY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
UNAUDITED**

The discussion and analysis of Alpine Board of Education District's financial performance provides an overall review of the District's financial activities for the fiscal year ended June 30, 2023. The intent of this discussion and analysis is to look at the School District's financial performance as a whole; readers should also review the basic financial statements and notes to enhance their understanding of the District's financial performance.

The Management's Discussion and Analysis (MD&A) is an element of Required Supplementary Information specified in the Governmental Accounting Standards Board's (GASB) Statement No. 34 – *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments* issued in June 1999. Certain comparative information between the current year (2022-2023) and the prior year (2021-2022) is required to be presented in the MD&A. In fiscal year 2022-2023 the District implemented GASB Statement No. 96 – *Subscription Based Information Technology Arrangements (SBITAs)*.

Financial Highlights

Key financial highlights for 2023 are as follows:

- In total, for the 2022-2023 school year net position increased \$983,707.32, which represents an 8 percent increase from 2021-2022. "Net position" is comprised of capital assets (such as building and improvements), restricted funds for capital improvements and unrestricted balances less current and long term liabilities.
- General revenues accounted for \$7,264,319.42 in revenue, or 75 percent of all revenues. Program specific revenues in the form of charges for services, operating grants including on-behalf State FICA and TPAF post retirement medical contributions accounted for \$2,364,919.42 in revenue or the remaining 25 percent of total revenues.
- The School District had \$8,645,531.52 in expenses; only \$2,364,919.42 of these expenses were offset by program specific charges for services, grants or contributions. General revenues (primarily tax levy and unrestricted state aid) of \$7,264,319.42 were used to provide for these programs.
- Business-type activities had no revenues and no expenses. Business-type net position remained \$885.00.

**BOROUGH OF ALPINE SCHOOL DISTRICT
ALPINE, NEW JERSEY
MANAGEMENT'S DISCUSSION AND ANALYSIS
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Using this Annual Comprehensive Financial Report (ACFR)

This annual report consists of a series of financial statements and explanatory notes. The report is organized so that the reader can first understand the Borough of Alpine School District as a financial whole. The financial operations of each individual fund are also described in detail later in the report.

The *Statement of Net Position and Statement of Activities*: The purpose of the Statement of Net Position and Statement of Activities is to combine financial data of all individual fund operations to present information about the activities of the School District as a whole. Activities are broken down into two broad categories: Governmental Activities and Business-Type Activities. The most significant activity for the Borough of Alpine School District occurs in the category of Governmental Activities.

Reporting the School District as a Whole

Statement of Net Position and the Statement of Activities

While the ACFR report contains detail of all individual funds used by the School District to provide programs and activities, the most significant statements are the Statement of Net Position and Activities. These statements include all assets, liabilities and activities using the accrual basis of accounting. The accrual basis of accounting reflects recognition of revenues and expenditures when earned rather than received.

The Statements of Assets and Activities report the School District's net position and changes in those assets. This change in net position is important because it tells the reader whether the financial position of the School District has improved or diminished. The causes of this change may be attributable to non-financial factors such as: The School District's property tax base, changes in current State law, facility conditions, mandated educational programs and other factors.

In the Statement of Net Position and the Statement of Activities, the School District's operating activities are divided into two distinct types:

- *Government Activities* - All of the School District's programs and services are reported here including instruction, support services, operation and maintenance of plant facilities, pupil transportation and extracurricular activities.
- *Business-Type Activities* – This service is provided on a charge for goods or services basis to recover all the expenses of the goods or services provided. The Food Service program is business-type activity.

**BOROUGH OF ALPINE SCHOOL DISTRICT
ALPINE, NEW JERSEY
MANAGEMENT'S DISCUSSION AND ANALYSIS
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Reporting the School District's Most Significant Funds

Fund Financial Statements

Fund financial statements provide detailed information about the District's funds. The District uses many funds to account for a multitude of financial transactions. The District's governmental funds are the General Fund, Special Revenue Fund and the Capital Projects Fund. The District's Enterprise Fund is the Food Service Fund.

Governmental Funds

The School District's activities are reported in governmental funds, which focus on how money flows through those funds and the balances left at year-end. These funds are reported using an accounting method referred to as the modified accrual basis of accounting, which recognizes revenue and expenditures when they become both measurable and available. The governmental fund statements provide a detailed short-term view of the School District's general government operations and the basic services it provides. Governmental fund information helps the reader determine the availability of financial resources that can be spent in the near future to finance educational programs. The relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is reconciled in the financial statements.

Enterprise Fund

The enterprise fund uses the same basis of accounting as business-type activities. These statements closely resemble financial statements of a private sector business entity.

The School District as a Whole

Recall that the Statement of Net Position provides the perspective of the School District as a whole. The District's financial position is the product of numerous financial transactions including the net results of activities, the issuance and repayment of debt, the acquisition and disposal of capital assets, and the depreciation of capital assets.

**BOROUGH OF ALPINE SCHOOL DISTRICT
ALPINE, NEW JERSEY
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Table 1 provides a summary of the School District's net position for 2023 and 2022.

Table 1 - Net Position

The District's combined net position was \$13,136,335.70 on June 30, 2023. This was an increase of 8 percent from the prior year.

	<u>2023</u>	<u>2022</u>
Assets		
Current and Other Assets	\$7,289,693.95	\$6,378,741.18
Capital Assets	<u>6,942,597.44</u>	<u>7,263,489.14</u>
Total Assets	14,232,291.39	13,642,230.32
Deferred Outflows		
Deferred pension	<u>202,698.00</u>	<u>227,661.00</u>
Liabilities		
Other Liabilities	244,854.69	484,810.94
Long-Term Liabilities	<u>729,875.00</u>	<u>700,735.00</u>
Total Liabilities	974,729.69	1,185,545.94
Deferred Inflows		
Deferred Pension	<u>323,924.00</u>	<u>531,717.00</u>
Net Position		
Net Investment in Capital Assets	6,942,597.44	7,263,489.14
Restricted	6,707,672.76	5,570,679.44
Unrestricted (Deficit)	<u>(513,934.50)</u>	<u>(681,540.20)</u>
Total Net Position	<u><u>\$13,136,335.70</u></u>	<u><u>\$12,152,628.38</u></u>

**BOROUGH OF ALPINE SCHOOL DISTRICT
ALPINE, NEW JERSEY
MANAGEMENT'S DISCUSSION AND ANALYSIS
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Table 2 Illustrates changes in net position for fiscal years 2023 and 2022.

Table 2 - Changes in Net Position

	<u>2023</u>	<u>2022</u>
Revenues		
Program Revenues:		
Charges for Services	\$334,348.94	\$237,773.17
Operating Grants and Contributions	2,030,570.48	1,715,901.69
General Revenues:		
Property Taxes	7,016,693.00	6,902,078.00
Other	247,626.42	140,639.46
Total Revenues	<u>9,629,238.84</u>	<u>8,996,392.32</u>
 Program Expenses		
Instruction	4,802,267.52	4,557,947.84
Support Services:		
Student and Instruction Related General & School Administration; Central Services; Operations & Maintenance of Facilities	1,718,944.32	1,651,490.73
Student Transportation	768,947.20	683,536.49
Other	291,940.65	228,422.01
Total Expenses	<u>1,063,431.83</u>	<u>113,916.47</u>
Increase/ (Decrease) in Net Position	<u>8,645,531.52</u>	<u>7,235,313.54</u>
	<u>\$983,707.32</u>	<u>\$1,761,078.78</u>

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services.

**BOROUGH OF ALPINE SCHOOL DISTRICT
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Governmental Activities

Property taxes made up 73 percent of revenues for governmental activities for the Borough of Alpine School District for fiscal year 2023. Property tax revenues increased by \$114,615.00, which is a 2 percent increase from the prior year. The District's total revenues for governmental activities were \$9,629,238.84 for the year ended June 30, 2023. Federal and state aid accounted for 25 percent of revenue.

Instruction comprises 56 percent of district expenses. Support Services costs make up 32 percent of the total expenditures.

The Statement of Activities reflects the cost of program services and the charges for services and grants offsetting those services. **Table 3** illustrates the total cost of services and the net cost of services. That is, it identifies the cost of these services supported by tax revenue and unrestricted State entitlements.

Table 3

	<u>Total Cost of Services 2023</u>	<u>Total Cost of Services 2022</u>	<u>Net Cost of Services 2023</u>	<u>Net Cost of Services 2022</u>
Instruction	4,797,225.52	4,557,947.84	3,456,690.74	\$3,177,502.65
Support Services:				
Students and Instruction Related	1,723,986.32	1,651,490.73	1,287,805.77	1,265,625.76
Maintenance of Facilities	768,947.20	683,536.49	268,394.24	595,318.43
Student Transportation	291,940.65	228,422.01	205,293.05	131,567.68
Other	1,063,431.83	113,916.47	1,062,428.29	111,624.17
Total Net Cost of Services	<u>\$8,645,531.52</u>	<u>\$7,235,313.54</u>	<u>\$6,280,612.09</u>	<u>\$5,281,638.69</u>

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

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

General administration, school administration and central services include expenses associated with administrative and financial supervision of the district.

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

Curriculum and staff development includes expenses related to planning, research, development and evaluation of support services.

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Pupil transportation includes activities with the conveyance of special education students to and from school, school activities and athletic events, as provided by state law.

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

The School District relies mainly upon property tax revenues to function. The community, as a whole, is the primary support for the Borough of Alpine School District. Approximately 95% of the overall program is supported by local property taxes.

Business-Type Activities

Revenues for the District's business-type activities are comprised of charges for the special milk program. The following are some highlights of our business type activities:

- There were no business type revenues or expenses for the 2022-2023 school year.

**BOROUGH OF ALPINE SCHOOL DISTRICT
ALPINE, NEW JERSEY
MANAGEMENT'S DISCUSSION AND ANALYSIS
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The School District's Funds

All governmental funds (i.e., general fund, special revenue fund and capital projects fund presented in the fund-based statements) are accounted for using the modified accrual basis of accounting. Total revenues amounted to \$9,907,212.84 and expenditures were \$8,735,035.82.

As demonstrated by the various statements and schedules included in the financial section of this report, the School District continues to meet its responsibility for sound financial management. The following schedules present a summary of the revenues of the governmental funds for the fiscal year ended June 30, 2023 and the amount and percentage of increase and decrease in relation to prior year revenues.

<u>Revenues</u>	<u>Amount</u>	<u>Percent of Total</u>	<u>Increase(Decrease) from FY 2022</u>	<u>Percent Increase (Decrease)</u>
Local Sources	7,706,481.44	77.79%	\$372,743.88	5.08%
State Sources	1,634,597.69	16.50%	(11,107.07)	-0.67%
Federal Sources	566,133.71	5.71%	377,225.71	199.69%
Total	\$9,907,212.84	100.00%	\$738,862.52	8.06%

The following schedule represents a summary of general fund, special revenue fund, and capital projects fund expenditures for the fiscal year ended June 30, 2023, and the percentage of increases and decreases in relation to prior year amounts.

<u>Expenditures</u>	<u>Amount</u>	<u>Percent of Total</u>	<u>Increase(Decrease) from FY 2022</u>	<u>Percent Increase (Decrease)</u>
Current:				
Instruction	\$2,171,822.14	24.86%	(\$40,936.23)	-1.85%
Support Services	5,740,922.14	65.72%	569,103.53	11.00%
Capital Outlay	822,291.54	9.41%	572,706.07	229.46%
Total	\$8,735,035.82	100.00%	\$1,100,873.37	14.42%

**BOROUGH OF ALPINE SCHOOL DISTRICT
ALPINE, NEW JERSEY
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General Fund Budgeting Highlights

The School District's budget is prepared according to New Jersey law, and is based on accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The most significant budgeted fund is the General Fund.

Over the course of the year, the Board of Education, when appropriate, approved budget transfers to match budget amounts with expenditures. Transfers to the budget were made to accurately reflect expenditures according to state guidelines and prevent over-expenditures in specific line item accounts. These revisions bear notation:

- Transfers made to administration lines to cover employee salaries and benefits were offset by savings in tuition due to fewer placements and underutilization of substitutes and supply budgets.
- TPAF, which is the State's contribution to the pension and post-retirement benefits fund and the employer's share of FICA costs, is neither a budgeted revenue nor expenditure item. The School District is required to present this information in the revenue and expenditure sections of the report in accordance with GASB financial reporting guidance.
- Excess operating funds were allowed to flow into surplus and become available for transfer into our capital reserve account.

Capital Assets

At the end of the fiscal year 2023, the School District had \$6,942,597.44 invested in building, furniture, equipment and vehicles. **Table 4** illustrates fiscal year 2023 balances compared to 2022.

**Table 4
Capital Assets (Net of Depreciation) at June 30, 2023**

	<u>2023</u>	<u>2022</u>
Governmental Activities Capital Assets, Net:		
Construction in Progress		\$5,122,521.48
Building and Building Improvements	\$6,690,811.31	1,884,533.82
Machinery and Equipment	251,786.13	256,433.84
Total Governmental Activities Capital Assets, Net	6,942,597.44	7,263,489.14
 Total Capital Assets, Net	 \$6,942,597.44	 \$7,263,489.14

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Overall capital assets decreased \$320,891.70 from fiscal year 2022 to fiscal year 2023. The decrease is attributed to prior year construction in progress being completed and corresponding depreciation expense now being reported.

Negotiations

The Alpine Board of Education has an approved labor agreement with the teachers through the 2025 fiscal year.

Contacting the School District's Financial Management Office

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the School District's finances and to show the School District's accountability for the money it receives. If you have any questions about this report or need additional information contact Olga Sico, Business Administrator/Board Secretary, Borough of Alpine School District, 500 Hillside Avenue, Alpine, NJ 07620. Also, please visit our website to learn more about our School District.

BASIC FINANCIAL STATEMENTS

The basic financial statements provide a financial overview of the District's operations. These financial statements present the financial position and operating results of all funds as of June 30, 2023

DISTRICT-WIDE FINANCIAL STATEMENTS

The statement of net position and the statement of activities display information about the District. These statements include the financial activities of the overall district, except for fiduciary activities. Eliminations have been made to minimize the double counting of internal activities. These statements distinguish between the governmental and business-type activities of the District.

BOROUGH OF ALPINE SCHOOL DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2023

	<u>GOVERNMENTAL</u> <u>ACTIVITIES</u>	<u>BUSINESS-TYPE</u> <u>ACTIVITIES</u>	<u>TOTAL</u>
ASSETS:			
Cash and cash equivalents	\$ 6,819,762.90	\$ 885.00	\$ 6,820,647.90
Receivables, net	469,046.05		469,046.05
Capital assets:			
Depreciable - Net	<u>6,942,597.44</u>		<u>6,942,597.44</u>
Total Assets	<u>14,231,406.39</u>	<u>885.00</u>	<u>14,232,291.39</u>
DEFERRED OUTFLOWS OF RESOURCES:			
Pension Related	<u>202,698.00</u>		<u>202,698.00</u>
	<u>202,698.00</u>		<u>202,698.00</u>
LIABILITIES:			
Accounts payable	86,027.17		86,027.17
Payroll Deductions and Withholdings Payable	81,726.02		81,726.02
Noncurrent liabilities:			
Due beyond one year:			
Compensated Absences	77,101.50		77,101.50
Net Pension Liability	<u>729,875.00</u>		<u>729,875.00</u>
Total liabilities	<u>974,729.69</u>		<u>974,729.69</u>
DEFERRED INFLOW OF RESOURCES:			
Pension Related	<u>323,924.00</u>		<u>323,924.00</u>
NET POSITION:			
Net investment in capital assets	6,942,597.44		6,942,597.44
Restricted for:			
Capital Projects	6,179,133.14		6,179,133.14
Special revenue fund	23,898.23		23,898.23
Other purposes	504,641.39		504,641.39
Unrestricted (Deficit)	<u>(514,819.50)</u>	<u>885.00</u>	<u>(513,934.50)</u>
TOTAL NET POSITION	<u>\$ 13,135,450.70</u>	<u>\$ 885.00</u>	<u>\$ 13,136,335.70</u>

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

BOROUGH OF ALPINE SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
JUNE 30, 2023

Functions/Programs	Expenses	Indirect Expenses Allocation	Programs Revenues		Net (Expense) Revenue and Changes in Net Position	
			Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-type Activities
Governmental activities:						
Instruction:						
Regular	\$ 2,522,345.11	\$ 866,773.95	\$ 234,803.24	\$ 465,870.01	\$ (2,688,445.81)	\$ (2,688,445.81)
Special	960,661.03	117,338.60		538,066.25	(539,953.38)	(539,953.38)
Other instruction	233,318.43	96,768.39		101,795.27	(228,291.55)	(228,291.55)
Support services:						
Student and instruction related services	1,223,970.46	500,015.86	99,545.70	336,634.85	(1,287,805.77)	(1,287,805.77)
School administrative services	38,404.81	26,192.13		4,704.24	(59,892.70)	(59,892.70)
General administrative services	67,833.09	4,948.98		6,062.10	(66,719.97)	(66,719.97)
Plant services	177,430.10	(4,473.53)		316,830.04	(458,611.61)	(458,611.61)
Plant operations and maintenance	463,207.61	(4,596.00)		86,647.61	(205,293.05)	(205,293.05)
Pupil transportation	292,428.28	(487.63)		1,003.54	1,003.54	1,003.54
Unallocated Benefits	1,525,900.36	(1,525,900.36)			(1,063,431.83)	(1,063,431.83)
Unallocated depreciation	1,140,012.24	(76,580.41)			(6,280,612.10)	(6,280,612.10)
Total governmental activities	<u>8,645,531.52</u>		<u>334,348.94</u>	<u>2,030,570.48</u>	<u>(6,280,612.10)</u>	<u>(6,280,612.10)</u>
Total primary government	\$ <u>8,645,531.52</u>		\$ <u>334,348.94</u>	\$ <u>2,030,570.48</u>	\$ <u>(6,280,612.10)</u>	\$ <u>(6,280,612.10)</u>
General Revenues:						
Taxes:						
Property taxes, levied for general purposes, net					\$ 7,016,693.00	\$ 7,016,693.00
Miscellaneous income					247,626.42	247,626.42
Total general revenues					<u>7,264,319.42</u>	<u>7,264,319.42</u>
Change in Net Position					983,707.32	983,707.32
Net Position - beginning					12,151,743.38	12,152,628.38
Net Position ending					<u>13,135,450.70</u>	<u>13,136,335.70</u>

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

MAJOR FUND FINANCIAL STATEMENTS

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

BOROUGH OF ALPINE SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2023

	<u>GENERAL FUND</u>	<u>SPECIAL REVENUE FUND</u>	<u>CAPITAL PROJECTS FUND</u>	<u>TOTAL GOVERNMENTAL FUNDS</u>
ASSETS:				
Cash and cash equivalents	\$ 6,605,664.67	\$ 23,898.23	\$ 190,200.00	6,819,762.90
Receivables from other governments	307,795.34	161,250.71		469,046.05
Due from other funds	<u>161,250.71</u>			<u>161,250.71</u>
Total assets	<u>\$ 7,074,710.72</u>	<u>\$ 185,148.94</u>	<u>\$ 190,200.00</u>	<u>7,450,059.66</u>
LIABILITIES AND FUND BALANCES:				
Liabilities:				
Unearned Revenue	\$ 1,570.17	\$	\$	1,570.17
Accounts payable	81,726.02			81,726.02
Payroll Deductions and Withholdings Payable		<u>161,250.71</u>		<u>161,250.71</u>
Due to other funds				<u>161,250.71</u>
Total liabilities	<u>83,296.19</u>	<u>161,250.71</u>		<u>244,546.90</u>
Fund balances:				
Restricted:				
Capital reserve account	5,988,933.14			5,988,933.14
Emergency reserve	50,000.00			50,000.00
Unemployment Compensation	44,925.32			44,925.32
Security Deposits	6,950.00			6,950.00
Student Activities		23,898.23		23,898.23
Assigned:				
Encumbrances	402,766.07			402,766.07
Unassigned	<u>497,840.00</u>		<u>190,200.00</u>	<u>688,040.00</u>
Total fund balances	<u>6,991,414.53</u>	<u>23,898.23</u>	<u>190,200.00</u>	<u>7,205,512.76</u>
Total liabilities and fund balances	<u>\$ 7,074,710.72</u>	<u>\$ 185,148.94</u>	<u>\$ 190,200.00</u>	<u>7,450,059.66</u>

