

**SCHOOL DISTRICT
OF**

BARRINGTON

**Barrington Board of Education
Barrington, New Jersey**

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

**Annual Comprehensive
Financial Report**

of the

Barrington Board of Education

Barrington, New Jersey

For the Fiscal Year Ended June 30, 2023

**Prepared by
Barrington Board of Education
Finance Department**

BARRINGTON SCHOOL DISTRICT

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Introductory Section

Barrington School District

311 Reading Avenue

Barrington, NJ 08007

(856) 547-8467

(856) 547-5533 (fax)

Anthony Arcodia
Superintendent

Samuel Dutkin
*School Business Administrator/
Board Secretary*

December 15, 2023

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

Dear Board Members:

The Annual Comprehensive Annual Financial Report (ACFR) of the Barrington 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 management of the Board of Education. To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds 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 ACFR 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 officers. The financial section includes the general purpose 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 Title 2 U.S. Code of Federal Regulations, cost principles, and audit requirements for federal awards (Uniform Guidance), and State of New Jersey Circular OMB15-08. 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: Barrington School District is an independent reporting entity within the criteria adopted by the GASB as established by NCGA Statement No. 3. All funds and account groups of the District are included in this report. The Barrington Board of Education and all its schools constitute the District's reporting entity.

The District provides the following services:

- K-8 regular education
- Remedial services for at-risk students
- Special Education programs and related services as indicated in the Individual Education Plan (IEP) and required by N.J.A.C. 6:14, including a Preschool Disabilities Program
- Participation in the National School Lunch Program
- Transportation services, both public and nonpublic
- Tuition for the students who choose to attend Haddon Heights High School for grades 9-12.

2. **ECONOMIC CONDITION AND OUTLOOK:** The Barrington area is experiencing little change in demographics. Ratables have decreased. The community continues to benefit from grant programs for economic redevelopment of the downtown landscape.
3. **MAJOR INITIATIVES.** The administration continues to incorporate the common core standards into the educational programs, and to enhance technology use across content areas. Efforts are also being implemented to enhance school/community communications through the use of technology.
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 valuation of costs and benefits requires estimates and judgments by management.

As a recipient of federal and state financial assistance, the District also is responsible for ensuring that an adequate 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.

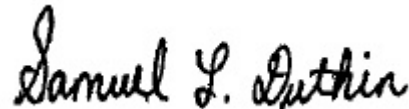
5. **BUDGETARY CONTROLS:** In addition to internal accounting controls, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the voters of the municipality. Annual appropriated budgets are adopted for the general fund, the special revenue fund, and the debt service fund. Project-length budgets are approved for the capital improvements accounted for in the capital projects fund. The final budget amount as amended for the fiscal year is reflected in the financial section. An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either canceled or are included as re-appropriations of fund balance in the subsequent year. Those amounts to be re-appropriated are reported as reservations 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 and account groups. These funds and account groups are explained in "Notes to the Financial Statements," Note 1.
7. **CASH MANAGEMENT:** The investment policy of the District is guided in large part by a 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 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey. The law requires governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act.

8. **RISK MANAGEMENT:** The Board carries various forms of insurance, including but not limited to general liability, automobile liability and comprehensive/collision, hazard and theft insurance on property and contents, and fidelity bonds. The Board also carried Builders Risk coverage for the facility expansion and renovation projects.
9. **OTHER INFORMATION: Independent Audit** – State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Inverso and Stewart, LLC was selected by the Board of Education. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of Title 2 U.S. Code of Federal Regulations, cost principles, and audit requirements for federal awards (Uniform Guidance), and State of New Jersey OMB 15-08. The auditor's report on the general purpose financial statements and combining and individual fund statements and schedules is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section of this report.
10. **ACKNOWLEDGMENTS:** We would like to once again express our appreciation to the members of the Barrington School Board for their concern in providing fiscal accountability to the citizens and taxpayers of the school district and thereby contributing their full support to the development and maintenance of our financial operation. The preparation of this report could not have been accomplished without the efficient and dedicated services of our financial and accounting staff.

Respectfully submitted,



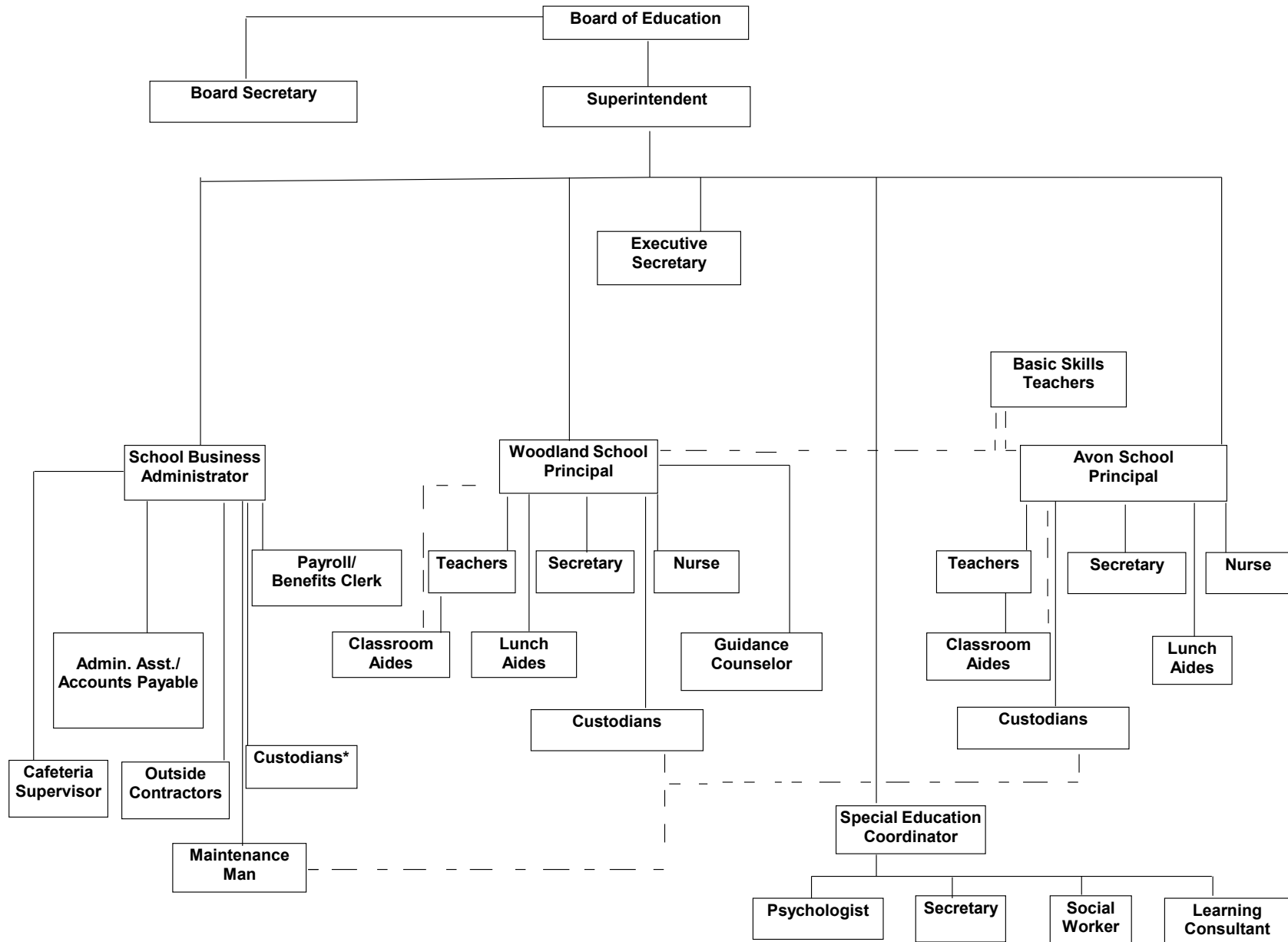
Anthony Arcodia
Superintendent of Schools



Samuel Dutkin
School Business Administrator/
Board Secretary

BARRINGTON BOARD OF EDUCATION

Organizational Chart (Unit Control)



*Summer

BARRINGTON SCHOOL DISTRICT

**Roster of Officials
June 30, 2023**

Members of the Board of Education:

Term Expires

Ruth Ross, President	2023
Jennifer Schuster, Vice President	2023
Mark Correa	2024
Matthew Edwards	2024
Noreen Kinkler	2025
Kristin Lampe	2024
Kenneth Krupinski	2025
David Moore	2025
Michael O'Brien	2023

Other Officials:

- Anthony Arcodia, Superintendent
- Samuel Dutkin, Business Administrator/Board Secretary
- Deborah J. Roncace, Treasurer
- Mark G. Toscano, Esq., Solicitor

**BARRINGTON SCHOOL DISTRICT
Consultants and Advisors**

Audit Firm

Inverso & Stewart, LLC
651 Route 73 North, Suite 402
Marlton, NJ 08053

Attorney

Mark G. Toscano, Esquire
Comegno Law Group, P.C.
521 Pleasant Valley Avenue
Moorestown, NJ 08057

Broker of Record

Hardenbergh Insurance Group
8000 Sagemore Drive
Suite 8101
Marlton, NJ 08053

Official Depository

Truist Bank
305 White Horse Pike
Lawnside, NJ 08045

Financial Section

INVERSO & STEWART, LLC

Certified Public Accountants

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Marlton, New Jersey 08053
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**-Member of-
American Institute of CPAs
New Jersey Society of CPAs**

INDEPENDENT AUDITOR'S REPORT

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

Report on the Audit of the Financial Statements

Opinions

I have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Barrington School District (the "District"), in the County of Camden, State of New Jersey, as of and for the fiscal year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

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

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

Emphasis of Matter

Adoption of New Accounting Principle

As discussed in Note 8 to the financial statements, during the fiscal year ended June 30, 2023, the District adopted new accounting guidance, Governmental Accounting Standards Board (GASB) Statement No. 96, Subscription-Based Information Technology Arrangements. My 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

My 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 my 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 and *Government Auditing Standards* and in accordance with accounting principles and practices prescribed by the Office of School Finance, Department of Education, State of New Jersey will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than 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, I:

- 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 my 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.

I am 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 I identified during the audit.

Required Supplementary Information

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

Supplementary Information

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

The accompanying combining statements and related major fund supporting statements and schedules and schedules of expenditures of federal awards and state financial assistance are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such 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 my opinion, the accompanying combining statements and related major fund supporting statements and schedules and schedules of expenditures of federal awards and state financial assistance are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

In connection with my audit of the basic financial statements, my 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, I am required to describe it in my report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, I have also issued my report dated December 15, 2023, on my consideration of the District's internal control over financial reporting and my 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 my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the 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.

Respectfully submitted,

INVERSO & STEWART, LLC

Certified Public Accountants



Robert P. Inverso

Certified Public Accountant

Public School Accountant No. CS001095

Marlton, New Jersey
December 15, 2023

Required Supplementary Information - Part I
Management's Discussion and Analysis

**Barrington School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2023**

As management of the Board of Education of the Barrington, New Jersey (School District), we offer readers of the School District's financial statements this narrative overview and analysis of the School District for the fiscal year ended June 30, 2023. We encourage readers to consider the information presented in conjunction with additional information that we have furnished in our letter of transmittal, which can be found in the introductory section of this report.

Financial Highlights

- The assets of the School District exceeded its liabilities at the close of the most recent fiscal year by \$2,799,646 (*net position*).
- Governmental activities have an unrestricted net position deficit of \$1,771,296. The accounting treatments in the governmental funds for compensated absences payable, net pension liability, accrued interest payable, and the June state aid payments, and state statutes that prohibit school districts from maintaining more than 2% of its adopted budget as unrestricted fund balance are primarily responsible for this deficit balance.
- The total net position of the School District increased by \$402,994, or a 16.9% increase from the prior fiscal year-end balance. The majority of this increase is attributable to the operations in the business activity funds.
- Fund balance of the School District's governmental funds increased by \$525,198 resulting in an ending fund balance of \$3,264,372. This increase is the results of operations in the general fund.
- Business-type activities have unrestricted net position of \$101,676 which may be used for the operation of the School District's enterprise-related activities (Food Services Program).
- The School District's long-term obligations increased by \$147,396 which is the reduction of general obligation bonds and leases payable and a slight increases in compensated absences and net pension liability.

Overview of the Basic Financial Statements

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

District-wide Financial Statements

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

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

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

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

Fund Financial Statements

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

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

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

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

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

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

The School District's one enterprise fund (Food Service Fund) is listed individually and is considered to be a major fund.

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the district-wide financial statements because the resources of those funds are not available to support the School District's programs.

Notes to the Basic Financial Statements

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

Other Information

In addition to the basic financial statements and accompanying notes, this report also contains other supplementary information and schedules required by the New Jersey Audit Program, issued by the New Jersey Department of Education.

District-wide Financial Analysis

The assets of the School District are classified as current assets and capital assets. Cash, investments, receivables, inventories and prepaid expenses are current assets. These assets are available to provide resources for the near-term operations of the School District. The majority of the current assets are the results of the tax levy and state aid collection process.

Capital assets are used in the operations of the School District. These assets are land, buildings, improvements and equipment. Capital assets are discussed in greater detail in the section titled, Capital Assets and Debt Administration, elsewhere in this analysis.

Current and long-term liabilities are classified based on anticipated liquidation either in the near-term or in the future. Current liabilities include accounts payable, accrued interest expense on long-term debt, unearned revenues, and current debt obligations. The liquidation of current liabilities is anticipated to be either from currently available resources, current assets or new resources that become available during fiscal year 2024. Long-term liabilities such as long-term debt obligations and compensated absences payable will be liquidated from resources that will become available after fiscal year 2024.

The assets of the primary government activities exceeded liabilities by \$2,652,704 with a deficit unrestricted balance of \$1,771,296. As mentioned earlier, the deficit unrestricted net position is primarily due to the accounting treatment for compensated absences payable, net pension liability, capital leases payable, accrued interest payable, the June state aid payment, and state statutes that prohibit school districts from maintaining more than 4% of its adopted budget as unrestricted fund balance.

The net position of the primary government does not include internal balances.

A net investment of \$1,464,472 in land, improvements, buildings, equipment and vehicles which provide the services to the School District's students, accounts for 55.21% of the total net position of the District.

Net position of \$2,959,528 has been restricted as follows:

Tuition Reserve	\$ 675,000
Emergency Reserve	68,572
Maintenance Reserve	523,782
Capital Projects	1,546,354
Excess Surplus	113,393
Unemployment Compensation	17,680
Student Activities	<u>14,747</u>
	<u>\$ 2,959,528</u>

**Barrington School District
Comparative Summary of Net Position
As of June 30, 2023 and 2022**

	Governmental Activities		Business-Type Activities		District-Wide	
	2023	2022	2023	2022	2023	2022
ASSETS						
Current assets	\$ 3,253,590	\$ 2,859,061	\$ 163,824	\$ 180,529	\$ 3,417,414	\$ 3,039,590
Capital assets	<u>3,899,472</u>	<u>4,440,172</u>	<u>45,266</u>	<u>50,203</u>	<u>3,944,738</u>	<u>4,490,375</u>
Total assets	<u>7,153,062</u>	<u>7,299,233</u>	<u>209,090</u>	<u>230,732</u>	<u>7,362,152</u>	<u>7,529,965</u>
Deferred Outflows of Resources	<u>296,327</u>	<u>252,535</u>			<u>296,327</u>	<u>252,535</u>
LIABILITIES						
Current liabilities	550,415	657,099	62,148	79,771	612,563	736,870
Noncurrent liabilities	<u>3,981,897</u>	<u>3,854,260</u>	<u>-</u>	<u>-</u>	<u>3,981,897</u>	<u>3,854,260</u>
Total liabilities	<u>4,532,312</u>	<u>4,511,359</u>	<u>62,148</u>	<u>79,771</u>	<u>4,594,460</u>	<u>4,591,130</u>
Deferred Inflows of Resources	<u>264,373</u>	<u>807,636</u>	<u>-</u>	<u>-</u>	<u>264,373</u>	<u>807,636</u>
Net Position	<u>\$ 2,652,704</u>	<u>\$ 2,232,773</u>	<u>\$ 146,942</u>	<u>\$ 150,961</u>	<u>\$ 2,799,646</u>	<u>\$ 2,383,734</u>
Net Position Consists of:						
Net investment in						
Capital Assets	\$ 1,464,472	\$ 1,646,938	\$ 45,266	\$ 50,203	\$ 1,509,738	\$ 1,697,141
Restricted Assets	2,959,528	2,676,105	-	-	2,959,528	2,676,105
Unrestricted Assets	<u>(1,771,296)</u>	<u>(2,090,270)</u>	<u>101,676</u>	<u>100,758</u>	<u>(1,669,620)</u>	<u>(1,989,512)</u>
Net Position	<u>\$ 2,652,704</u>	<u>\$ 2,232,773</u>	<u>\$ 146,942</u>	<u>\$ 150,961</u>	<u>\$ 2,799,646</u>	<u>\$ 2,383,734</u>

Governmental Activities

Governmental activities increased the net position of the School District by \$407,013 during the current fiscal year. Key elements of the increase in net position for governmental activities are as follows:

- Depreciation expense of \$638,405.
- Results of Operations in the General Fund of \$535,928.
- Payment of Bond Principal of \$345,000.

Business-type Activities

Business-type activities decreased the School District's net position by \$4,019. Key elements of the decrease in net position for business-type activities are as follows:

- The food service fund had a net loss of \$4,019.

Barrington School District
Comparative Schedule of Changes in Net Position
As of and for the Fiscal Year Ended June 30, 2023 and 2022

	Governmental Activities		Business-Type Activities		District-Wide	
	2023	2022	2023	2022	2023	2022
Revenues:						
Program Revenue						
Charges for services	\$ -	\$ -	\$ 132,871	\$ 10,431	\$ 132,871	\$ 10,431
Operating grants and contributions	5,073,167	5,610,953	170,141	347,257	5,243,308	5,958,210
General Revenue						
Property taxes	11,612,426	11,386,676			11,612,426	11,386,676
State aid - unrestricted	4,765,376	4,250,464			4,765,376	4,250,464
Other revenues	76,740	94,377	407	48	77,147	94,425
Total Revenues	<u>21,527,709</u>	<u>21,342,470</u>	<u>303,419</u>	<u>357,736</u>	<u>21,831,128</u>	<u>21,700,206</u>
Expenses:						
Governmental Activities:						
Instruction	6,143,280	5,611,155			6,143,280	5,611,155
Tuition	4,683,390	4,617,449			4,683,390	4,617,449
Related services	1,809,065	1,856,687			1,809,065	1,856,687
Administrative services	890,497	839,834			890,497	839,834
Operations and						
Maintenance	833,064	1,055,872			833,064	1,055,872
Transportation	662,970	438,661			662,970	438,661
Interest on debt	107,750	120,950			107,750	120,950
Other	186,349	172,732			186,349	172,732
Employee Benefits	5,791,413	6,611,692			5,791,413	6,611,692
Business-Type Activities:						
Food Service			307,438	293,313	307,438	293,313
Total Expenses	<u>21,107,778</u>	<u>21,325,032</u>	<u>307,438</u>	<u>293,313</u>	<u>21,415,216</u>	<u>21,618,345</u>
Increase (Decrease) in Net Position before transfers	419,931	17,438	(4,019)	64,423	415,912	81,861
Transfers					-	-
Change in Net Position	419,931	17,438	(4,019)	64,423	415,912	81,861
Net Position, July 1	2,232,773	2,215,335	150,961	86,538	2,383,734	2,301,873
Net Position, June 30	<u>\$2,652,704</u>	<u>\$2,232,773</u>	<u>\$146,942</u>	<u>\$ 150,961</u>	<u>\$2,799,646</u>	<u>\$2,383,734</u>

Financial Analysis of the Governmental Funds

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

Governmental Funds - The focus of the School District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the School District's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the School District's governmental funds reported a combined ending fund balance of \$3,264,372, a increase of \$525,198 in comparison with the prior year. The increase can be attributed to the results of operations in the general fund.

The unassigned general fund balance at the end of the fiscal year is \$58,579. The remainder of the fund balance is restricted to indicate that it is not available for new spending because it has already been committed as follows: 1) restricted cash reserved for future capital outlay expenditures \$1,546,354, 2) reserved for tuition \$675,000, 3) reserved for emergency \$68,572, 4) reserved for future maintenance projects \$523,782, 5) reserved for unemployment compensation \$17,680 or 6) reserved for student activities \$14,747.

The general fund is the chief operating fund of the School District. As discussed earlier, the minimal fund balance is due, primarily, to the accounting treatment of the June state aid payments as discussed in the notes to the basic financial statements, and state statutes that prohibit New Jersey school districts from maintaining more than 2% of its adopted budget as unassigned fund balance.

Revenue is generally recognized at the time that the outlays are identified; therefore, no fund balances are normally generated in the special revenue fund.

General Fund Budgetary Highlights

At the end of the current fiscal year, unassigned fund balance (budgetary basis) of the general fund was \$505,320, while total fund balance (budgetary basis) was \$3,696,366. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance (budgetary basis) and total fund balance (budgetary basis) to total general fund expenditures. Actual (budgetary basis) expenditures of the General Fund including other financing uses amounted to \$18,156,291. Unassigned fund balance (budgetary basis) represents 2.78% of expenditures while total fund balance (budgetary basis) represents 20.36% of that same amount.

Capital Asset and Debt Administration

The School District's investment in capital assets for its governmental and business-type activities as of June 30, 2023, totaled \$3,944,738 (net of accumulated depreciation). This investment in capital assets includes land, improvements, buildings, equipment, vehicles, and right-to-use assets. The total decrease in the District's investment in capital assets for the current fiscal year was \$545,637, or a 12.15% decrease.

Major capital assets events during the current fiscal year included the following:

- Depreciation expense for the current fiscal year was \$643,342
- Capital Additions totaling \$97,734

Barrington School District Capital Asset/Leases (net of accumulated depreciation/amortization) June 30, 2023 and 2022

	Governmental Activities		Business-Type Activities		District-Wide	
	2023	2022	2023	2022	2023	2022
Land	\$ 133,067	\$ 133,067	\$ -	\$ -	\$ 133,067	\$ 133,067
Site Improvements	13,417	17,013	-	-	13,417	17,013
Building and Building Improvements	3,324,306	3,896,405	-	-	3,324,306	3,896,405
Equipment	415,764	380,740	45,266	50,203	461,030	430,943
Subscription Assets	12,918	-	-	-	12,918	-
Lease Assets	-	12,947	\$ -	\$ -	-	12,947
Total	\$ 3,899,472	\$ 4,440,172	\$ 45,266	\$ 50,203	\$ 3,944,738	\$ 4,490,375

Additional information on the School District's capital assets can be found in the notes to the basic financial statements (Note 5) of this report.