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

BOROUGH OF ALPINE SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2023

Total Fund Balances (Brought Forward)		\$7,205,512.76
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.		
Cost of Assets	\$10,655,755.35	
Accumulated Depreciation	<u>(3,713,157.91)</u>	6,942,597.44
Long term liabilities, including bonds payable, and other related amounts that are not due and payable in the current period and therefore are not reported as liabilities in the funds.		
Net Pension Liability	(729,875.00)	
Compensated Absences	<u>(77,101.50)</u>	(806,976.50)
Deferred Outflows and Inflows of resources are applicable to future periods and therefore are not reported in the funds.		
Pensions:		
Deferred Outflows:		
Pension related		202,698.00
Deferred Inflows:		
Pension related		(323,924.00)
Certain liabilities are not due and payable in the current period and therefore, are not reported in the governmental funds.		
Accounts Payable - Pension Related		<u>(84,457.00)</u>
Net Position of Governmental Activities		<u><u>\$13,135,450.70</u></u>

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

BOROUGH OF ALPINE SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	TOTAL GOVERNMENTAL FUNDS
REVENUES:				
Local sources:				
Local tax levy	\$ 7,016,693.00	\$	\$	\$ 7,016,693.00
Tuition from Individuals	234,803.24			234,803.24
Miscellaneous	247,626.42	207,358.78		454,985.20
Total - local sources	7,499,122.66	207,358.78		7,706,481.44
State sources	1,624,318.69	10,279.00		1,634,597.69
Federal sources		566,133.71		566,133.71
Total revenues	9,123,441.35	783,771.49		9,907,212.84
EXPENDITURES:				
Current expense:				
Regular instruction	1,626,148.76	35,964.32		1,662,113.08
Special instruction	234,156.13	42,234.50		276,390.63
Other Instruction	181,449.43	51,869.00		233,318.43
Support services:				
Tuition	1,546,143.43			1,546,143.43
Student and instruction related services	1,054,791.73	166,586.73		1,221,378.46
School administrative services	38,404.81			38,404.81
General administration	67,833.09			67,833.09
Plant operations and maintenance	463,207.61			463,207.61
Central services	177,430.10			177,430.10
Pupil transportation	292,428.28			292,428.28
Unallocated Benefits	1,934,096.36			1,934,096.36
Capital outlay	341,817.57	480,473.97		822,291.54
Total expenditures	7,957,907.30	777,128.52		8,735,035.82
Excess (deficiency) of revenues over (under) expenditures	1,165,534.05	6,642.97		1,172,177.02
Net change in fund balances	1,165,534.05	6,642.97		1,172,177.02
Fund balances, July 1, 2022	5,825,880.48	\$ 17,255.26	\$ 190,200.00	6,033,335.74
Fund balances, June 30, 2023	\$ 6,991,414.53	\$ 23,898.23	\$ 190,200.00	\$ 7,205,512.76

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

BOROUGH OF ALPINE 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 B-2)	\$	1,172,177.02
<p>Amounts reported for governmental activities in the statement of activities (A-2) are different because:</p> <p>Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the period</p>		
Depreciation expense	\$ (1,140,012.24)	
Capital outlays	822,291.54	
Less: Capital outlays not capitalized	<u>(3,171.00)</u>	(320,891.70)
<p>District pension contributions are reported as expenditures in the governmental funds when made. However, they are reported as deferred outflows of resources in the Statement of Net Position because the reported net pension liability is measured a year before the District's report date. Pension expense, which is the change in the net pension liability adjusted for changes in deferred outflows and inflows of resources related to pensions, is reported in the Statement of Activities.</p>		
District pension contributions	60,989.00	
Pension benefit	<u>69,233.00</u>	130,222.00
<p>In the statement of activities, certain expenses, e.g., compensated absences (sick days) are measured by the amounts earned during the year. In governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is a reduction in the reconciliation (-); when the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+).</p>		
		<u>2,200.00</u>
Change in net position of governmental activities	\$	<u>983,707.32</u>

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

OTHER FUNDS

BOROUGH OF ALPINE SCHOOL DISTRICT
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2023

	<u>FOOD SERVICE FUND TOTAL</u>
ASSETS:	
Current assets:	
Cash and cash equivalents	\$ <u>885.00</u>
Total current assets	<u>885.00</u>
Total assets	\$ <u><u>885.00</u></u>
NET POSITION:	
Unrestricted	\$ <u>885.00</u>
Total net position	\$ <u><u>885.00</u></u>

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

BOROUGH OF ALPINE SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	<u>FOOD SERVICE FUND TOTAL</u>
OPERATING REVENUES:	
Charges for services:	
Daily sales - reimbursable programs	\$ _____
Total operating revenues	_____
OPERATING EXPENSES:	
Cost of sales	_____
Total operating expenses	_____
Operating income	_____
Change in net position	
Total net position - beginning	_____ 885.00
Total net position - ending	\$ _____ 885.00

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

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

	FOOD SERVICE FUND TOTAL
Cash flows from operating activities:	
Receipts from customers	\$ _____
Payments to suppliers	_____
Net cash provided by (used for) operating activities	_____
Net increase/(decrease) in cash and cash equivalents	
Cash and cash equivalents, July 1, 2022	885.00
Cash and cash equivalents, June 30, 2023	\$ 885.00
Reconciliation of operating income (loss) to net cash provided (used) by operating activities	
Operating income	\$ _____
Net cash provided by (used for) operating activities	\$ _____

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

Borough of Alpine School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Reporting Entity

The District is a Type II District located in Bergen County, New Jersey. The School District is an instrumentality of the State of New Jersey, established to function as an educational institution. The Board of Education of the Alpine School District, comprised of five elected individuals, is the primary governing authority of the District. A superintendent is appointed by the Board and is responsible for the administrative control of the District.

The primary criterion for including activities within the District's reporting entity, are set forth in Statement No. 39 of the Governmental Accounting Standards Board entitled "*Determining Whether Certain Organizations are Component Units*" (GASB 39) as codified in Section 2100 of the GASB Codification of Governmental Accounting and Financial Reporting Standards.

Organizations that are legally separate, tax-exempt entities and that meet *all* of the following criteria should be discretely presented as component units. These criteria are:

1. The economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government.
2. The primary government, or its component units, is entitled to, or has the ability to otherwise access, a majority of the economic resources of the 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.

The combined financial statements include all funds of the District over which the Board exercises operating control. 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.

Borough of Alpine School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation

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

District-wide Statements: The statement of net position and the statement of activities display information about the District as a whole. These statements include the financial activities of the overall District. Eliminations have been made to minimize the double-counting of internal activities. These statements distinguish generally between the governmental and business-type activities of the District. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

The statement of net position presents the financial condition of the governmental and business-type activities of the District at fiscal year-end. The statement of activities presents a comparison between direct expenses and program revenues for the business-type activity of the District and for each function of the District's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees and 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 requirement of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues. The comparison of direct expenses with program revenues identifies the extent to which each governmental function or business segment is self-financing or draws from the general revenues of the District.

Fund Financial Statements: During the fiscal year, the District segregates transactions related to certain 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 are presented 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 as the oversight entity believes that the presentation of all funds as major is important for the public interest and to promote consistency among District financial reporting models.

Borough of Alpine School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Governmental Funds

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

As required by the New Jersey Statement Department of Education, the District includes budgeted capital outlay in this fund. U.S. Generally Accepted Accounting Principles as they pertain to governmental entities state that general fund resources may be used to directly finance capital outlays for long-lived improvements as long as the resources in such cases are derived exclusively from unrestricted revenues. Resources for budgeted capital outlay purposes are normally derived from State of New Jersey Aid, 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 the current expense by Board resolution; in certain instances, approval by the County Superintendent of Schools may also be required.

Special Revenue Fund The special revenue fund is used to account for the proceeds of specific revenue sources from State and Federal Government (other than those for major capital projects, debt service or proprietary funds) and local appropriations that are restricted or committed to expenditures for specified purposes.

Capital Projects Funds The capital projects fund is used to account for and report all financial resources that are restricted, committed or assigned to expenditures for capital outlays including the acquisition or construction of major capital facilities or other capital assets.

Proprietary Funds

Enterprise Fund The enterprise fund accounts for all revenues and expenses pertaining to the District's Food Service program operations. These 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 on a continuing basis are financed or recovered primarily through user charges.

Borough of Alpine School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Accounting-Measurement Focus

Basis of accounting determines when transactions are recorded in the financial records and reported in the financial statements.

District-wide and Proprietary Fund Financial Statements: The District-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, the recording of unearned revenue, and in the presentation for expenses versus expenditures. Ad Valorem (Property) Taxes are susceptible to accrual as under New Jersey State Statute a municipality is required to remit to its school district the entire balance of taxes in the amount voted upon or certified, prior to the end of the school year. The District records the entire approved tax levy as revenue (accrued) at the start of the fiscal year, since the revenue is both measurable and available.

The District is entitled to receive monies under the established payment schedule and the unpaid amount is considered to be an "accounts receivable." Revenue from grants, entitlements, and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied. Governmental Fund Financial Statements: Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. "Measurable" means the amount of the transactions can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on long-term liabilities, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds from the issuance of long-term liabilities and acquisitions under capital leases are reported as other financing sources.

Borough of Alpine School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Budgets/Budgetary Control

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue, and debt service funds. The budgets are submitted to the county office. In accordance with P.L. 2011, c. 202, which became effective January 17, 2012, the District elected to move the School Board election to the date of the November general election thereby eliminating the vote on the annual base budget unless required by the mandated State budget CAP. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6A:23-2.2(f)1. Expenditures may not legally exceed budgeted appropriations at the line item level. All budget amendments and transfers must be approved by School Board resolution. Budget amendments during the year ended June 30, 2023 totaled net \$190,200.00, representing prior unbudgeted state aids, and other approved modifications. All budget 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).

Appropriations, except remaining project appropriations, encumbrances, and unexpended grant appropriations, lapse at the end of each fiscal year. The capital projects fund presents the remaining project appropriations compared to current year expenditures.

Formal budgetary integration into the accounting system is employed as a management control device during the fiscal year. For governmental funds, there are no substantial differences between the budgetary basis of accounting and generally accepted accounting principles (GAAP) with the exception of the legally mandated (NJSA 18A:22-44.2) revenue recognition of one or more deferred State Aid payments for budgetary purposes only due to the State deferral of such payments into the subsequent budget year and the accounting treatment of encumbrances in the special revenue fund as described below. Encumbrance accounting is also employed as an extension of formal budgetary integration in the governmental fund types. Unencumbered appropriations lapse at fiscal year-end.

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

Borough of Alpine School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Encumbrance Accounting

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

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

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

Interfunds

Interfund receivables and payables arise from transactions between particular funds and are considered short term in duration. The interfund transactions are recorded by all funds affected in the period in which the transactions are executed and are part of the district's available expendable resources.

Inventories and Prepaid Expenses

Inventories of materials and supplies held for consumption in the governmental funds are recorded as expenditures at the time of purchase and year end balances are not reported in the financial statements.

Inventories of food and/or supplies in the food service fund are recorded at cost on a first-in, first-out basis or, in the case of Food Distribution Commodities, at stated value which approximates market.

Prepaid expenses which benefit future periods, other than those recorded in the enterprise fund, are recorded as expenditures in the year of purchase.

Borough of Alpine School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital Assets

The District has an established formal system of accounting for its capital assets. Capital Assets used for governmental purposes, which include land, buildings and improvements and furniture and equipment, are only reported in the district-wide financial statements. The District generally defines capital assets as assets with an initial cost of \$2,000.00 or more and an estimated useful life in excess of one year. Purchased or constructed capital assets are reported at cost. Donated capital assets are valued at their acquisition value on the date received. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

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

<u>Asset Class</u>	<u>Estimated Useful Lives</u>
School Buildings	50
Building Improvements	20
Land Improvements	20
Machinery and Equipment	5-20

Compensated Absences

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

District employees are granted varying amounts of vacation and sick leave in accordance with the District's personnel policy and/or collective bargaining unit contracts. Upon termination, employees are paid for accrued vacation. Sick leave benefits provide for ordinary sick pay and begin vesting with the employee after four years of service.

The liability for compensated absences was accrued using the termination payment method, whereby the liability is calculated based on the amount of sick leave and vacation days that are expected to become eligible for payment upon termination. The District estimates its accrued compensated absences liability based on the accumulated sick and vacation days at the balance sheet date by those employees who are currently eligible to receive termination payments.

Borough of Alpine School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Compensated Absences (Continued)

For the district-wide statements, the current portion is the amount estimated to be used in the following year. For the governmental funds in the fund financial statements, a liability is reported only for to the extent of the amount actually due at year end as a result of employee resignations/retirements. Compensated absences are a reconciling item between the fund level and district-wide presentations.

Fund Equity

Fund balance restrictions are used to indicate that portion of the fund balance that is not available for expenditures or is legally segregated for a specific future use. Designations of portions of the fund balances are established to indicate tentative plans for financial utilization in a future period. The unassigned fund balances represent the amount available for future budgetary operations.

Unassigned net position represents the remains of the District's equity in the cumulative earnings of the proprietary fund.

Unearned Revenue

Unearned revenue in the general, special revenue and capital projects funds represents funds which have been received but not yet earned. A corresponding grants receivable has also been established for any open encumbrances at year end which is an allowable practice under generally accepted accounting principles.

Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities, and long-term obligations are reported on the district-wide financial statements. In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources are reported as obligations of the funds. However, contractually required pension contributions and compensated absences that are paid from governmental funds are reported as liabilities on the fund financial statements only to the extent that they are due for payment during the current year. Long term debt is recognized as a liability on the fund financial statements when due.

Borough of Alpine School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Net Position

GASB 63 provides guidance for reporting net position in the statement of financial position and related disclosures. Net Position represents the difference between assets and liabilities. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any borrowing used for the acquisition, construction, or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The District's policy is to first apply restricted resources when an expense is incurred for the purposes for which both restricted and unrestricted net positions are available.

Fund Balance

Under GASB 54, in the fund financial statements, governmental funds report the following classifications of fund balance:

Non-Spendable – includes amounts that cannot be spent because they are either not spendable in form or are legally or contractually required to be maintained intact.

Restricted – includes amounts restricted by external sources (creditors, laws of other governments, etc.) or by constitutional provision or enabling legislation. The District reports the Capital Reserve, Student Activities, Security Deposits, Unemployment, and Excess Surplus as Restricted Fund Balance.

Committed – includes amounts that can only be used for specific purposes. Committed fund balance is reported pursuant to resolutions passed by the Board of Education, the District's highest level of decision making authority. Commitments may be modified or rescinded only through resolutions approved by the Board of Education. The District reports amounts Designated for Subsequent Year's Expenditures as Committed Fund Balance and Encumbrances.

Assigned – includes amounts that the District intends to use for a specific purpose, but do not meet the definition of restricted or committed fund balance. Under the District's policy, amounts may be assigned by the Business Administrator. The District reports Year End Encumbrances as Assigned Fund Balance.

Borough of Alpine School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Balance (Continued)

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

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the District considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balance are available, the District considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed.

Revenues Exchange and Non-Exchange Transactions

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

Non-exchange transactions, in which the 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 District must provide local resources to be used for a specific purpose; and expenditure requirements, in which the resources are provided to the District on a reimbursement basis. On the modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

Borough of Alpine School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenues Exchange and Non-Exchange Transactions (Continued)

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

Proprietary Funds Revenues and Expenses

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services in connection with a proprietary fund's principal ongoing operations. Operating expenses for enterprise funds include the cost of sales and services, administrative expense and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Allocation of Indirect Expenses

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

Extraordinary and Special Items

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

Management Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

Borough of Alpine School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Accounting and Financial Reporting for Pensions

In the district-wide financial statements 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 District's proportionate share of the New Jersey Public Employees Retirement System ("PERS") and the Teachers' Pension and Annuity Fund ("TPAF") and the additions to/deductions from these retirement systems' fiduciary net position have been determined on the same basis as they were reported by PERS and TPAF. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

In the governmental fund financial statements, the year-end net pension liability is not required to be reflected. Pension related revenues and expenditures are reflected based on amounts that are normally expected to be liquidated with available financial resources for required pension contributions. Expenditures for PERS are recognized based upon billings made by the State of New Jersey due April 1st of each fiscal year. TPAF contributions are paid on the District's behalf by the State of New Jersey. The Governmental Fund Financial Statements reflects both a revenue and expenses for this pension contribution.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. Currently, the District has one item that qualifies for reporting in this category, deferred amounts related to pensions.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District has one item that qualifies in this category, deferred amounts related to pension.

Borough of Alpine School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Leases

Lease receivables are measured at the present value of the lease payments expected to be received during the lease term. The District may receive variable lease payments that are dependent upon the lessee's revenue. The variable payments are recorded as an inflow of resources in the period the payment is received. The deferred inflow of resources is recorded at the initiation of the lease in an amount equal to the initial recording of the lease receivable. The deferred inflow of resources is amortized in a systematic and rational manner over the lease term.

Lease liabilities represent obligations to make lease payments arising from the lease. Lease liabilities are recognized at the commencement date based on the present value of the expected lease payments over the lease term, less any lease incentives. Interest expense is recognized ratably over the contract term. The lease term may include options to extend or terminate the lease when it is reasonably certain that the option will be exercised. Payments for short-term leases with a term of 12 months or less are expensed as incurred and these leases are not included as lease liabilities or right-to-use assets on the statements of net position.

Right to Use Assets

Right to use assets are initially measured at an amount equal to the initial measurement of the related lease liability plus any lease payments made prior to the lease term, less incentives, plus ancillary charges necessary to place the lease into service. The right to use assets are amortized in a systematic and rational manner over the life of the related lease.

Recently Adopted Accounting Pronouncements

Beginning with the year ended June 30, 2023, the District has implemented GASB Statement 96, *Subscription-Based Information Technology Arrangements (SBITAs)*.

GASB Statement No. 96 defines a SBITA; establishes that a SBITA results in a right-to-use subscription asset (an intangible asset) and a corresponding liability; provides capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and requires note disclosure regarding SBITAs.

Borough of Alpine School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2023

NOTE 2: CASH AND CASH EQUIVALENTS AND INVESTMENTS

The Board considers petty cash, change funds, cash in banks, deposits in the New Jersey Cash Management Fund and short term investments with original maturities of three months or less as cash and cash equivalents. Investments are stated at cost, which approximates market.

Deposits

New Jersey statutes permit the deposit of public funds in public depositories which are located in New Jersey and which meet the requirements of the Governmental Unit Deposit Protection Act (GUDPA). GUDPA requires a bank that accepts public funds to be a public depository. A public depository is defined as a state bank, a national bank, or a savings bank, which is located in the State of New Jersey, the deposits of which are insured by the Federal Deposit Insurance Corporation. The statutes also require public depositories to maintain collateral for deposits of public funds that exceed certain insurance limits. Each depository participating in the GUDPA system must pledge collateral equal to 5% of the average amount of its public deposits and 100% of the average amount of its public funds in excess of 75% of its capital funds. No collateral is required for amounts covered by FDIC insurance. The collateral which may be pledged to support these deposits includes obligations of the State and federal governments, insured securities and other collateral approved by the Department. When the capital position of the depository deteriorates or the depository takes an unusually large amount of public deposits, the Department of Banking and Insurance requires additional collateral to be pledged. Under (GUDPA), if a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the full amount of the deposits to the governmental unit.

The Borough of Alpine School District had the following cash and cash equivalents at June 30, 2023:

	Cash in <u>Bank</u>	<u>Reconciling Items:</u>		<u>Reconciled Balance</u>
		<u>Additions</u>	<u>Deletions</u>	
Governmental Funds	\$ 7,248,564.48	\$	428,801.58	\$ 6,819,762.90
Proprietary Funds	<u>885.00</u>	<u> </u>	<u> </u>	<u>885.00</u>
	<u>\$ 7,249,449.48</u>	<u>\$</u>	<u>428,801.58</u>	<u>\$ 6,820,647.90</u>

Borough of Alpine School District
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2023

NOTE 2: CASH AND CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)

Custodial Credit Risk – Deposits – Custodial credit risk is the risk that in the event of a bank failure, the deposits may not be returned. The District does not have a specific deposit policy for custodial credit risk other than those policies that adhere to the requirements of statute. As of June 30, 2023, based upon the coverage provided by FDIC and NJGUDPA, no amount of the bank balance was exposed to custodial credit risk. Of the cash on balance in the bank of \$7,249,449.48, \$250,000.00 was covered by Federal Depository Insurance and \$6,999,449.48 was covered under the provisions of NJGUDPA.

Investments

The types of investments which may be purchased by the District are strictly limited by the express authority of the N.J.S.A. 18A:20-37 Education, Administration of School Districts. Permitted investments include any of the following types of securities:

1. Bonds or other obligations of the United States of America or obligations guaranteed by the United State of America;
2. Government money market mutual funds which are purchased from an investment company or investment trust which is registered with the Securities and Exchange Commission under the "Investment Company Act of 1940", 15 U.S.C. 80a1 et seq., and operated in accordance with 17 C.F.R. § 270.2a7 and which portfolio is limited to U.S. Government securities that meet the definition of an eligible security pursuant to 17 C.F.R. § 270.2a7 and repurchase agreements that are collateralized by such U.S. Government securities in which direct investment may be made pursuant to paragraphs (1) and (3) of N.J.S.A. 18A:20-37. These funds are also required to be rated by a nationally recognized statistical rating organization;
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 Local Unit or bonds or other obligations of school districts of which the Local Unit is a part or within which the school district is located;

Borough of Alpine School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2023

NOTE 2: CASH AND CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)

Investments (Continued)

5. Bonds or other obligations, having a maturity date not more than 397 days from date of purchase, approved by the Division of Investment of the Department of Treasury for investment by School Districts;
6. Local government investment pools that are fully invested in U.S. Government securities that meet the definition of eligible security pursuant to 17 C.F.R. § 270a7 and repurchase agreements that are collateralized by such U.S. Government securities in which direct investment may be made pursuant to paragraphs (1) and (3) of N.J.S.A. 18A:20-37. This type of investment is also required to be rated in the highest category by a nationally recognized statistical rating organization.
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;
 - 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. 17:1941); and
 - e. a master repurchase agreement providing for the custody and security of collateral is executed.

At June 30, 2023, the District had no outstanding investments.

Based upon the limitation set forth by New Jersey Statutes 18A:20-37 and its existing investment practices, the District is generally not exposed to credit risks, custodial credit risks, concentration of credit risks and interest rate risks for its investments, nor is it exposed to foreign currency risks for its deposits and investments.

Borough of Alpine School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2023

NOTE 3: CAPITAL ASSETS

Capital asset activity for the fiscal year ended June 30, 2023, was as follows:

	<u>Beginning</u> <u>Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending</u> <u>Balance</u>
Governmental Activities:				
Capital assets not being depreciated:				
Construction in progress	\$ 5,122,521.48	\$ _____	\$ (5,122,521.48)	\$ _____
Total Capital Assets not being depreciated	<u>5,122,521.48</u>	<u>_____</u>	<u>(5,122,521.48)</u>	<u>_____</u>
Site improvements	480,981.37	147,027.25		628,008.62
Buildings & Building Improvements	3,541,423.84	5,722,682.07		9,264,105.91
Machinery & Equipment	691,708.12	71,932.70		763,640.82
Totals at historical cost	<u>4,714,113.33</u>	<u>5,941,642.02</u>	<u>_____</u>	<u>10,655,755.35</u>
Gross Assets (Memo only)	<u>9,836,634.81</u>	<u>5,941,642.02</u>	<u>(5,122,521.48)</u>	<u>10,655,755.35</u>
Less: Accumulated Depreciation				
Site improvements	(39,924.36)	(102,956.42)		(142,880.78)
Buildings & Building Improvements	(2,097,947.03)	(960,475.41)		(3,058,422.44)
Machinery & Equipment	(435,274.28)	(76,580.41)		(511,854.69)
Total Depreciation	<u>(2,573,145.67)</u>	<u>(1,140,012.24)</u>	<u>_____</u>	<u>(3,713,157.91)</u>
Total capital assets being depreciated, net of depreciation	<u>2,140,967.66</u>	<u>4,801,629.78</u>	<u>_____</u>	<u>6,942,597.44</u>
Total Governmental Fund Activities	<u>\$ 7,263,489.14</u>	<u>\$ 4,801,629.78</u>	<u>\$ (5,122,521.48)</u>	<u>\$ 6,942,597.44</u>

Borough of Alpine School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2023

NOTE 3: CAPITAL ASSETS (CONTINUED)

Depreciation expense was charged to functional expense areas of the District as follows:

Instruction:		
Regular	\$	62,399.02
Support services:		
General administrative services		14,181.39
Direct Expense of various functions		<u>1,063,431.83</u>
	\$	<u><u>1,140,012.24</u></u>

NOTE 4: LONG-TERM LIABILITIES

Bonds may be issued by the District pursuant to the provisions of Title 18A, Education, of the New Jersey Statutes and are required to be approved by the voters of the municipality through referendum. The proceeds of bonds are recorded in the Capital Projects Fund and are restricted to the use for which they were approved in the bond referendum. All bonds are retired in annual installments within the statutory period of usefulness.

School Bonds issued by the District are entitled to and benefit from the provision of the New Jersey School Board Reserve Act P.L. 1980 c.72. Basically, funds are held by the State of New Jersey within its State Fund for the Support of Free Public Schools as a school bond reserve pledged by law to secure payment of principal and interest due on such bonds in the event of the inability of the issuer to make payments.

At June 30, 2023 the District has no bonds or notes authorized but not issued.

Borough of Alpine School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2023

NOTE 4: LONG-TERM LIABILITIES (CONTINUED)

The following is a summary of transactions that affect long-term liabilities for the year ended June 30, 2023:

	Net Pension <u>Liability</u>	Compensated Absences <u>Payable</u>	<u>Total</u>
Balance June 30, 2022	\$ 700,735.00	\$ 79,301.50	\$ 780,036.50
Additions	29,140.00		29,140.00
Reductions	<u> </u>	<u>2,200.00</u>	<u>2,200.00</u>
Balance June 30, 2023	<u>\$ 729,875.00</u>	<u>\$ 77,101.50</u>	<u>\$ 806,976.50</u>

NOTE 5: PENSION PLANS

Description of Plans All required employees of the District are covered by either the Public Employees' Retirement System or the Teachers' Pension and Annuity Fund which have been established by state statute and are administered by the New Jersey Division of Pension and Benefits (Division). According to the State of New Jersey Administrative Code, all obligations of both Systems will be assumed by the State of New Jersey should the Systems terminate. The Division issues a publicly available financial report that includes the financial statements and required supplementary information for the Public Employees Retirement System and the Teachers' Pension and Annuity Fund. These reports may be obtained by writing to the Division of Pensions and Benefits, PO Box 295, Trenton, New Jersey, 08625.

Teachers' Pension and Annuity Fund (TPAF) The Teachers' Pension and Annuity Fund was established as of January 1, 1955, under the provisions of N.J.S.A. 18A:66 to provide retirement benefits, death, disability and medical benefits to certain qualified members. The Teachers' Pension and Annuity Fund is considered a cost-sharing multiple-employer plan with a special funding situation, as under current statute, all employer contributions are made by the State of New Jersey on behalf of the District and the system's other related non-contributing employers. Membership is mandatory for substantially all teachers or members of the professional staff certified by the State Board of Examiners, and employees of the Department of Education who have titles that are unclassified, professional and certified.

Borough of Alpine School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2023

NOTE 5: PENSION PLANS (CONTINUED)

Public Employees' Retirement System (PERS) The Public Employees' Retirement System (PERS) was established as of January 1, 1955 under the provision of N.J.S.A. 43:15A to provide retirement, death, disability and medical benefits to certain qualified members. The Public Employees' Retirement System is a cost-sharing multiple-employer plan. Membership is mandatory for substantially all full-time employees of the State of New Jersey or any county, municipality, school district, or public agency, provided the employee is not required to be a member of another state-administered retirement system or other state or local jurisdiction.

Defined Contribution Retirement Program (DCRP) The Defined Contribution Retirement Program (DCRP) was established under the provision of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007 to provide coverage to elected and certain appointed officials, effective July 1, 2007. Membership is mandatory for such individuals with vesting occurring after one year of membership.

Significant Legislation

Effective June 28, 2011, P.L. 2011, c. 78 enacted certain changes in the operations and benefit provisions of the TPAF and the PERS systems.

Pension Plan Design Changes

Effective June 28, 2011, P.L. 2011, c. 78, new members of TPAF and PERS, hired on or after June 28, 2011, will need 30 years of creditable service and have attained the age of 65 for receipt of the early retirement benefit without a reduction of 1/4 of 1% for each month that the member is under age 65. New members will be eligible for a service retirement benefit at age 65.

Funding Changes

Under the new legislation, the methodology for calculating the unfunded accrued liability payment portion of the employer's annual pension contribution to the PERS, and TPAF. The unfunded actuarial accrued liability (UAAL) will be amortized for each plan over an open-ended 30 year period and paid in level dollars. Beginning with the July 1, 2019 actuarial valuation (July 1, 2018 for PERS), the UAAL will be amortized over a closed 30 year period until the remaining period reaches 20, when the amortization period will revert to an open-ended 20 year period.

COLA Suspension

The payment of automatic cost-of-living adjustment to current and future retirees and beneficiaries are suspended until reactivated as permitted by this law.

Borough of Alpine School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2023

NOTE 5: PENSIONS PLANS (CONTINUED)

Vesting and Benefit Provisions - The vesting and benefit provisions of PERS are set by N.J.S.A. 43:15A and 43.3B, and N.J.S.A. 18A:6C for TPAF. All benefits vest after ten years of service except for post-retirement healthcare benefits that vest after 25 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.

Contribution Requirements - The contribution policy is set by N.J.S.A. 43:15A and N.J.S.A. 18:66, and requires contributions by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation.

Employers are required to contribute at an actuarially determined rate in both TPAF and PERS. The actuarially determined contribution includes funding for cost-of-living adjustments, noncontributory death benefits, and post-retirement medical premiums. Under current statute the District is a non-contributing employer of TPAF (*i.e.*, the State of new Jersey makes the employer contribution on behalf of public school districts).

<u>Three-Year Trend Information for PERS</u>			
<u>Year</u> <u>June 30,</u>	<u>Annual Pension</u> <u>Cost (APC)</u>	<u>Percentage of</u> <u>APC Contributed</u>	<u>Net Pension</u> <u>Obligation</u>
2023	\$60,989.00	100.00%	\$60,989.00
2022	\$69,273.00	100.00%	\$69,273.00
2021	\$68,451.00	100.00%	\$68,451.00

During the fiscal years ended June 30, 2023, 2022, and 2021, the State of New Jersey contributed \$729,673.00, \$807,079.00, and \$557,603.00, respectively to the TPAF pension system on behalf of the district.

Also, in accordance with N.J.S.A. 18A:66-66, during the years ended June 30, 2023, 2022 and 2021, the State of New Jersey reimbursed the District \$170,262.69, \$164,508.76 and \$147,081.70, respectively for the employer's share of social security contributions for TPAF members, as calculated on their base salaries. This amount has been included in the basic financial statements, and the governmental fund statements and schedules as a revenue and expenditure in accordance with GASB 68.

Borough of Alpine School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2023

NOTE 6: ACCOUNTING AND FINANCIAL REPORTING FOR PENSION - GASB 68

Public Employees Retirement System (PERS)

At June 30, 2023, the State reported a net pension liability of \$729,875.00 for the District's proportionate share of the total net pension liability. 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. 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 employers, actuarially determined. At June 30, 2022, the District's proportion was 0.0048363741 percent, which was a decrease of 0.0010787519 percent from its proportion measured as of June 30, 2021.

For the year ended June 30, 2023, the District recognized a pension benefit of \$69,233.00 in the government-wide financial statements. This pension benefit was based on the pension plan's June 30, 2022 measurement date.

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

	<u>Deferred Outflow of Resources</u>	<u>Deferred Inflow of Resources</u>
Differences between expected and actual experience	\$ 5,268.00	\$ 4,646.00
Changes of assumptions	2,261.00	109,291.00
Net difference between projected and actual earnings on pension plan investments	30,209.00	
Changes in proportion and differences between District contributions and proportionate share of contributions	80,503.00	209,987.00
District contributions subsequent to the measurement date	<u>84,457.00</u>	<u> </u>
	<u>\$ 202,698.00</u>	<u>\$ 323,924.00</u>

The \$84,457.00 reported as deferred outflows of resources related to pensions resulting from school district contributions subsequent to the measurement date (i.e., for the school year ending June 30, 2023, the plan measurement date is June 30, 2022) will be recognized as a reduction of the net pension liability in the year ended June 30, 2024.

Borough of Alpine School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2023

NOTE 6: ACCOUNTING AND FINANCIAL REPORTING FOR PENSION - GASB 68
(CONTINUED)

Public Employees Retirement System (PERS) (Continued)

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

<u>Year Ended</u> <u>June 30,</u>	<u>Amount</u>
2023	(\$88,504.80)
2024	(57,793.80)
2025	(41,451.80)
2026	8,039.20
2027	(25,971.80)
	<u>(\$205,683.00)</u>

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 rolled forward to June 30, 2022. These actuarial valuations used the following assumptions:

Inflation rate:	
Price	2.75%
Wage	3.25%
Salary Increases:	
Through 2026	2.75%-6.55%
	Based on Years of Service
Investment Rate of Return	7.00%

Borough of Alpine School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2023

NOTE 6: ACCOUNTING AND FINANCIAL REPORTING FOR PENSION - GASB 68
(CONTINUED)

Public Employees Retirement System (PERS) (Continued)

Actuarial Assumptions (Continued)

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

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

Long-Term Rate of Return

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

Borough of Alpine School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2023

NOTE 6: ACCOUNTING AND FINANCIAL REPORTING FOR PENSION - GASB 68
(CONTINUED)

Public Employees Retirement System (PERS) (Continued)

Long-Term Rate of Return (Continued)

<u>Assets Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
US Equity	27.00%	8.12%
Non-U.S. Developed Market Equity	13.50%	8.38%
Emerging Market 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. Treasury's	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 on 100% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments in determining the total pension liability.

Borough of Alpine School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2023

NOTE 6: ACCOUNTING AND FINANCIAL REPORTING FOR PENSION - GASB 68
(CONTINUED)

Public Employees Retirement System (PERS) (Continued)

Sensitivity of the Collective Net Pension Liability to Changes in the Discount Rate

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

	June 30, 2022		
	1% Decrease <u>6.00%</u>	At Current Discount Rate <u>7.00%</u>	1% Increase <u>8.00%</u>
District's proportionate share of the pension liability	\$937,676.00	\$729,875.00	\$553,029.00

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued Financial Report for the State of New Jersey Public Employees Retirement System (PERS). The report may be obtained at State of New Jersey Division of Pensions and Benefits P.O. Box 295 Trenton, New Jersey 08625-0295 by visiting <http://www.state.nj.us/treasury/pensions>.

Borough of Alpine School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2023

NOTE 6: ACCOUNTING AND FINANCIAL REPORTING FOR PENSION - GASB 68
(CONTINUED)

Teachers Pensions and Annuity Fund (TPAF)

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.

The portion of the TPAF Net Pension Liability that was associated with the District recognized at June 30, 2023 was as follows:

Net Pension Liability:	
Districts proportionate share	-0-
State's proportionate share associated with the District	9,974,471.00
	\$9,974,471.00

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 June 30, 2021 which was rolled forward to June 30, 2022. The net pension liability associated with the District 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 school districts and the State, actuarially determined. At June 30, 2022, the proportion of the TPAF net pension liability associated with the District was .0193324627% which was an increase of .0005084394 percent from its proportion measured as of June 30, 2021.

For the year ended June 30, 2023, the District recognized on-behalf pension expense and revenue of \$9,974,471.00 in the government-wide financial statements for contributions provided by the State. This pension expense and revenue was based on the pension plans June 30, 2022 measurement date.

Borough of Alpine School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2023

NOTE 6: ACCOUNTING AND FINANCIAL REPORTING FOR PENSION - GASB 68
(CONTINUED)

Teachers Pensions and Annuity Fund (TPAF) (Continued)

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	1.55%-5.65%
	Based on Years of Service
Investment Rate of Return	7.00%

Mortality Rate

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

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

Borough of Alpine School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2023

NOTE 6: ACCOUNTING AND FINANCIAL REPORTING FOR PENSION - GASB 68
(CONTINUED)

Teachers Pensions and Annuity Fund (TPAF) (Continued)

Long-Term Expected Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 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 TPAF's target asset allocation as of June 30, 2022 are summarized in the following table:

<u>Assets 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 Market Equity	13.50%	8.38%
Emerging Market Equity	5.50%	10.33%
Private Equity	13.00%	11.19%
Real Assets	3.00%	7.60%
Real Estate	8.00%	11.19%
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%

Borough of Alpine School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2023

NOTE 6: ACCOUNTING AND FINANCIAL REPORTING FOR PENSION - GASB 68
(CONTINUED)

Teachers Pensions and Annuity Fund (TPAF) (Continued)

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 will be based on 100% of the actuarially determined contributions for the State. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments in determining the total pension liability.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

Because the District's proportionate share of the net pension liability is zero, consideration of potential changes in the discount rate is not applicable to the District.

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued Financial Report for the State of New Jersey Teachers Public and Annuity Fund (TPAF). The report may be obtained at State of New Jersey Division of Pensions and Benefits P.O. Box 295 Trenton, New Jersey 08625-0295 by visiting <http://www.state.nj.us/treasury/pensions>

Borough of Alpine School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2023

NOTE 7: ACCOUNTING AND FINANCIAL REPORTING FOR POST-RETIREMENT BENEFITS OTHER THAN PENSIONS – GASB 75

Plan Description and Benefits Provided

The State Health Benefit Local Education Retired Employees Plan is a multiple-employer defined benefit OPEB plan, which 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 Postemployment Benefits Other Than Pensions*. The State Health Benefit Local Education Retired Employees Plan provides medical, prescription drug, and Medicare Part B reimbursement to retirees and their covered dependents of local education employers.

The employer contributions for the participating local education employers are legally required to be funded by the State of New Jersey in accordance with N.J.S.A 52:14-17.32f. Therefore, these local participating employers are considered to be in a special funding situation as defined by GASB Statement No. 75 and the State is treated as a nonemployer contributing entity. According to N.J.S.A 52:14-17.32f, the State provides employer-paid coverage to employees who retire from a board of education or county college with 25 years or more of service credit in, or retires on a disability pension from, one or more of the following plans: the Teachers' Pension and Annuity Fund (TPAF), the Public Employees' Retirement System (PERS), the Police and Firemen Retirement System (PFRS), or the Alternate Benefit Program (ABP). Pursuant to Chapter 78, P.L. 2011, future retirees eligible for postretirement medical coverage who have less than 20 years of creditable service on June 28, 2011 will be required to pay a percentage of the cost of their health care coverage in retirement provided they retire with 25 or more years of pension service credit. The percentage of the premium for which the retiree will be responsible will be determined based on the retiree's annual retirement benefit and level of coverage.