Long-term debt - During the fiscal year ended June 30, 2023, the School District had total bonded debt outstanding of \$2,435,000 backed by the full faith and credit of the School District. In addition, the School District has future compensated absences of \$236,321.

General obligation bonds for the School District decreased during the current fiscal year according to the normal schedule of payments.

State statutes limit the amount of general obligation debt that the District may issue. At the end of the current fiscal year, the legal debt limit was \$17,401,694, and the legal debt margin was \$14,966,694.

Additional information on the School District's long-term obligations can be found in the notes to the basic financial statements (Note 8) of this report.

Economic Factors and Next Year's Budgets and Rates

The following factors were considered and incorporated into the preparation of the School District's budget for the 2023-2024 fiscal year.

- For the 2023-24 fiscal year the School District will be receiving a slight increase in state aid. The local tax levy in the General Fund increased \$202,132 over the previous year resulting in a 4 cent tax increase. Salaries continue to increase contractually; however, the District has managed to control costs. The 2023-24 General Fund Budget is \$1,475,675 greater than the previous year or a 9.17% increase.

Requests for Information

This financial report is designed to provide a general overview of the School District's finances for all those with an interest in the School District. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Barrington School District Business Administrator, 311 Reading Avenue, Barrington, New Jersey, 08007, Telephone Number (856) 547-8648.

Basic Financial Statements

District-Wide Financial Statements

BARRINGTON SCHOOL DISTRICT
Statement of Net Position
June 30, 2023

	Governmental Activities	Business-Type Activities	Total
ASSETS:			
Cash and cash equivalents	\$ 207,487	\$ 140,995	\$ 348,482
Receivables, net	975,967	6,681	982,648
Inventory		16,148	16,148
Restricted assets:			
Cash and cash equivalents	2,070,136		2,070,136
Capital assets, net	3,886,554	45,266	3,931,820
Right-to-use lease assets, net	12,918		12,918
Total Assets	<u>7,153,062</u>	<u>209,090</u>	<u>7,362,152</u>
DEFERRED OUTFLOWS OF RESOURCES:			
Deferred outflows of resources from pensions	<u>296,327</u>	<u>-</u>	<u>296,327</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>7,449,389</u>	<u>209,090</u>	<u>7,658,479</u>
LIABILITIES:			
Accounts payable			
Other	46,131		46,131
Related to pensions	141,541		141,541
Internal Balances	(59,038)	59,038	
Accrued Liabilities			
Interest payable	24,350		24,350
Unearned revenue	2,125	3,110	5,235
Noncurrent liabilities:			
Due within one year	395,306		395,306
Due beyond one year	3,981,897		3,981,897
Total Liabilities	<u>4,532,312</u>	<u>62,148</u>	<u>4,594,460</u>
DEFERRED INFLOWS OF RESOURCES:			
Deferred inflows of resources from pensions	<u>264,373</u>	<u>-</u>	<u>264,373</u>
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	<u>4,796,685</u>	<u>62,148</u>	<u>4,858,833</u>
NET POSITION:			
Net investment in capital assets	1,464,472	45,266	1,509,738
Restricted for:			
Capital projects	1,546,354		1,546,354
Maintenance	523,782		523,782
Tuition	675,000		675,000
Emergency	68,572		68,572
Excess Surplus	113,393		113,393
Unemployment Compensation	17,680		17,680
Student Activities	14,747		14,747
Unrestricted (Deficit)	<u>(1,771,296)</u>	<u>101,676</u>	<u>(1,669,620)</u>
Total Net Position	<u>\$ 2,652,704</u>	<u>\$ 146,942</u>	<u>\$ 2,799,646</u>

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

BARRINGTON SCHOOL DISTRICT
Statement of Activities
For the Fiscal Year Ended June 30, 2023

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental Activities:							
Instruction:							
Regular	\$ 3,838,586	\$ -	\$ 290,022	\$ -	\$ (3,548,564)	\$ -	\$ (3,548,564)
Special Education	1,780,967		193,994		(1,586,973)		(1,586,973)
Other instruction	523,727				(523,727)		(523,727)
Support Services:							
Tuition	4,683,390				(4,683,390)		(4,683,390)
Student & instruction related services	1,809,065		432,532		(1,376,533)		(1,376,533)
General administrative services	286,153				(286,153)		(286,153)
School administrative services	183,867				(183,867)		(183,867)
Central administrative services	420,477				(420,477)		(420,477)
Plant operations and maintenance	833,064				(833,064)		(833,064)
Pupil transportation	662,970				(662,970)		(662,970)
Unallocated employee benefits	5,791,413		4,156,619		(1,634,794)		(1,634,794)
Transfer of funds to Charter Schools	58,668				(58,668)		(58,668)
Interest on long-term debt	107,750				(107,750)		(107,750)
Unallocated depreciation and amortization	127,681				(127,681)		(127,681)
Total Governmental Activities	<u>21,107,778</u>	<u>-</u>	<u>5,073,167</u>	<u>-</u>	<u>(16,034,611)</u>	<u>-</u>	<u>(16,034,611)</u>
Business-Type Activities:							
Food service	307,438	132,871	170,141	-	-	(4,426)	(4,426)
Total Business-Type Activities	<u>307,438</u>	<u>132,871</u>	<u>170,141</u>	<u>-</u>	<u>-</u>	<u>(4,426)</u>	<u>(4,426)</u>
Total Primary Government	<u>\$ 21,415,216</u>	<u>\$ 132,871</u>	<u>\$ 5,243,308</u>	<u>\$ -</u>	<u>(16,034,611)</u>	<u>(4,426)</u>	<u>(16,039,037)</u>
General Revenues:							
Taxes:							
Property taxes, levied for general purposes					11,156,226		11,156,226
Taxes levied for debt service					456,200		456,200
Federal and State aid unrestricted					4,765,376		4,765,376
Investment and Interest earnings - restricted					5,759		5,759
Miscellaneous					70,981	407	71,388
Special Items:							
Transfer							-
Total general revenues, special items, extraordinary items and transfers					<u>16,454,542</u>	<u>407</u>	<u>16,454,949</u>
Change in Net Position					419,931	(4,019)	415,912
Net Position - July 1,					<u>2,232,773</u>	<u>150,961</u>	<u>2,383,734</u>
Net Position - June 30					<u>\$ 2,652,704</u>	<u>\$ 146,942</u>	<u>\$ 2,799,646</u>

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

Fund Financial Statements

BARRINGTON SCHOOL DISTRICT
Balance Sheet
Governmental Funds
June 30, 2023

ASSETS	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
Assets:					
Cash and Cash Equivalents	\$ 2,070,926	\$ 14,747	\$ 191,950	\$ -	\$ 2,277,623
Interfund Accounts Receivable					
Special Revenue Fund	732,103				732,103
Capital Projects Fund	191,950				191,950
Enterprise Fund	59,038				59,038
Intergovernmental Accounts Receivables:					
State	238,427				238,427
Federal		737,540			737,540
Other Accounts Receivable					-
Total Assets	<u>\$ 3,292,444</u>	<u>\$ 752,287</u>	<u>\$ 191,950</u>	<u>\$ -</u>	<u>\$ 4,236,681</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Interfund Accounts Payable					
General Fund	\$ -	\$ 732,103	\$ 191,950	\$ -	\$ 924,053
Accounts Payable:					
Payroll Deductions and Withholdings Payable	16,552				16,552
Unemployment Claims Payable	26,010				26,010
Other	257	3,312			3,569
Unearned Revenue		2,125			2,125
Total Liabilities	<u>42,819</u>	<u>737,540</u>	<u>191,950</u>		<u>972,309</u>
Fund Balances:					
Restricted:					
Capital Reserve	1,546,354				1,546,354
Maintenance Reserve	523,782				523,782
Tuition Reserve	675,000				675,000
Emergency Reserve	68,572				68,572
Excess Surplus	113,393				113,393
Unemployment Compensation	17,680				17,680
Student Activities		14,747			14,747
Assigned to:					
Designated for Subsequent Year's Expenditures	246,265				246,265
Unassigned	58,579				58,579
Total Fund Balances	<u>3,249,625</u>	<u>14,747</u>			<u>3,264,372</u>
Total Liabilities and Fund Balances	<u>\$ 3,292,444</u>	<u>\$ 752,287</u>	<u>\$ 191,950</u>	<u>\$ -</u>	

Amounts reported for governmental activities in the statement of net position (A-1) are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$14,509,150 and the accumulated depreciation is \$10,622,596.	3,886,554
Leased assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$26,261 and the accumulated amortization is \$26,261.	-
Subscription assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$23,134 and the accumulated amortization is \$10,216.	12,918
Bond issuance premiums are recorded as revenue in the Governmental Funds in the year of receipt. The premiums are amortized over the life of the issued bonds.	(103,875)
Accrued interest is not due and payable in the current period and therefore is not reported as a liability in the funds.	(24,350)
Accounts payable related to the April 1, 2024 required PERS contribution that is not to be liquidated with current financial resources.	(141,541)
The District's proportionate share of net pension assets and liabilities as well as pension-related deferred outflows and deferred inflows of resources are recognized in the government-wide statements and include:	
Deferred Outflows of resources from Pensions	\$ 296,327
Net Pension Liability	(1,602,007)
Deferred Inflows of resources from Pensions	<u>(264,373)</u>
	(1,570,053)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds:	
General Obligation Bonds	(2,435,000)
Compensated Absences Payable	<u>(236,321)</u>
	<u>(2,671,321)</u>
Net position of governmental activities	<u>\$ 2,652,704</u>

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

BARRINGTON SCHOOL DISTRICT
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2023

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
REVENUES:					
Local property tax levy	\$ 11,156,226	\$ -	\$ -	\$ 456,200	\$ 11,612,426
Tuition charges					
Interest on emergency reserve	200				200
Interest on maintenance reserve	1,530				1,530
Interest on capital reserve	3,933				3,933
Other restricted miscellaneous revenues	96				96
Unrestricted miscellaneous revenues	70,981				70,981
Federal sources		932,283			932,283
State sources	7,459,253	12,668			7,471,921
Local sources		38,695			38,695
Total Revenues	18,692,219	983,646	-	456,200	20,132,065
EXPENDITURES:					
Current expense:					
Regular instruction	2,939,591	290,022			3,229,613
Special education instruction	1,586,973	193,994			1,780,967
Other instruction	523,727				523,727
Support services and undistributed costs:					
Tuition	4,683,390				4,683,390
Student & instruction related services	1,365,803	443,262			1,809,065
General administrative services	254,233				254,233
School administrative services	182,572				182,572
Central services	249,215				249,215
Administrative information technology	138,695				138,695
Plant operations and maintenance	873,673				873,673
Pupil transportation	662,970				662,970
Unallocated employee benefits	4,615,658	4,944			4,620,602
Capital outlay	21,123	62,154			83,277
Transfer to Charter School	58,668				58,668
Debt service:					
Principal				345,000	345,000
Interest and other charges				111,200	111,200
Total Expenditures	18,156,291	994,376	-	456,200	19,606,867
Excess (Deficiency) of Revenues over (under) Expenditures	535,928	(10,730)	-	-	525,198
Other Financing Sources (Uses):					
Transfers in					-
Transfers out					-
Total Other Financing Sources (Uses)	-	-	-	-	-
Net Change in Fund Balances	535,928	(10,730)	-	-	525,198
Fund Balance - July 1	2,713,697	25,477			2,739,174
Fund Balances - June 30	\$ 3,249,625	\$ 14,747	\$ -	\$ -	\$ 3,264,372

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

BARRINGTON 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)		\$ 525,198
Amounts reported for governmental activities in the statement of activities (A-2) are different because:		
<p>Governmental Funds report capital outlays 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 current period.</p>		
Depreciation expense	\$ (638,405)	
Capital Outlay Additions	97,734	(540,671)
<p>Capital outlays related and to leases and subscriptions are reported in the governmental funds as expenditures. However, on the statement of activities, the cost of those assets is allocated over their estimated useful lives as amortization expense. This the amount by which capital outlays exceeded amortization in the current fiscal year.</p>		
Amortization expense	(23,163)	
Lease Asset Additions	-	
Subscription Asset Additions	23,134	(29)
<p>Repayment of long-term debt is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is not reported in the statement of activities.</p>		
		345,000
<p>Repayment of leases is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is not reported in the statement of activities.</p>		
		13,234
<p>Bond Premium arising from the issuance of the refunding school bonds is recorded as a deferred inflow of resources. It is amortized in a systematic and rational manner over the duration of the related debt as a component of amortization.</p>		
		17,313
<p>Net differences between pension system contributions recognized in the fund statement of revenues, expenditures and changes in fund balances and the statement of activities.</p>		
		224,833
<p>Interest on long-term debt in the statement of activities is accrued, regardless of when due. In the governmental funds, interest is reported when due. This amount is the net effect of the difference in the treatment of interest on long-term debt.</p>		
		3,450
<p>In the statement of activities, certain operating expenses, (e.g. compensated absences) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). 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>		
		(168,397)
Change in net position of Governmental Activities		\$ 419,931

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

BARRINGTON SCHOOL DISTRICT
Statement of Net Position
Proprietary Funds
June 30, 2023

	Business-Type Activities Enterprise Funds
	Food Service Fund
ASSETS:	
Current Assets:	
Cash and cash equivalents	\$ 140,995
Intergovernmental receivables:	
State	336
Federal	6,345
Inventories	16,148
Total current assets	163,824
Noncurrent assets:	
Machinery and equipment (net of accumulated depreciation)	45,266
Total noncurrent assets	45,266
Total Assets	209,090
LIABILITIES:	
Current liabilities:	
Accounts Payable	-
Interfund Payable	59,038
Unearned Revenue	3,110
Total current liabilities	62,148
NET POSITION:	
Net investment in capital assets	45,266
Unrestricted	101,676
Total Net Position	\$ 146,942

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

BARRINGTON SCHOOL DISTRICT
Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
For the Fiscal Year Ended June 30, 2023

	Business-Type Activities Enterprise Funds
	Food Service Fund
Operating Revenues:	
Charges for Services:	
Daily sales:	
Reimbursable programs	\$ 59,961
Non-reimbursable programs	72,910
	132,871
Operating Expenses:	
Salaries	108,863
Employee benefits	26,056
Supplies and materials	6,435
Management fee	24,082
Other costs	39,314
Depreciation	4,937
Cost of Sales - reimbursable programs	66,212
Cost of Sales - non-reimbursable programs	31,539
	307,438
Total Operating Expenses	307,438
Operating Income (Loss)	(174,567)
Non-Operating Revenues:	
State sources:	
State school lunch program	2,902
State school breakfast program	1,938
Federal sources:	
National school lunch program	70,413
School breakfast program	23,009
Food distribution program	33,212
Supply chain assistance	38,667
Local sources:	
Interest earned	407
	170,548
Total Non-Operating Revenues	170,548
Income (Loss) before Contributions and Transfers	(4,019)
Operating Transfers In	-
Change in Net Position	(4,019)
Net Position - July 1, 2022	150,961
Net Position - June 30, 2023	\$ 146,942

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

BARRINGTON SCHOOL DISTRICT
Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended June 30, 2023

**Business-Type
Activities
Enterprise Funds**

**Food
Service
Fund**

Cash Flows from Operating Activities:

Cash receipts from customers	\$ 104,483
Cash payments to employees for services	(124,154)
Cash payments to suppliers for goods and services	(135,455)
	(155,126)
Net Cash Provided by (used for) Operating Activities	(155,126)

Cash Flows from Noncapital Financing Activities:

Cash received from state sources	4,865
Cash received from federal sources	147,197
	152,062
Net Cash Provided by (used for) Noncapital Financing Activities	152,062

Cash Flow Provided by Investing Activities:

Interest on Cash Equivalents	407
	407

Net Increase (Decrease) in Cash and Cash Equivalents (2,657)

Cash and Cash Equivalents - July 1, 2022 143,652

Cash and Cash Equivalents - June 30, 2023 \$ 140,995

**Reconciliation of Operating Income (Loss)
to Net Cash Provided by (used for) Operating Activities:**

Operating Income (Loss)	\$ (174,567)
Adjustments to Reconcile Operating Income	
(Loss) to Cash Provided by (used for) Operating Activities:	
Depreciation	4,937
Commodities	33,212
Change in Assets and Liabilities:	
(Increase) Decrease in Inventories	(1,084)
Increase (Decrease) in Accounts Payables	(28,767)
Increase (Decrease) in Interfund Payables	10,765
Increase (Decrease) in Unearned Revenue	378
	378
Net Cash Provided by (used for) Operating Activities	\$ (155,126)

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

Barrington School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity - The Barrington School District (“School District”) is a Type II district located in the County of Camden, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education. The Board of Education is comprised of nine members elected to three-year terms. These terms are staggered so that three member’s terms expire each year. The purpose of the School District is to provide educational services for resident students in grades K through 8. Students in grades 9 through 12, attend, on a tuition basis, the Haddon Heights High School District. The Barrington School District has an approximate enrollment at June 30, 2023 of 544 students.

The primary criteria for including activities within the School District’s reporting entity, as set forth in Section 2100 of the Governmental Accounting Standards Board (GASB) *Codification of Governmental Accounting and Financial Reporting Standards* is the degree of oversight responsibility maintained by the School District. Oversight responsibility includes financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations and accountability for fiscal matters. The combined financial statements include all funds of the School District over which the Board exercises operating control.

Component Units – GASB Statement No. 14, *The Financial Reporting Entity* and GASB Statement No. 39, *Determining Whether Certain Organizations are Component Unit*, provide guidance that all entities associated with a primary government are potential component units and should be evaluated for inclusion in the financial reporting entity. A primary government is financially accountable not only for the organizations that make up its legal entity, but also for legally separate organizations that meet the criteria established by GASB Statements No. 14 and No. 39. In addition, GASB Statement No. 61, provides additional guidance for organizations that do not meet the financial accountability criteria for inclusion as component units but that nevertheless should be included because the primary government’s management determines that it would be misleading to exclude them. GASB Statement No. 80, *Blending Requirements for Certain Component Units* - an Amendment of GASB Statement No. 14 amends the blending requirements for the financial statement presentation of component units of all state and local governments. The additional criteria requires blending of a component unit incorporated as a not-for-profit corporation in which the primary government is the sole corporate member. There were no additional entities required to be included in the reporting entity under the criteria as described above. Furthermore, the School District is not includable in any other reporting entity on the basis of such criteria.

Basis of Presentation

The basic financial statements of the School 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 School District's accounting policies are described below.

The School District's basic financial statements consists of government-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.

Government-wide Statements - The statement of net position and the statement of activities display information about the School District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The statements distinguish between those activities of the School District that are governmental and those that are considered business-type activities. The statement of net position presents the financial condition of the governmental and business-type activities of the School District at fiscal year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the School District's governmental activities and for the business-type activities of the School District. Direct expenses are those that are specifically associated with a service, program or department and, therefore, clearly identifiable to a particular function. The policy of the School District is to not allocate indirect expenses to functions in the statement of activities. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program and interest earned on grants that is required to be used to support a particular program. Revenues, which are not classified as program revenues, are presented as general revenues of the School District, with certain limited exceptions.

Barrington School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Government-wide Statements (Continued) - The comparison of direct expenses with program revenues identifies the extent to which each business segment or governmental function is self-financing or draws from the general revenues of the School District.

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

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

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

As required by the New Jersey State Department of Education, the School District includes budgeted capital outlay in this fund. Accounting principles generally accepted in the United States of America as they pertain to governmental entities 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 which result in the acquisition of or additions to capital assets for land, existing buildings, improvements of grounds, construction of buildings, additions to or remodeling of buildings and the purchase of built-in equipment.

Special Revenue Fund - The special revenue fund is used to account for and report the proceeds of specific revenues sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects.

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

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

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

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

Barrington School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The School District's enterprise funds are:

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

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

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

Equipment	12 Years
Light Trucks and Vehicles	4 Years
Heavy Trucks and Vehicles	6 Years

Measurement Focus

Government-wide Financial Statements - The government-wide financial statements are prepared using the economic resources measurement focus. All assets and all liabilities associated with the operation of the School District are included on the statement of net position.

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

Like the government-wide statements, all proprietary fund types are accounted for on a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of these funds are included on the statement of net position.

Fund Financial Statements (Continued) - The statement of changes in fund net position presents increases (i.e. revenues) and decreases (i.e. expenses) in net total position. The statement of cash flows provides information about how the School District finances and meets the cash flow needs of its proprietary activities. Fiduciary funds are reported using the economic resources measurement focus.

Basis of Accounting

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

Revenues - Exchange and Non-exchange Transactions - Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available.

Barrington School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

“Measurable” means the amount of the transaction can be determined and "available" means that 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 School District, available means expected to be received within sixty days after fiscal year end.

Non-exchange transactions, in which the School District receives value without directly giving equal value in return, include Ad Valorem (property) taxes, grants, entitlements, and donations. Ad Valorem (Property) Taxes are susceptible to accrual, as under New Jersey State Statute, a municipality is required to remit to its school district the entire balance of taxes in the amount voted upon or certified, prior to the end of the school year. The School District records the entire approved tax levy as revenue (accrued) at the start of the fiscal year since the revenue is both measurable and available. The School District is entitled to receive monies under the established payment schedule and the unpaid amount is considered to be an "accounts receivable". With the exception of restricted formula aids recorded in the special revenue fund, revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the fiscal year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the School District must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the School District on a reimbursement basis.

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

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

Budgets/Budgetary Control - Annual appropriated budgets are prepared in the spring of each fiscal year for the general, special revenue, and debt service funds. The budgets are submitted to the county office for their approval. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line-item accounts within each fund. Line-item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:23A-16.2(f)1. Transfers of appropriations may be made by School Board resolution at any time during the fiscal year in accordance with N.J.A.C. 6A:23A-13.3.

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 accounting principles generally accepted in the United States of America with the exception of the legally mandated revenue recognition of the one or more June state aid payments for budgetary purposes only and the special revenue fund. 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 budgetary basis. The budgetary basis differs from GAAP in that the budgetary basis recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not. Sufficient supplemental records are maintained to allow for the presentation of GAAP basis financial reports.

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

Exhibit C-3 presents a reconciliation of the general fund revenues and special revenue fund revenues and expenditures from the budgetary basis of accounting as presented in the general fund budgetary comparison schedule and the special revenue fund budgetary comparison schedule to the GAAP basis of accounting as presented in the statement of revenues, expenditures and changes in fund balances – governmental funds.

Barrington School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Budgets/Budgetary Control (Continued) - Note that the School District does not report encumbrances outstanding at year end as expenditures in the general fund since the general fund budget follows modified accrual basis with the exception of the revenue recognition policy for the one or more June state aid payments.

Encumbrances - Under encumbrance accounting purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve a portion of the applicable appropriation. Encumbrances are a component of fund balance 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 governmental funds, other than the special revenue fund, which have not been previously restricted, committed, or assigned, should be included within committed or assigned fund balance, as appropriate.

Open encumbrances in the special revenue fund, however, for which the School District has received advances of grant awards, are reflected on 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.

Cash, Cash Equivalents and Investments - Cash and cash equivalents, for all funds, include petty cash, change funds, cash in banks and all highly liquid investments with a maturity of three months or less at the time of purchase and are stated at cost plus accrued interest. Such is the definition of cash and cash equivalents used in the statement of cash flows for the proprietary funds. U.S. Treasury and agency obligations and certificates of deposit with maturities of one year or less when purchased are stated at cost. All other investments are stated at fair value.

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

N.J.S.A. 17:9-41 et seq. establishes the requirements for the security of deposits of governmental units. The statute requires that no governmental unit shall deposit public funds in a public depository unless such funds are secured in accordance with the Governmental Unit Deposit Protection Act (GUDPA), a multiple financial institution collateral pool, which was enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution in New Jersey. Public depositories include State or federally chartered banks, savings banks or associations located in or having a branch office in the State of New Jersey, the deposits of which are federally insured. All public depositories must pledge collateral, having a market value at least equal to five percent of the average daily balance of collected public funds, to secure the deposits of Governmental Units. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the full amount of their deposits to the governmental units.

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

Tuition Payable - Tuition charges for the fiscal years ended June 30, 2023 and 2022 were based on rates established by the receiving school district. These rates are subject to change when the actual costs have been determined.

Inventories - Inventories are valued at cost, which approximates market. The costs are determined on a first-in, first-out basis.

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

Inventories recorded in the government-wide financial statements and in the proprietary fund types are recorded as expenditures when consumed rather than when purchased.

**Barrington School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2023**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Prepaid Expenses - Prepaid expenses recorded on the government-wide financial statements and in the proprietary fund types represent payments made to vendors for services that will benefit periods beyond June 30, 2023. In the governmental fund types, however, payments for prepaid items are fully recognized as an expenditure in the fiscal year of payment. No asset for the prepayment is created, and no expenditure allocation to future accounting periods is required (*non-allocation method*). This is consistent with the basic governmental concept that only expendable financial resources are reported by a specific fund.

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

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

Short-Term Interfund Receivables / Payables - Short-term interfund receivables / payables represent amounts that are owed, other than charges for goods or services rendered to / from a particular fund in the School District and that are due within one year. These amounts are eliminated in the governmental and business-type columns of the statement of net position, except for the net residual amounts due between governmental and business-type activities, which are presented as internal balances.

Capital Assets - General capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net position but are not reported in the fund financial statements. Capital assets utilized by the proprietary funds are reported both in the business-type activities column of the government-wide statement of net position and the proprietary fund statement of net position.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the fiscal year. Donated fixed assets are recorded at their fair market value as of the date received. The School District maintains a capitalization threshold of \$2,000.00. The School District does not possess any infrastructure. Improvements are capitalized; the cost of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not. All reported capital assets except land and construction in progress are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets.

Capital Assets (Continued) - Depreciation is computed using the straight-line method over the following useful lives:

<u>Description</u>	<u>Governmental Activities Estimated Lives</u>	<u>Business-Type Activities Estimated Lives</u>
Land and Improvements	10-20 years	N/A
Buildings and Improvements	10-50 years	N/A
Furniture and Equipment	5-20 years	12 years
Vehicles	5-10 years	4-6 years

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

Barrington School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

The entire compensated absence liability is reported on the government-wide financial statements.

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

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

Bond Discount and Bond Premium – Bond discount and bond premium arising from the issuance of the general obligation bonds are recorded as liabilities. They are amortized in a systematic and rational manner over the duration of the related debt as a component of interest expense. Bond discount and bond premium are presented as an adjustment of the face amount of the bonds.

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

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

Net investment in capital assets - This component represents capital assets, net of accumulated depreciation, net of outstanding balances of borrowings used for the acquisition, construction, or improvement of those assets.

Restricted – Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the School District or through external restrictions imposed by creditors, grantors or law or regulations of other governments.

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

It is the School District's policy to apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

Fund Balance – The School District reports fund balance in classifications that comprise a hierarchy based primarily on the extent to which the School District is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. The School District's classifications, and policies for determining such classifications, are as follows:

Barrington School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Nonspendable – The nonspendable fund balance classification includes amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact. The “not in spendable form” criteria includes items that are not expected to be converted to cash, such as inventories and prepaid amounts. The School District had no nonspendable fund balance at June 30, 2023.

Restricted – This fund balance classification includes amounts that are restricted to specific purposes. Such restrictions, or constraints, are placed on the use of resources either by being (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed – This fund balance classification includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the School District’s highest level of decision-making authority, which for the School District is the Board of Education. Once committed, amounts cannot be used for any other purpose unless the Board of Education removes, or changes, the specified use by taking the same type of action imposing the commitment.

Assigned – This fund balance classification includes amounts that are constrained by the School District’s *intent* to be used for specific purposes but are neither restricted nor committed. *Intent* is expressed by either the Board of Education or by the Business Administrator, to which the Board of Education has delegated the authority to assign amounts to be used for specific purposes.

Unassigned – This fund balance classification is the residual classification for the General Fund. It 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 is the only fund that reports a positive unassigned fund balance amount. In other governmental funds, if expenditures incurred for specific purposes exceed 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 balances are available, it is the School District’s policy to spend restricted fund balances first. Likewise, when an expenditure is incurred for purposes for which amounts in any of the unrestricted fund balance classifications can be used, it is the policy of the School District to spend fund balances, if appropriate, in the following order: committed, assigned, then unassigned.

Operating and Non-Operating Revenues and Expenses - Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the School District, these revenues are sales for the food service program and tuition fees for the before and after school program. Non-operating revenues principally consist of interest income earned on various interest-bearing accounts and federal and state subsidy reimbursements for the food service program.

Operating expenses are necessary costs incurred to provide the goods or services that are the primary activity of the fund. There are no non-operating expenses.

Interfunds – Interfund receivables and payables that arise from transactions between funds are recorded by all funds affected by such transactions in the period in which the transaction is executed.

Estimates - The preparation of financial statements in conformity with accounting principles generally accepted in the United State of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

Barrington School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Recently Issued Accounting Pronouncements – In May 2020, the GASB issued Statement No. 96, *Subscription-Based Information Technology Arrangements*. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset-and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosure regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, *Leases*, as amended. The requirements of this Statement are effective for reporting periods beginning after June 15, 2022. The District implemented GASB Statement No. 96 for the fiscal year ending June 30, 2023.

In June 2022 the GASB issued Statement 100, *Accounting Changes and Error Corrections- An Amendment of GASB Statement No. 62*. The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. The requirements of this Statement are effective for reporting periods beginning after June 15, 2023.

In June 2022 the GASB issued Statement 101, *Compensated Absences*. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The requirements of this Statement are effective for reporting periods beginning after December 15, 2023.

2. CASH AND CASH EQUIVALENTS

Custodial Credit Risk Related to Deposits – Custodial credit risk refers to the risk that, in the event of a bank failure, the School District’s deposits might not be recovered. Although the School District does not have a formal policy regarding custodial credit risk, N.J.S.A. 17:9-41 et seq. requires that governmental units shall deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Unit (GUDPA). Under the Act, the first \$250,000 of governmental deposits in each insured depository is protected by the Federal Deposit Insurance Corporation (FDIC). Public funds owned by the School district in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds such as salary withholdings of funds that pass to the School District relative to the happening of a future condition. Such funds are classified as uninsured and uncollateralized. Of the School District’s amount on deposit of \$3,530,708 as of June 30, 2023, \$250,000 was insured under FDIC and the remaining balance of \$3,280,708 was collateralized under GUDPA.

3. CAPITAL RESERVE ACCOUNT

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

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

Barrington School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2023

3. CAPITAL RESERVE ACCOUNT (Continued)

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

Balance – July 1, 2022		\$ 1,342,421
Increased by:		
Interest earned	\$ 3,933	
Board resolution	<u>200,000</u>	<u>203,933</u>
		1,546,354
Decreased by:		
Budget withdrawal		<u>-</u>
Balance – June 30, 2023		<u>\$ 1,546,354</u>

The June 30, 2023 capital reserve balance does not exceed the LRFPP balance of local support costs of uncompleted projects.

4. ACCOUNTS RECEIVABLE

Accounts receivable at June 30, 2023 consisted of accounts (fees) and intergovernmental grants. All intergovernmental receivables are considered collectible in full due to the stable condition of State programs and the current fiscal year guarantee of federal funds.

Accounts receivable at June 30, 2023 for the School District’s individual major and fiduciary funds, in the aggregate, are as follows:

	General Fund	Special Revenue Fund	Proprietary Fund	Total
Intergovernmental				
State	\$ 238,427	\$ -	\$ 336	\$ 238,763
Federal	-	737,540	6,345	743,885
Other	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 238,427</u>	<u>\$ 737,540</u>	<u>\$ 6,681</u>	<u>\$ 982,648</u>

Barrington School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2023

5. CAPITAL ASSETS

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

	Balance June 30, 2022	Additions	Deletions	Balance June 30, 2023
Governmental Activities:				
Land	\$ 133,067	\$ -	\$ -	\$ 133,067
Construction in Progress	-	-	-	-
Total Capital Assets Not Being Depreciated	133,067	-	-	133,067
Land Improvements	164,050	-	-	164,050
Building and Improvements	13,123,121	-	-	13,123,121
Vehicles	54,170	-	-	54,170
Equipment	937,008	97,734	-	1,034,742
Total Historical Cost	14,411,416	97,734	-	14,509,150
Less Accumulated Depreciation:				
Land Improvements	(147,037)	(3,596)	-	(150,633)
Building and Improvements	(9,226,716)	(572,099)	-	(9,798,815)
Vehicles	(38,812)	(3,021)	-	(41,833)
Equipment	(571,626)	(59,689)	-	(631,315)
Total Accumulated Depreciation	(9,984,191)	(638,405)	-	(10,622,596)
Governmental Activities Capital Assets, Net	\$ 4,427,225	\$ (540,671)	\$ -	\$ 3,886,554
	Balance June 30, 2022	Additions	Deletions	Balance June 30, 2023
Business-Type Activities:				
Equipment	\$ 114,656	\$ -	\$ -	\$ 114,656
Less - Accumulated Depreciation	(64,453)	(4,937)	-	(69,390)
Business-Type Activities Capital Assets, Net	\$ 50,203	\$ (4,937)	\$ -	\$ 45,266

Depreciation expense in the amount of \$638,405 was charged to governmental functions as follows:

Function	Amount
Regular Instruction	\$ 446,884
Central Administration	31,920
General Administration	31,920
Unallocated	127,681
Total depreciation expense	\$ 638,405

Barrington School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2023

6. LEASE AND SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ASSETS

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

	Balance June 30, 2022	Additions	Deletions	Balance June 30, 2023
Governmental Activities:				
Lease Assets, being Amortized:				
Machinery and Equipment	\$ 26,261	\$ -	\$ 26,261	\$ -
Subscription Assets, being Amortized:				
Subscription-Based IT Arrangements	-	23,134	-	23,134
Total Lease & Subscription Assets	26,261	23,134	26,261	23,134
Being Amortized	26,261	23,134	26,261	23,134
Governmental Activities				
Lease & Subscription Assets	26,261	23,134	26,261	23,134
Less Accumulated Amortization for:				
Machinery and Equipment	(13,314)	(12,947)	26,261	-
Subscription-Based IT Arrangements	-	(10,216)	-	(10,216)
Total Accumulated Amortization	(13,314)	(23,163)	26,261	(10,216)
Governmental Activities Lease & Subscription Assets, Net	\$ 12,947	\$ (29)	\$ -	\$ 12,918

Amortization expense in the amount of \$23,163 was charged to governmental functions as follows:

Function	Amount
Regular Instruction	\$ 19,689
Administration	2,316
Central Services	1,158
	\$ 23,163
	\$ 23,163

7. INVENTORY

Inventory in the Food Service Fund at June 30, 2023 consisted of the following:

Food	\$ 12,598
Supplies	3,550
	\$ 16,148
	\$ 16,148

Barrington School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2023

8. LONG-TERM OBLIGATIONS

During the fiscal year ended June 30, 2023, the following changes occurred in long-term obligations:

	<u>Balance</u> <u>June 30, 2022</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>June 30, 2023</u>	<u>Due Within</u> <u>One Year</u>
Governmental Activities:					
Compensated Absences	\$ 67,924	\$ 168,397	\$ -	\$ 236,321	\$ 7,994
Unamortized Bond Premium	121,188	-	17,313	103,875	17,312
General Obligation Bonds	2,780,000	-	345,000	2,435,000	370,000
Leases Payable	13,234	-	13,234	-	-
Net Pension Liability	1,247,461	354,546	-	1,602,007	-
	<u>\$ 4,229,807</u>	<u>\$ 522,943</u>	<u>\$ 375,547</u>	<u>\$ 4,377,203</u>	<u>\$ 395,306</u>

Bonds Payable - Bonds and loans are authorized in accordance with State law by the voters of the School District through referendums. All bonds are retired in serial installments within the statutory period of usefulness. Outstanding bonds issued by the School District are as follows:

Series 2012 Refunding Bonds dated December 19, 2012 in the amount of \$2,780,000, with \$2,435,000 outstanding, due in annual installments through April 1, 2029, bearing an interest rate of 4.00%.

As of June 30, 2023, principal and interest due on bonds outstanding is as follows:

<u>Year ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 370,000	\$ 97,400	\$ 467,400
2025	385,000	82,600	467,600
2026	405,000	67,200	472,200
2027	425,000	51,000	476,000
2028-2029	850,000	68,000	918,000
Total	<u>\$ 2,435,000</u>	<u>\$ 366,200</u>	<u>\$ 2,801,200</u>

As of June 30, 2023, the School District had no authorizations to issue additional bonded debt.

Compensated Absences - Compensated absences will be paid from the fund from which the employees' salaries are paid.

Leases Payable - The School District had no outstanding leases as of June 30, 2023.

Subscription-Based IT Arrangements (SBITAs) Payable – For the fiscal year ended June 30, 2023, the School District implemented GASB Statement No. 96, Subscription-Based Information Technology Arrangements. These arrangements qualify as other than short-term SBITAs under GASB 96 and, therefore, have been recorded at the present value of the future minimum SBITA payments as of the date of their inception.

On February 1, 2018, the School District entered a 72-month Subscription-Based IT Arrangement for the use of a McGraw-Hill Education Math program. As of June 30, 2023, there was no outstanding liability. The arrangement has an interest rate of 4.00%. The value of the right to use asset as of June 30, 2023, was \$3,094 with accumulated amortization of \$5,304.

On July 1, 2019, the School District entered a 72-month Subscription-Based IT Arrangement for the use of a Houghton Mifflin Harcourt Social Studies program. As of June 30, 2023, there was no outstanding liability. The arrangement has an interest rate of 4.00%. The value of the right to use asset as of June 30, 2023, was \$9,823 with accumulated amortization of \$4,912.

**Barrington School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2023**

9. PENSION PLANS

Description of Plans – Substantially all of the School District's employees participate in one of the following pension plans which have been established by State statute and are administered by the New Jersey Division of Pensions and Benefits (Division): the Teachers' Pension and Annuity Fund (TPAF) and the Public Employees' Retirement System (PERS). In addition, several School District employees participate in the Defined Contribution Retirement Program (DCRP), which is a defined contribution pension plan. This plan is administered by Empower (formerly Prudential Financial) for the Division. Each plan has a Board of Trustees that is primarily responsible for its administration. The Division issues a publicly available financial report that includes financial statements and required supplementary information. For additional information about TPAF, please refer to the Division's annual financial statements which can be found at the following website: <https://www.state.nj.us/treasury/pensions/annual-reports.shtml>.

Teachers' Pension and Annuity Fund (TPAF)

Plan Description - The Teachers' Pension and Annuity Fund is a cost-sharing multiple-employer defined benefit pension plan, with a special funding situation, which was established on January 1, 1955, under the provisions of N.J.S.A. 18A:66. The State of New Jersey (the "State") is responsible to fund 100% of the employer contributions, excluding any local employer early retirement incentive (ERI) contributions. The TPAF's designated purpose is to provide retirement, death and disability, and medical benefits to qualified members. Membership in the TPAF is mandatory for substantially all teachers or members of the professional staff certified by the State Board of Examiners, who have titles that are unclassified, professional, and certified. The TPAF's Board of Trustees is primarily responsible for the administration of the TPAF.

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

The following represents the membership tiers for TPAF:

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

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

Contributions - The contribution requirements of plan members are determined by N.J.S.A. 18A:66 and requires contributions by active members and contributing employers. Pursuant to the provisions of Chapter 78, P.L. 2011, the member contribution rate was 7.50% in State fiscal year 2022. The State's pension contribution is based on an actuarially determined amount which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid.

Under current statute, all employer contributions are made by the State of New Jersey on-behalf of the School District and all other related non-contributing employers. No normal or accrued liability contribution by the School District has been required over the several preceding fiscal years. These on-behalf contributions by the State of New Jersey are considered a special funding situation, under the definition of GASB 68, *Accounting and Financial Reporting for Pensions*.

**Barrington School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2023**

9. PENSION PLANS (Continued)

Teachers' Pension and Annuity Fund (TPAF) (Continued)

The School District was not required to make any contributions to the pension plan during the fiscal year ended June 30, 2023 because of the 100.00% special funding situation with the State of New Jersey.

Based on the most recent TPAF measurement date of June 30, 2022, the State's contractually required contribution, on-behalf of the School District, to the pension plan for the fiscal year ended June 30, 2023 was \$1,889,859 and was paid by April 1, 2023. School District employee contributions to the pension plan during the fiscal year ended June 30, 2023 were \$436,100.

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

At June 30, 2023, the School District was not required to report a liability for its proportionate share of the net pension liability because of a 100% special funding situation by the State of New Jersey.

For the year ended June 30, 2023, the School District recognized pension expense of \$627,003 and revenue of \$627,003 for support provided by the State. Although the School District does not report net pension liability or deferred outflows or inflows related to the TPAF, the following schedule illustrates the collective net pension liability and deferred items and the State's portion of the net pension liability associated with the School District.

The collective amounts are the total of all New Jersey local governments participating in the TPAF plan.

	<u>06/30/22</u>	<u>06/30/21</u>
Collective deferred outflows of resources	\$ 4,885,289,911	\$ 6,230,825,389
Collective deferred inflows of resources	19,563,805,393	27,221,092,460
Collective net pension liability (Non-Employer – State of New Jersey)	51,676,587,303	48,165,991,182
State's portion of the net pension liability that was associated with the School District	23,297,564	22,171,232
State's portion of the net pension liability that was associated with the School District as a percentage of the collective net pension liability	.0451552045%	.0461178266%

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

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

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

**Barrington School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2023**

9. PENSION PLANS (Continued)

Teachers' Pension and Annuity Fund (TPAF) (Continued)

Pre-retirement mortality rates were based on the Pub-2010 Teachers Above-Median Income Employee mortality tables 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.

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>Asset 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 Markets Equity	13.50%	8.38%
Emerging Markets Equity	5.50%	10.33%
Private Equity	13.00%	11.80%
Real Estate	8.00%	11.19%
Real Assets	3.00%	7.60%
High Yield	4.00%	4.95%
Private Credit	8.00%	8.10%
Investment Grade Credit	7.00%	3.38%
Cash Equivalents	4.00%	1.75%
U.S. Treasuries	4.00%	1.75%
Risk Mitigation Strategies	3.00%	4.91%
	<u>100.00%</u>	

Discount rate. The discount rate used to measure the State's 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 (State of New Jersey) 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 projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied rate was applied to projected benefit payments after that date in determining the total pension liability.

**Barrington School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2023**

9. PENSION PLANS (Continued)

Teachers' Pension and Annuity Fund (TPAF) (Continued)

Sensitivity of the School District's proportionate share of the net pension liability to changes in the discount rate. As previously mentioned, TPAF has a special funding situation where the State pays 100% of the School District's annual required contribution. As such, the proportionate share of the net pension liability as of June 30, 2022, the pension plan's measurement date, attributable to the School District is \$0.00, and the State of New Jersey's proportionate share of the net pension liability, attributable to the School District, using a discount rate of 7.00%, as well as what the School District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.00%) or 1 percentage point higher (8.00%) that the current rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
District's proportionate share of the net pension liability	\$ -	\$ -	\$ -
State's proportionate share of the net pension liability associated with the School District	27,316,889	23,297,564	19,911,788
	\$ 27,316,889	\$ 23,297,564	\$ 19,911,788

Detailed information about the pension plan's sensitivity of the collective net pension liability to changes in the discount rate is available in the separately issued State of New Jersey Division of Pensions and Benefits financial report.

Public Employees' Retirement System (PERS)

Plan Description - The Public Employees' Retirement System is a cost-sharing multiple-employer defined benefit pension plan which was established on January 1, 1955. The PERS provides retirement, death and disability, and medical benefits to certain qualified members. Vesting Membership in the PERS is mandatory for substantially all full-time employees of the Authority, provided the employee is not required to be a member of another state-administered retirement system or other state pension fund or local jurisdiction's pension fund. The PERS's Board of Trustees is primarily responsible for the administration of the PERS. For additional information about PERS, please refer to Division's annual financial statements, which can be found at <http://www.state.nj.us/treasury/pensions/annual-reports.shtml>.

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

The following represents the membership tiers for PERS:

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

**Barrington School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2023**

9. PENSION PLANS (Continued)

Public Employees' Retirement System (PERS)

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

Contributions - The contribution requirements of plan members are determined by N.J.S.A 43:15A and requires contributions by active members and contributing employers. The School District's contribution amounts are based on an actuarially determined rate which includes the normal cost and unfunded accrued liability. Chapter 19. P.L. 2009 provided an option for local employers of PERS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in State fiscal year 2009. Such employers will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded liability of those retirement systems, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual payments over a period of 15 years beginning with the payments due in the fiscal year ended June 30, 2012 and will be adjusted by the rate of return on the actuarial value of assets.