Employees Covered by Benefit Terms

The State Health Benefit Local Education Retired Employees Plan Membership covered by the benefit terms consisted of the following:

Active Plan Members	213,148
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	151,669
Inactive Plan Members or Beneficiaries Not Yet Receiving Benefits	<u>- 0 -</u>
Total Plan Members	<u>364,817</u>

Borough of Alpine School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2023

NOTE 7: ACCOUNTING AND FINANCIAL REPORTING FOR POST-RETIREMENT BENEFITS OTHER THAN PENSIONS - GASB 75 (CONTINUED)

Total Non-Employer OPEB Liability

The portion of the total Non-Employer OPEB Liability that was associated with the District at June 30, 2023 was as follows:

Total OPEB Liability:	
District's Proportionate Share	\$-0-
State's Proportionate Share associated with the District	7,177,707
	7,177,707
	\$7,177,707

The total Non-Employer 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.

The total Non-Employer OPEB liability was determined separately based on actual data of the District.

For the year ended June 30, 2023, the District recognized on-behalf post-employment expense and revenue of \$183,953.00 in the government-wide financial statements for contributions provided by the State. This expense and revenue was based on the plans June 30, 2022 measurement date.

At June 30, 2023, the District's proportion was .014721782 percent, which was an increase of .0004107047 from its proportion measured as of June 30, 2022.

The State, a nonemployer contributing entity, is the only entity that has a legal obligation to make employer contributions to OPEB for qualified retired PERS, TPAF/ABP and PFRS participants. The District's proportionate share percentage determined under paragraphs 193 and 203 through 205 of GASBS No. 75 is zero percent. Consequently, the District did not recognize any portion of the collective Non-Employer OPEB liability on the Statement of Net Position.

Actuarial Assumptions and Other Inputs

The total Non-Employer OPEB liability that was associated with the District as of June 30, 2022 was determined by an actuarial valuation as of June 30, 2021, which was rolled forward to June 30, 2022. The actuarial assumptions vary for each plan member depending on the pension plan the member is enrolled in.

Borough of Alpine School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2023

NOTE 7: ACCOUNTING AND FINANCIAL REPORTING FOR POST-RETIREMENT BENEFITS OTHER THAN PENSIONS - GASB 75 (CONTINUED)

Actuarial Assumptions and Other Inputs (Continued)

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

	<u>June 30, 2022</u>		
	<u>TPAF/ABP</u>	<u>PERS</u>	<u>PFRS</u>
Inflation – 2.5%			
Salary Increases	2.75-4.25%*	2.75-6.55%*	3.25-16.25%*

*- Based on Years of Service

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

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 to June 30, 2021.

Borough of Alpine School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2023

NOTE 7: ACCOUNTING AND FINANCIAL REPORTING FOR POST-RETIREMENT BENEFITS OTHER THAN PENSIONS - GASB 75 (CONTINUED)

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 trend rate after eight years. For the Medicare Part B reimbursement, the trend rate is 5.00%.

Discount Rate

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

Changes in the Total Non-Employer OPEB Liability

Shown below are details regarding The Total OPEB non-employer Liability associated with the District for the measurement period from June 30, 2021 to June 30, 2022.

Borough of Alpine School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2023

NOTE 7: ACCOUNTING AND FINANCIAL REPORTING FOR POST-RETIREMENT BENEFITS OTHER THAN PENSIONS - GASB 75 (CONTINUED)

Changes in the Total Non-Employer OPEB Liability (Continued)

Balance at 6/30/21		\$8,257,937
Changes for the year:		
Service cost	\$451,194	
Interest	190,217	
Differences between expected and actual experience	386,215	
Changes in assumptions or other inputs	(1,925,484)	
Membership Contributions	6,044	
Benefit payments - Net	(188,416)	
Net changes		(1,080,230)
Balance at 6/30/22		\$7,177,707

Sensitivity of the Total Non-Employer OPEB Liability to Changes in the Discount Rate

The following presents the total Non-Employer OPEB liability associated with the District as of June 30, 2022, calculated using the discount rate as disclosed above as well as what the total Non-Employer OPEB liability would be if it was calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	June 30, 2022		
	1.00% Decrease (2.54%)	At Discount Rate (3.54%)	1.00% Increase (4.54%)
State of New Jersey's Proportionate Share of the total Non-Employer OPEB Liability associated with the District	\$8,436,640	\$7,177,707	\$6,168,735

Borough of Alpine School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2023

NOTE 7: ACCOUNTING AND FINANCIAL REPORTING FOR POST-RETIREMENT BENEFITS OTHER THAN PENSIONS - GASB 75 (CONTINUED)

Sensitivity of the Total Non-Employer OPEB Liability to Changes in Healthcare Trends

The following presents the total Non-Employer OPEB liability associated with the District as of June 30, 2022, calculated using the healthcare trend rate as disclosed above as well as what the total Non-Employer OPEB liability would be if it was calculated using a healthcare trend rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	<u>1.00%</u> <u>Decrease</u>	<u>June 30, 2022</u> <u>Healthcare Cost</u> <u>Trend Rate</u>	<u>1.00%</u> <u>Increase</u>
State of New Jersey's Proportionate Share of the total Non-Employer OPEB Liability associated with the District	\$5,932,814	\$7,177,707	\$8,812,950

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Non-Employer OPEB Liability

At June 30, 2022, the State reported deferred outflows of resources and deferred inflows of resources related to retired school employee's Non-Employer OPEB Liability associated with the District from the following sources:

	<u>Deferred</u> <u>Outflow of</u> <u>Resources</u>		<u>Deferred</u> <u>Inflow of</u> <u>Resources</u>
Differences between expected and actual experience	\$ 1,281,505	\$	2,191,437
Changes of assumptions	1,242,279		2,442,899
Changes in proportion	<u>442,917</u>		<u>1,168,328</u>
	<u>\$ 2,966,701</u>	\$	<u>5,802,664</u>

Borough of Alpine School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2023

NOTE 7: ACCOUNTING AND FINANCIAL REPORTING FOR POST-RETIREMENT BENEFITS OTHER THAN PENSIONS - GASB 75 (CONTINUED)

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Non-Employer OPEB Liability (Continued)

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

Measurement Period Ended <u>June 30,</u>	<u>Amount</u>
2023	(\$501,817)
2024	(\$501,817)
2025	(\$501,817)
2026	(\$453,391)
2027	(\$321,377)
Total Thereafter	<u>(\$555,743)</u>
	<u><u>(\$2,835,963)</u></u>

In accordance with GASBS No. 75, the District's proportionate share of school retirees OPEB is zero. There is no recognition of the allocation of proportionate share of deferred outflows of resources and deferred inflows of resources in the financial statements.

State Health Benefit Local Education Retired Employee Plan Information

The New Jersey Division of Pension and Benefits issues publicly available reports on the OPEB plan. Those reports may be obtained by writing to the Division of Pension and Benefits, PO Box 295, Trenton, NJ 08625-0295 or on their website at <http://www.state.nj.us/treasury/pensions/financial-reports.shtml>.

NOTE 8: LITIGATION

The District's counsel advises that there is no litigation, pending litigation, claims, contingent liabilities, unasserted claims or assessments or statutory violations which involve the School District and which might materially affect the District's financial position.

Borough of Alpine School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2023

NOTE 9: CONTINGENCIES

The District receives financial assistance from the State of New Jersey and the U.S. Government in the form of grants. Entitlement to the funds is generally conditional upon compliance with terms and conditions of the grant agreements and applicable regulations, including the expenditure of the funds for eligible purposes. The State and Federal grants received and expended in the 2022-2023 fiscal year were subject to the Federal Uniform Guidance and New Jersey OMB Circular 15-08, which mandate that grant revenues and expenditures be audited in conjunction with the District's annual audit. Findings and questioned costs, if any, relative to federal awards and state financial assistance programs will be discussed in the Single Audit Section, Schedule of Findings and Questioned Costs. In addition, all grants and cost reimbursements are subject to financial and compliance audits by the grantors.

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.

Property and Liability Insurance

The District maintains insurance coverage covering each of those risks of loss. The administration believes such coverage is sufficient to preclude any significant uninsured losses to the District. Settled claims have not exceeded the insurance coverage in any of the past three fiscal years.

New Jersey Unemployment Compensation Insurance

The District has elected to fund its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method." Under this plan, the District is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The District is billed quarterly for amounts due to the State. Charges are applied to the Unemployment Compensation Claims Payable first, and any remaining charges are applied to the Unemployment Compensation budget appropriation. The following is a summary of District contributions, employee contributions, reimbursements to the State for benefits paid and the combined ending balance of the District's Unemployment Compensation Claims Payable and Unemployment Restricted Fund Balance for the current and previous two years:

Borough of Alpine School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2023

NOTE 10: RISK MANAGEMENT (CONTINUED)

New Jersey Unemployment Compensation Insurance (Continued)

<u>Year Ended June 30,</u>	<u>Interest and Employer Contributions</u>	<u>Employee Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2023	\$ 20,214.00	\$ -	\$ 15,437.52	\$ 44,925.32
2022	20,214.00	-	-	40,148.84
2021	20,214.00	-	2,821.51	19,934.84

NOTE 11: COMPENSATED ABSENCES

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

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

The liability for vested compensated absences of the governmental fund types are recorded in the District-wide Statement of Net Position. As of June 30, 2023, a liability existed for compensated absences for governmental fund-types in the district-wide Statement of Net Position of \$77,101.50.

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 proprietary funds.

For additional descriptive information see Note 1, Summary of Significant Accounting Policies.

Borough of Alpine School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2023

NOTE 12: FUND BALANCE APPROPRIATED

General Fund

Of the \$6,991,414.53 in General Fund Balance at June 30, 2023, \$402,766.07 is assigned for encumbrances; \$50,000.00 has been restricted for emergency purposes; \$5,988,933.14 has been restricted in the Capital Reserve Account; \$44,925.32 has been restricted for unemployment claims; \$6,950.00 has been restricted for security deposits; and \$497,840.00 is unassigned fund balance.

NOTE 13: CAPITAL RESERVE ACCOUNT

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

Funds placed in the capital reserve account are restricted to capital projects in the district's approved Long Range Facilities Plan (LRFP). Upon submission of the LRFP to the 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 (June 1 to June 30) of any unanticipated revenue or unexpended line item appropriations, or both. A district may also appropriate additional amounts when the express approval of the voters has been obtained by either a separate proposal at budget time or by a special question at one of the four special election dates authorized by N.J.S.A. 19:60-2. Pursuant to N.J.A.C. 6A:23A-14.1(g), the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

The activity of the capital reserve during the year ended June 30, 2023, is as follows:

Balance, June 30, 2022	\$	4,928,344.94
Deposits:		
Board Resolution		1,177,502.20
	\$	<u>6,105,847.14</u>
Withdrawals:		
Budgeted Withdrawal		<u>(116,914.00)</u>
Balance, June 30, 2023	\$	<u><u>5,988,933.14</u></u>

Borough of Alpine School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2023

NOTE 14: EMERGENCY RESERVE

An emergency reserve was established by the Borough of Alpine School District for the accumulation of funds for use as emergency expenditures in subsequent fiscal years. The emergency reserve account is maintained in the general fund and its activity is included in the general fund annual budget. The emergency reserve account is used to fund unanticipated general fund current expense costs and may be established to supplement the reserve in the District's annual budget or through a transfer by board resolution at year end of any unanticipated revenue and unexpended line item appropriation amounts in accordance with N.J.S.A. 18A:7F-41.

The activity of the emergency reserve for the year ending June 30, 2023 is as follows:

Balance June 30, 2022 and June 30, 2023	<u>\$50,000.00</u>
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NOTE 15: CALCULATION OF EXCESS SURPLUS

In accordance with N.J.S.A. 18A:7F-7, as amended by P.L. 2007, c73 (S1701), the designation for Restricted Fund Balance - Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to reserve General Fund fund balance at the fiscal year end of June 30 if the District did not appropriate a required minimum amount as budgeted fund balance in the subsequent year's budget. The excess fund balance resulting from the year ended June 30, 2023 is \$-0-.

Borough of Alpine School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2023

NOTE 15: CALCULATION OF EXCESS SURPLUS (CONTINUED)

General Fund Expenditures Fiscal Year Ended June 30, 2023	\$7,957,907.30
Less:	
On-behalf TPAF Pension and Social Security Reimbursement	<u>(1,091,953.69)</u>
Adjusted General Fund Expenditures	\$6,865,953.61
Excess Surplus Percentage	<u>2.00%</u>
2% of Adjusted 2022-23 General Fund Expenditures	\$137,319.07
Greater of line above or \$250,000.00	<u>250,000.00</u>
Add: Allowable Adjustments	<u>271,801.00</u>
Maximum Unassigned Fund Balance	\$521,801.00
Actual Unassigned Fund Balance (Budgetary)	<u>521,801.00</u>
Excess Surplus	<u><u>\$0.00</u></u>

NOTE 16: INTERFUND RECEIVABLES AND PAYABLES

The following interfund balances remained on the balance sheet at June 30, 2023:

<u>Fund</u>	<u>Receivable</u>	<u>Payable</u>
General Fund	\$ 161,250.71	
Special Revenue Fund		\$ 161,250.71
	<u>\$ 161,250.71</u>	<u>\$ 161,250.71</u>

All balances resulted from the time lag between the dates that short-term loans were disbursed and payments between funds were received.

Borough of Alpine School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2023

NOTE 17: SUBSEQUENT EVENTS

The Board of Education has evaluated subsequent events occurring after the financial statement date through December 19, 2023 which is the date the financial statements were available to be issued. The District has determined that there are no material subsequent events that need to be disclosed.

REQUIRED SUPPLEMENTARY INFORMATION – Part II

BUDGETARY COMPARISON SCHEDULES

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

	ORIGINAL BUDGET	BUDGET TRANSFERS AND AMENDMENTS	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE/ (UNFAVORABLE)
REVENUES:					
Local sources:					
Local tax levy	\$ 7,016,693.00	\$	\$ 7,016,693.00	\$ 7,016,693.00	\$
Tuition from individuals	52,632.00		52,632.00	234,803.24	182,171.24
Transportation Fees from Individuals	2,400.00		2,400.00	15,000.00	12,600.00
Rents and Royalties	41,440.00		41,440.00	87,230.50	45,790.50
Miscellaneous- unrestricted	15,000.00		15,000.00	145,395.92	130,395.92
Total-local sources	7,128,165.00		7,128,165.00	7,499,122.66	370,957.66
State sources:					
Extraordinary aid	20,000.00		20,000.00	281,505.00	261,505.00
Categorical special education aid	152,688.00		152,688.00	152,688.00	
Transportation aid	74,112.00		74,112.00	74,112.00	
Security aid	15,978.00		15,978.00	15,978.00	
Additional non-public transportation aid				10,296.00	10,296.00
State Reimbursement for Lead Testing of Drinking Water				540.00	540.00
On-behalf TPAF post-retirement medical (non-budgeted)				191,683.00	191,683.00
On-Behalf TPAF Non Contributory Insurance				9,985.00	9,985.00
On-Behalf TPAF Long-Term Disability Insurance				335.00	335.00
On-behalf TPAF post retirement contributions (non-budgeted)				719,688.00	719,688.00
Reimbursed TPAF social security contributions (non-budgeted)				170,262.69	170,262.69
Total - state sources	262,778.00		262,778.00	1,627,072.69	1,364,294.69
Withdraw from Cap Res-Excess Cost & Oth Cap Pj	116,914.00		116,914.00		(116,914.00)
Total revenues	7,507,857.00		7,507,857.00	9,126,195.35	1,618,338.35

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

	ORIGINAL BUDGET	BUDGET TRANSFERS AND AMENDMENTS	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE/ (UNFAVORABLE)
EXPENDITURES:					
CURRENT EXPENSE:					
Instruction - regular programs:					
Salaries of teachers:	\$ 125,877.00	\$ 10,604.84	\$ 136,481.84	\$ 135,931.30	\$ 550.54
Preschool/kindergarten	578,314.00	47,675.16	625,989.16	625,988.50	0.66
Grades 1-5	667,174.00	(30,480.00)	636,694.00	636,233.26	460.74
Grades 6-8					
Regular programs - home instruction:	3,324.00		3,324.00		3,324.00
Purchased professional - educational services					
Regular programs - undistributed instruction:					
Other salaries for instruction	52,244.00	(150.00)	52,094.00	50,919.35	1,174.65
Promedia services	10,440.00	(10,440.00)			
Other purchased services (400-500 series)	62,887.28	(4,366.00)	58,521.28	49,938.33	8,582.95
General supplies	76,864.00	(29,294.00)	47,570.00	44,914.10	2,655.90
Textbooks	15,000.00	5,330.00	20,330.00	20,286.30	43.70
Other objects	40,960.90	33,750.00	74,710.90	61,937.62	12,773.28
Total regular programs	1,633,085.18	22,630.00	1,655,715.18	1,626,148.76	29,566.42
Special education:					
Resource room:					
Salaries of teachers	210,635.00	5,000.00	215,635.00	211,346.45	4,288.55
Purchased professional - educational services	19,319.00	(5,000.00)	14,319.00	14,319.00	
Other purchased services (400-500 series)	16,299.00		16,299.00	15,247.67	1,051.33
General supplies	1,646.00		1,646.00	412.51	1,233.49
Total resource room	247,899.00		247,899.00	227,006.63	20,892.37
Home Instruction					
Salaries of Teachers		10,000.00	10,000.00	7,149.50	2,850.50
Total home instruction		10,000.00	10,000.00	7,149.50	2,850.50
Total special education	247,899.00	10,000.00	257,899.00	234,156.13	23,742.87
Basic skills/remedial:					
Salaries of teachers	84,641.00		84,641.00	32,259.60	52,381.40
Textbooks	25,000.00	(20,000.00)	5,000.00	5,000.00	
Other Objects	4,354.00		4,354.00	4,354.00	
General supplies	1,450.00		1,450.00	1,450.00	
Total basic skills/remedial	115,445.00	(20,000.00)	95,445.00	32,259.60	63,185.40

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

	ORIGINAL BUDGET	BUDGET TRANSFERS AND AMENDMENTS	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE/ (UNFAVORABLE)
Bilingual education:					
Salaries of teachers	\$ 80,014.00	\$	\$ 80,014.00	\$ 77,100.00	\$ 2,914.00
General supplies	400.00		400.00	350.06	49.94
Total bilingual education	80,414.00		80,414.00	77,450.06	2,963.94
School sponsored cocurricular activities:					
Salaries	61,609.00	(1,000.00)	60,609.00	44,250.66	16,358.34
General supplies	800.00		800.00	434.80	365.20
Other Objects	2,200.00	200.00	2,400.00	1,237.00	1,163.00
Total school sponsored cocurricular activities	63,809.00		63,809.00	45,922.46	17,886.54
School sponsored athletics:					
Salaries	36,821.00		36,821.00	20,698.50	16,122.50
Purchased services (300 - 500 series)	3,378.00	(1,000.00)	2,378.00		2,378.00
Supplies	3,774.00	(500.00)	3,274.00	2,034.92	1,239.08
Other objects	3,057.00	1,500.00	4,557.00	3,083.89	1,473.11
Total school sponsored athletics	47,030.00		47,030.00	25,817.31	21,212.69
Total other instructional programs	110,839.00		110,839.00	71,739.77	39,099.23
Total - instruction	2,187,682.18	12,630.00	2,200,312.18	2,041,754.32	158,557.86
Undistributed expenditures:					
Instruction:					
Tuition to other LEA's within the state-regular	954,251.80	61,500.00	1,015,751.80	856,811.03	158,940.77
Tuition to other LEA's within the state-special	310,695.00	(77,000.00)	233,695.00	186,425.00	47,270.00
Tuition - Other	52,488.00	(10,805.00)	41,683.00	27,297.60	14,385.40
Tuition to Private Schools Handicapped	481,336.00		481,336.00	475,609.80	5,726.20
Total undistributed expenditures - instruction	1,798,770.80	(26,305.00)	1,772,465.80	1,546,143.43	226,322.37
Undistributed expenditures:					
Attendance and social work services:					
Salaries	9,570.00	200.00	9,770.00	9,617.00	153.00
Total undistributed expenditures - attend. and social work services	9,570.00	200.00	9,770.00	9,617.00	153.00

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

	ORIGINAL BUDGET	BUDGET TRANSFERS AND AMENDMENTS	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE/ (UNFAVORABLE)
Health services:					
Salaries	\$ 70,118.00	\$	\$ 70,118.00	\$ 66,684.00	\$ 3,434.00
Supplies and materials	2,671.00	(1,200.00)	1,471.00	1,326.98	144.02
Other objects	4,612.00	1,000.00	5,612.00	4,788.75	823.25
Total health services	77,401.00	(200.00)	77,201.00	72,799.73	4,401.27
Other support services - speech, OT, PT and related services:					
Salaries	40,099.00	1,000.00	41,099.00	40,939.54	159.46
Purchased professional - educational services	76,196.00	(11,000.00)	65,196.00	38,929.00	26,267.00
Supplies and materials	200.00		200.00	-	200.00
Total other support services - speech, OT, PT and related services	116,495.00	(10,000.00)	106,495.00	79,868.54	26,626.46
Other support services - students - extraordinary:					
Salaries	210,557.00	22,500.00	233,057.00	223,606.72	9,450.28
Purchased professional - educational services	45,150.00	(22,500.00)	22,650.00		22,650.00
Total other support services - students - extraordinary	255,707.00		255,707.00	223,606.72	32,100.28
Other support services - guidance:					
Other purchased professional and technical services	3,727.00	(1,400.00)	2,327.00		2,327.00
Supplies and materials		1,400.00	1,400.00	1,237.11	162.89
Total other support services - guidance	3,727.00		3,727.00	1,237.11	2,489.89

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

	ORIGINAL BUDGET	BUDGET TRANSFERS AND AMENDMENTS	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE/ (UNFAVORABLE)
Other support services - Child Study Team					
Salaries of other professional staff	\$ 127,722.00	\$	\$ 127,722.00	\$ 127,475.76	\$ 246.24
Salaries of secretarial and clerical assistants	17,246.00		17,246.00	17,129.52	116.48
Purchased professional - educational services	17,139.00	(2,650.00)	14,489.00	6,251.44	8,237.56
Supplies and materials	2,100.00	2,100.00	2,100.00	1,288.27	811.73
Other objects	1,344.00	550.00	1,894.00	1,840.00	54.00
Total other support services - Child Study Team	163,451.00		163,451.00	153,984.99	9,466.01
Improvement of instruction services					
Salaries of supervisors of instruction	335,418.00	(52,000.00)	283,418.00	256,851.84	26,566.16
Salaries of other professional staff	43,526.00	66,200.00	109,726.00	109,661.50	64.50
Supplies and materials	1,203.00	(300.00)	903.00	903.00	903.00
Other objects	9,503.00	(4,900.00)	4,603.00	4,503.27	99.73
Total improvement of instruction services/ other support services-instructional staff	389,650.00	9,000.00	398,650.00	371,016.61	27,633.39
Educational media services/school library:					
Salaries	46,708.00	2,300.00	49,008.00	48,962.00	46.00
Purchased technical services	70,000.00		70,000.00	69,999.96	0.04
Other purchased services (400-500)	8,000.00	(2,100.00)	5,900.00	4,724.11	1,175.89
Supplies and materials	12,000.00	(200.00)	11,800.00	11,324.62	475.38
Total educational media services/school library	136,708.00		136,708.00	135,010.69	1,697.31
Instructional staff training services:					
Purchased professional - educational services	2,300.00	(1,200.00)	1,100.00	675.32	424.68
Other purchased services (400-500)	15,000.00	(7,800.00)	7,200.00	6,975.02	224.98
Total instructional staff training services	17,300.00	(9,000.00)	8,300.00	7,650.34	649.66

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

	ORIGINAL BUDGET	BUDGET TRANSFERS AND AMENDMENTS	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE/ (UNFAVORABLE)
Support services general administration:					
Salaries	\$ 30,333.00	\$ 2,050.00	\$ 32,383.00	\$ 27,145.44	\$ 5,237.56
Legal services	21,650.00	(13,265.89)	8,384.11	4,075.88	4,308.23
Audit fees	17,952.00	(400.00)	17,552.00	17,550.00	2.00
Architectural/Engineering Services	7,291.03	1,700.00	8,991.03	5,161.98	3,829.05
Other purchased services (400-500)	1,229.00	2,586.00	3,815.00	3,737.84	77.16
General supplies	1,950.00	(1,180.00)	770.00	165.68	604.32
Misc. Purch Serv (400-500) [Other than 530 & 585]	1,688.00	632.00	2,300.00	2,219.11	80.89
Miscellaneous expenditures	3,150.00	4,627.75	7,777.75	7,777.16	0.59
Total support services general administration	85,223.03	(3,250.14)	81,972.89	67,833.09	14,139.80
Support services school administration:					
Salaries of principals/asst. principals	26,703.00	(1,197.75)	25,505.25	24,472.08	1,033.17
Salaries of secretarial and clerical assistants	7,608.00	(250.00)	7,358.00	7,336.80	21.20
Supplies and materials	1,000.00		1,000.00	952.00	48.00
Other objects	1,500.00	2,500.00	4,000.00	210.00	3,790.00
Total support services school administration	36,811.00	1,052.25	37,863.25	32,970.88	4,892.37
Central services:					
Salaries	159,621.00	(661.00)	158,960.00	158,958.96	1.04
Purchased Professional Services	497.00	(497.00)			
Purchased technical services	3,924.00	5,389.50	9,313.50	9,129.50	184.00
Supplies and materials	1,800.00	460.28	2,260.28	2,093.77	166.51
Board office misc dues and fees	7,374.00	866.18	8,240.18	7,247.87	992.31
Total central services	173,216.00	5,557.96	178,773.96	177,430.10	1,343.86
Administrative information technology:					
Supplies and materials	8,294.00	(6,468.11)	1,825.89	1,825.89	
Other Objects		3,608.04	3,608.04	3,608.04	
Total administrative information technology	8,294.00	(2,860.07)	5,433.93	5,433.93	

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

	ORIGINAL BUDGET	BUDGET TRANSFERS AND AMENDMENTS	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE/ (UNFAVORABLE)
Required maintenance for school facilities:					
Cleaning, repair and maintenance services	\$ 104,585.00	\$ 185.36	\$ 104,770.36	\$ 98,127.14	\$ 6,643.22
General supplies	24,563.00	9,500.00	34,063.00	30,046.35	4,016.65
Other Objects	1,957.35	6,500.00	8,457.35	6,332.95	2,124.40
Total required maintenance for school facilities	131,105.35	16,185.36	147,290.71	134,506.44	12,784.27
Custodial Services					
Salaries	134,004.00	14979.52	148,983.52	136,523.41	12,460.11
Salaries for Non-Instructional Aides	25,948.00	2000.00	27,948.00	26,557.07	1,390.93
Purchased professional and technical services	7,860.00	-2000.00	5,860.00	1,826.50	4,033.50
Cleaning, repair and maint. services	68,448.00	(59,142.00)	9,306.00	2,112.34	7,193.66
Other purchased property services	2,274.00		2,274.00	-	2,274.00
Insurance	75,607.00	9,142.00	84,749.00	82,673.00	2,076.00
General supplies	6,068.00	(5,000.00)	1,068.00	112.00	956.00
Energy (natural gas)	51,442.04	15,000.00	66,442.04	25,624.84	40,817.20
Energy (heat and electricity)	77,863.00	(3,000.00)	74,863.00	50,020.08	24,842.92
Other objects	8,978.00		8,978.00	214.00	8,764.00
Total Custodial Services	458,492.04	(28,020.48)	430,471.56	325,663.24	104,808.32
Security:					
Installation fee		1,020.48	1,020.48	1,020.48	
Security Supplies and Materials		2,500.00	2,500.00	2,017.45	482.55
Total Security		3,520.48	3,520.48	3,037.93	482.55
Care and Upkeep of Grounds					
Cleaning, Repair, and Maintenance Services	10,181.00		10,181.00	-	10,181.00
Total Care and Upkeep of Grounds	10,181.00		10,181.00		10,181.00
Student transportation services:					
Salaries for pupil trans. (bet. home and school) - regular	17,245.00		17,246.00	17,129.52	116.48
Contracted services - aid in lieu of payments	61,166.00	(28,973.00)	32,193.00	27,594.00	4,599.00
Contracted services (between home and school) - vendors	99,714.00	17,000.00	116,714.00	104,470.20	12,243.80
Contracted services (other than between home and school) - vendors	7,177.00		7,177.00	4,100.00	3,077.00
Contract Serv. (Sp Ed Stds)-Vendors	4,941.00	33,434.00	38,375.00	38,375.00	
Contracted services (sp. ed. stlds.) - joint agreements	188,749.00	(45,749.00)	143,000.00	100,759.56	42,240.44
Total student transportation services	378,993.00	(24,288.00)	354,705.00	292,428.28	62,276.72

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

	ORIGINAL BUDGET	BUDGET TRANSFERS AND AMENDMENTS	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE/ (UNFAVORABLE)
Unallocated benefits - employee benefits					
Social security contributions	\$ 71,766.00	\$	\$ 71,766.00	\$ 65,975.45	\$ 5,790.55
Other retirement contributions - PERS	75,976.00		75,976.00	60,989.00	14,987.00
Unemployment compensation	20,214.00		20,214.00	15,437.52	4,776.48
Workmen's compensation	28,912.00		28,912.00	12,039.00	16,873.00
Health Benefits	880,840.00	(24,761.00)	856,079.00	645,866.38	210,212.62
Tuition reimbursement	14,109.00		14,109.00		14,109.00
Other employee benefits	56,708.00	(4,487.05)	52,220.95	41,835.32	10,385.63
Total unallocated benefits - employee benefits	1,148,525.00	(29,248.05)	1,119,276.95	842,142.67	277,134.28
Total personal services - employee benefits	1,148,525.00	(29,248.05)	1,119,276.95	842,142.67	277,134.28
On-behalf TPAF post retirement medical (non-budgeted)				191,683.00	(191,683.00)
On-behalf TPAF Non Contributory Insurance				9,985.00	(9,985.00)
On-behalf TPAF Long-Term Disability Insurance				335.00	(335.00)
On-behalf TPAF post retirement contributions (non-budgeted)				719,688.00	(719,688.00)
Reimbursed TPAF social security contributions (non-budgeted)				170,262.69	(170,262.69)
Total on-behalf contributions (non-budgeted)				1,091,953.69	(1,091,953.69)
Total undistributed expenditures	5,399,620.22	(97,655.69)	5,301,964.53	5,574,335.41	(272,370.88)
TOTAL EXPENDITURES - CURRENT EXPENSE	7,587,302.40	(85,025.69)	7,502,276.71	7,616,089.73	(113,813.02)
CAPITAL OUTLAY:					
Equipment:					
Undistributed expenditures:					
Grades 6-8		2,370.00	2,370.00		2,370.00
Undistributed Expenditures:					
Administrative Information Technology		14,444.05	14,444.05	305.09	14,138.96
Security		8,314.64	8,314.64	608.24	7,706.40
Total equipment		25,128.69	25,128.69	913.33	24,215.36

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

	ORIGINAL BUDGET	BUDGET TRANSFERS AND AMENDMENTS	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE/ (UNFAVORABLE)
Facilities acquisition and construction services:					
Architectural / Engineering Services	\$ 9,450.00	\$ 59,897.00	\$ 69,347.00	\$ 65,201.00	\$ 4,146.00
Construction services	245,714.00	190,200.00	435,914.00	272,532.24	163,381.76
Assessment for Debt Service on SDA Funding	3,171.00		3,171.00	3,171.00	
Total facilities acquisition and construction services	258,335.00	250,097.00	508,432.00	340,904.24	167,527.76
TOTAL CAPITAL OUTLAY	258,335.00	275,225.89	533,560.89	341,817.57	191,743.12
TOTAL EXPENDITURES	7,845,637.40	190,200.00	8,035,837.40	7,957,907.30	77,930.10
Excess (deficiency) of revenues over (under) expenditures	(337,780.40)	(190,200.00)	(527,980.40)	1,168,288.05	1,696,268.45
Excess of revenues and other financing sources over Expenditures and other financing sources	(337,780.40)	(190,200.00)	(527,980.40)	1,168,288.05	1,696,268.45
Fund balances, July 1	5,847,087.48		5,847,087.48	5,847,087.48	
Fund balances, June 30	\$ 5,509,307.08	\$ (190,200.00)	\$ 5,319,107.08	\$ 7,015,375.53	\$ 1,696,268.45
Recapitulation:					
Restricted:					
Emergency reserve				\$ 50,000.00	
Capital reserve				5,988,933.14	
Unemployment Compensation				44,925.32	
Security Deposits				6,950.00	
Assigned:					
Encumbrances				402,766.07	
Unassigned fund balance				521,801.00	
Reconciliation to governmental funds statements (GAAP):				7,015,375.53	
Last state aid payment not recognized on GAAP basis				(23,961.00)	
Fund balance per governmental funds (GAAP)			\$ 6,991,414.53		

BOROUGH OF ALPINE SCHOOL DISTRICT
 BUDGETARY COMPARISON SCHEDULE
 SPECIAL REVENUE FUND
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	ORIGINAL BUDGET	BUDGET TRANSFERS AND AMENDMENTS	FINAL BUDGET	ACTUAL	VARIANCE FINAL TO ACTUAL
REVENUES:					
Local sources	\$ 18,948.00	\$ 224,614.04	\$ 243,562.04	\$ 207,358.78	\$ (36,203.26)
State sources		10,279.00	10,279.00	10,279.00	
Federal sources	72,238.00	628,778.00	701,016.00	587,074.81	(113,941.19)
Total revenues	91,186.00	863,671.04	954,857.04	804,712.59	(150,144.45)
EXPENDITURES:					
Instruction:					
Salaries of Teachers	21,316.00	55,684.00	77,000.00	41,893.60	35,306.40
Other Purchased Services	39,051.00	12,818.00	51,869.00	51,869.00	
Purchased prof. & tech. services		8,250.00	8,250.00	6,850.00	1,400.00
General supplies		29,373.11	29,373.11	17,986.32	11,386.79
Other Objects		17,978.00	17,978.00	17,978.00	
Total instruction	60,367.00	124,103.11	184,470.11	136,376.92	48,093.19
Support services:					
Other salaries		6,000.00	6,000.00	6,000.00	
Purchased professional - technical services	11,871.00	125,851.00	137,722.00	82,522.00	55,200.00
Cleaning, repair and maintenance services		3,619.00	3,619.00	3,619.00	
Supplies and materials		100.00	100.00	100.00	
Other objects		6,723.00	6,723.00	2,075.00	4,648.00
Student Activities	18,948.00	116,800.96	135,748.96	92,902.73	42,846.23
Total support services	30,819.00	259,093.96	289,912.96	181,218.73	108,694.23
Facilities acquisition and construction services:					
Construction services		353,436.00	353,436.00	353,436.00	
Instructional equipment		48,055.33	48,055.33	48,055.33	
Non-instructional equipment		78,982.64	78,982.64	78,982.64	
Total facilities acquisition and construction serv.		480,473.97	480,473.97	480,473.97	
Total expenditures	\$ 91,186.00	\$ 863,671.04	\$ 954,857.04	\$ 798,069.62	\$ 156,787.42
Excess (Deficiency) of Revenues Over (Under) Expenditures				6,642.97	6,642.97
Fund Balance, July 1	17,255.26		17,255.26	17,255.26	
Fund Balance, June 30	\$ 17,255.26	\$	\$ 17,255.26	\$ 23,898.23	\$ 6,642.97
Recapitulation of Balance:					
Restricted:					
Student Activities				\$ 23,898.23	

BOROUGH OF ALPINE SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
BUDGET TO GAAP RECONCILIATION
NOTE TO RS!
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Note A - Explanation of difference 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	\$ 9,126,195.35	\$ 804,712.59
Difference - budget to GAAP:		
State aid payment recognized for GAAP statements in the current year, previously it was recognized for budgetary purposes.	21,207.00	
The last State aid payment is recognized as revenue for budgetary purposes and differs from GAAP which does not recognize this revenue until the subsequent year when the State recognizes the related expense (GASB 33)	(23,961.00)	
Adjust for encumbrances:		
Less current year encumbrances		(20,941.10)
Total revenues as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds.	<u>\$ 9,123,441.35</u>	<u>\$ 783,771.49</u>
Uses/outflows of resources		
Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule	\$ 7,957,907.30	\$ 798,069.62
Difference - budget to GAAP:		
Adjust for encumbrances:		
Less current year encumbrances		(20,941.10)
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balance - governmental funds	<u>\$ 7,957,907.30</u>	<u>\$ 777,128.52</u>

REQUIRED SUPPLEMENTARY INFORMATION - PART III

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

BOROUGH OF ALPINE SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
PUBLIC EMPLOYEES RETIREMENT SYSTEM
LAST TEN YEARS

Measurement Date Ending June 30,	District's Proportion of the Net Pension Liability (Asset)	District's Proportionate Share of the Net Pension Liability (Asset)	District's Covered-Employee Payroll	District's Proportion Share of the Net Pension Liability (Asset) as a percentage of it's Covered-Employee Payroll	Plan Fiduciary Net Position as a percentage of the total Pension Liability
2013	0.0050836649%	\$ 1,181,576	420,898.00	280.73%	48.72%
2014	0.0061823839%	951,801	415,926.00	228.84%	52.08%
2015	0.0064104875%	1,439,026	448,306.00	212.31%	47.92%
2016	0.0062950134%	1,864,402	386,099.00	482.88%	40.14%
2017	0.0045884404%	1,068,116	448,522.00	238.14%	48.10%
2018	0.0049066200%	966,089	446,375.00	216.43%	53.60%
2019	0.0062228500%	1,121,263	387,541.00	289.33%	56.27%
2020	0.0062571441%	1,020,377	382,694.00	266.63%	58.32%
2021	0.0059151260%	700,735	472,049.00	148.45%	70.33%
2022	0.0048363741%	729,875	513,213.00	142.22%	62.91%

BOROUGH OF ALPINE SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS
PUBLIC EMPLOYEES RETIREMENT SYSTEM
LAST TEN YEARS

<u>Fiscal Year</u> <u>Ending</u> <u>June 30,</u>	<u>Contractually</u> <u>Required</u> <u>Contribution</u>	<u>Contributions in</u> <u>Relation to the</u> <u>Contractually</u> <u>Required</u> <u>Contributions</u>	<u>Contribution</u> <u>Deficiency</u> <u>(Excess)</u>	<u>District's</u> <u>Covered-</u> <u>Employee</u> <u>Payroll</u>	<u>Contributions as</u> <u>a Percentage of</u> <u>Covered-</u> <u>Employee</u> <u>Payroll</u>
2014	\$ 41,909	\$ 41,909	\$ -0-	415,926.00	10.08%
2015	55,113	55,113	-0-	448,306.00	12.29%
2016	55,924	55,924	-0-	386,099.00	14.48%
2017	56,204	56,204	-0-	335,670.00	16.74%
2018	42,720	42,720	-0-	448,522.00	9.52%
2019	60,530	60,530	-0-	446,375.00	13.56%
2020	68,450	68,450	-0-	387,451.00	17.67%
2021	69,273	69,273	-0-	382,694.00	18.10%
2022	60,989	60,989	-0-	472,049.00	12.92%
2023	84,457	84,457	-0-	513,213.00	16.46%