Based on the most recent PERS measurement date of June 30, 2022, the School District's contractually required contribution to the pension plan for the fiscal year ended June 30, 2023, was \$133,865 and was paid by April 1, 2023. School District employee contributions to the pension plan during the fiscal year ended June 30, 2023, were \$62,454.

The School District is billed annually for its normal contribution plus any accrued liability. The School District's contributions, equal to the required contribution for each fiscal year, were as follows:

Fiscal Year	Normal Contributions	Accrued Liability	Non Contributory Life	Long Term Disability	Total Liability Paid by District
2022	\$ 20,389	\$ 107,680	\$ 5,796	\$ -	\$ 133,865
2021	12,870	94,411	5,449	-	112,730
2020	9,396	86,949	5,192	77	101,614

Pension Liabilities, Pension Expense, and Deferred Outflow of Resources and Deferred Inflows of Resources Related to Pensions – For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the PERS and additions to/deductions from PERS fiduciary net position have been determined on the same basis as they are reported by PERS. 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.

At June 30, 2023, the School District reported a liability of \$1,602,007 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2021. The School District's proportion of the of the net pension liability was based on a projection of the School District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined.

**Barrington School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2023**

9. PENSION PLANS (Continued)

Public Employees' Retirement System (PERS) (Continued)

For the year ended June 30, 2023, the School District recognized pension expense of (\$90,969). At June 30, 2023, the School District reported a liability of \$1,602,007 for its proportionate share of the PERS net pension liability and deferred outflows of resources related to PERS from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 11,563	\$ 10,197
Changes of assumptions	4,964	239,884
Net Difference between projected and actual earnings on pension plan investments	66,306	-
Changes in proportion	71,953	14,292
District contributions subsequent to the measurement date	141,541	-
Total	\$ 296,327	\$ 264,373

\$141,541 reported as deferred outflows of resources related to pensions resulting from school district contributions subsequent to the measurement will be recognized as a reduction of the net liability in the year ended June 30, 2024.

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

For the year ended:	Net Deferred Outflows (Inflows) of Resources
2024	\$ (116,818)
2025	(63,785)
2026	(14,829)
2027	85,090
2028	755
Total	\$ (109,587)

**Barrington School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2023**

9. PENSION PLANS (Continued)

Public Employees' Retirement System (PERS) (Continued)

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

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience		
Year of Pension Plan Deferral:		
June 30, 2018	-	5.63
June 30, 2019	5.21	-
June 30, 2020	5.16	-
June 30, 2021	-	5.13
June 30, 2022	-	5.04
Changes of assumptions		
Year of Pension Plan Deferral:		
June 30, 2018	-	5.63
June 30, 2019	-	5.21
June 30, 2020	-	5.16
June 30, 2021	5.13	-
June 30, 2022	-	5.04
Net Difference between projected and actual earnings on pension plan investments		
Year of Pension Plan Deferral:		
June 30, 2018	5.00	-
June 30, 2019	5.00	-
June 30, 2020	5.00	-
June 30, 2021	5.00	-
June 30, 2022	5.00	-

Additional Information

Collective balances at June 30, 2022 and 2021 are as follows:

	<u>6/30/2022</u>	<u>6/30/2021</u>
Collective deferred outflows of resources	\$ 1,715,543,211	\$ 818,359,815
Collective deferred inflows of resources	\$ 4,112,583,758	\$ 11,243,411,487
Collective net pension liability	\$ 15,219,184,920	\$ 11,972,782,878
School District's Proportion	.0106153769%	.0105302102%

**Barrington School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2023**

9. PENSION PLANS (Continued)

Public Employees' Retirement System (PERS) (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:	2.75 – 6.55%
	based on years of service
Investment Rate of Return	7.00%

Pre-retirement mortality rates were based on the Pub-2010 General Below-Median Income Employee mortality table with an 82.2% adjustment for males and 101.4% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 General Below-Median Income Healthy Retiree mortality table with a 91.4% adjustment for males and 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 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 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:

<u>Asset 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. Treasuries	4.00%	1.75%
Risk Mitigation Strategies	3.00%	4.91%
Total	<u>100.00%</u>	

Barrington School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2023

9. PENSION PLANS (Continued)

Public Employees' Retirement System (PERS) (Continued)

Discount rate. The discount rate used to measure the State's 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 nonemployer contributing entity will be made based on 100% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied all projected benefit payments to determining the total pension liability.

Sensitivity of the School District's proportionate share of the net pension liability to changes in the discount rate. The following presents the School District's proportionate share of the net pension liability measured as of June 30, 2022, calculated using the discount rate of 7.00%, as well as what the School District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.00%) or 1 percentage point higher (8.00%) than the current rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
School District's proportionate share of the net pension liability	\$ 2,058,110	\$ 1,602,007	\$ 1,213,845

Pension Plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in the separately issued State of New Jersey Division of Pensions and Benefits financial report.

Defined Contribution Retirement Program (DCRP)

The Defined Contribution Retirement Program is a cost-sharing multiple-employer defined contribution pension plan which was established on July 1, 2007, under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007 (N.J.S.A.43:15C-1 et. seq), and expanded under the provisions of Chapter 89, P.L. 2008 and Chapter 1, P.L. 2010. The Defined Contribution Retirement Program Board oversees the DCRP, which is administered for the Divisions of Pensions and Benefits by Empower (formerly Prudential Financial). The DCRP provides eligible members, and their beneficiaries, with a tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage. Vesting and benefit provisions are established by N.J.S.A. 43:15C-1 et. seq.

The contribution requirements of plan members are determined by State statute. In accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members are required to contribute 5.5% of their annual covered salary. In addition to the employee contributions, the School District's contribution amounts for each pay period are transmitted to Empower not later than the fifth business day after the date on which the employee is paid for that pay period.

The School District's contributions, equal to the required contribution for each fiscal year, were as follows:

Fiscal Year	Total Liability	Paid by School District
2023	\$ 10,228	\$ 10,228
2022	7,093	7,093
2021	5,335	5,335

**Barrington School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2023**

10. OTHER POSTEMPLOYMENT BENEFITS (OPEB)

Plan Description and Benefits Provided

The State Health Benefit Local Education Retired Employees Plan (the “OPEB Plan”) is a multiple-employer defined benefit OPEB plan, with a special funding situation, that is administered on a pay-as-you-go basis. Accordingly, no assets are accumulated in a qualifying trust that meets the criteria in paragraph 4 of GASB Statement No. 75, *Accounting and Financial Reporting for the Postemployment Benefits Other Than Pensions*. The OPEB Plan is administered by the State of New Jersey Division of Pensions and Benefits (the “Division”) and is part of the New Jersey State Health Benefits Program (SHBP). The Division issues a publicly available financial report that includes financial statements and required supplementary information which can be obtained by writing to or at the following website:

State of New Jersey
Division of Pensions and Benefits
P.O. Box 295
Trenton, New Jersey 08625-0295
<https://www.nj.gov/treasury/pensions/financial-reports.shtml>

The OPEB Plan provides medical, prescription drug, and Medicare Part B reimbursement to retirees and their covered dependents of local education employers.

Contributions

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

Plan Membership

As of June 30, 2022, the program membership consisted of the following:

Active Plan Members	213,148
Retirees	151,669
	364,817

Total Non-Employer OPEB Liability

The State of New Jersey, a nonemployer contributing entity, is the only entity that has a legal obligation to make employer contributions to OPEB for qualified retired PERS and TPAF participants. The School District’s proportionate share percentage determined under paragraphs 193 and 203 through 205 of GASB No. 75 is zero percent. Accordingly, the School District did not recognize any portion of the collective net OPEB liability on the Statement of Net Position. Accordingly, the following OPEB liability note information is reported at the State’s level and is not specific to the board of education/board of trustees. Note that actual numbers will be published in the NJ State ACFR on the Office of Management and Budget webpage: nj.gov/treasury/omb/fr.shtml. The State, as a nonemployer contributing entity, reported a Fiscal Year 2022 total OPEB liability of \$50,646,462,966 for this special funding situation.

Barrington School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2023

10. OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)

Actuarial assumptions and other imputes - The total OPEB liability in the June 30, 2022 actuarial valuation reported by the State in the State’s most recently issued ACFR was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified.

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

Inflation rate	2.50%		
	<u>TPAF/ABP</u>	<u>PERS</u>	<u>PFRS</u>
Salary Increases	2.75 – 4.25%	2.75 – 6.55%	3.25 – 16.25%
	based on service years	based on service years	based on service years

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

The actuarial assumptions used in the June 30, 2022 valuation were based on the results of the TPAF, PERS, and PFRS actuarial experience studies prepared for July 1, 2018 to June 30, 2021.

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.

**Barrington School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2023**

10. OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)

Changes in the Total Nonemployer OPEB Liability

The table below summarizes the State's proportionate share of the change in the total nonemployer OPEB liability associated with the School District:

	Total OPEB Liability
Balance as of June 30, 2021	\$ 26,270,002
Changes for the Year	
Service Cost	1,276,085
Interest	593,979
Changes of benefit terms	-
Differences between expected and actual experience	855,378
Changes in assumptions	(6,012,589)
Gross Benefit Payments	(588,354)
Contributions from the Non-employer	N/A
Contributions from the Member	18,875
Net Investment Income	N/A
Administrative Expense	N/A
Net Changes	\$ (3,856,626)
Balance at 06/30/2022	\$ 22,413,376

Sensitivity of the total nonemployer OPEB liability to changes in the discount rate - The following presents the total nonemployer OPEB liability as of June 30, 2022, respectively, calculated using the discount rate as disclosed above as well as what the total nonemployer OPEB liability would be if it was calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	1% Decrease (2.54%)	Current Discount Rate (3.54%)	1% Increase (4.54%)
State of New Jersey's Proportionate Share of the Total Nonemployer OPEB Liability Associated with the School District	\$ 26,344,566	\$ 22,413,376	\$ 19,262,724

Sensitivity of the total nonemployer OPEB liability to changes in the healthcare cost trend rate - The following presents the total nonemployer OPEB liability as of June 30, 2022 calculated using the healthcare trend rate as disclosed above as well as what the total nonemployer OPEB liability would be if it was calculated using a healthcare trend rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
State of New Jersey's Proportionate Share of the Total Nonemployer OPEB Liability Associated with the School District	\$ 18,526,025	\$ 22,413,376	\$ 27,519,647

**Barrington School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2023**

10. OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)

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

For the fiscal year ended June 30, 2023, the School District recognized \$859,610 in OPEB expense and revenue, in the government-wide financial statements, for the State’s proportionate share of the OPEB Plan’s OPEB Expense, associated with the School District. This expense and revenue were based on the OPEB Plan’s June 30, 2022 measurement date.

In accordance with GASBS No. 75, the School District’s proportionate share of the OPEB liability is zero. As such, there is no recognition of the allocation of proportionate share of deferred outflows of resources and deferred inflows of resources by the School District.

At June 30, 2022, the State’s proportionate share of the total nonemployer OPEB liability’s deferred outflows of resources and deferred inflows of resources, associated with the School District, from the following sources are as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Change in Proportion	\$ 802,589	\$ (67,894)
Differences between expected and actual experience	4,001,677	(6,843,063)
Changes of assumptions	3,879,188	(7,628,289)
Total	\$ 8,683,454	\$ (14,539,246)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to State’s proportionate share of the total nonemployer OPEB Liability, associated with the School District, will be recognized in OPEB expense as follows:

For the year ended:	
2024	\$ (989,773)
2025	(989,773)
2026	(989,773)
2027	(855,412)
2028	(489,136)
Thereafter	(1,541,925)
Total	\$ (5,855,792)

Detailed information about the pension plan’s sensitivity of the collective net pension liability to changes in the discount rate is available in the separately issued State of New Jersey Division of Pensions and Benefits financial report.

11. ON-BEHALF PAYMENTS

For the fiscal year ended June 30, 2023, the School District has recognized as revenues and expenditures on-behalf payments made by the state for normal retirement costs, post-retirement medical costs and long-term disability insurance related to TPAF, in the fund statements. The amounts recognized as revenues and expenditures in the fund financial statements for normal costs, post-retirement medical costs and long-term disability insurance were \$1,850,910, \$486,229, and \$963, respectively. In addition, \$417,929 on-behalf payments were made by the state for the employer’s share of social security contributions for TPAF members, as calculated on their base salaries.

**Barrington School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2023**

12. RISK MANAGEMENT

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

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

Joint Insurance Pool - The School District is a member of the New Jersey School Boards Association Insurance Group (NJSBAIG). Insurance coverage as provided by the Fund can be found in the Statistical Section of this Annual Comprehensive Financial Report.

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

The Fund publishes its own financial report which can be obtained at www.njsbaig.com.

New Jersey Unemployment Compensation Insurance - Effective January 1, 2015, The District has elected to fund its New Jersey Unemployment Compensation Insurance under the "benefit reimbursement method" in lieu of the “contributory method”. Under this plan, the District is required to maintain a trust fund and reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The District is billed quarterly for amounts due to the State.

The following is a summary of the School District’s unemployment compensation contributions, employee contributions, reimbursements to the State for benefits paid and the ending balance of the current and previous two fiscal years:

<u>Fiscal Year</u>	<u>Employee Contributions</u>	<u>Employer Contributions</u>	<u>Interest Earned</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2023-2024	\$ 12,685	\$ -	\$ 95	\$ 9,738	\$ 43,690
2022-2023	11,614	-	14	-	40,648
2020-2021	10,329	-	10	963	29,020

13. DEFERRED COMPENSATION

The School District offers its employees a choice of various deferred compensation plans created in accordance with Internal Revenue Code Section 403(b) and 457. The plans, available to all permanent School District employees, permit participants to defer a portion of their current salary to future years. Participation in the plans is optional. The deferred compensation is not available to the participants until termination, retirement, death, or an unforeseeable emergency occurs. The plan assets are held in trust for the benefit of the employee and are administered by a third party therefore they are not reflected on the financial statements of the School District.

14. COMPENSATED ABSENCES

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

School District employees are granted varying amounts of vacation and sick leave in accordance with the School District’s personnel policy. Upon termination, employees are paid for accrued vacation. The School District’s policy permits employees to accumulated unused sick leave and carry forward the full amount to subsequent years.

**Barrington School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2023**

14. COMPENSATED ABSENCES (Continued)

Upon retirement employees shall be paid by the School District for the unused sick leave in accordance with the School District's agreements with the various employee unions.

The liability for vested compensated absences is recorded within those funds as the benefits accrued to the employees. As of June 30, 2023, the liability for compensated absences in the governmental activities fund types was \$236,321.

15. INTERFUND BALANCES AND TRANSFERS

Interfund receivables/payables are recorded to cover temporary cash shortages and/or timing differences in the respective funds. There are no interfund balances that are not expected to be repaid by June 30, 2024. The following interfund balances were recorded on the various balance sheets as of June 30, 2023:

<u>Fund</u>	<u>Interfunds Receivable</u>	<u>Interfunds Payable</u>
General	\$ 983,091	\$ -
Special Revenue	-	732,103
Capital Projects	-	191,950
Proprietary Fund	-	59,038
	<u>\$ 983,091</u>	<u>\$ 983,091</u>

16. CONTINGENCIES

The School District participates in a number of federal and state programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the School District may be required to reimburse the grantor government.

At June 30, 2023, significant amounts of grant expenditures have not been audited by the granting agency, but the School District believes that disallowed expenditures discovered in subsequent audits, if any, will not have a material effect on any of the individual funds or the overall financial position of the School District. Additionally, unearned revenues are recognized in those funds that have received grant monies in advance of future, reimbursable expenditures.

17. TAX ABATEMENTS

As defined by the Governmental Accounting Standards Board (GASB), a tax abatement is an agreement between a government and an individual or entity in which the government promises to forgo tax revenues and the individual or entity promises to subsequently take a specific action that contributes to economic development or otherwise benefits the government or its citizens. School districts are not authorized by New Jersey statute to enter into tax abatement agreements. However, the county or municipality in which the school district is situated may have entered into tax abatement agreements, and that potential must be disclosed in these financial statements.

If the county or municipality entered into tax abatement agreements, those agreements will not directly affect the school district's local tax revenue because N.J.S.A. 54:4-75 and N.J.S.A. 54:4-76 require that amounts so forgiven must effectively be recouped from other taxpayers and remitted to the school district.

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

Barrington School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2023

17. TAX ABATEMENTS (Continued)

The Borough of Barrington (Municipality) provides for long-term tax exemptions, as authorized by New Jersey State Statutes. N.J.S.A. 40A:20-1 et seq. sets forth the criteria and mechanism by which property taxes can and are abated. The exemptions provided by the Municipality are for affordable housing and other permitted purposes. Taxes abated include municipal, local school, and county taxes.

The municipality recognized revenue of \$278,428 from the annual service charge in lieu of payment of taxes in 2022. The assessed value on these tax exemption properties amounted to \$22,581,400 which would have resulted in 2022 taxes billed in full of \$1,021,357. Of this amount, \$524,114 would have been allocated to the District.

18. FLEXIBLE BENEFITS PROGRAM

The School District offers its employees a Flexible Benefits Program. The purpose of the program is to provide a tax incentive for plan participants incurring health premium expenses, dependent care expenses and other medical expenses not covered by other insurance. The School District, who is the plan administrator, has contracted with a third party to act as its agent to furnish reimbursement services. The plan participants redirect a prescribed amount of their gross pay (tax-free) into a reimbursement account and then in-turn submit claims to the third party for repayment. Because of Internal Revenue Service regulations, if at the end of any plan year unexpended funds remain, these funds will be forfeited by the participants and returned to the School District.

The following is a summary of School District contributions, employee contributions, reimbursements to the plan participants for benefits paid and the ending balance for the current and prior two years.

Fiscal Year	Contributions	Amount Reimbursed	Ending Balance
2023	\$ 8,443	\$ 6,004	\$ 2,593
2022	4,851	6,218	154
2021	7,202	6,938	1,521

19. DEFICIT UNRESTRICTED NET POSITION

As of June 30, 2023, a deficit of \$1,771,296 existed in the Unrestricted Net Position of the Governmental Activities. A reconciliation of Unreserved Fund Balance reported on Exhibit B-1 to Unrestricted Net Position reported on Exhibited A-1 as follows:

Balances June 30, 2023	
Fund Balance (Deficit)	
(Exclusive of Capital Projects and Debt Service Funds):	
Fund Balance – Unassigned	\$ 58,579
Assigned	246,265
Liabilities:	
Bond Premiums	(103,875)
Accrued Interest Payable	(24,350)
Net Pension Differences	(1,711,594)
Compensated Absences	(236,321)
Unrestricted Net Position (Deficit)	\$ (1,771,296)

Barrington School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2023

20. FUND BALANCES

RESTRICTED

As stated in Note 1, the restricted fund balance classification includes amounts that are restricted to specific purposes. Such restrictions, or constraints, are placed on the use of resources by either of the following: (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation. Specific restrictions of the School District's fund balance are summarized as follows:

General Fund:

Excess Surplus – In accordance with N.J.S.A. 18A:7F-7, as amended, the designation of restricted fund balance excess surplus is the result of a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to restrict general fund, fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2023 is \$113,393 presented on the budgetary basis of accounting (Exhibit C-1).

Capital Reserve – As of June 30, 2023, the balance in the capital reserve account is \$1,546,354. Of this amount, \$895,032 has been appropriated and included as an anticipated revenue for the fiscal year ended June 30, 2024. These funds are restricted for future capital outlay expenditures for capital projects in the School District's approved Long-Range Facilities Plan.

Maintenance Reserve Account – As of June 30, 2023, the balance in the maintenance reserve account is \$523,782. Of this amount, \$100,000 has been appropriated and included as an anticipated revenue for the fiscal year ended June 30, 2024. These funds are restricted for the required maintenance of school facilities in accordance with the Educational Facilities Construction and Financing Act (EFCFA) (N.J.S.A. 18A:7G-9) as amended by P.L. 2004, c. 73 (S1701).

Tuition Reserve – In accordance with N.J.A.C. 6A:23-3.1(f)(8), the School District has restricted fund balance at June 30, 2023 in the amount of \$675,000 for tuition adjustments. This reserve represents foreseeable future tuition adjustments up to a maximum of 10% of the estimated cost of the respective contract year. \$350,000 has been appropriated and included as anticipated revenue for the fiscal year ending June 30, 2024 and \$325,000 is reserved for use in the June 30, 2025 year.

Emergency Reserve – As of June 30, 2023, the balance in the emergency reserve is \$68,572. These funds are restricted for the purpose of financing unanticipated general fund expenditures required for a thorough and efficient education in accordance with N.J.S.A. 18A:7F-41c(1).

Unemployment Compensation – As of June 30, 2023, the balance in the unemployment compensation reserve is \$17,680. These funds are restricted for the purpose of financing unemployment claims.

Special Revenue Fund:

Student Activities – As of June 30, 2023, the balance in student activities is \$14,747.

ASSIGNED

As stated in Note 1, the assigned fund balance classification includes amounts that are constrained by the School District's *intent* to be used for specific purposes but are neither restricted nor committed. Specific assignments of the School District's fund balance are summarized as follows:

General Fund:

Other Purposes – As of June 30, 2023, the School District has \$246,265 of encumbrances outstanding for purchase orders and contracts signed by the School District, but not completed, as of the close of the fiscal year.

Barrington School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2023

20. FUND BALANCES (Continued)

UNASSIGNED

As stated in Note 1, the unassigned fund balance classification represents fund balance that has not been restricted, committed, or assigned to specific purposes. The School District's unassigned fund balance is summarized as follows:

General Fund – As of June 30, 2023, the unassigned fund balance of the general fund was \$58,579.

21. LITIGATION

The District is involved in one legal proceeding. The outcome or potential liability exposure from this litigation is unknown at this time.