BOROUGH OF ALPINE SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
TEACHERS PENSION AND ANNUITY FUND
LAST TEN YEARS

Measurement Date Ending June 30,	District's Proportion of the Net Pension Liability (Asset)	District's Proportionate Share of the Net Pension Liability (Asset)	State's Proportionate Share of the Net Pension Liability associated with the District	District's Proportionate Share of the Net Pension Liability (Asset) as a percentage of its Covered-Employee Payroll	District's Covered-Employee Payroll	State's Proportionate Share of the Total Net Pension Liability associated with the District as a percentage of the District's Covered-Employee Payroll	Plan Fiduciary Net Position as a percentage of the total Pension Liability
2013	0.0191225529%	\$ -0-	\$ 9,664,388	-0-	1,750,825.00	551.99%	33.76%
2014	0.0177554175%	-0-	9,489,693	-0-	1,728,075.00	549.15%	33.64%
2015	0.0201686308%	-0-	12,747,436	-0-	1,870,352.00	681.55%	28.71%
2016	0.0171967443%	-0-	13,528,054	-0-	2,056,630.00	657.78%	22.33%
2017	0.0195119269%	-0-	13,155,645	-0-	2,096,864.00	627.40%	25.41%
2018	0.0203731763%	-0-	12,960,977	-0-	2,096,864.00	618.11%	26.49%
2019	0.0197691243%	-0-	12,132,498	-0-	2,022,361.00	599.92%	26.95%
2020	0.0206098955%	-0-	13,571,368	-0-	2,154,307.00	629.96%	24.60%
2021	0.0188240233%	-0-	9,049,685	-0-	2,053,229.00	440.75%	35.52%
2022	0.0193324627%	-0-	9,974,471	-0-	2,298,630.00	433.93%	32.69%

BOROUGH OF ALPINE SCHOOL DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION PART III
NOTE TO RSI III
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

PUBLIC EMPLOYEES RETIREMENT SYSTEM (PERS)

Change in benefit terms:

None

Change in assumptions

The following assumptions were used in calculating the net pension liability in their respective accounting periods:

Measurement Date Ending <u>June 30,</u>	Discount <u>Rate</u>	Long-Term Expected Rate of <u>Return</u>	Actuarial Experience <u>Study Period</u>
2022	7.00%	7.00%	07/01/18-06/30/21
2021	7.00%	7.00%	07/01/14-06/30/18
2020	7.00%	7.00%	07/01/14-06/30/18
2019	6.28%	7.00%	07/01/14-06/30/18
2018	5.66%	7.00%	07/01/11-06/30/14
2017	5.00%	7.00%	07/01/11-06/30/14
2016	3.98%	7.65%	07/01/11-06/30/14
2015	4.90%	7.90%	07/01/08-06/30/11
2014	5.39%	7.90%	07/01/08-06/30/11
2013	5.55%	7.90%	07/01/08-06/30/11

TEACHERS PENSION AND ANNUITY FUND (TPAF)

Change in benefit terms

None

Change in assumptions

The following assumptions were used in calculating the net pension liability in their respective accounting periods:

Measurement Date Ending <u>June 30,</u>	Discount <u>Rate</u>	Long-Term Expected Rate of <u>Return</u>	Actuarial Experience <u>Study Period</u>
2022	7.00%	7.00%	07/01/18-06/30/21
2021	7.00%	7.00%	07/01/15-06/30/18
2020	5.40%	7.00%	07/01/15-06/30/18
2019	5.60%	7.00%	07/01/15-06/30/18
2018	4.86%	7.00%	07/01/12-06/30/15
2017	4.25%	7.00%	07/01/12-06/30/15
2016	3.22%	7.65%	07/01/12-06/30/15
2015	4.13%	7.90%	07/01/09-06/30/12
2014	4.68%	7.90%	07/01/09-06/30/12
2013	4.95%	7.90%	07/01/09-06/30/12

REQUIRED SUPPLEMENTARY INFORMATION - PART IV

**SCHEDULE RELATED TO ACCOUNTING AND REPORTING FOR POSTEMPLOYMENT BENEFITS OTHER THAN
PENSIONS (GASB 75)**

**BOROUGH OF ALPINE SCHOOL DISTRICT
SCHEDULE OF CHANGES IN THE DISTRICT'S
TOTAL OPEB LIABILITY AND RELATED RATIOS
LAST TEN YEARS**

	Measurement Date Ended June 30,					
	2022	2021	2020	2019	2018	2017
Total Non-Employer OPEB Liability - State's Proportionate Share of Total OPEB Liability Associated with the School District						
Balance at 6/30	\$8,257,937	\$10,015,569	\$6,845,098	\$7,531,783	\$8,446,179	\$9,066,688
Changes for the year:						
Service cost	451,194	530,883	331,206	303,577	331,933	388,606
Interest	190,217	214,220 (8,790)	248,237	299,321	310,807	267,095
Changes of benefit terms						
Differences between expected and actual experience	386,215	(2,338,824)	930,606	(1,187,749)	(498,390)	
Changes in assumptions or other inputs	(1,925,484)	8,147	1,829,500	102,061	(864,310)	(1,097,783)
Membership Contributions	6,044	5,477	5,285	6,229	6,961	7,204
Benefit payments - Net	(188,416)	(168,745)	(174,383)	(210,124)	(201,397)	(195,631)
Net changes	(1,080,230)	(1,757,632)	3,170,471	(686,685)	(914,396)	(620,509)
Balance at 6/30	<u>\$7,177,707</u>	<u>\$8,257,937</u>	<u>\$10,015,569</u>	<u>\$6,845,098</u>	<u>\$7,531,783</u>	<u>\$8,446,179</u>
Covered Employee Payroll	2,811,843	2,525,278	2,537,001	2,409,902	2,543,239	3,164,980
District's Proportionate Share of the Total Non-Employer OPEB Liability as a percentage of the District's Covered Employee Payroll	-0-	-0-	-0-	-0-	-0-	-0-
State's Proportionate Share of the Total Non-Employer OPEB Liability associated with the District as a percentage of the District's Covered Employee Payroll	255.27%	327.01%	394.78%	284.04%	296.15%	266.86%

Note: Schedule is intended to show ten year trend. Additional years will be reported as they become available.

BOROUGH OF ALPINE SCHOOL DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION PART IV
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Change in benefit terms: None

Change in assumptions: The following assumptions were used in calculating the net OPEB Liability in their respective accounting periods:

Measurement Date Ending <u>June 30,</u>	Discount <u>Rate</u>
2022	3.54%
2021	2.16%
2020	2.21%
2019	3.50%
2018	3.87%

OTHER SUPPLEMENTARY INFORMATION

**SPECIAL REVENUE FUND
DETAIL STATEMENTS**

BOROUGH OF ALPINE SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	LOCAL	SDA EMERGENT NEEDS	CRRSA - ESSER II	CRRSA - LEARNING ACCELERATION	CRRSA - MENTAL HEALTH	TITLE IV	TITLE I	TITLE IIA
REVENUES:								
Federal sources	\$	\$	\$	\$	\$	\$	\$	\$
State sources								
Other sources	107,813.08	3,619.00	108,644.00	50.00	10,250.00	10,000.00	22,610.00	5,042.00
Total revenues	\$ 107,813.08	\$ 3,619.00	\$ 108,644.00	\$ 50.00	\$ 10,250.00	\$ 10,000.00	\$ 22,610.00	\$ 5,042.00
EXPENDITURES:								
Instruction:								
Salaries of teachers								
Purchased prof. & tech. services			1,713.00		5,750.00			
Other purchased services	307.11		3,906.00					
General Supplies	17,978.00							
Other Objects								
Total instruction	18,285.11		5,619.00		5,750.00			
Support services:								
Purchased Prof. and tech. services		3,619.00		50.00	4,500.00		100.00	5,042.00
Cleaning, repair and maintenance Services								
Supplies and materials								
Other objects								
Student Activities								
Total support services		3,619.00		50.00	4,500.00		100.00	5,042.00
Facilities acquisition and construction serv.								
Construction Services	10,545.33		103,025.00			10,000.00	22,510.00	
Instructional equipment	79,982.64							
Non-instructional equipment								
Total facilities acquisition and construction services	89,527.97		103,025.00			10,000.00	22,510.00	
Total expenditures	107,813.08	3,619.00	108,644.00	50.00	10,250.00	10,000.00	22,610.00	5,042.00
Excess (deficiency) of revenues over (under) expenditures	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Fund Balance, July 1								
Fund Balance, June 30	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-

**BOROUGH OF ALPINE SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	IDEA PART B BASIC	IDEA PART B PRESCHOOL	ARP ESSER III	ARP ESSER III - ACCELERATED LEARNING	ARP ESSER III - EXTENDED SUMMER	ARP ESSER III - BEYOND THE SCHOOL DAY	ARP ESSER III - MENTAL HEALTH	CLIMATE AWARENESS EDUCATION	STUDENT ACTIVITIES	TOTAL
REVENUES:										
Federal sources	\$ 47,154.00	\$ 3,002.00	\$ 296,104.60	\$ 10,780.00	\$ 17,213.21	\$ 25,000.00	\$ 31,225.00	\$ 6,660.00	\$ 99,545.70	\$ 587,074.81
State sources										10,279.00
Other sources										207,358.78
Total revenues	\$ 47,154.00	\$ 3,002.00	\$ 296,104.60	\$ 10,780.00	\$ 17,213.21	\$ 25,000.00	\$ 31,225.00	\$ 6,660.00	\$ 99,545.70	\$ 804,212.59
EXPENDITURES:										
Instruction:										
Salaries of teachers					\$ 15,000.00	\$ 19,000.00	\$	\$	\$	\$ 41,683.60
Purchased prof. & tech. services					1,100.00					6,860.00
Other purchased services	47,154.00	3,002.00			1,113.21	6,000.00		6,660.00		57,969.00
General Supplies										17,988.32
Other Objects										17,878.00
Total instruction	47,154.00	3,002.00	7,693.60	10,780.00	17,213.21	25,000.00	6,660.00	6,660.00	99,545.70	136,376.92
Support services:										
Purchased Prof. and tech. services			33,000.00	10,780.00			28,150.00			82,222.00
Cleaning, repair and maintenance services										3,018.00
Supplies and materials										18,000.00
Other objects							2,075.00			2,075.00
Student Activities									92,902.73	92,902.73
Total support services			33,000.00	10,780.00			31,225.00		92,902.73	181,218.73
Facilities acquisition and construction serv.										
Construction services			250,411.00							353,436.00
Instructional equipment			5,000.00							48,055.33
Non-instructional equipment										78,882.64
Total facilities acquisition and construction services			255,411.00							480,473.97
Total expenditures	47,154.00	3,002.00	296,104.60	10,780.00	17,213.21	25,000.00	31,225.00	6,660.00	92,902.73	798,069.62
Excess (deficiency) of revenues over (under) expenditures	\$ -0.00	\$ -0.00	\$ -0.00	\$ -0.00	\$ -0.00	\$ -0.00	\$ -0.00	\$ -0.00	\$ 6,642.97	\$ 6,642.97
Fund Balance, July 1									17,255.26	17,255.26
Fund Balance, June 30	\$ -0.00	\$ -0.00	\$ -0.00	\$ -0.00	\$ -0.00	\$ -0.00	\$ -0.00	\$ -0.00	\$ 23,898.23	\$ 23,898.23

**CAPITAL PROJECTS FUND
DETAIL STATEMENTS**

BOROUGH OF ALPINE SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF PROJECT EXPENDITURES-BUDGETARY BASIS
AS OF JUNE 30, 2023

<u>ISSUE/PROJECT TITLE</u>	<u>APPROPRIATIONS</u>	<u>EXPENDITURES TO DATE</u>	<u>UNEXPENDED PROJECT BALANCE</u>
	<u>PRIOR YEAR</u>	<u>CURRENT YEAR</u>	
Emergency Generator Installations	\$ 319,000.00	_____	319,000.00
Totals	\$ 319,000.00	\$ _____	\$ 319,000.00

BOROUGH OF ALPINE SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCE-BUDGETARY BASIS
FOR THE YEAR ENDED JUNE 30, 2023

Revenues and other Financing Sources	
Transfer from capital reserve	\$ _____
Total revenues	\$ _____
Excess(deficiency) of revenues over(under) expenditures	
Fund Balance - beginning	\$ <u>190,200.00</u>
Fund Balance - ending	\$ <u><u>190,200.00</u></u>
<u>Reconciliation to GAAP Basis:</u>	
Fund Balance- Budgetary Basis	\$ <u>190,200.00</u>
Fund Balance- GAAP Basis	\$ <u><u>190,200.00</u></u>

BOROUGH OF ALPINE SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES, AND PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
EMERGENCY GENERATOR INSTALLATION
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2023

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources-SDA Grant	\$ 128,800.00	\$	\$ 128,800.00	\$ 128,800.00
Transfer from Capital Reserve	190,200.00	_____	190,200.00	190,200.00
Total Revenues	<u>319,000.00</u>	<u>-</u>	<u>319,000.00</u>	<u>319,000.00</u>
 Expenditures and Other Financing Uses				
Construction Services	_____	_____	_____	319,000.00
Total Expenditures	_____	<u>-</u>	_____	<u>319,000.00</u>
Excess(Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 319,000.00</u>	<u>\$ -</u>	<u>\$ 319,000.00</u>	<u>\$ -</u>

Additional Project Information:

Project Number	0080-010-14-G1CM
Grant Date	<u>7/29/2015</u>
Bond Authorization Date	<u>n/a</u>
Bonds Authorized	<u>n/a</u>
Bonds Issued	<u>n/a</u>
SDA Amount	<u>128,800.00</u>
Local Share	<u>190,200.00</u>
Original Authorized Cost	<u>319,000.00</u>

Percentage Increase Over Original Authorized Cost	_____
Percentage Completion	_____
Original Target Completion Date	<u>7/29/15</u>
Revised Target Completion Date	<u>6/30/24</u>

STATISTICAL SECTION
(UNAUDITED)

BOROUGH OF ALPINE SCHOOL DISTRICT
STATISTICAL SECTION

Contents

Page

Financial Trends:

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 to J-4

Revenue Capacity:

These schedules contain information to help the reader assess the district's most significant local revenue source, the property tax.

J-5 to J-9

Debt Capacity:

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 to J-13

Demographic and Economic Information:

These schedules offer demographic and economic indicators to help the reader understand the environment within which the district's financial activities take place.

J-14 to J-15

Operating Information:

These schedules contain service and infrastructure data to help the reader understand how the information in the district's financial report relates to the services the district provides and the activities it performs.

J-16 to J-20

Sources

Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports (ACFR) for the relevant year.

BOROUGH OF ALPINE SCHOOL DISTRICT
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(accrual basis of accounting)
UNAUDITED

	Fiscal Year Ending June 30,									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Governmental activities										
Net investment in capital assets	\$ 6,942,597	\$ 7,263,489	\$ 7,204,295	\$ 6,645,027	\$ 6,628,529	\$ 6,495,955	\$ 6,445,113	\$ 6,125,815	\$ 2,830,863	\$ 1,899,491
Restricted	6,707,673	5,570,679	4,127,222	3,188,317	1,887,226	944,954	649,250	911,378	4,031,839	1,223,062
Unrestricted (Deficit)	(514,820)	(682,425)	(940,852)	(1,072,075)	(955,757)	(1,114,074)	(1,104,555)	(1,005,004)	(861,481)	337,786
Total governmental activities net position	\$ 13,135,451	\$ 12,151,743	\$ 10,390,665	\$ 7,559,998	\$ 6,326,835	\$ 5,989,808	\$ 6,032,189	\$ 6,001,221	\$ 3,460,340	\$ 3,022,488
Business-type activities										
Unrestricted	\$ 885	\$ 885	\$ 885	\$ 885	\$ 735	\$ 859	\$ 581	\$ 3,078	\$ 2,150	\$ 2,356
Total business-type activities net position	\$ 885	\$ 885	\$ 885	\$ 735	\$ 859	\$ 581	\$ 3,078	\$ 2,150	\$ 2,356	\$ 2,465
District-wide										
Net investment in capital assets	\$ 6,942,597	\$ 7,263,489	\$ 7,204,295	\$ 6,645,027	\$ 6,628,529	\$ 6,495,955	\$ 6,445,113	\$ 6,125,815	\$ 6,125,815	\$ 2,830,863
Restricted	6,707,673	5,570,679	4,127,222	3,188,317	1,887,226	944,954	649,250	911,378	911,378	4,031,839
Unrestricted (Deficit)	(513,935)	(681,540)	(939,967)	(1,071,190)	(955,022)	(1,113,215)	(1,103,974)	(1,001,926)	(1,001,926)	(859,331)
Total district net position	\$ 13,136,336	\$ 12,152,628	\$ 10,391,550	\$ 7,560,733	\$ 6,327,694	\$ 5,990,389	\$ 6,035,267	\$ 6,035,267	\$ 6,003,371	\$ 3,462,896

Source: ACFR Schedule A-1

BOROUGH OF ALPINE SCHOOL DISTRICT
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(accrual basis of accounting)
UNAUDITED