Required Supplementary Information - Part II

Budgetary Comparison Schedules

**BARRINGTON SCHOOL DISTRICT
 Required Supplementary Information
 Budgetary Comparison Schedule
 General Fund
 For the Fiscal Year Ended June 30, 2023**

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
REVENUES:					
Local sources:					
Local Tax Levy	\$ 11,156,226	\$ -	\$ 11,156,226	\$ 11,156,226	\$ -
Tuition from Individuals					
Tuition from other LEA's (within state)					
Interest earned on Emergency Reserve	34		34	200	166
Interest earned on Maintenance Reserve	276		276	1,530	1,254
Interest earned on Capital Reserve	471		471	3,933	3,462
Other restricted miscellaneous revenues				96	96
Unrestricted miscellaneous revenues	<u>35,000</u>	<u>-</u>	<u>35,000</u>	<u>70,981</u>	<u>35,981</u>
Total local sources	<u>11,192,007</u>		<u>11,192,007</u>	<u>11,232,966</u>	<u>40,959</u>
State sources:					
Categorical Special Education Aid	557,456		557,456	557,456	
Equalization Aid	3,829,583		3,829,583	3,829,583	
Security Aid	81,247		81,247	81,247	
Transportation Aid	75,087		75,087	75,087	
Extraordinary Aid				188,579	188,579
Nonpublic Transportation Aid				8,736	8,736
Lead Testing Aid				4,371	4,371
On-behalf TPAF pension contrib.. (non-budgeted)				1,850,910	1,850,910
On-behalf Post Retirement Medical (non-budgeted)				486,229	486,229
On-behalf Long Term Disability Insurance (non-budgeted)				963	963
Reimbursed TPAF social security contribution (non-budgeted)				<u>417,929</u>	<u>417,929</u>
Total state sources	<u>4,543,373</u>		<u>4,543,373</u>	<u>7,501,090</u>	<u>2,957,717</u>
TOTAL REVENUES	<u>15,735,380</u>		<u>15,735,380</u>	<u>18,734,056</u>	<u>2,998,676</u>
EXPENDITURES:					
CURRENT EXPENSE:					
Regular Programs - Instruction:					
Salaries of teachers					
Kindergarten	347,790	(7,400)	340,390	338,698	1,692
Grades 1-5	1,319,325	42,899	1,362,224	1,360,065	2,159
Grades 6-8	1,057,220	50,159	1,107,379	1,088,874	18,505
Regular Programs - Home Instruction:					
Salaries of teachers	5,000	1,746	6,746	6,746	
Regular Programs - Undistributed Instruction:					
Purchased professional - educational services	114,160	(47,364)	66,796	60,433	6,363
Purchased technical services	15,000	4,200	19,200	14,996	4,204
Other purchased services	1,500		1,500	212	1,288
General supplies	104,755	(35,932)	68,823	67,962	861
Textbooks	50,000	(47,340)	2,660		2,660
Other objects	<u>3,640</u>		<u>3,640</u>	<u>1,605</u>	<u>2,035</u>
Total - Regular Programs - Instruction	<u>3,018,390</u>	<u>(39,032)</u>	<u>2,979,358</u>	<u>2,939,591</u>	<u>39,767</u>

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

(CONTINUED TO NEXT PAGE)

BARRINGTON SCHOOL DISTRICT
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2023

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Multiple Disabilities:					
Salaries of teachers	\$ 140,356	\$ (33,372)	\$ 106,984	\$ 106,984	\$ -
Other salaries for instruction	168,163	(8,354)	159,809	159,259	550
General supplies	1,000		1,000	49	951
Total multiple disabilities	<u>309,519</u>	<u>(41,726)</u>	<u>267,793</u>	<u>266,292</u>	<u>1,501</u>
Resource room/resource center:					
Salaries of teachers	1,080,382	(39,371)	1,041,011	1,029,474	11,537
Other salaries for instruction	101,098	37,136	138,234	138,194	40
General supplies	5,000	1,626	6,626	4,907	1,719
Textbooks	20,000	(20,000)			
Total resource room/resource center	<u>1,206,480</u>	<u>(20,609)</u>	<u>1,185,871</u>	<u>1,172,575</u>	<u>13,296</u>
Preschool disabilities - part time:					
Salaries of teachers	94,796	(539)	94,257	92,150	2,107
Other salaries for instruction	56,266		56,266	55,177	1,089
General supplies	1,200	539	1,739	779	960
Total preschool disabilities - part time	<u>152,262</u>	<u></u>	<u>152,262</u>	<u>148,106</u>	<u>4,156</u>
Total Special Education - Instruction	<u>1,668,261</u>	<u>(62,335)</u>	<u>1,605,926</u>	<u>1,586,973</u>	<u>18,953</u>
Basic Skills/Remedial - Instruction					
Salaries of teachers	422,667	29,963	452,630	444,598	8,032
General supplies	3,000		3,000	578	2,422
Textbooks	10,000		10,000		10,000
Total basic skills/remedial - instruction	<u>435,667</u>	<u>29,963</u>	<u>465,630</u>	<u>445,176</u>	<u>20,454</u>
School Sponsored Cocurricular Activities - Instruc.					
Salaries	15,000	29,326	44,326	44,326	
	<u>15,000</u>	<u>29,326</u>	<u>44,326</u>	<u>44,326</u>	
School Sponsored Athletics - Instruc.					
Salaries	40,000	(10,600)	29,400	29,400	
Purchased services	5,000		5,000	4,653	347
Supplies and Materials	4,000	(4,000)			
Other objects	3,700	(3,528)	172	172	
Total school sponsored athletics - instruc	<u>52,700</u>	<u>(18,128)</u>	<u>34,572</u>	<u>34,225</u>	<u>347</u>
Total Instruction	<u>5,190,018</u>	<u>(60,206)</u>	<u>5,129,812</u>	<u>5,050,291</u>	<u>79,521</u>

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

(CONTINUED TO NEXT PAGE)

BARRINGTON SCHOOL DISTRICT
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2023

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undistributed Expenditures - Instruction					
Tuition to other LEAs within the state - reg.	\$ 3,725,293	\$ 12,478	\$ 3,737,771	\$ 3,737,771	\$ -
Tuition to other LEAs within the state - spec	372,195	19,375	391,570	391,570	
Tuition to County Voc. School Districts - reg.	20,000	21,581	41,581	41,581	
Tuition to County Voc. School Districts - spec.	20,000	(16,500)	3,500	3,500	
Tuition to CSSD & Reg. Day Schools			41,727	41,727	
Tuition to priv. sch. for the disabled in state	629,842	(138,994)	490,848	467,241	23,607
Tuition - other	25,000	(25,000)			
Total undistributed expenditures - instruction	<u>4,792,330</u>	<u>(85,333)</u>	<u>4,706,997</u>	<u>4,683,390</u>	<u>23,607</u>
Attendance and Social Work Services:					
Salaries	65,477	(4,802)	60,675	60,675	
Total attendance and social work services	<u>65,477</u>	<u>(4,802)</u>	<u>60,675</u>	<u>60,675</u>	
Health Services:					
Salaries	161,852	7,002	168,854	168,854	
Purchased professional and technical services	10,000	(1,475)	8,525	8,525	
Other purchased services	600		600		600
Supplies and materials	6,000	(500)	5,500	5,233	267
Other objects	5,000	(3,970)	1,030	335	695
Total health services	<u>183,452</u>	<u>1,057</u>	<u>184,509</u>	<u>182,947</u>	<u>1,562</u>
Speech, OT, PT & Related Services:					
Salaries	183,790		183,790	180,011	3,779
Purchased professional - educational services	40,000	(12,500)	27,500	17,528	9,972
Supplies and materials	1,000	1,882	2,882	2,868	14
Total speech, ot, pt & related services	<u>224,790</u>	<u>(10,618)</u>	<u>214,172</u>	<u>200,407</u>	<u>13,765</u>
Other Support Services Student - Extra. Serv.					
Salaries					
Purchased professional - educational services	300,000	(127,931)	172,069	78,194	93,875
Supplies and materials	1,000		1,000	112	888
Total other support services student - extra. serv.	<u>301,000</u>	<u>(127,931)</u>	<u>173,069</u>	<u>78,306</u>	<u>94,763</u>
Guidance:					
Salaries of other professional staff	152,916	2,392	155,308	155,308	
Supplies and materials	1,000		1,000	586	414
Total guidance	<u>153,916</u>	<u>2,392</u>	<u>156,308</u>	<u>155,894</u>	<u>414</u>

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

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BARRINGTON SCHOOL DISTRICT
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2023

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Child Study Teams:					
Salaries of other professional staff	\$ 352,824	\$ 80,863	\$ 433,687	\$ 422,724	\$ 10,963
Salaries of secretarial and clerical assistants	56,690		56,690	56,626	64
Purchased professional - educational services	17,225	(749)	16,476	11,231	5,245
Other purchased services	4,000	749	4,749	3,449	1,300
Supplies and materials	6,000		6,000	5,953	47
Other objects	2,000	(1,000)	1,000	893	107
Total child study teams	438,739	79,863	518,602	500,876	17,726
Improvement of Instructional Services:					
Salaries of supervisors of instruction	111,139		111,139	111,139	
Other purchased services	200		200		200
Total improvement of instructional services	111,339		111,339	111,139	200
Educational Media Services/School Library:					
Salaries	64,874	2,741	67,615	67,615	
Purchased professional and technical services	4,700	(1,500)	3,200	2,835	365
Other purchased services	2,500	(2,241)	259		259
Supplies and materials	6,400	(1,819)	4,581	4,098	483
Total educational media services/school library	78,474	(2,819)	75,655	74,548	1,107
Instructional Staff Training Services:					
Purchased professional - educational services	4,499	(2,881)	1,618		1,618
Other purchased services	15,000	6,491	21,491	211	21,280
Supplies and materials	2,000	(791)	1,209	800	409
Total instructional staff training services	21,499	2,819	24,318	1,011	23,307
General Administration:					
Salaries	174,286	4,270	178,556	178,556	
Legal services	10,000	23,730	33,730	20,080	13,650
Audit fees	22,500	3,000	25,500	25,500	
Architectural/Engineering Services	4,500		4,500	3,500	1,000
Purchased technical services	5,500		5,500		5,500
Communications / telephone	37,000	(3,000)	34,000	12,757	21,243
BOE other purchased services	3,000		3,000	99	2,901
Miscellaneous Purchased Services	10,500		10,500	6,772	3,728
General Supplies and materials	2,000		2,000		2,000
BOE In-House Training/Meeting supplies	1,000		1,000		1,000
Miscellaneous expenditures	6,000		6,000	231	5,769
BOE membership dues and fees	10,000		10,000	6,738	3,262
Total general administration	286,286	28,000	314,286	254,233	60,053

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

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BARRINGTON SCHOOL DISTRICT
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2023

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
School Administration:					
Salaries of principals/assist. principals	\$ 119,779	\$ 2,647	\$ 122,426	\$ 122,426	\$ -
Salaries of secretarial and clerical assistants	55,922	1,533	57,455	57,455	
Other purchased services	1,100		1,100	466	634
Supplies and materials	3,000	16,000	19,000	2,135	16,865
Other objects	3,500	(2,647)	853	90	763
Total school administration	183,301	17,533	200,834	182,572	18,262
Central Services:					
Salaries	174,236	26,185	200,421	196,473	3,948
Purchased technical services	30,000	9,866	39,866	39,821	45
Misc. purchased services	2,500	(731)	1,769	1,769	
Supplies and materials	6,500	780	7,280	7,174	106
Miscellaneous expenditures	3,200	778	3,978	3,978	
Total central services	216,436	36,878	253,314	249,215	4,099
Administrative Information Technology:					
Salaries	97,355	2,662	100,017	100,017	
Purchased technical services	41,200	(2,662)	38,538	32,624	5,914
Other purchased services	1,000		1,000		1,000
Supplies and materials	30,000	(2,947)	27,053	6,054	20,999
Total admin. information technology	169,555	(2,947)	166,608	138,695	27,913
Required Maintenance School Facilities:					
Salaries	78,185	(51,054)	27,131	27,131	
Cleaning, repair and maintenance services	75,500	2,599	78,099	77,998	101
General supplies	25,000	(2,101)	22,899	21,051	1,848
Total required maintenance school facilities	178,685	(50,556)	128,129	126,180	1,949
Custodial Services:					
Salaries	289,025	48,135	337,160	337,160	
Salaries of Non-Instructional Aides	40,504	7,483	47,987	37,987	10,000
Unused vacation payment to term/retired staff					
Purchased prof. and technical services	7,000	837	7,837	7,837	
Cleaning, repair and maintenance services	13,500	(9,919)	3,581	3,160	421
Other purchased property services	20,000	1,175	21,175	17,907	3,268
Insurance	84,000	9,101	93,101	93,101	
General Supplies	30,000		30,000	29,871	129
Energy (Electricity)	100,000	840	100,840	98,983	1,857
Energy (Gasoline)	1,500	77	1,577	1,577	
Energy (Natural Gas)	100,000	(30,797)	69,203	51,586	17,617
Total custodial services	685,529	26,932	712,461	679,169	33,292
Care and Upkeep of Grounds:					
Purchased prof. and technical services	16,000	4,200	20,200	20,076	124
Cleaning, repair and maintenance services	3,000	(500)	2,500		2,500
General Supplies	4,500	(2,000)	2,500	1,473	1,027
Total care and upkeep of grounds	23,500	1,700	25,200	21,549	3,651
Security:					
Salaries	10,000	(10,000)			
Purchased prof. and technical services		46,775	46,775	46,775	
Total security	10,000	36,775	46,775	46,775	
Total operation & maint. of plant services	897,714	14,851	912,565	873,673	38,892

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

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BARRINGTON SCHOOL DISTRICT
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2023

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Student Transportation Services:					
Management fee - ESC Transp. programs	\$ 12,000	\$ 6,536	\$ 18,536	\$ 18,536	\$ -
Contr. serv. (between home & sch) - vendor	318,000	(17,460)	300,540	299,878	662
Contr. serv. (not between home & sch) - vendor	48,700	(37,241)	11,459	8,424	3,035
Contr. Serv. (Regular Students) - ESC	45,000	(679)	44,321	44,321	
Contr. Serv. (Spl. Ed. Students) - ESC	45,000	185,228	230,228	230,228	
Contr. Serv. - Aid in Lieu of Payments - nonpublic	45,000	15,083	60,083	60,083	
Contr. Serv. - Aid in Lieu of Payments - charter sch	2,000	(500)	1,500	1,500	
Contr. Serv. - Aid in Lieu of Payments - choice sch	4,420	(4,420)			
Total student transportation services	520,120	146,547	666,667	662,970	3,697
Unallocated Benefits - Employee Benefits:					
Social security contributions	130,000	(21,442)	108,558	102,849	5,709
Other retirement contributions - PERS	130,000	13,393	143,393	143,393	
Unemployment compensation	25,000	(17,151)	7,849		7,849
Workmen's compensation	75,000		75,000	44,479	30,521
Health benefits	1,700,000	(31,422)	1,668,578	1,445,392	223,186
Tuition reimbursement	25,000		25,000	23,962	1,038
Unused Sick Payment to Term/Retired Staff	10,000	(4,309)	5,691		5,691
Other employee benefits	94,500	6,509	101,009	99,552	1,457
Total unallocated benefits - employee benefits	2,189,500	(54,422)	2,135,078	1,859,627	275,451
On-behalf TPAF pension contr. (non-budgeted)				1,850,910	(1,850,910)
On-behalf Post Retirement Medical (non-budgeted)				486,229	(486,229)
On-behalf Long Term Disability Insurance (non-budgeted)				963	(963)
Reimbursed TPAF social security contr. (non-budgeted)				417,929	(417,929)
Total Undistributed Expenditures	10,833,928	41,068	10,874,996	13,026,209	(2,151,213)
Total General Current Expense	16,023,946	(19,138)	16,004,808	18,076,500	(2,071,692)
CAPITAL OUTLAY:					
Undistributed Expend. - Req. Maint. for School Fac.					
Facilities Acquisition and Constr. Services:					
Construction Services					
Assessment for Debt Service on SDA Funding	21,123		21,123	21,123	
Total facilities acq. and constr. services	21,123		21,123	21,123	
Total Capital Outlay	21,123		21,123	21,123	
Transfer to Charter Schools	39,530	19,138	58,668	58,668	
TOTAL EXPENDITURES	16,084,599		16,084,599	18,156,291	(2,071,692)
Excess (Deficiency) of Revenues Over (Under) Expenditures:	(349,219)		(349,219)	577,765	926,984

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

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BARRINGTON SCHOOL DISTRICT
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2023

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Other Financing Sources:	\$ -	\$ -	\$ -	\$ -	\$ -
Total Other Financing Sources	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Sources (Uses):	(349,219)	-	(349,219)	577,765	926,984
Fund Balance, July 1	<u>3,118,601</u>	<u> </u>	<u>3,118,601</u>	<u>3,118,601</u>	<u> </u>
Fund Balance - June 30	<u>\$ 2,769,382</u>	<u>\$ -</u>	<u>\$ 2,769,382</u>	<u>\$ 3,696,366</u>	<u>\$ 926,984</u>
Recapitulation:					
Restricted:					
Capital Reserve:					
Designated for Subsequent Year's Expenditures				\$ 895,032	
Capital Reserve				651,322	
Maintenance Reserve					
Designated for Subsequent Year's Expenditures				100,000	
Maintenance Reserve				423,782	
Tuition Reserve - Prior Year				350,000	
Tuition Reserve - Current Year				325,000	
Excess Surplus:					
Current Year				113,393	
Emergency Reserve				68,572	
Unemployment Compensation				17,680	
Assigned:					
Year-end encumbrances					
Designated for Subsequent Year's Expenditures				246,265	
Unassigned				<u>505,320</u>	
				3,696,366	
Reconciliation on Governmental Fund Statements (GAAP):					
Less: State Aid Payment not Recognized on GAAP Basis				<u>(446,741)</u>	
Fund Balance per Government Fund (GAAP)				<u>\$ 3,249,625</u>	

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

BARRINGTON SCHOOL DISTRICT
Required Supplementary Information
Budgetary Comparison Schedule
Special Revenue Fund
For the Fiscal Year Ended June 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES:					
Local sources	\$ -	\$ -	\$ -	\$ 38,695	\$ 38,695
State sources	12,668	-	12,668	12,668	-
Federal sources	1,226,961	91,107	1,318,068	932,283	(385,785)
Total Revenues	<u>1,239,629</u>	<u>91,107</u>	<u>1,330,736</u>	<u>983,646</u>	<u>(347,090)</u>
EXPENDITURES:					
Instruction:					
Salaries of teachers	146,076	(23,224)	122,852	29,791	93,061
Purchased professional - educ. services	14,478	6,590	21,068	21,068	-
Tuition	185,416	-	185,416	185,416	-
General supplies	222,433	95,779	318,212	247,741	70,471
Total Instruction	<u>568,403</u>	<u>79,145</u>	<u>647,548</u>	<u>484,016</u>	<u>163,532</u>
Support Services:					
Salaries of other professional staff		-			-
Personal services - employee benefits	11,174	(1,776)	9,398	4,944	4,454
Purchased professional - educ. services	10,000	8,260	18,260	18,260	-
Purchased professional - tech. services	65,290	(5,000)	60,290	27,908	32,382
Other Purchased Services	38,173	2,304	40,477	40,277	200
Purchased Property Services	441,170	-	441,170	256,329	184,841
Supplies and Materials	38,059	8,174	46,233	46,103	130
Other Objects	4,960	-	4,960	4,960	-
Student Activities	-	-	-	49,425	(49,425)
Total Support Services	<u>608,826</u>	<u>11,962</u>	<u>620,788</u>	<u>448,206</u>	<u>172,582</u>
Facilities Acquisition and Construction Services:					
Non-Instructional equipment	62,400	-	62,400	62,154	246
Total Facilities Acq. and Const. Services	<u>62,400</u>	<u>-</u>	<u>62,400</u>	<u>62,154</u>	<u>246</u>
Total Expenditures	<u>1,239,629</u>	<u>91,107</u>	<u>1,330,736</u>	<u>994,376</u>	<u>336,360</u>
Total Outflows	<u>1,239,629</u>	<u>91,107</u>	<u>1,330,736</u>	<u>994,376</u>	<u>336,360</u>
Excess (Deficiency) of Revenues over (under) Expenditures and other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(10,730)</u>	<u>(10,730)</u>
Fund Balance, July 1	<u>-</u>	<u>-</u>	<u>-</u>	<u>25,477</u>	<u>25,477</u>
Fund Balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 14,747</u>	<u>\$ 14,747</u>
Recapitulation:					
Restricted:					
Student Activities				<u>\$ 14,747</u>	
Total Fund Balance				<u>\$ 14,747</u>	

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final

BARRINGTON SCHOOL DISTRICT
Notes to Required Supplementary Information
Budgetary Comparison
For the Fiscal Year Ended June 30, 2023

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

	General Fund	Special Revenue Fund
Sources/inflows of resources		
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedules	\$ 18,734,056	\$ 983,646
Difference - budget to GAAP:		
State aid payment recognized for GAAP statements in current year, previously recognized for budgetary purposes.	404,904	
State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year.	(446,741)	
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.	\$ 18,692,219	\$ 983,646
Uses/outflows of resources		
Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule	\$ 18,156,291	\$ 994,376
Differences - budget to GAAP		
Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.		
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	\$ 18,156,291	\$ 994,376

Required Supplementary Information - Part III
Schedules Related to Accounting and Reporting
For Pensions and
Other Post Employment Benefits

BARRINGTON SCHOOL DISTRICT
Required Supplementary Information
Schedule of the District's Proportionate Share of the Net Pension Liability
Public Employees Retirement System
Last Ten Fiscal Years

	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
District's proportion of the net pension liability (asset)	0.0106153769%	0.0105302102%	0.0103048627%	0.0104385147%	0.0098876327%	0.0099548442%	0.0101209416%	0.0097681625%	0.0093361653%	0.0090908901%
District's proportionate share of the net pension liability (asset)	\$ 1,602,007	\$ 1,247,461	\$ 1,680,454	\$ 1,880,862	\$ 1,946,826	\$ 2,317,329	\$ 2,997,553	\$ 2,192,757	\$ 1,747,985	\$ 1,737,450
District's covered-employee payroll	823,550	792,641	786,071	768,491	734,101	737,221	696,643	674,631	666,509	648,986
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	194.52%	157.38%	213.78%	244.75%	265.20%	314.33%	430.29%	325.03%	262.26%	267.72%
Plan fiduciary net position as a percentage of the total pension liability	62.91%	70.33%	58.32%	56.27%	53.60%	48.10%	40.14%	47.93%	52.08%	48.72%

**BARRINGTON SCHOOL DISTRICT
 Required Supplementary Information
 Schedule of the District's Contributions
 Public Employees Retirement System
 Last Ten Fiscal Years**