	Fiscal Year Ending June 30									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Expenses										
Governmental activities										
Instruction										
Regular	\$ 2,522,345	\$ 2,302,429	\$ 2,361,839	\$ 2,368,143	\$ 2,370,471	\$ 3,012,779	\$ 2,963,695	\$ 2,497,856	\$ 2,673,832	\$ 2,515,090
Special education	965,723	837,728	839,297	840,785	568,041	562,665	532,521	656,564	800,424	664,834
Other instruction	233,318	259,590	185,183	278,184	295,466	141,609	230,621	273,526	270,193	176,651
Support Services:										
Student and instruction related services	1,218,928	1,150,428	834,025	833,744	810,009	789,451	789,778	855,321	900,255	778,172
General administrative services	67,833	63,414	70,523	71,032	65,487	52,399	53,288	40,615	65,967	49,096
School administrative services	38,405	52,191	66,818	51,214	48,922	82,842	90,097	81,472	44,552	34,250
Central services and technology	177,430	160,970	151,745	136,114	118,782	158,427	134,372	132,074	158,022	156,817
Plant operations and maintenance	463,208	417,550	360,149	374,710	328,868	395,652	437,816	437,267	321,650	326,878
Pupil transportation	292,428	230,507	182,781	183,840	257,409	218,132	200,187	226,738	182,596	149,553
Unallocated benefits	1,525,900	1,574,297	2,417,092	2,158,492	2,353,220	2,442,890	1,824,708	1,824,708	1,188,343	990,069
Unallocated depreciation	1,140,012	187,220	167,920	100,761	93,310	89,168	97,164	104,366	101,135	108,795
Total governmental activities expenses	\$ 8,645,532	\$ 7,235,314	\$ 7,636,372	\$ 7,309,684	\$ 7,939,814	\$ 7,876,784	\$ 7,132,506	\$ 6,736,570	\$ 5,950,205	\$ 5,962,939
Business-type activities:										
Food service				684	586	985	4,153	1,145	3,053	3,556
Total business-type activities expense				596	985	4,153	1,145	3,053	3,556	3,854
Total district expenses	\$ 8,645,532	\$ 7,235,314	\$ 7,636,372	\$ 7,310,271	\$ 7,940,799	\$ 7,880,947	\$ 7,133,651	\$ 6,739,623	\$ 5,953,761	\$ 5,966,592
Program Revenues										
Governmental activities:										
Charges for services:										
Regular instruction (tuition)	\$ 234,803	\$ 183,581	\$ 117,751	\$	\$	\$	\$	\$	\$	\$
Student and instruction related services	99,546	54,192	2,381							
Operating grants and contributions	2,030,570	1,715,902	2,131,589	1,661,128	1,947,420	1,888,950	1,631,040	1,123,155	1,093,311	616,308
Capital grants and contributions			122,840							
Total governmental activities program revenues	\$ 2,364,919	\$ 1,953,675	\$ 2,374,561	\$ 1,947,420	\$ 1,888,950	\$ 1,831,040	\$ 1,123,155	\$ 1,093,311	\$ 616,308	\$ 635,598
Business-type activities:										
Charges for services				834	462	1,072	1,256	1,542	2,006	2,441
Food service										
Operating grants and contributions				462	1,263	1,855	2,073	2,847	3,447	3,804
Total business-type activities program revenues	\$ 2,364,919	\$ 1,953,675	\$ 2,374,561	\$ 1,947,882	\$ 1,890,213	\$ 1,632,695	\$ 1,125,227	\$ 1,096,158	\$ 619,754	\$ 639,403
Net (Expense)/Revenue	\$ (6,280,612)	\$ (5,281,639)	\$ (5,261,811)	\$ (5,337,871)	\$ (5,362,264)	\$ (6,050,864)	\$ (6,245,754)	\$ (6,009,351)	\$ (6,009,351)	\$ (5,643,259)
Governmental activities										
Business-type activities										
Total district-wide net expense	\$ (6,280,612)	\$ (5,281,639)	\$ (5,261,811)	\$ (5,362,388)	\$ (6,050,586)	\$ (6,245,252)	\$ (6,008,423)	\$ (6,008,423)	\$ (6,008,423)	\$ (5,334,007)
General Revenues and Other Changes in Net Position										
Governmental activities:										
Property taxes levied for general purposes, net	\$ 7,016,693	\$ 6,902,078	\$ 6,766,743	\$ 6,604,774	\$ 6,475,269	\$ 6,314,325	\$ 6,084,841	\$ 5,934,795	\$ 5,818,441	\$ 5,667,351
Unrestricted grants and contributions	247,826	140,639	71,955	200,403	120,158	73,565	118,534	54,250	3,460,730	104,398
Miscellaneous income	7,264,319	7,042,717	6,862,798	6,595,427	6,387,890	6,203,375	6,040,319	9,365,717	5,771,749	5,560,750
Total governmental activities	\$ 898,707	\$ 1,761,079	\$ 1,500,987	\$ 1,201,271	\$ 1,233,163	\$ 337,026	\$ (42,380)	\$ 30,967	\$ 3,722,458	\$ 437,852
Change in Net Position	\$ 898,707	\$ 1,761,079	\$ 1,600,987	\$ 1,233,039	\$ 337,304	\$ (44,878)	\$ 31,895	\$ 3,722,252	\$ 437,742	\$ 253,561
Governmental activities										
Business-type activities										
Total district										

Source: ACFR Schedule A-2

BOROUGH OF ALPINE SCHOOL DISTRICT
 FUND BALANCES, GOVERNMENTAL FUNDS
 LAST TEN FISCAL YEARS
 (modified accrual basis of accounting)
 UNAUDITED

	Fiscal Year Ending June 30									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
General Fund:										
Restricted	\$ 6,090,808	\$ 5,025,444	\$ 3,968,649	\$ 3,026,674	\$ 1,777,413	\$ 782,077	\$ 580,856	\$ 484,822	\$ 479,918	\$ 1,206,071
Assigned	402,766	337,780	140,321	111,392	59,563	40,860	61,153	22,515	86,468	158,354
Unassigned	497,840	462,656	371,230	261,467	390,777	290,907	244,572	247,189	248,024	236,423
Total general fund	\$ 6,991,415	\$ 5,825,880	\$ 4,480,200	\$ 2,227,753	\$ 1,113,844	\$ 866,581	\$ 734,526	\$ 814,411	\$ 1,600,848	\$ 1,265,940
All Other Governmental Funds:										
Reserved/Restricted	\$ 23,898	\$ 17,255	\$ 18,948	\$	\$	\$	\$ 153,934	\$ 52,902	\$ 43,867	\$
Committed								393,654	3,508,064	
Unreserved, reported in:										
Capital projects fund	190,200	190,200		50,250	50,250	122,016	(91,108)			
Total all other governmental funds	\$ 214,098	\$ 207,455	\$ 18,948	\$ 50,250	\$ 122,016	\$ 62,826	\$ 446,556.01	\$ 3,551,920.53	\$ -	\$ -

Source: ACFR Schedule B-1

BOROUGH OF ALPINE SCHOOL DISTRICT
CHANGES IN GOVERNMENTAL FUND BALANCES, GOVERNMENTAL FUNDS
(modified accrual basis of accounting)
LAST TEN FISCAL YEARS

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Revenues				<u>UNAUDITED</u>						
Tax levy	\$ 7,016,693	\$ 6,902,078	\$ 6,766,743	\$ 6,604,774	\$ 6,475,269	\$ 6,314,325	\$ 6,084,841	\$ 5,934,795	\$ 5,818,441	\$ 5,667,351
Private Contributions	234,803	183,581	117,751	256,679	126,446	75,113	137,129	60,584	97,113	118,582
Tuition charges	454,985	248,078	84,684	1,016,105	1,067,104	920,367	735,474	623,506	631,300	544,710
Miscellaneous	1,634,598	1,645,705	1,343,870	102,690	119,408	110,759	80,689	81,546	49,848	57,413
State sources	566,134	188,908	140,080	7,768,227	7,420,564	7,038,133	6,754,681	10,057,432	6,388,056	6,216,593
Federal sources	9,907,213	9,168,350	8,453,128							
Total revenue	\$ 18,735,036	\$ 17,634,163	\$ 17,432,173	\$ 16,746,085	\$ 16,134,111	\$ 15,269,808	\$ 14,939,930	\$ 14,291,949	\$ 13,605,147	\$ 12,933,287
Expenditures										
Instruction	1,546,143	1,190,108	1,305,531	1,197,937	1,158,655	1,429,682	1,331,663	1,398,533	1,535,155	1,444,503
Regular instruction	1,226,420	1,150,453	837,875	833,894	828,234	764,751	799,778	855,321	786,001	778,172
Special education instruction	271,349	290,001	258,870	157,248	161,583	148,564	144,374	281,864	268,930	210,359
Other instruction	233,318	258,580	185,183	278,184	295,466	141,609	230,621	273,526	232,122	176,651
Support Services:										
Tuition	1,546,143	1,190,108	1,305,531	1,197,937	1,158,655	1,429,682	1,331,663	1,398,533	1,535,155	1,444,503
Student and instruction related services	1,226,420	1,150,453	837,875	833,894	828,234	764,751	799,778	855,321	786,001	778,172
General administrative services	67,833	63,414	70,523	71,032	66,487	52,399	53,288	40,615	63,518	49,096
School administrative services	38,405	34,284	48,924	51,214	48,622	77,842	90,097	81,472	44,552	34,250
Central services and technology	177,430	160,970	151,745	138,114	118,782	178,427	134,372	132,074	158,022	156,817
Plant operations and maintenance	463,208	417,550	360,149	374,710	328,868	395,652	437,816	437,267	334,273	326,878
Pupil transportation	292,428	230,507	182,781	183,840	257,409	218,132	200,167	226,738	182,596	149,553
Unallocated employee benefits	1,534,096	1,924,534	1,689,669	1,670,978	1,641,072	1,611,845	1,410,990	1,337,180	1,197,105	1,010,069
Capital outlay	822,292	249,585	730,359	186,465	229,054	137,181	428,704	3,402,489	1,052,841	196,283
Total expenditures	\$ 8,735,036	\$ 7,634,163	\$ 7,432,173	\$ 6,746,085	\$ 7,134,111	\$ 7,269,808	\$ 9,939,930	\$ 7,291,949	\$ 6,053,147	\$ 5,933,287
Excess (Deficiency) of revenues over (under) expenditures	1,172,177	1,534,187	1,020,955	1,042,143	286,453	(231,675)	(3,185,249)	2,765,483	334,909	283,305
Other Financing sources (uses)										
State grant cancelled										(244)
Total other financing sources (uses)										(244)
Net change in fund balances	\$ 1,172,177	\$ 1,534,187	\$ 1,020,955	\$ 1,042,143	\$ 286,453	\$ (231,675)	\$ (3,185,249)	\$ 2,765,483	\$ 334,909	\$ 283,061
Debt service as a percentage of noncapital expenditures	-0%	-0%	-0%	-0%	-0%	-0%	-0%	-0%	-0%	-0%

Source: ACFR Schedule B-2

EXHIBIT "J-5"

BOROUGH OF ALPINE SCHOOL DISTRICT
GENERAL FUND OTHER LOCAL REVENUE BY SOURCE
LAST TEN FISCAL YEARS
JUNE 30, 2023

<u>Fiscal Year</u> <u>Ended June 30,</u>	<u>Interest on</u> <u>Investments</u>	<u>Tuition</u>	<u>Rentals</u>	<u>Transportation</u>	<u>Misc.</u>	<u>Total</u>
2014	3,290		32,750	5,830	62,527	104,398
2015	10,827		67,000	6,938	1,782	86,546
2016	10,120		32,750	7,200	1,203	51,274
2017	4,584		32,750	12,572	68,627	118,534
2018	6,988	7,569	38,310	5,640	15,058	73,565
2019	19,085		43,542	3,000	20,871	86,498
2020	17,658	120,866	43,214	3,000	15,665	200,403
2021	3,665	117,751	41,997		25,393	188,806
2022	5,081	183,581	76,803	7,200	51,556	324,221
2023	129,556	234,803	87,231	15,000	15,840	482,429

Source: District Records

BOROUGH OF ALPINE SCHOOL DISTRICT
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS
JUNE 30, 2023

Fiscal Year Ended June 30,	Vacant Land	Residential	Commercial	Public Utilities ^a	Net Valuation Taxable	Estimated Actual (County Equalized Value)
2014	84,877,700	1,781,990,400	93,492,400	*	1,960,360,500	2,338,385,112
2015	83,347,200	1,780,316,500	93,641,000	*	1,957,304,700	2,440,833,895
2016	85,549,800	1,784,324,700	94,616,000	*	1,964,490,500	2,314,924,451
2017	83,552,500	1,801,957,100	94,616,000	*	1,980,125,600	2,458,697,077
2018	80,756,000	1,805,618,900	94,616,000	*	1,980,990,900	2,244,748,895
2019	78,732,500	1,816,103,400	94,616,000	*	1,989,451,900	2,227,580,224
2020	81,023,400	1,822,912,800	94,156,000	*	1,998,092,200	1,956,995,299
2021	73,957,200	1,823,019,300	94,156,000	*	1,991,132,500	1,967,103,342
2022	72,404,200	1,826,702,600	94,156,000	*	1,993,262,800	1,884,982,841
2023	71,236,200	1,811,967,400	94,156,000	*	1,977,359,600	1,865,433,585

Source: District records Tax list summary and Municipal Tax Assessor

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

Revaluations occur when ordered by the County Board of Taxation. The last revaluation was effective in calendar year 2005.

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

b Tax rates are per \$100

* Not available at time of audit.

BOROUGH OF ALPINE SCHOOL DISTRICT
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN YEARS

JUNE 30, 2023

UNAUDITED

Calendar Year Ended Dec 31,	Borough of Alpine School District			Overlapping Rates		Total Direct and Overlapping Tax Rate
	Basic Rate ^a	General Obligation Debt Service ^b	Total Direct	Borough of Alpine	County	
2014	0.297	N/A	0.297	0.160	0.276	0.733
2015	0.304	N/A	0.304	0.162	0.299	0.765
2016	0.303	N/A	0.303	0.168	0.298	0.769
2017	0.310	N/A	0.310	0.168	0.290	0.768
2018	0.319	N/A	0.319	0.169	0.313	0.801
2019	0.332	N/A	0.332	0.174	0.273	0.779
2020	0.339	N/A	0.339	0.177	0.243	0.759
2021	0.347	N/A	0.347	0.182	0.248	0.777
2022	0.353	N/A	0.353	0.186	0.228	0.767
2023	0.367	N/A	0.367	0.197	0.226	0.790

Source: District Records and Municipal Tax Collector
N/A Not Applicable

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 calculator

- 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.

BOROUGH OF ALPINE SCHOOL DISTRICT
PRINCIPAL PROPERTY TAX PAYERS
CURRENT YEAR AND NINE YEARS AGO
JUNE 30, 2023
UNAUDITED

Taxpayer	2023			2014		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
Montammy Golf Club	50,338,000	1	2.55%	49,363,000	1	2.52%
Victoria Zoeliner	41,270,600	2	2.09%			
F.E. Alpine, Inc Taxpayer #1				42,000,000	2	2.14%
F.E. Alpine, Inc				40,157,800	3	2.05%
Rio Vista Realty LLC	23,094,400	3	1.17%	26,118,600	4	1.33%
887 Closter Dock Road Associates	16,500,000	4	0.83%	23,094,400	5	1.18%
Taxpayer #2				20,959,700	6	1.07%
Alpine Tower Co.	14,079,900	5	0.71%			0.00%
2 Margo Way Associates, LLC	12,796,000	6	0.65%	12,796,000	7	0.65%
Taxpayer #3				11,747,300	8	0.60%
F.E. Alpine, Inc				11,520,000	9	0.59%
Carsten & Amber Sabathia	10,463,200	7	0.53%	10,463,200	10	0.53%
44 Rio Vista Living Trust	10,208,400	8	0.52%			
4M Alpine LLC	9,891,400	9	0.50%			
Jeff & Sharon Kurtz Trust	9,821,500	10	0.50%			
Total	\$ 198,463,400		10.04%	\$ 248,220,000		12.66%

Source: District ACFR J11 and Municipal Tax Assessor

BOROUGH OF ALPINE SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
JUNE 30, 2023
UNAUDITED

<u>Fiscal Year Ended</u> <u>June 30,</u>	<u>Taxes Levied for</u> <u>the Fiscal Year</u>	<u>Collected within the Fiscal Year</u> <u>of the Levy</u>		<u>Collections in</u> <u>Subsequent Years</u>
		<u>Amount</u>	<u>Percentage</u> <u>of Levy</u>	
2014	5,667,351.00	5,667,351.00	100.00%	-
2015	5,818,441.00	5,818,441.00	100.00%	-
2016	5,934,795.00	5,934,795.00	100.00%	-
2017	6,084,841.00	6,084,841.00	100.00%	-
2018	6,314,325.00	6,314,325.00	100.00%	-
2019	6,604,774.00	6,604,774.00	100.00%	-
2020	6,604,774.00	6,604,774.00	100.00%	-
2021	6,766,743.00	6,766,743.00	100.00%	-
2022	6,902,078.00	6,902,078.00	100.00%	-
2023	7,016,693.00	7,016,693.00	100.00%	-

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

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

EXHIBIT "J-10"

BOROUGH OF ALPINE SCHOOL DISTRICT
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
UNAUDITED

Fiscal Year Ended June 30,	Governmental Activities			Business-Type Activities		Total District	Percentage of Personal Income ^a	Per Capita ^a
	General Obligation Bonds	Certificates of Participation	Capital Leases	Bond Anticipation Notes (BANs)	Capital Leases			
2014								
2015								
2016								
2017								
2018								
2019								
2020								
2021								
2022								
2023								

Not applicable - No outstanding debt

Source: District ACFR Schedules I-1

^a See Exhibit NJ J-10 for personal income and population data. These ratios are calculated using personal income and population for the prior calendar year.

BOROUGH OF ALPINE SCHOOL DISTRICT
RATIOS OF NET BONDED DEBT OUTSTANDING
LAST ELEVEN FISCAL YEARS
UNAUDITED

General Bonded Debt Outstanding

<u>Fiscal Year</u> <u>Ended June</u> <u>30,</u>	<u>General</u> <u>Obligation</u> <u>Bonds</u>	<u>Deductions</u>	<u>Net General</u> <u>Bonded Debt</u> <u>Outstanding</u>	<u>Total Municipal</u> <u>Assessed Value</u>	<u>Percentage of</u> <u>Actual Taxable</u> <u>Value Of</u> <u>Property</u>	<u>Per Capita</u>
2014						
2015						
2016						
2017	NOT APPLICABLE FOR ALPINE- NO OUTSTANDING DEBT IN THE PERIODS REPORTED					
2018						
2019						
2020						
2021						
2022						
2023						

BOROUGH OF ALPINE SCHOOL DISTRICT
RATIOS OF OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF DECEMBER 31, 2022
UNAUDITED

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable ^a</u>	<u>Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes			
Alpine Borough	\$	100.000% \$	*
Other debt			
Bergen County		*	
Subtotal, overlapping debt			*
Alpine Borough School District Direct Debt			*
Total direct and overlapping debt		\$	<u>0</u>

Sources: Borough Chief Finance Office and County Treasurer's Office

* Not available at time of audit

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 Alpine. This process recognizes that, when considering the District's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping payment.

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

BOROUGH OF ALPINE SCHOOL DISTRICT
 LEGAL DEBT MARGIN INFORMATION
 LAST TEN CALENDAR YEARS
 JUNE 30, 2023

Legal Debt Margin Calculation for Calendar Year 2022

Equalized valuation basis	
2022	\$ 1,880,436,604
2021	1,881,088,805
2020	1,972,060,995
	<u>\$ 5,733,586,404</u>
Average equalized valuation of taxable property	\$ 1,911,195,468
Debt limit (3% of avg equalized value)	57,335,864
Net bonded school debt	
Legal debt margin	<u>\$ 57,335,864</u>

	Calendar Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Debt limit	\$ 68,802,587	\$ 70,433,823	\$ 70,688,407	\$ 71,857,421	\$ 69,848,659	\$ 68,989,056	\$ 64,104,076	\$ 57,107,103	\$ 58,016,825	\$ 57,335,864
Total net debt applicable to limit										
Legal debt margin	\$ 70,064,003	\$ 69,916,193	\$ 68,802,587	\$ 70,433,823	\$ 70,688,407	\$ 69,848,659	\$ 68,989,056	\$ 64,104,076	\$ 58,016,825	\$ 57,335,864
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

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

a Limit set by N.J.S.A. 18A:24-19 for a K through 8 district; other % limits would be applicable for other districts

BOROUGH OF ALPINE SCHOOL DISTRICT
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN CALENDAR YEARS
UNAUDITED

<u>Year Ended</u> <u>December</u> <u>31</u>	<u>Unemployment Rate</u>	<u>Per Capita Income (a)</u>	<u>School District</u> <u>Population</u>
2013	3.6%	\$69,495	1,895
2014	3.3%	73,536	1,894
2015	3.3%	75,849	1,917
2016	2.6%	77,187	1,869
2017	2.4%	77,901	1,890
2018	2.4%	81,203	1,820
2019	1.8%	85,951	1,844
2020	5.3%	89,456	1,841
2021	4.0%	91,972	1,754
2022	3.0%	97,343	1,747

(a) Represents County of Bergen

Source: N.J. Department of Labor

BOROUGH OF ALPINE SCHOOL DISTRICT
PRINCIPAL EMPLOYERS
CURRENT AND TEN YEARS AGO
UNAUDITED

Employer	2023			2014		
	Employees	Rank	Percentage of Total Employment	Employees	Rank	Percentage of Total Employment
*	*	*	*	*	*	*
*	*	*	*	*	*	*
*	*	*	*	*	*	*
*	*	*	*	*	*	*
*	*	*	*	*	*	*
*	*	*	*	*	*	*
*	*	*	*	*	*	*
*	*	*	*	*	*	*
*	*	*	*	*	*	*
*	*	*	*	*	*	*
	-		0.00%	-		0.00%

* Not available at time of audit

Source:

BOROUGH OF ALPINE SCHOOL DISTRICT
 FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM
 JUNE 30, 2023
 UNAUDITED

Function/Program	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Instruction										
Regular	30	30	30	30	31	20.26	27.16	21.49	18.39	17.99
Special education	3.4	3.4	3.4	3.4	4	3.8	4.96	5.2	4.8	5.5
Other special education	1	1	1	1	1	2				
Support Services:										
Student and instruction related services	1.8	1.8	1.8	1.8	4	5.3	0.5	1.74	9.47	8.7
General administrative services	0.5	0.5	0.5	0.5	2.8	0.18	0.19	0.19	0.3	0.3
School administrative services	1.45	1.45	1.45	1.45	0.3	0.53	1.64	0.28	0.3	0.35
Business administrative services	1	1	1	1	1.45	1.4	1.2	1.2	1	1.2
Plant operations and maintenance	0.45	0.45	0.45	0.45	2	1.8	1	1.6	1.6	1.6
Pupil transportation	0.2	0.2	0.2	0.2	0.45	0.4	0.4	0.4	0.2	0.2
Technology					2	1		0.5		
Total	39.8	39.8	39.8	39.8	47	35.67	37.05	32.6	36.06	35.84

Source: District Personnel Records

BOROUGH OF ALPINE SCHOOL DISTRICT
OPERATING STATISTICS
LAST TEN FISCAL YEARS
JUNE 30, 2023

Fiscal Year	Enrollment	Operating Expenditures ^a	Cost Per Pupil	Percentage Change	Teaching Staff ^b	Pupil/Teacher Ratio			Average Daily Enrollment (ADE) ^c	Average Daily Attendance (ADA) ^c	% Change in Average Daily Enrollment	Student Attendance Percentage
						Elementary	Middle School	High School				
2014	163	\$5,856,865	\$35,932	-10.06%	*	*	*	160	152	9.97%	95.00%	
2015	156	6,239,109	39,994	11.31%	*	*	*	156	148	-2.50%	94.87%	
2016	155	6,537,441	42,286	5.73%	*	*	*	155	148	-0.90%	95.86%	
2017	159	6,841,103	43,026	1.75%	*	*	*	157	148	1.77%	94.36%	
2018	148	6,996,930	47,277	9.88%	*	*	*	147	139	-6.57%	94.56%	
2019	148	5,847,640	39,511	-16.43%	*	*	*	139	132	-5.44%	94.96%	
2020	152	6,622,003	43,566	10.28%	*	*	*	152	145	9.35%	95.39%	
2021	151	6,701,814	44,383	1.88%	*	*	*	147	142	-3.29%	96.60%	
2022	156	7,384,577	47,337	6.66%	*	*	*	156	149	6.12%	95.91%	
2023	156	7,912,744	50,723	7.15%	*	*	*	155	146	-0.64%	94.19%	

* Not available at time of audit

Sources: District records, ASSA and Schedules J-12, J-14

Note: Enrollment based on annual October district count.

a Operating expenditures equal total expenditures less debt service and capital outlay.

b Teaching staff includes only full-time equivalents of certificated staff.

c Average daily enrollment and average daily attendance are obtained from the School Register Summary (SRS).