	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
Contractually required contribution	\$ 141,541	\$ 133,865	\$ 123,321	\$ 112,730	\$ 101,614	\$ 98,350	\$ 92,221	\$ 89,913	\$ 83,980	\$ 76,966
Contributions in relation to the contractually required contributions	<u>(141,541)</u>	<u>(133,865)</u>	<u>(123,321)</u>	<u>(112,730)</u>	<u>(101,614)</u>	<u>(98,350)</u>	<u>(92,221)</u>	<u>(89,913)</u>	<u>(83,980)</u>	<u>(76,966)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered-employee payroll	\$ 823,550	\$ 792,641	\$ 786,071	\$ 768,491	\$ 734,101	\$ 737,221	\$ 696,643	\$ 674,631	\$ 666,509	\$ 648,986
Contributions as a percentage of covered-employee payroll	17.19%	16.89%	15.69%	14.67%	13.84%	13.34%	13.24%	13.33%	12.60%	11.86%

BARRINGTON SCHOOL DISTRICT
Required Supplementary Information
Schedule of the District's Proportionate Share of the Net Pension Liability
Teachers' Pension and Annuity Fund
Last Ten Fiscal Years

	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
District's proportion of the net pension liability (asset)	0.0451552045%	0.0461178266%	0.0483370073%	0.0456007786%	0.0448336774%	0.0449331258%	0.0430353966%	0.0398964849%	0.0394278417%	0.0414913849%
District's proportionate share of the net pension liability (asset)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's proportionate share of the net pension liability (asset) associated with the District	\$ 23,297,564	\$ 22,171,232	\$ 31,829,338	\$ 27,985,628	\$ 28,522,223	\$ 30,295,534	\$ 33,854,383	\$ 25,216,282	\$ 21,072,898	\$ 20,969,420
Total	\$ 23,297,564	\$ 22,171,232	\$ 31,829,338	\$ 27,985,628	\$ 28,522,223	\$ 30,295,534	\$ 33,854,383	\$ 25,216,282	\$ 21,072,898	\$ 20,969,420
District's covered-employee payroll	\$ 5,771,443	\$ 5,409,430	\$ 5,215,097	\$ 5,078,686	\$ 5,086,514	\$ 5,100,498	\$ 4,728,854	\$ 4,602,687	\$ 4,503,664	\$ 4,382,275
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the total pension liability	32.29%	35.52%	24.60%	26.95%	26.49%	25.41%	22.33%	28.71%	33.64%	33.76%

BARRINGTON SCHOOL DISTRICT
Required Supplementary Information
Schedule of the State's Proportionate Share of the Net OPEB Liability Associated with the District
and Changes in the Total OPEB Liability and Related Ratios
Public Employee's Retirement System and Teachers' Pension and Annuity Fund
Last Six Fiscal Years

	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018
State's proportion of the net OPEB liability (asset) associated with the District	0.04%	0.04%	0.04%	0.04%	0.04%	0.04%
District's proportionate share of the net OPEB liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's proportionate share of the net OPEB liability associated with the District	\$ 22,413,376	\$ 26,270,002	\$ 29,199,094	\$ 18,017,972	\$ 19,732,133	\$ 22,881,868
Total proportionate share of the net OPEB liability (asset) associated with the District	<u>\$ 22,413,376</u>	<u>\$ 26,270,002</u>	<u>\$ 29,199,094</u>	<u>\$ 18,017,972</u>	<u>\$ 19,732,133</u>	<u>\$ 22,881,868</u>
Plan fiduciary net position as a percentage of the total OPEB Liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018
Total OPEB Liability						
Service Cost	\$ 1,276,085	\$ 1,489,393	\$ 857,290	\$ 750,439	\$ 815,736	\$ 986,693
Interest	593,979	681,472	652,082	782,389	839,336	725,673
Changes of benefit terms		(27,961)				
Difference between expected and actual experiences	855,378	(4,578,526)	4,831,003	(2,978,935)	(2,031,052)	-
Changes of assumptions and other inputs	(6,012,589)	25,917	5,333,671	268,649	(2,264,361)	(3,048,997)
Member Contributions	18,875	17,422	15,408	16,395	18,236	19,516
Benefit payments	(588,354)	(536,809)	(508,332)	(553,098)	(527,630)	(529,993)
Net Change in total OPEB Liability	\$ (3,856,626)	\$ (2,929,092)	\$ 11,181,122	\$ (1,714,161)	\$ (3,149,735)	\$ (1,847,108)
Total OPEB Liability - beginning	<u>\$ 26,270,002</u>	<u>\$ 29,199,094</u>	<u>\$ 18,017,972</u>	<u>\$ 19,732,133</u>	<u>\$ 22,881,868</u>	<u>\$ 24,728,976</u>
Total OPEB Liability - ending	<u>\$ 22,413,376</u>	<u>\$ 26,270,002</u>	<u>\$ 29,199,094</u>	<u>\$ 18,017,972</u>	<u>\$ 19,732,133</u>	<u>\$ 22,881,868</u>
District's covered-employee payroll	6,594,993	6,202,071	6,001,168	5,847,177	5,820,615	5,837,719
Total OPEB Liability as a percentage of covered-employee payroll	339.85%	423.57%	486.56%	308.15%	339.00%	391.97%

This schedule does not contain ten years of information as GASB 75 was implemented during the fiscal year ended June 30, 2018.

Barrington School District
Notes to Required Supplementary Information – Part III
For the Fiscal Year Ended June 30, 2023

Teacher's Pension and Annuity Fund (TPAF)

Changes of benefit term: There were none.

Changes of assumptions: There were none.

Public Employees' Retirement System (PERS)

Changes of benefit term: There were none.

Changes of assumptions: There were none.

State Health Benefit Local Education Retired Employees Plan (OPEB)

Changes of benefit term: There were none.

Changes of assumptions: The discount rate changed from 2.16% as of June 30, 2021 to 3.54% as of June 30, 2022.

Other Supplementary Information

Special Revenue Fund

BARRINGTON SCHOOL DISTRICT
Special Revenue Fund
 Combining Statement of Revenues and Expenditures
 Budgetary Basis
 for the Fiscal Year ended June 30, 2023

	CRRSA ESSER II	CRRSA Learning Acceleration	CRRSA Mental Health	ARP ESSER III	ARP Accelerated Learning	ARP Summer Learning	ARP Beyond the School Day	ARP NJTSS Mental Health	Page E1a Total	Total
REVENUES:										
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 38,695	\$ 38,695
State sources	-	-	-	-	-	-	-	-	12,668	12,668
Federal sources	9,418	25,000	33,727	436,181	17,305	19,632	4,494	11,519	375,007	932,283
Total revenues	9,418	25,000	33,727	436,181	17,305	19,632	4,494	11,519	426,370	983,646
EXPENDITURES:										
<i>Instruction:</i>										
Salaries of teachers						19,632			10,159	29,791
Purchased professional educational services		6,590	5,900						8,578	21,068
Purchased professional technical services									-	-
Other purchased services										
Tuition									185,416	185,416
General Supplies	9,318	12,160	10,600	102,576			4,494	916	107,677	247,741
Total instruction	9,318	18,750	16,500	102,576	-	19,632	4,494	916	311,830	484,016
<i>Support services:</i>										
Salaries									-	-
Personal services-employee benefits									4,944	4,944
Purchased professional educational services									18,260	18,260
Purchased professional technical services					17,305			10,603	-	27,908
Purchased property services	100			256,229						256,329
Other Purchased Services		6,250							34,027	40,277
General Supplies			17,227	15,222					13,654	46,103
Other objects									4,960	4,960
Student Activities									49,425	49,425
Total support services	100	6,250	17,227	271,451	17,305	-	-	10,603	125,270	448,206
<i>Facilities acquisition & construction services</i>										
Instructional equipment									-	-
Noninstructional equipment				62,154					-	62,154
Total facilities acquisition & construction services	-	-	-	62,154	-	-	-	-	-	62,154
Total expenditures	9,418	25,000	33,727	436,181	17,305	19,632	4,494	11,519	437,100	994,376
Excess (Deficiency) of revenues over (under) expenditures and other financing sources (uses)	-	-	-	-	-	-	-	-	(10,730)	(10,730)
Fund Balance, July 1	-	-	-	-	-	-	-	-	25,477	25,477
Fund Balance, June 30	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 14,747	\$ 14,747

BARRINGTON SCHOOL DISTRICT
Special Revenue Fund
 Combining Statement of Revenues and Expenditures
 Budgetary Basis
 for the Fiscal Year ended June 30, 2023

	Individuals with Disabilities Act		No Child Left Behind			SDA Emergent Needs	Student Activity Fund	Total
	Basic	Preschool	Title I	Title II A	Title IV			
REVENUES:								
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 38,695	\$ 38,695
State sources	-	-	-	-	-	12,668	-	12,668
Federal sources	185,416	8,578	134,573	31,079	15,361	-	-	375,007
Total revenues	<u>185,416</u>	<u>8,578</u>	<u>134,573</u>	<u>31,079</u>	<u>15,361</u>	<u>12,668</u>	<u>38,695</u>	<u>426,370</u>
EXPENDITURES:								
<u>Instruction:</u>								
Salaries of teachers			10,159					10,159
Purchased professional educational services		8,578						8,578
Purchased professional technical services								-
Tuition	185,416							185,416
General Supplies			103,990		3,687			107,677
Total instruction	<u>185,416</u>	<u>8,578</u>	<u>114,149</u>	<u>-</u>	<u>3,687</u>	<u>-</u>	<u>-</u>	<u>311,830</u>
<u>Support services:</u>								
Salaries								-
Personal services-employee benefits			4,944					4,944
Purchased professional educational services				18,260				18,260
Purchased professional technical services								-
Other Purchased Services			15,480	5,879		12,668		34,027
General Supplies				1,980	11,674			13,654
Other objects				4,960				4,960
Student Activities							49,425	49,425
Total support services	<u>-</u>	<u>-</u>	<u>20,424</u>	<u>31,079</u>	<u>11,674</u>	<u>12,668</u>	<u>49,425</u>	<u>125,270</u>
<u>Facilities acquisition & construction services</u>								
Instructional equipment								-
Noninstructional equipment								-
Total facilities acquisition & construction services	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>185,416</u>	<u>8,578</u>	<u>134,573</u>	<u>31,079</u>	<u>15,361</u>	<u>12,668</u>	<u>49,425</u>	<u>437,100</u>
Excess (Deficiency) of revenues over (under) expenditures and other financing sources (uses)	-	-	-	-	-	-	(10,730)	(10,730)
Fund Balance, July 1	-	-	-	-	-	-	25,477	25,477
Fund Balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 14,747</u>	<u>\$ 14,747</u>

Proprietary Funds

BARRINGTON SCHOOL DISTRICT
Enterprise Funds
Combining Statement of Net Position
June 30, 2023

	<u>Food Service Fund</u>
ASSETS:	
Current Assets:	
Cash and cash equivalents	\$ 140,995
Accounts receivable:	
State	336
Federal	6,345
Inventories	<u>16,148</u>
Total Current Assets	<u>163,824</u>
Noncurrent Assets:	
Equipment	114,656
Less - accumulated depreciation	<u>(69,390)</u>
Total Noncurrent Assets	<u>45,266</u>
Total Assets	<u>\$ 209,090</u>
 LIABILITIES:	
Current Liabilities:	
Accounts Payable	\$ -
Interfund Payable	59,038
Unearned Revenue	<u>3,110</u>
Total Current Liabilities	<u>62,148</u>
 NET POSITION:	
Invested in capital assets	45,266
Unrestricted	<u>101,676</u>
Total Net Position	<u>\$ 146,942</u>

BARRINGTON SCHOOL DISTRICT
Enterprise Funds
Statement of Revenues, Expenses
and Changes in Fund Net Position
For the Fiscal Year Ended June 30, 2023

	<u>Food Service Fund</u>
OPERATING REVENUES:	
Charges for Services:	
Daily sales reimbursable programs:	
School lunch	\$ 49,665
School breakfast	10,296
Daily sales non-reimbursable programs	
Adult and a la carte sales	41,533
Miscellaneous	<u>31,377</u>
 Total Operating Revenues	 <u>132,871</u>
OPERATING EXPENSES:	
Salaries	108,863
Employee benefits	26,056
Supplies and materials	6,435
Management fee	24,082
Other costs	39,314
Depreciation	4,937
Cost of Sales - reimbursable programs	66,212
Cost of Sales - non-reimbursable programs	<u>31,539</u>
 Total Operating Expenses	 <u>307,438</u>
 Operating Income (Loss)	 <u>(174,567)</u>
Non-Operating Revenues:	
State sources:	
State school lunch program	2,902
State school breakfast program	1,938
Federal sources:	
National school lunch program	70,413
School breakfast program	23,009
Food distribution program	33,212
Supply chain assistance	38,667
Local sources:	
Interest earned	<u>407</u>
 Total Non-Operating Revenues	 <u>170,548</u>
 Income (Loss) before Contributions and Transfers	 (4,019)
 Operating Transfers In	 <u>-</u>
 Change in Net Position	 (4,019)
Net Position - July 1, 2022	<u>150,961</u>
 Net Position - June 30, 2023	 <u>\$ 146,942</u>

BARRINGTON SCHOOL DISTRICT
Enterprise Funds
Combining Statement of Cash Flows
For the Fiscal Year Ended June 30, 2023

	Food Service Fund
Cash Flows from Operating Activities:	
Cash receipts from customers	\$ 104,483
Cash payments to employees for services	(124,154)
Cash payments to suppliers for goods and services	(135,455)
Net cash provided by (used for) operating activities	(155,126)
Cash Flows from Noncapital Financing Activities:	
Cash received from state sources	4,865
Cash received from federal sources	147,197
Net cash provided by noncapital financing activities	152,062
Cash Flows Used by Capital and Related Financing Activities:	
	-
Cash Flow Provided by Investing Activities:	
Interest on cash equivalents	407
Net increase (decrease) in cash and cash equivalents	(2,657)
Cash and Cash Equivalents - July 1, 2022	143,652
Cash and Cash Equivalents - June 30, 2023	\$ 140,995
Reconciliation of Operating Income (Loss) to Net Cash provided by (used for)	
Operating Activities:	
Operating income (loss)	\$ (174,567)
Adjustments to reconcile operating income (loss) to cash provided by (used for) operating activities:	
Depreciation	4,937
Commodities	33,212
Change in assets and liabilities:	
(Increase) decrease in inventories	(1,084)
Increase (decrease) in accounts payable	(28,767)
Increase (decrease) in interfund payable	10,765
Increase (decrease) in unearned revenue	378
Net cash provided by (used for) operating activities	\$ (155,126)

Long-Term Debt Schedules

**BARRINGTON SCHOOL DISTRICT
Schedule of Serial Bonds
For the Fiscal Year Ended June 30, 2023**

Issue	Date of Issue	Amount of Issue	Annual Maturities		Interest Rate	Balance July 1, 2022	Issued	Retired	Balance June 30, 2023
			Date	Amount					
Series 2012 Refunding Bonds	12/19/12	\$ 5,030,000	4/01/24	\$ 370,000	4.000%	\$ 2,780,000	\$ -	\$ 345,000	\$ 2,435,000
			4/01/25	385,000	4.000%				
			4/01/26	405,000	4.000%				
			4/01/27	425,000	4.000%				
			4/01/28	425,000	4.000%				
			4/01/29	425,000	4.000%				
						<u>\$ 2,780,000</u>	<u>\$ -</u>	<u>\$ 345,000</u>	<u>\$ 2,435,000</u>

**BARRINGTON SCHOOL DISTRICT
Schedule of Obligations Under Leases
For the Fiscal Year Ended June 30, 2023**

<u>Purpose</u>	<u>Interest Rate</u>	<u>Original Issue</u>	<u>Balance June 30, 2022</u>	<u>Issued</u>	<u>Retired</u>	<u>Balance June 30, 2023</u>
Copiers	4.00%	\$ 49,516	\$ 13,130	\$ -	\$ 13,130	\$ -
Postage Meter	3.00%	1,204	104		104	-
			<u>\$ 13,234</u>	<u>\$ -</u>	<u>\$ 13,234</u>	<u>\$ -</u>

BARRINGTON SCHOOL DISTRICT
Budgetary Comparison Schedule
Debt Service Fund
For the Fiscal Year Ended June 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES:					
Local sources:					
Local tax levy	\$ 456,200	\$ -	\$ 456,200	\$ 456,200	\$ -
Total Revenues	456,200	-	456,200	456,200	-
EXPENDITURES:					
Regular debt service:					
Interest on Bonds	111,200	-	111,200	111,200	-
Principal on Bonds	345,000	-	345,000	345,000	-
Total Expenditures	456,200	-	456,200	456,200	-
Excess (Deficiency) of revenues over (under) expenditures	-	-	-	-	-
Other Financing Sources:					
Transfers from other funds	-	-	-	-	-
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Sources (Uses):	-	-	-	-	-
Fund Balance - July 1, 2022	-	-	-	-	-
Fund Balance - June 30, 2023	\$ -	\$ -	\$ -	\$ -	\$ -

Statistical Section

Barrington School District
Net Position by Component,
Last Ten Fiscal Years
(accrual basis of accounting)

EXHIBIT J-1

	Fiscal Year Ending June 30,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Governmental activities:										
Net investment in capital assets	\$ 3,042,304	\$ 998,793	\$ 690,191	\$ 421,969	\$ 201,685	\$ 480,998	\$ 399,071	\$ 1,513,375	\$ 1,646,938	\$ 1,464,472
Restricted for:										
Special revenue	-	-	-	-	-	-	-	10,837	25,477	14,747
Capital projects	314,071	234,024	437,275	836,652	992,190	945,655	1,137,180	1,341,750	1,342,421	1,546,354
Debt service	38,216	-	-	-	-	-	-	-	-	-
Other purposes	1,011,666	972,056	1,239,010	1,114,867	1,337,790	1,433,930	1,465,483	1,337,752	1,308,207	1,398,427
Unrestricted	(227,737)	(1,906,403)	(1,937,859)	(2,214,331)	(2,363,272)	(2,498,671)	(2,511,648)	(1,988,379)	(2,090,270)	(1,771,296)
Total governmental activities net position	<u>\$ 4,178,520</u>	<u>\$ 298,470</u>	<u>\$ 428,617</u>	<u>\$ 159,157</u>	<u>\$ 168,393</u>	<u>\$ 361,912</u>	<u>\$ 490,086</u>	<u>\$ 2,215,335</u>	<u>\$ 2,232,773</u>	<u>\$ 2,652,704</u>
Business-type activities:										
Net investment in capital assets	\$ 16,623	\$ 12,083	\$ 11,077	\$ 10,070	\$ 31,034	\$ 29,253	\$ 26,714	\$ 24,175	\$ 50,203	\$ 45,266
Unrestricted	46,761	61,602	46,981	59,384	47,700	39,154	17,273	62,363	100,758	101,676
Total business-type activities net position	<u>\$ 63,384</u>	<u>\$ 73,685</u>	<u>\$ 58,058</u>	<u>\$ 69,454</u>	<u>\$ 78,734</u>	<u>\$ 68,407</u>	<u>\$ 43,987</u>	<u>\$ 86,538</u>	<u>\$ 150,961</u>	<u>\$ 146,942</u>
District-wide:										
Net investment in capital assets	\$ 3,058,927	\$ 1,010,876	\$ 701,268	\$ 432,039	\$ 232,719	\$ 510,251	\$ 425,785	\$ 1,537,550	\$ 1,697,141	\$ 1,509,738
Restricted:										
Special revenue	-	-	-	-	-	-	-	10,837	25,477	14,747
Capital projects	314,071	234,024	437,275	836,652	992,190	945,655	1,137,180	1,341,750	1,342,421	1,546,354
Debt service	38,216	-	-	-	-	-	-	-	-	-
Other purposes	1,011,666	972,056	1,239,010	1,114,867	1,337,790	1,433,930	1,465,483	1,337,752	1,308,207	1,398,427
Unrestricted	(180,976)	(1,844,801)	(1,890,878)	(2,154,947)	(2,315,572)	(2,459,517)	(2,494,375)	(1,926,016)	(1,989,512)	(1,669,620)
Total district net position	<u>\$ 4,241,904</u>	<u>\$ 372,155</u>	<u>\$ 486,675</u>	<u>\$ 228,611</u>	<u>\$ 247,127</u>	<u>\$ 430,319</u>	<u>\$ 534,073</u>	<u>\$ 2,301,873</u>	<u>\$ 2,383,734</u>	<u>\$ 2,799,646</u>

Barrington School District
Changes in Net Position, Last Ten Fiscal Years
(accrual basis of accounting)

EXHIBIT J-2

	Fiscal Year Ending June 30,									
	2013	2015	2016	2017	2018	2019	2020	2021	2022	2023
Expenses:										
Governmental activities:										
Instruction:										
Regular	\$ 2,767,185	\$ 3,634,351	\$ 3,279,189	\$ 3,366,236	\$ 3,741,504	\$ 3,336,081	\$ 3,330,576	\$ 2,967,474	\$ 3,323,338	\$ 3,838,586
Special education	1,167,771	1,160,139	1,400,181	1,433,344	1,652,424	1,719,508	1,701,877	1,654,639	1,829,046	1,780,967
Other instruction	129,602	149,707	143,912	166,949	190,833	122,453	106,850	377,699	458,771	523,727
Support Services:										
Tuition	3,968,660	3,739,380	3,737,670	3,842,255	3,277,077	3,805,316	3,993,328	4,282,246	4,617,449	4,683,390
Student & instruction related services	911,637	1,044,259	1,134,161	1,176,168	1,197,322	1,194,350	1,136,268	1,168,570	1,856,687	1,809,065
School administrative services	221,099	187,326	159,401	175,749	188,609	192,509	206,813	195,819	183,807	183,867
General and business administrative services	363,212	541,394	548,194	597,514	605,427	583,937	658,287	557,639	656,027	706,630
Plant operations and maintenance	501,324	1,214,681	749,376	765,718	1,179,150	1,055,913	1,098,153	9,520	1,055,872	833,064
Pupil transportation	415,007	449,777	462,781	435,809	466,314	451,280	379,076	406,149	438,661	662,970
Unallocated employee benefits	2,360,090	2,472,777	2,899,324	3,422,623	6,882,697	6,254,984	5,973,320	7,593,167	6,611,692	5,791,413
Transfer to Charter School	8,347	5,571	68,094	29,991	-	-	-	2,639	50,426	58,668
Interest on long-term debt	181,865	187,450	161,100	170,988	163,225	155,012	145,650	133,650	120,950	107,750
Unallocated depreciation	286,687	97,417	114,214	93,307	89,956	104,417	104,658	-	122,306	127,681
Total governmental activities expenses	<u>13,282,486</u>	<u>14,884,229</u>	<u>14,857,597</u>	<u>15,676,651</u>	<u>19,634,538</u>	<u>18,975,760</u>	<u>18,834,856</u>	<u>19,349,211</u>	<u>21,325,032</u>	<u>21,107,778</u>
Business-type activities:										
Food service	211,842	202,067	236,872	206,066	205,137	206,714	195,465	183,594	293,313	307,438
Total business-type activities expense	<u>211,842</u>	<u>202,067</u>	<u>236,872</u>	<u>206,066</u>	<u>205,137</u>	<u>206,714</u>	<u>195,465</u>	<u>183,594</u>	<u>293,313</u>	<u>307,438</u>
Total district expenses	<u>\$ 13,494,328</u>	<u>\$ 15,086,296</u>	<u>\$ 15,094,469</u>	<u>\$ 15,882,717</u>	<u>\$ 19,839,675</u>	<u>\$ 19,182,474</u>	<u>\$ 19,030,321</u>	<u>\$ 19,532,805</u>	<u>\$ 21,618,345</u>	<u>\$ 21,415,216</u>
Program Revenues:										
Governmental activities:										
Operating grants and contributions	\$ 1,296,205	\$ 1,483,956	\$ 1,555,032	\$ 1,647,553	\$ 5,560,339	\$ 4,744,757	\$ 4,460,294	\$ 6,116,310	\$ 5,610,953	\$ 5,073,167
Charges for services - Tuition	-	-	26,946	112,718	145,701	196,111	-	15,455	-	-
Total governmental activities program revenues	<u>1,296,205</u>	<u>1,483,956</u>	<u>1,581,978</u>	<u>1,760,271</u>	<u>5,706,040</u>	<u>4,940,868</u>	<u>4,460,294</u>	<u>6,131,765</u>	<u>5,610,953</u>	<u>5,073,167</u>

(Continued)

Barrington School District
Changes in Net Position, Last Ten Fiscal Years
(accrual basis of accounting)

EXHIBIT J-2

	Fiscal Year Ending June 30,									
	2013	2015	2016	2017	2018	2019	2020	2021	2022	2023
Business-type activities:										
Charges for services:										
Food service	\$ 121,464	\$ 116,546	\$ 123,313	\$ 122,455	\$ 122,111	\$ 108,138	\$ 76,154	\$ 70	\$ 10,431	\$ 132,871
Operating grants and contributions	85,072	84,060	97,911	94,981	92,283	88,229	94,715	226,058	347,257	170,141
Total business type activities program revenues	<u>206,536</u>	<u>200,606</u>	<u>221,224</u>	<u>217,436</u>	<u>214,394</u>	<u>196,367</u>	<u>170,869</u>	<u>226,128</u>	<u>357,688</u>	<u>303,012</u>
Total district program revenues	<u>\$ 1,502,741</u>	<u>\$ 1,684,562</u>	<u>\$ 1,803,202</u>	<u>\$ 1,977,707</u>	<u>\$ 5,920,434</u>	<u>\$ 5,137,235</u>	<u>\$ 4,631,163</u>	<u>\$ 6,357,893</u>	<u>\$ 5,968,641</u>	<u>\$ 5,376,179</u>
Net (Expense)/Revenue:										
Governmental activities	\$ (11,986,281)	\$ (13,400,273)	\$ (13,275,619)	\$ (13,916,380)	\$ (13,928,498)	\$ (14,034,892)	\$ (14,374,562)	\$ (13,217,446)	\$ (15,714,079)	\$ (16,034,611)
Business-type activities	(5,306)	(1,461)	(15,648)	11,370	9,257	(10,347)	(24,596)	42,534	64,375	(4,426)
Total district-wide net expense	<u>\$ (11,991,587)</u>	<u>\$ (13,401,734)</u>	<u>\$ (13,291,267)</u>	<u>\$ (13,905,010)</u>	<u>\$ (13,919,241)</u>	<u>\$ (14,045,239)</u>	<u>\$ (14,399,158)</u>	<u>\$ (13,174,912)</u>	<u>\$ (15,649,704)</u>	<u>\$ (16,039,037)</u>
General Revenues and Other Changes in Net Position:										
Governmental activities:										
Property taxes levied for general purposes, net	\$ 8,812,500	\$ 8,988,750	\$ 9,626,000	\$ 9,868,231	\$ 10,065,596	\$ 10,306,628	\$ 10,512,761	\$ 10,723,016	\$ 10,937,476	\$ 11,156,226
Taxes levied for debt service	449,884	416,250	425,250	427,900	435,250	442,150	443,600	451,800	449,200	456,200
Unrestricted grants and contributions	3,061,305	3,259,343	3,302,529	3,338,827	3,412,084	3,477,216	3,524,928	3,708,992	4,250,464	4,765,376
Other restricted miscellaneous revenue	-	-	-	-	-	-	-	10	-	-
Investment earnings	-	340	251	377	538	220	4,539	-	1,126	5,759
Miscellaneous income	11,060	3,323	51,736	11,585	24,266	2,197	16,908	30,006	93,251	70,981
Total governmental activities	<u>12,334,749</u>	<u>12,668,006</u>	<u>13,405,766</u>	<u>13,646,920</u>	<u>13,937,734</u>	<u>14,228,411</u>	<u>14,502,736</u>	<u>14,913,824</u>	<u>15,731,517</u>	<u>16,454,542</u>
Business-type activities:										
Investment earnings	124	20	21	26	23	20	176	17	48	407
Total business-type activities	<u>124</u>	<u>20</u>	<u>21</u>	<u>26</u>	<u>23</u>	<u>20</u>	<u>176</u>	<u>17</u>	<u>48</u>	<u>407</u>
Total district-wide	<u>\$ 12,334,873</u>	<u>\$ 12,668,026</u>	<u>\$ 13,405,787</u>	<u>\$ 13,646,946</u>	<u>\$ 13,937,757</u>	<u>\$ 14,228,431</u>	<u>\$ 14,502,912</u>	<u>\$ 14,913,841</u>	<u>\$ 15,731,565</u>	<u>\$ 16,454,949</u>
Change in Net Position:										
Governmental activities	\$ 348,468	\$ (732,267)	\$ 130,147	\$ (269,460)	\$ 9,236	\$ 193,519	\$ 128,174	\$ 1,696,378	\$ 17,438	\$ 419,931
Business-type activities	(5,182)	(1,441)	(15,627)	11,396	9,280	(10,327)	(24,420)	42,551	64,423	(4,019)
Total district-wide	<u>\$ 343,286</u>	<u>\$ (733,708)</u>	<u>\$ 114,520</u>	<u>\$ (258,064)</u>	<u>\$ 18,516</u>	<u>\$ 183,192</u>	<u>\$ 103,754</u>	<u>\$ 1,738,929</u>	<u>\$ 81,861</u>	<u>\$ 415,912</u>

Barrington School District
Fund Balances, Governmental Funds,
Last Ten Fiscal Years
(modified accrual basis of accounting)

EXHIBIT J-3

Fiscal Year Ending June 30,

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Fund:										
Restricted for:										
Capital reserve	\$ 314,071	\$ 231,079	\$ 437,275	\$ 836,652	\$ 992,190	\$ 945,655	\$ 1,137,180	\$ 1,341,750	\$ 1,342,421	\$ 1,546,354
Maintenance reserve	200,000	200,000	200,000	160,000	320,160	320,229	321,645	551,859	522,252	523,782
Emergency reserve	200,000	200,000	200,000	160,000	160,160	135,193	135,791	68,323	68,371	68,572
Tuition reserve	423,623	457,060	640,000	600,000	620,000	680,000	690,000	700,000	700,000	675,000
Unemployment Compensation	-	-	-	-	-	-	-	17,570	17,584	17,680
Excess surplus										113,393
Assigned to:										
Year end encumbrances	-	-	-	24,189	-	61,107	89,013	89,740	-	-
Designated for subsequent year's budget	188,043	114,996	199,010	170,678	237,470	237,401	229,034	139,036	-	246,265
Unassigned	(40,177)	(28,886)	(7,562)	11,098	13,244	(5,475)	3,537	86,212	63,069	58,579
Total general fund	<u>\$ 1,285,560</u>	<u>\$ 1,174,249</u>	<u>\$ 1,668,723</u>	<u>\$ 1,962,617</u>	<u>\$ 2,343,224</u>	<u>\$ 2,374,110</u>	<u>\$ 2,606,200</u>	<u>\$ 2,994,490</u>	<u>\$ 2,713,697</u>	<u>\$ 3,249,625</u>
All Other Governmental Funds										
Restricted for, reported in:										
Special revenue fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,837	\$ 25,477	\$ 14,747
Capital projects fund	-	2,945	-	-	-	-	-	-	-	-
Debt service fund	38,216	-	-	-	-	-	-	-	-	-
Total all other governmental funds	<u>\$ 38,216</u>	<u>\$ 2,945</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,837</u>	<u>\$ 25,477</u>	<u>\$ 14,747</u>

Barrington School District
Changes in Fund Balances, Governmental Funds,
Last Ten Fiscal Years
(modified accrual basis of accounting)

EXHIBIT J-4

	Fiscal Year Ending June 30,								
	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Revenues									
Tax levy	\$ 9,405,000	\$ 9,557,759	\$ 10,051,250	\$ 10,296,131	\$ 10,500,846	\$ 10,956,361	\$ 11,174,816	\$ 11,386,676	\$ 11,612,426
Tuition	-	22,138	26,946	112,718	145,701	6,950	15,455	15,621	-
Interest earnings	340	408	251	377	538	4,539	792	1,112	5,759
Miscellaneous	3,323	2,807	51,736	11,585	24,266	9,958	29,224	77,644	70,981
Local sources	-	-	-	-	-	-	12,537	45,117	38,695
State sources	4,061,072	4,457,669	4,436,988	4,662,021	4,949,005	5,372,411	5,880,235	6,990,031	7,471,921
Federal sources	339,553	352,682	420,573	324,359	340,445	357,477	334,090	813,535	932,283
Total revenue	<u>13,809,288</u>	<u>14,393,463</u>	<u>14,987,744</u>	<u>15,407,191</u>	<u>15,960,801</u>	<u>16,707,696</u>	<u>17,447,149</u>	<u>19,329,736</u>	<u>20,132,065</u>
Expenditures									
Instruction									
Regular Instruction	2,790,601	3,215,363	2,893,556	3,002,604	3,315,669	2,974,045	3,000,137	2,914,153	3,229,613
Special education instruction	1,275,374	1,160,139	1,400,181	1,433,344	1,652,424	1,701,877	1,654,639	1,829,046	1,780,967
Other instruction	128,154	149,707	143,912	166,949	190,833	106,850	377,699	458,771	523,727
Support Services:									
Tuition	4,204,377	3,739,380	3,737,670	3,842,255	3,277,077	3,993,328	4,282,246	4,617,449	4,683,390
Student & instruction related services	887,788	1,044,259	1,134,161	1,176,168	1,197,322	1,136,268	1,168,570	1,856,687	1,809,065
School administrative services	167,302	158,193	159,401	175,749	188,609	206,813	195,819	183,807	182,572
General and business admin. services	513,388	512,261	491,086	542,204	551,793	605,959	557,639	592,878	642,143
Plant operations and maintenance	723,029	717,604	723,713	757,160	792,418	838,646	806,485	791,876	873,673
Pupil transportation	463,689	449,777	462,781	435,809	466,314	379,076	406,149	438,661	662,970
Other support services	2,241,382	2,461,104	2,830,587	3,102,041	3,097,010	3,693,603	4,032,232	4,867,063	4,620,602
Transfer to Charter School	35,055	5,571	68,094	29,991	-	-	2,639	50,426	58,668
Capital outlay	39,564	499,237	76,439	21,123	415,475	395,541	140,839	545,872	83,277
Debt service:									
Principal	220,000	240,000	245,000	255,000	270,000	295,000	315,000	325,000	345,000
Interest and other charges	196,250	187,450	180,250	172,900	165,250	148,600	136,800	124,200	111,200
Total expenditures	<u>13,885,953</u>	<u>14,540,045</u>	<u>14,546,831</u>	<u>15,113,297</u>	<u>15,580,194</u>	<u>16,475,606</u>	<u>17,076,893</u>	<u>19,595,889</u>	<u>19,606,867</u>
Excess (Deficiency) of revenues over (under) expenditures	(76,665)	(146,582)	440,913	293,894	380,607	232,090	370,256	(266,153)	525,198
Other Financing sources (uses)									
Proceeds from borrowing	-	-	50,616	-	-	-	-	-	-
Transfers in	-	278,400	2,945	-	-	-	-	-	-
Transfers out	-	(278,400)	(2,945)	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>50,616</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>\$ (76,665)</u>	<u>\$ (146,582)</u>	<u>\$ 491,529</u>	<u>\$ 293,894</u>	<u>\$ 380,607</u>	<u>\$ 232,090</u>	<u>\$ 370,256</u>	<u>\$ (266,153)</u>	<u>\$ 525,198</u>
Debt service as a percentage of noncapital expenditures	3.01%	3.04%	2.94%	2.84%	2.87%	2.76%	2.67%	2.36%	2.34%

Source: District records

Note: Noncapital expenditures are total expenditures less capital outlay.

Barrington School District
General Fund - Other Local Revenue by Source
Last Ten Fiscal Years
(modified accrual basis of accounting)

EXHIBIT J-5

<u>Fiscal Year Ending June 30,</u>	<u>Interest on Investments</u>	<u>Tuition</u>	<u>Prior Year Refunds</u>	<u>Rentals</u>	<u>Custodial</u>	<u>Shared Services</u>	<u>Miscellaneous</u>	<u>Total</u>
2014	\$ 1,634	\$ -	\$ 28	\$ -	\$ -	\$ -	\$ 1,661	\$ 3,323
2015	1,382	22,138	1,425	-	-	-	-	24,945
2016	2,055	26,946	18,963	-	23,282	-	7,687	78,933
2017	2,271	112,718	2,950	700	-	-	6,041	124,680
2018	2,193	145,701	20,967	-	-	-	1,644	170,505
2019	539	196,111	-	-	-	-	1,878	198,528
2020	10,433	6,950	4,064	-	-	-	-	21,447
2021	945	15,455	26,794	-	-	-	1,485	44,679
2022	1,699	15,621	40,931	-	-	35,000	-	93,251
2023	2,306		7,877			60,798	-	70,981
	<u>\$ 25,457</u>	<u>\$ 541,640</u>	<u>\$ 123,999</u>	<u>\$ 700</u>	<u>\$ 23,282</u>	<u>\$ 95,798</u>	<u>\$ 20,396</u>	<u>\$ 831,272</u>

Source: District records

Barrington School District
 Assessed Value and Actual Value of Taxable Property,
 Last Ten Fiscal Years

EXHIBIT J-6

Fiscal Year Ended June 30,	Vacant Land	Residential	Farm Reg.	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities a	Net Valuation Taxable	Tax-Exempt Property	Total Direct School Tax Rate b	Estimated Actual (County Equalized) Value
2014	\$ 3,894,000	\$ 444,079,600	\$ 521,200	\$ 35,620,800	\$ 30,154,100	\$ 37,053,900	\$ 551,323,600	\$ 863,954	\$ 552,187,554	\$ 146,579,000	\$ 1.717	\$ 518,282,758
2015	3,702,400	442,083,600		35,588,700	26,054,100	37,053,900	544,482,700	870,278	545,352,978	146,942,700	1.798	511,919,710
2016	3,443,200	439,400,700		35,580,000	25,894,400	36,669,000	540,987,300	861,706	541,849,006	146,638,800	1.878	512,007,524
2017	2,798,500	387,324,500		31,387,510	33,276,600	39,190,300	493,977,410	871,110	494,848,520	144,473,200	2.101	446,453,328
2018	3,239,100	387,420,073		31,419,510	33,276,600	39,190,300	494,545,583	847,527	495,393,110	145,959,100	2.142	495,904,537
2019	3,223,900	387,828,000		31,288,510	33,276,600	39,190,300	494,807,310	875,518	495,682,828	145,959,100	2.190	541,276,616
2020	3,014,700	387,928,300		31,102,910	33,276,600	39,190,300	494,512,810	921,075	495,433,885	147,236,500	2.233	521,076,992
2021	2,848,400	389,580,700		30,838,300	33,276,600	37,970,300	494,514,300	910,631	495,424,931	146,907,000	2.277	541,561,980
2022	2,855,100	389,807,000		30,669,400	33,276,600	37,970,300	494,578,400	868,800	495,447,200	147,534,700	2.321	567,523,526
2023	2,787,700	390,251,800		30,738,400	32,975,600	37,970,300	494,723,800	76	494,723,876	149,769,000	2.369	652,458,221

Source: Municipal Tax Assessor

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

- a Taxable Value of Machinery, Improvements and Equipment of Telephone, Telegraph and Messenger System Companies
- b Tax rates are per \$100 of assessed valuation.
- c Not available.
- R Revaluation

Barrington School District
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years
(rate per \$100 of assessed value)

EXHIBIT J-7

Fiscal Year Ended June 30,	Barrington School District Direct Rate			Overlapping Rates		Total Direct and Overlapping Tax Rate
	Basic Rate	General Obligation Debt Service	Total Direct	Borough of Barrington	Camden County	
2014	\$ 1.645	\$ 0.072	\$ 1.717	\$ 0.966	\$ 0.792	\$ 3.475
2015	1.720	0.078	1.798	1.007	0.823	3.628
2016	1.800	0.078	1.878	1.045	0.828	3.751
2017	2.015	0.086	2.101	1.172	0.916	4.189
2018	2.055	0.087	2.142	1.199	0.955	4.296
2019	2.101	0.089	2.190	1.244	0.947	4.381
2020	2.143	0.090	2.233	1.274	0.893	4.400
2021	2.187	0.090	2.277	1.274	0.923	4.474
2022	2.231	0.090	2.321	1.305	0.898	4.524
2023	2.279	0.090	2.369	1.306	0.948	4.623

Source: Municipal Tax Collector

R Revaluation

**Barrington School District
Principal Property Tax Payers,
Current Year and Nine Years Ago**

EXHIBIT J-8

<u>Taxpayer</u>	<u>2023</u>		<u>Taxpayer</u>	<u>2014</u>	
	<u>Taxable Assessed Value</u>	<u>% of Total District Net Assessed Value</u>		<u>Taxable Assessed Value</u>	<u>% of Total District Net Assessed Value</u>
Barrington Holdings, LLC	\$ 21,000,000	4.24%	Sr. Housing of Barrington Mews	\$ 18,121,400	3.28%
Sr, Housing of Barrington	18,121,400	3.66%	East Coast, The Willows	17,000,000	3.08%
Union Grove Apartments	17,350,000	3.51%	1 Commerce Dr Holdings	15,500,000	2.81%
Haddonfield Holdings 2015, LLC	16,600,000	3.36%	Lighthouse Haddonfield LLC	15,500,000	2.81%
International Paper Company	5,726,100	1.16%	International Paper Company	7,390,300	1.34%
Edmond Optics Inc.	3,594,900	0.73%	101 Gloucester Pike Assoc.	4,300,000	0.78%
120 E Barrington LLC	3,116,100	0.63%	Berg Enterprises Associates	3,632,100	0.66%
Daniel G. Kamin (Rite Aid)	2,792,900	0.56%	Sieck Brothers	2,088,500	0.38%
Sieck Brothers/Royal Courts	2,522,200	0.51%	Daniel Kamin	2,000,000	0.36%
Barrington Commons	1,884,100	0.38%	JVS 1100 Barrington LLC	1,834,900	0.33%
Total	<u>\$ 92,707,700</u>	<u>18.74%</u>	Total	<u>\$ 87,367,200</u>	<u>15.82%</u>

Source: Municipal Tax Assessor

**Barrington School District
Property Tax Levies and Collections,
Last Ten Fiscal Years**

EXHIBIT J-9

Fiscal Year Ended June 30,	Taxes Levied for the Calendar Year	Collected within the Fiscal Year of the Levy^a		Collections in Subsequent Years
		Amount	Percentage of Levy	
2014	\$ 9,405,000	\$ 9,405,000	100.00%	-
2015	9,557,759	9,557,759	100.00%	-
2016	10,051,250	10,051,250	100.00%	-
2017	10,296,131	10,296,131	100.00%	-
2018	10,500,846	10,500,846	100.00%	-
2019	10,748,778	10,748,778	100.00%	-
2020	10,956,361	10,956,361	100.00%	-
2021	11,174,816	11,174,816	100.00%	-
2022	11,386,676	11,386,676	100.00%	-
2023	11,612,426	11,612,426	100.00%	-

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

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

**Barrington School District
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years**

EXHIBIT J-10

Fiscal Year Ended June 30,	Governmental Activities		Total District	Percentage of Personal Income ^b	Per Capita ^c
	General Obligation Bonds ^a	Financed Purchases/ Leases			
2014	\$ 5,010,000	\$ 2,320	\$ 5,012,320	1.60%	739
2015	4,770,000	160	4,770,160	1.47%	706
2016	4,525,000	-	4,525,000	1.36%	670
2017	4,270,000	40,539	4,310,539	1.25%	641
2018	4,000,000	30,997	4,030,997	1.14%	603
2019	3,715,000	21,070	3,736,070	1.02%	562
2020	3,420,000	10,743	3,430,743	0.88%	519
2021	3,105,000	26,261	3,131,261	0.72%	445
2022	2,780,000	13,234	2,793,234	c	397
2023	2,435,000	-	2,435,000	c	c

Sources:

- a District Records
- b Per Capita Personal Income Data provided by the NJ Dept. of Labor and Workforce.
- c Information not available.

**Barrington School District
Ratios of Net General Bonded Debt Outstanding
Last Ten Fiscal Years**

EXHIBIT J-11

Fiscal Year Ended June 30,	General Bonded Debt Outstanding			Percentage of Net Assessed Valuation Taxable ^b	Per Capita ^c
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding ^a		
2014	\$ 5,010,000	\$ -	\$ 5,010,000	0.91%	739
2015	4,770,000	-	4,770,000	0.87%	706
2016	4,525,000	-	4,525,000	0.84%	670
2017	4,270,000	-	4,270,000	0.86%	635
2018	4,000,000	-	4,000,000	0.81%	598
2019	3,715,000	-	3,715,000	0.75%	559
2020	3,420,000	-	3,420,000	0.69%	518
2021	3,105,000	-	3,105,000	0.63%	442
2022	2,780,000	-	2,780,000	0.56%	395
2023	2,435,000	-	2,435,000	0.49%	d

Sources:

- a District Records
- b Net Assessed Valuation provided by Abstract of Ratables, County Board of Taxation.
- c Per Capita Personal Income Data provided by the NJ Dept. of Labor and Workforce.
- d Information not available.