BOROUGH OF ALPINE SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS
JUNE 30, 2023

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<u>District Building</u>										
<u>Elementary</u>										
Alpine School										
Square Feet	33,627	33,627	51,137	51,137	51,137	51,137	51,137	51,137	51,137	51,137
Capacity (students)	*	*	*	*	*	*	*	*	*	*
Enrollment	163	156	155	159	148	148	152	151	164	162

Number of Schools at June 30, 2023
 Elementary/Middle = 1

Source: District records, ASSA
Note: Year of original construction is shown in parentheses. Increases in square footage and capacity are the result of any additions. Enrollment is based on the annual October district count.
 * Not available at time of audit

BOROUGH OF ALPINE - SCHOOL DISTRICT
SCHEDULE OF REQUIRED MAINTENANCE FOR SCHOOL FACILITIES
JUNE 30, 2023
UNAUDITED

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

School Facilities	Project # (s)	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Alpine School	N/A	\$ 134,506.44	\$ 101,318.23	\$ 81,870.89	\$ 89,633.81	\$ 44,383.29	\$ 49,065.71	\$ 92,620.28	\$ 111,635.18	\$ 67,431.08	\$ 23,980.12
Total School Facilities		134,506.44	101,318.23	81,870.89	89,633.81	44,383.29	49,065.71	92,620.28	111,635.18	67,431.08	23,980.12
Grand Total		\$ 134,506.44	\$ 101,318.23	\$ 81,870.89	\$ 44,383.29	\$ 49,065.71	\$ 92,620.28	\$ 111,635.18	\$ 67,431.08	\$ 23,980.12	\$ 9,244.00

BOROUGH OF ALPINE SCHOOL DISTRICT
INSURANCE SCHEDULE
JUNE 30, 2023
UNAUDITED

	<u>COVERAGE</u>	<u>DEDUCTIBLE</u>
School Package Policy		
Property - Building and Contents	\$ 21,501,020.00	\$ 5,000.00
Comprehensive General Liability	1,000,000.00	
Crime Coverage - Theft	500,000.00	5,000.00
Forgery or Alteration	250,000.00	
Boiler and Machinery/Equipment Breakdown	Blanket Limit	5,000.00
Excess Liability Policies		
1st Excess Policy - National Union Fire	9,000,000.00	
2nd Excess Policy - Hudson/Allied/Great American	30,000,000.00	
3rd Excess Policy - Firemans Fund	25,000,000.00	
School Board Legal Liability Policy	1,000,000.00	20,000.00
Public Official Bonds:		
Marilyn Hayward - Treasurer of School Monies	200,000.00	
Olga Sico - Business Administrator/Board Secretary	85,000.00	

Source:

School District Records

SINGLE AUDIT SECTION

**SUPLEE, CLOONEY & COMPANY**

CERTIFIED PUBLIC ACCOUNTANTS

308 East Broad Street, Westfield, New Jersey 07090-2122

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

Honorable President and Members
of the Board of Education
Borough of Alpine School District
County of Bergen
Alpine, New Jersey 07620

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 in compliance with audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, and each major fund of the Borough of Alpine School District, in the County of Bergen, State of New Jersey (the "District") as of and for the 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 December 19, 2023.

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.

SUPLEE, CLOONEY & COMPANY

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

Compliance and Other Matters

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

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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.



CERTIFIED PUBLIC ACCOUNTANTS



PUBLIC SCHOOL ACCOUNTANT NO. 948

December 19, 2023



SUPLEE, CLOONEY & COMPANY
CERTIFIED PUBLIC ACCOUNTANTS

308 East Broad Street, Westfield, New Jersey 07090-2122

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

Honorable President and Members
of the Board of Education
Borough of Alpine School District
County of Bergen
Alpine, New Jersey 07620

Report on Compliance for Each Major State Program

Opinion on Each Major State Program

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

In our opinion, The District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major state programs for the year ended June 30, 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; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and the New Jersey OMB State Grant Compliance Supplement. Our responsibilities under those standards and the New Jersey OMB State Grant Compliance Supplement 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.

SUPLEE, CLOONEY & COMPANY

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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 generally accepted auditing standards, *Government Auditing Standards* and the *New Jersey OMB State Grant Compliance Supplement* 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 generally accepted auditing standards, *Government Auditing Standards*, and *New Jersey OMB State Grant Compliance Supplement*, 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 *New Jersey OMB State Grant Compliance Supplement*, 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 state program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a state program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the New Jersey *OMB State Grant Compliance Supplement*. Accordingly, this report is not suitable for any other purpose.



CERTIFIED PUBLIC ACCOUNTANTS



PUBLIC SCHOOL ACCOUNTANT NO. 948

December 19, 2023

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

FEDERAL AID NUMBER	GRANT OR STATE PROJECT NUMBER	FAIN	AWARD AMOUNT	GRANT PERIOD FROM TO	BALANCE AT JUNE 30, 2022	CARRYOVER/ (WALK-OVER) AMOUNT	CASH RECEIVED	BUDGETARY EXPENDITURES	ADJUSTMENTS	REPAYMENT OF PRIOR YEAR'S BALANCE	ACCOUNTS RECEIVABLE	BALANCE AT JUNE 30, 2023	DUE TO GRANTOR				
Special Revenue Funds:																	
U.S. Department of Education																	
Passed-Through State Department of Education:																	
84.367A	NCLB314023	S387A230029	5,042.00	07/01/2022	09/30/2023	\$	5,042.00	(5,042.00)		\$		\$					
Total Title IA																	
84.424	NCLB055523	S424A230031	10,000.00	07/01/2022	09/30/2023		10,000.00	(10,000.00)									
Total Title IV																	
84.010	NCLB314623	S010A230030	22,810.00	07/01/2022	09/30/2023		22,810.00	(22,810.00)									
Total NCLB Title I Part A																	
Special Education Cluster																	
84.027A	IDEA314023	H027A200100	47,154.00	07/01/2022	09/30/2023		47,154.00	(47,154.00)									
84.173A	IDEA314023	H173A210114	3,002.00	07/01/2022	09/30/2023		3,002.00	(3,002.00)									
84.173A	IDEA314622	H173A210114	2,846.00	07/01/2021	09/30/2022	(2,846.00)	2,846.00										
Total Special Education Cluster																	
Coronavirus Response and Relief Supplemental Appropriations Act (CRRSA):																	
84.425D		S425D210027	142,057.00	03/13/2020	09/30/2023		108,644.00	(108,644.00)									
84.425D		S425D210027	25,000.00	03/13/2020	09/30/2023	(8,200.00)	8,250.00	(60.00)									
84.425D		S425D210027	45,000.00	03/13/2020	09/30/2023	(6,500.00)	16,750.00	(10,250.00)									
American Rescue Plan (ARP):																	
84.425U		S425U210027	319,264.00	03/13/2020	09/30/2024		147,782.00	(296,104.60)			(148,322.60)						
84.425U		S425U210027	50,000.00	03/13/2020	09/30/2024		15,589.00	(10,780.00)			(10,780.00)						
84.425U		S425U210027	40,000.00	03/13/2020	09/30/2024		13,100.00	(17,213.21)			(1,614.21)						
84.425U		S425U210027	40,000.00	03/13/2020	09/30/2024		21,650.00	(25,000.00)			(11,900.00)						
84.425U		S425U210027	45,000.00	03/13/2020	09/30/2024	(15,700.00)	332,775.00	(489,266.81)			(8,575.00)						
Total Special Revenue Fund																	
Total Federal Financial Assistance																	
											\$	423,428.00	\$	(587,074.81)	\$	(162,191.81)	\$

The accompanying notes to the schedules of financial assistance are an integral part of this schedule.

BOROUGH OF ALPINE SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

STATE GRANTOR/PROGRAM TITLE State Department of Education	GRANT OR STATE PROJECT NUMBER	AWARD AMOUNT	GRANT PERIOD FROM TO	BALANCE AT JUNE 30, 2022		CASH RECEIVED	BUDGETARY EXPENDITURES	ADJUSTMENTS	REPAYMENT OF PRIOR YEARS BALANCES	BALANCE AT JUNE 30, 2023		MEMO	
				ACCOUNTS RECEIVABLE	UNEARNEED REVENUE					ACCOUNTS RECEIVABLE	UNEARNEED REVENUE	BUDGETARY RECEIVABLE	CUMULATIVE TOTAL EXPENDITURES
State Aid Cluster: Security Aid Categorical Special Education Aid Total State Aid Cluster	23-495-034-5120-084 23-495-034-5120-089	15,978.00 152,688.00	07/01/2022 07/01/2022	06/30/2023 06/30/2023	\$ \$	\$ \$	(15,978.00) (152,688.00)	\$ \$	\$ \$	(15,978.95) (15,069.56)	\$ \$	(1,576.95) (15,069.56)	15,978.00 152,688.00 168,666.00
Transportation Aid Extraordinary Aid Additional Non-Public Transportation Aid Additional Non-Public Transportation Aid Alyssa's Law Security Grant Lead Watering and Irrigation On-Behalf TPAF Post-Retirement Contributions On-Behalf TPAF Long-Term Disability Insurance On-Behalf TPAF Post-Retirement Medical Reimbursed TPAF Social Security Contributions Reimbursed TPAF Social Security Contributions	23-495-034-5120-014 23-495-034-5120-044 23-495-034-5120-014 23-495-034-5120-014 23-495-034-5120-001 23-495-034-5120-001 23-495-034-5094-001 23-495-034-5094-001 23-495-034-5094-001 23-495-034-5094-001 23-495-034-5094-003 23-495-034-5094-003	74,112.00 240,389.00 281,505.00 8,960.00 10,296.00 20,000.00 719,688.00 9,985.00 335.00 191,683.00 164,508.76 170,262.69	07/01/2022 07/01/2022 07/01/2022 07/01/2022 07/01/2022 07/01/2022 07/01/2022 07/01/2022 07/01/2022 07/01/2022 07/01/2022 07/01/2022	06/30/2023 06/30/2023 06/30/2023 06/30/2023 06/30/2023 06/30/2023 06/30/2023 06/30/2023 06/30/2023 06/30/2023 06/30/2023 06/30/2023	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	14,401.05 137,618.44 152,019.49 66,797.51 240,969.00 8,960.00 20,000.00 719,688.00 9,985.00 335.00 191,683.00 154,268.35 1,420,813.31	(15,978.00) (152,688.00) (168,666.00) (74,112.00) (281,505.00) (10,296.00) (540.00) (719,688.00) (9,985.00) (335.00) (191,683.00) (170,262.69) (1,458,406.69)	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	(1,576.95) (15,069.56) (16,646.51) (7,314.49) (281,505.00) (10,296.00) (540.00) (719,688.00) (9,985.00) (335.00) (191,683.00) (15,994.34) (315,108.63)	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	(7,314.49) (281,505.00) (10,296.00) (540.00) (719,688.00) (9,985.00) (335.00) (191,683.00) (170,262.69) (1,458,406.69) (2,314.49) (3,714.49)	74,112.00 143,892.00 281,505.00 10,296.00 540.00 719,688.00 9,985.00 335.00 191,683.00 147,081.70 170,262.69 1,749,080.39	
Total General Fund		\$ (277,522.45)			\$	\$ 1,572,838.80	\$ (1,627,072.69)	\$ (23,961.00)	\$	\$ (331,756.34)	\$	\$ (331,756.34)	\$ 1,917,746.39
Special Revenue Fund: SCDA - Emergent Needs Climate Awareness Education Total Special Revenue Fund	23-100-034-5120-519 23-WB01-502	3,618.00 6,660.00	07/01/2022 04/01/2023	06/30/2023 06/30/2023	\$ \$	\$ \$	(3,619.00) (6,660.00)	\$ \$	\$ \$	\$ \$	\$ \$	\$ \$	3,619.00 5,660.00 10,279.00
Total State Financial Assistance		\$ (277,522.45)			\$	\$ 1,583,117.80	\$ (1,637,351.69)	\$ (23,961.00)	\$	\$ (331,756.34)	\$	\$ (331,756.34)	\$ 1,928,025.39
Less: On-Behalf amounts not utilized for determination of Major Programs On-Behalf TPAF Post-Retirement Contributions On-Behalf TPAF Non-Contributory Insurance On-Behalf TPAF Long-Term Disability Insurance On-Behalf TPAF Post-Retirement Medical						719,688.00 9,985.00 335.00 191,683.00	(719,688.00) (9,985.00) (335.00) (191,683.00)						
Total State Financial Assistance Subject to Single Audit		\$ 651,147.80			\$	\$ 705,381.69							

The accompanying notes to the schedules of financial assistance are an integral part of this schedule.

Borough of Alpine School District
Notes to the Schedules of Expenditures of Federal Awards
and State Financial Assistance
Year Ended June 30, 2023

NOTE 1: GENERAL

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

NOTE 2: BASIS OF ACCOUNTING

The accompanying schedules of expenditures of federal awards and state financial assistance are presented on the budgetary basis of accounting with the exceptions of programs recorded in the food service fund, which are presented using the accrual basis of accounting. These bases of accounting are described in Note 1 of the District's basic financial statements. The information in this schedule is presented in accordance with the requirements of OMB Uniform Guidance, Audits of States, Local Governments, and Non-Profit Organizations. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements. The District has elected not to use the 10 percent *de minimis* indirect cost rate as allowed under the Uniform Guidance.

NOTE 3: RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

The basic financial statements present the general fund and special revenue fund on a GAAP basis. Budgetary comparison schedules, which are Required Supplementary Information (RSI) are presented for the general fund and special revenue fund to demonstrate finance-regulated 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 deferred state aid payments in the current budget year, which is mandated pursuant to N.J.S.A. 18A:22-44.2. For GAAP purposes, the deferred payments are not recognized until the subsequent budget year due to the state deferral and recording of the payment 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 GAAP basis does not.

Borough of Alpine School District
Notes to the Schedules of Expenditures of Federal Awards
and State Financial Assistance
Year Ended June 30, 2023

NOTE 3: RELATIONSHIP TO BASIC FINANCIAL STATEMENTS (CONTINUED)

The net adjustment to reconcile from the budgetary basis to the GAAP basis is (\$2,754.00) for the general fund. The net adjustment to reconcile from the budgetary basis to the GAAP basis is (\$20,941.10) for the special revenue fund. See the notes to the required supplementary information for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Federal awards and state financial assistance revenues are reported in the Board's basic financial statements on a GAAP basis as follows:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$	\$ 1,624,318.69	\$ 1,624,318.69
Special Revenue Fund	<u>566,133.71</u>	<u>10,279.00</u>	<u>576,412.71</u>
Total Awards & Financial Assistance	<u>\$ 566,133.71</u>	<u>\$ 1,634,597.69</u>	<u>\$ 2,200,731.40</u>

NOTE 4: RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

NOTE 5: OTHER

The amount reported as TPAF post retirement contributions, post-retirement medical benefits and long-term disability insurance represents the amount paid by the state on behalf of the district for the year ended June 30, 2023. TPAF Social Security contributions represent the amount reimbursed by the state for the employer's share of Social Security contributions for TPAF members for the year ended June 30, 2023.

Borough of Alpine School District
Bergen County, New Jersey

Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2023

Section I – Summary of Auditor’s Results

Financial Statements

- | | | |
|-----|--|------------|
| (1) | Type of Auditor’s Report Issued: | Unmodified |
| (2) | Internal Control Over Financial Reporting: | |
| | (a) Material weaknesses identified? | No |
| | (b) Significant deficiencies identified that are not considered to be material weaknesses? | No |
| (3) | Noncompliance material to the basic financial statements noted? | No |

Federal Program(s) - Not Applicable

Borough of Alpine School District
Bergen County, New Jersey

Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2023

Section I – Summary of Auditor’s Results (Continued)

State Program(s)

- (1) Internal Control Over Major State Programs:
 - (a) Material weakness identified? No
 - (b) Significant deficiencies identified that are not considered to be material weaknesses? No
- (2) Type of Auditor’s Report issued on compliance for major state program(s)? Unmodified
- (3) Any audit findings disclosed that are required to be reported in accordance with N.J. OMB Circular 15-08 and listed in Section III of this schedule? No
- (4) Identification of Major State Program(s):

<u>Program</u>	<u>Grant Number</u>
Reimbursed TPAF Social Security Contributions	23-495-034-5094-003

- (5) Program Threshold Determination:
 - Type A State Program Threshold > \$750,000.00
 - Type B State Program Threshold <= \$750,000.00
- (6) Auditee qualified as a low-risk auditee under OMB Circular Uniform Guidance? Yes

Borough of Alpine School District
Bergen County, New Jersey

Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2023

Section II – Financial Statement Audit – Reported Findings Under Government Auditing Standards

Internal Control Findings – None Reported

Compliance Findings – None Reported

Section III – Findings and Questioned Costs Relative to Major Federal and State Programs

Federal Programs – Not Applicable

State Programs – None Reported

Borough of Alpine School District
Bergen County, New Jersey

Schedule of Prior Year Audit Findings

Not Applicable