**Barrington School District
Ratios of Overlapping Governmental Activities Debt
As of December 31, 2022**

EXHIBIT J-12

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable^a</u>	<u>Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes:			
Borough of Barrington	\$ 12,493,494 (1)	100.000%	\$ 12,493,494
Camden County General Obligation Debt	504,879,902 (1)	1.315% (2)	6,639,171
			<hr/>
Subtotal, overlapping debt			19,132,665
Barrington School District Direct Debt			<hr/> 2,780,000
Total direct and overlapping debt			<hr/> \$ 21,912,665 <hr/>

Sources:

- (1) Entity's Annual Debt Statement.
- (2) The County percentage is based upon a calculation reflecting the Borough's share of the 2022 Equalized Valuation. The source for this computation was the 2022 County Abstract of Ratables, provided by the County Board of Taxation.

Legal Debt Margin Calculation for Fiscal Year 2023

	Equalized valuation basis (1)
2020	\$ 534,781,886
2021	560,229,183
2022	645,158,362
	<u>\$ 1,740,169,431</u>
Average equalized valuation of taxable property	<u>\$ 580,056,477</u>
Debt limit (3% of average equalized valuation) (2)	17,401,694
Net bonded school debt (3)	2,435,000
Legal debt margin	<u>\$ 14,966,694</u>

	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Debt limit	\$ 15,903,776	\$ 15,578,788	\$ 15,365,580	\$ 15,324,735	\$ 15,436,352	\$ 15,701,246	\$ 15,713,671	\$ 15,840,293	\$ 16,095,242	\$ 17,401,694
Total net debt applicable to limit (3)	<u>5,010,000</u>	<u>4,770,000</u>	<u>4,525,000</u>	<u>4,270,000</u>	<u>4,000,000</u>	<u>3,715,000</u>	<u>3,420,000</u>	<u>3,105,000</u>	<u>2,780,000</u>	<u>2,435,000</u>
Legal debt margin	<u>\$ 10,893,776</u>	<u>\$ 10,808,788</u>	<u>\$ 10,840,580</u>	<u>\$ 11,054,735</u>	<u>\$ 11,436,352</u>	<u>\$ 11,986,246</u>	<u>\$ 12,293,671</u>	<u>\$ 12,735,293</u>	<u>\$ 13,315,242</u>	<u>\$ 14,966,694</u>
Total net debt applicable to the limit as a percentage of debt limit	31.50%	30.62%	29.45%	27.86%	25.91%	23.66%	21.76%	19.60%	17.27%	13.99%

Sources:

- (1) Equalized valuation bases were obtained from the Annual Report of the State of New Jersey, Department of Treasury, Division of Taxation.
- (2) Limit set by NJSA 18A:24-19 for a K through 8 district.
- (3) District Records

**Barrington School District
Demographic and Economic Statistics
Last Ten Fiscal Years**

EXHIBIT J-14

<u>Year</u>	<u>Population ^a</u>	<u>Personal Income ^b</u>	<u>Per Capita Personal Income ^c</u>	<u>Unemployment Rate ^d</u>
2014	6,780	\$ 313,188,540	\$ 46,193	6.4%
2015	6,761	324,541,522	48,002	5.0%
2016	6,752	333,494,784	49,392	4.2%
2017	6,724	343,569,504	51,096	4.0%
2018	6,684	354,425,784	53,026	4.0%
2019	6,642	365,031,036	54,958	3.1%
2020	6,605	388,572,150	58,830	9.2%
2021	7,029	433,281,618	61,642	5.1%
2022	7,036	e	e	3.2%
2023	e	e	e	e

Source:

- ^a Population information provided by the NJ Dept of Labor and Workforce Development
- ^b Personal income has been established based upon the municipal population and per capita personal income presented.
- ^c Per Capita personal income provided by the NJ Dept. of Labor and Workforce Development.
- ^d Unemployment data provided by the NJ Dept of Labor and Workforce Development
- ^e Information not available

**Barrington School District
Full-time Equivalent District Employees by Function/Program,
Last Ten Fiscal Years**

EXHIBIT J-16

Function/Program	Fiscal Year Ending June 30,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Instruction										
Regular	42.0	42.0	43.0	43.0	44.0	42.0	47.0	48.5	48.5	45.0
Special education	13.0	13.0	12.0	17.0	19.0	17.0	18.0	18.5	18.0	18.0
Support Services:										
Student & instruction related services	19.0	19.0	19.0	20.0	22.0	22.0	22.0	22.0	22.0	26.0
School administrative services	5.5	6.5	6.5	6.0	10.0	10.0	10.0	10.0	10.0	10.0
General and business administrative services	0.6	0.6	0.6	1.0	2.0	2.0	2.0	2.0	2.0	2.0
Plant operations and maintenance	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.5
Business and other support services	1.7	1.7	1.7	1.7	1.7	1.7	1.7	1.7	1.7	2.0
Total	88.8	89.8	89.8	95.7	105.7	101.7	107.7	109.7	109.2	110.5

Source:
District Personnel Records

**Barrington School District
Operating Statistics,
Last Ten Fiscal Years**

EXHIBIT J-17

Fiscal Year	Resident Enrollment	Operating Expenditures^a	Cost Per Pupil	Percentage Change	Teaching Staff^b	Pupil/Teacher Ratio Elementary	Average Daily Enrollment (ADE)^c	Average Daily Attendance (ADA)^c	% Change in Average Daily Enrollment	Student Attendance Percentage
2014	852	\$ 13,430,139	\$ 15,763	5.55%	55	1:11	612.9	587.8	0.39%	95.90%
2015	835	13,613,358	16,303	3.43%	55	1:11	617.4	591.7	0.73%	95.84%
2016	820	14,045,142	17,128	5.06%	55	1:11	615.8	590.0	-0.26%	95.81%
2017	819	14,664,274	17,905	4.54%	60	1:10	614.7	589.7	-0.18%	95.93%
2018	812	14,729,469	18,140	1.31%	63	1:10	620.6	590.8	0.96%	95.20%
2019	785	15,422,706	19,647	8.31%	59	1:10	592.5	566.5	-4.53%	95.61%
2020	802	15,636,465	19,497	-0.76%	65	1:10	602.8	582.2	1.74%	96.58%
2021	833	16,484,254	19,789	1.50%	67	1:10	553.3	535.3	-8.21%	96.75%
2022	811	18,600,817	22,936	15.90%	67	1:10	534.5	495.8	-3.39%	92.76%
2023	801	19,067,390	23,804	3.79%	66	1:10	543.6	510.9	1.70%	93.98%

Sources: District records

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).

**Barrington School District
School Building Information
Last Ten Fiscal Years**

EXHIBIT J-18

Fiscal Year Ending June 30,

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<u>District Building</u>										
<u>Elementary</u>										
Woodland Elementary (1982)										
Square Feet	51,462	51,462	51,462	51,462	51,462	51,462	51,462	51,462	51,462	51,462
Capacity (students)	353	353	353	353	353	353	353	353	353	353
Enrollment	224	248	256	264	287	265	262	248	300	241
Avon Elementary (1982)										
Square Feet	45,876	45,876	45,876	45,876	45,876	45,876	45,876	45,876	45,876	45,876
Capacity (students)	308	308	308	308	308	308	308	308	308	308
Enrollment	389	370	360	350	333	301	341	305	235	303
<u>Other</u>										
Central Administration (1982)										
Square Feet	1,820	1,820	1,820	1,820	1,820	1,820	1,820	1,820	1,820	1,820
Number of Schools at June 30, 2023										
Elementary = 1										
Middle School = 1										
Senior High School = 0										
Other = 0										

Source: District Facilities Office

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

	Fiscal Year Ending June 30,										Total
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	
* School Facilities											
Woodland School	\$ 56,949	\$ 70,057	\$ 65,692	\$ 63,871	\$ 71,261	\$ 48,199	\$ 57,590	\$ 93,740	\$ 72,696	\$ 65,614	\$ 665,669
Avon School	50,772	62,457	58,553	56,938	63,038	42,638	50,945	82,924	64,308	58,043	590,616
Other Facilities	2,008	2,470	2,329	2,258	2,741	1,854	2,215	3,605	2,796	2,523	24,799
Total School Facilities	<u>\$ 109,729</u>	<u>\$ 134,984</u>	<u>\$ 126,574</u>	<u>\$ 123,067</u>	<u>\$ 137,040</u>	<u>\$ 92,691</u>	<u>\$ 110,750</u>	<u>\$ 180,269</u>	<u>\$ 139,800</u>	<u>\$ 126,180</u>	<u>\$ 1,281,084</u>

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

Source: District records

**Barrington School District
Insurance Schedule
June 30, 2023**

EXHIBIT J-20

	<u>Coverage</u>	<u>Deductible</u>
School Package Policy (1)		
Building and Contents (All Locations)		
Limits of liability per occurrence	\$ 500,000,000	\$ 5,000
Equipment Breakdown	100,000,000	25,000
General Liability	16,000,000	-
Automobile Liability	16,000,000	0/1000
School Leaders Errors and Omissions	3,000,000	5,000
Workers' Compensation	3,000,000	-
Public Employee Dishonesty	500,000	500
Electronic Data Processing Equipment	100,000	1,000/25,000
Crime	50,000	-
Student Accident Coverage (Catastrophic Plan) (2)	1,000,000	1,000
Surety Bonds		
Treasurer (3)	200,000	-
Business Administrator / Board Secretary (4)	50,000	-

- (1) New Jersey School Boards Association Insurance Group
- (2) Zurich American Insurance Company
- (3) Western Surety Company
- (4) Selective Insurance Company

Source: District records

Single Audit Section

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

INDEPENDENT AUDITOR'S REPORT

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

I have audited, in accordance with the auditing standards generally accepted in the United States of America, the standards applicable to financial statement audits contained in the *Government Auditing Standards*, issued by the Comptroller General of the United States, and the audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Barrington School District (the "District"), in the County of Camden, State of New Jersey, as of and for the fiscal year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued my report thereon dated December 15, 2023.

Report on Internal Control Over Financial Reporting

In planning and performing my audit of the financial statements, I 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 my opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, I 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 combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

My 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 my audit I did not identify any deficiencies in internal control that I consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my 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.

Purpose of this Report

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

INVERSO & STEWART, LLC
Certified Public Accountants



Robert P. Inverso
Certified Public Accountant
Public School Accountant No. CS001095

Marlton, New Jersey
December 15, 2023

INVERSO & STEWART, LLC
Certified Public Accountants

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

INDEPENDENT AUDITOR'S REPORT

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

Report on Compliance for Each Major Federal and State Program

Opinion on Each Major Federal and State Program

I have audited Barrington School District's (the "District"), in the County of Camden, State of New Jersey, compliance with the types of compliance requirements identified as subject to audit in the OMB Compliance Supplement and the New Jersey State Grant Compliance Supplement that could have a direct and material effect on the District's major federal and state programs for the year ended June 30, 2023. The District's major federal and state programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned costs.

In my 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 federal and state programs for the year ended June 30, 2023.

Basis for Opinion on Each Major Federal and State Program

I conducted my 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; audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and State of New Jersey Circular 15-08-OMB, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. My responsibilities under those standards and the Circular 15-08-OMB are further described in the Auditor's Responsibilities for the Audit of Compliance section of my report.

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

My 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 my 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, the Uniform Guidance, and the N.J. Circular 15-08-OMB 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, 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 federal and state program as a whole.

In performing an audit in accordance with generally accepted auditing standards, Government Auditing Standards, the Uniform Guidance, and N.J. Circular 15-08-OMB, I:

- 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 I considered necessary in the circumstances.
- Obtain an understanding of the District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance and N.J. Circular 15-08-OMB, 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.

I am 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 I identified during the audit.

Report on Internal Control over Compliance

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

My 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 my audit I did not identify any deficiencies in internal control over compliance that I 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.

My 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.

Purpose of this Report

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

INVERSO & STEWART, LLC
Certified Public Accountants



Robert P. Inverso
Certified Public Accountant
Public School Accountant No. CS001095

Marlton, New Jersey
December 15, 2023

BARRINGTON SCHOOL DISTRICT
Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2023

Federal Grantor/Pass-Through Grantor/ Program Title	Assistance Listing Number	Federal FAIN Number	Grant or State Project Number	Program or Award Amount	Grant Period From - To	Balance, June 30, 2022			Carryover/ Walkover	Cash Received	Budgetary Expenditures	Adjustment	Repayment of Prior Years' Balances	Balance, June 30, 2023			
						(Accounts Receivable)	Unearned Revenue	Due to Grantor						(Accounts Receivable)	Unearned Revenue	Due to Grantor	
U.S. Department of Education																	
Passed-through State Department of Education:																	
Special Revenue Fund:																	
Title I:																	
Fiscal Year 2023	84.010	S010A220030	ESSA019023	\$ 189,042	7/1/22 - 9/30/23	\$ -	\$ -	\$ -	\$ -	\$ 7,656	\$ (134,573)	\$ -	\$ -	\$ (126,917)	\$ -	\$ -	\$ -
Fiscal Year 2022	84.010	S010A210030	ESSA019022	138,170	7/1/21 - 9/30/22	(85,841)				62,988		22,853		-			
Title II A:																	
Fiscal Year 2023	84.367A	S367A220029	ESSA019023	31,099	7/1/22 - 9/30/23					28,103	(31,079)			(2,976)			
Fiscal Year 2022	84.367A	S367A210029	ESSA019022	36,648	7/1/21 - 9/30/22	(20,476)				20,476				-			
Title IV:																	
Fiscal Year 2023	84.424	S424A220031	ESSA019023	15,361	7/1/22 - 9/30/23					12,196	(15,361)			(3,165)			
Fiscal Year 2022	84.424	S424A210031	ESSA019022	15,617	7/1/21 - 9/30/22	(5,413)				5,413				-			
I.D.E.A. Part B - Basic:																	
Fiscal Year 2023	84.027A	H027A220100	IDEA019023	185,416	7/1/22 - 9/30/23					185,416	(185,416)			-			
Fiscal Year 2022	84.027A	H027A210100	IDEA019022	197,900	7/1/21 - 9/30/22	(159,744)				159,744				-			
I.D.E.A. Part B - Preschool:																	
Fiscal Year 2023	84.173A	H173A220114	IDEA019023	8,578	7/1/22 - 9/30/23						(8,578)			(8,578)			
Fiscal Year 2022	84.173A	H173A210114	IDEA019022	9,770	7/1/21 - 9/30/22	(9,770)				9,770				-			
CARES Act																	
Fiscal Year 2022	84.425D	N/A	N/A	54,035	7/1/21 - 9/30/22		12					(12)					
Coronavirus Respnse and Relief Supplemental Act:																	
CRRSA - ESSER II	84.425D	S425D210027	N/A	311,069	3/13/20 - 9/30/23	(137,604)				6,780	(9,418)			(140,242)			
CRRSA - Learning Acceleration	84.425D	S425D210027	N/A	25,000	3/13/20 - 9/30/23					3,295	(25,000)			(21,705)			
CRRSA - Mental Health	84.425D	S425D210027	N/A	45,000	3/13/20 - 9/30/23	(11,273)				21,953	(33,727)			(23,047)			
American Rescue Plan:																	
ARP - ESSER III	84.425U	S425U210027	N/A	699,108	3/13/20 - 9/30/24	(48,980)				105,071	(436,181)			(380,090)			
ARP - Accelerated Learning	84.425U	S425U210027	N/A	74,290	3/13/20 - 9/30/24	(25,510)				25,510	(17,305)			(17,305)			
ARP - Summer Learning	84.425U	S425U210027	N/A	40,000	3/13/20 - 9/30/24					21,757	(19,632)					2,125	
ARP - Beyond the School Day	84.425U	S425U210027	N/A	40,000	3/13/20 - 9/30/24	(1,195)				1,684	(4,494)			(4,005)			
ARP - Mental Health	84.425U	S425U210027	N/A	45,000	3/13/20 - 9/30/24	(2,500)				4,510	(11,519)			(9,509)			
Total U.S. Department of Education						(508,306)	12			682,322	(932,283)	22,841		(737,539)		2,125	
Total Special Revenue Fund						(508,306)	12			682,322	(932,283)	22,841		(737,539)		2,125	
U.S. Department of Agriculture																	
Passed-through State Department of Agriculture:																	
Enterprise Fund:																	
Food Distribution Program																	
Fiscal Year 2023	10.555	231NJ304N1199	N/A	33,212	7/1/22 - 6/30/23					33,212	(33,212)			-			
School Breakfast Program:																	
Fiscal Year 2023	10.553	231NJ304N1199	N/A	23,009	10/1/22 - 9/30/23					21,150	(23,009)			(1,859)			
Fiscal Year 2022	10.553	221NJ304N1099	N/A	86,361	10/1/21 - 9/30/22	(5,762)				5,762				-			
National School Lunch Program:																	
Fiscal Year 2023	10.555	231NJ304N1199	N/A	70,413	10/1/22 - 9/30/23					65,927	(70,413)			(4,486)			
Fiscal Year 2022	10.555	221NJ304N1099	N/A	229,512	10/1/21 - 9/30/22	(15,691)				15,691				-			
Supply Chain Assistance - 1st Round	10.555	221NJ344N8903	N/A	15,224	1/1/22 - 9/30/23					15,224	(15,224)						
Supply Chain Assistance - 2nd Round	10.555	221NJ344N8903	N/A	14,265	1/1/22 - 9/30/23					14,265	(14,265)						
Supply Chain Assistance - 3rd Round	10.555	231NJ344N8903	N/A	9,178	10/1/22 - 9/30/24					9,178	(9,178)			-			
Total Enterprise Fund						(21,453)				180,409	(165,301)			(6,345)			
Total Federal Awards						\$ (529,759)	\$ 12	\$ -	\$ -	\$ 862,731	\$ (1,097,584)	\$ 22,841	\$ -	\$ (743,884)	\$ 2,125	\$ -	

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

BARRINGTON SCHOOL DISTRICT
Schedule of Expenditures of State Financial Assistance
For the Fiscal Year Ended June 30, 2023

State Grantor / Program Title	Grant or State Project Number	Program or Award Amount	Grant Period From - To	Balance, June 30, 2022			Adjustment	Cash Received	Budgetary Expenditures	Repayment of Prior Years' Balances	Balance, June 30, 2023		
				(Accounts Receivable)	Unearned Revenue	Due to Grantor					(Accounts Receivable)	Unearned Revenue	Due to Grantor
State Department of Education													
General Fund:													
Equalization Aid	23-495-034-5120-078	\$ 3,829,583	7/1/22 - 6/30/23	\$ -	\$ -	\$ -	\$ -	\$ 3,453,028	\$ (3,829,583)	\$ -	\$ (376,555)	\$ -	\$ -
Equalization Aid	22-495-034-5120-078	3,367,373	7/1/21 - 6/30/22	(334,087)				334,087					
Special Education Categorical Aid	23-495-034-5120-089	557,456	7/1/22 - 6/30/23					502,642	(557,456)		(54,814)		
Special Education Categorical Aid	22-495-034-5120-089	557,456	7/1/21 - 6/30/22	(55,307)				55,307					
Categorical Security Aid	23-495-034-5120-084	75,087	7/1/22 - 6/30/23					67,704	(75,087)		(7,383)		
Categorical Security Aid	22-495-034-5120-084	81,247	7/1/21 - 6/30/22	(8,061)				8,061					
Categorical Transportation Aid	23-495-034-5120-014	81,247	7/1/22 - 6/30/23					73,258	(81,247)		(7,989)		
Categorical Transportation Aid	22-495-034-5120-014	75,087	7/1/21 - 6/30/22	(7,449)				7,449					
Extraordinary Special Education Cost Aid	23-495-034-5120-044	179,904	7/1/22 - 6/30/23						(188,579)		(188,579)		
Extraordinary Special Education Cost Aid	22-495-034-5120-044	179,904	7/1/21 - 6/30/22	(179,904)				179,904					
Nonpublic Transportation Aid	23-495-034-5120-014	11,310	7/1/22 - 6/30/23						(8,736)		(8,736)		
Nonpublic Transportation Aid	22-495-034-5120-014	11,310	7/1/21 - 6/30/22	(11,310)				11,310					
Lead Testing for Schools	23-495-034-5120-104	4,371	7/1/22 - 6/30/23					4,371	(4,371)				
On-behalf TPAF Pension Contribution	23-495-034-5094-002	1,850,910	7/1/22 - 6/30/23					1,850,910	(1,850,910)				
On-behalf TPAF Post Retirement Medical	23-495-034-5094-001	486,229	7/1/22 - 6/30/23					486,229	(486,229)				
On-behalf TPAF Long Term Disability Ins.	23-495-034-5094-004	963	7/1/22 - 6/30/23					963	(963)				
Reimbursed TPAF Social Security Contr.	23-495-034-5094-003	417,929	7/1/22 - 6/30/23					376,816	(417,929)		(41,113)		
Reimbursed TPAF Social Security Contr.	22-495-034-5094-003	399,456	7/1/21 - 6/30/22	(77,651)				77,651					
Total General Fund				(673,769)				7,489,690	(7,501,090)		(685,169)		
Special Revenue Fund:													
SDA Emergent Needs & Capital Maintenance	EG-0142-D02	12,668	7/1/22 - 6/30/23					12,668	(12,668)				
Total Special Revenue				-				12,668	(12,668)				
State Department of Agriculture													
Enterprise Fund:													
State School Breakfast Program	23-100-010-3350-023	1,938	7/1/22 - 6/30/23					1,775	(1,938)		(163)		
State School Lunch Program	23-100-010-3350-023	2,902	7/1/22 - 6/30/23					2,729	(2,902)		(173)		
National School Lunch Program (State Share)	22-100-010-3350-023	5,395	7/1/21 - 6/30/22	(361)				361					
Total Enterprise Fund				(361)				4,865	(4,840)		(336)		
Total State Financial Assistance				\$ (674,130)	\$ -	\$ -	\$ -	\$ 7,507,223	\$ (7,518,598)	\$ -	\$ (685,505)	\$ -	\$ -
Less: State Financial Assistance Not Subject to New Jersey OMB Circular 15-08													
NonBudgeted:													
On-behalf TPAF Pension Contribution	23-495-034-5094-002	1,850,910	7/1/22 - 6/30/23						(1,850,910)				
On-behalf TPAF Post Retirement Medical	23-495-034-5094-001	486,229	7/1/22 - 6/30/23						(486,229)				
On-behalf TPAF Long Term Disability Ins.	23-495-034-5094-004	963	7/1/22 - 6/30/23						(963)				
Total State Financial Assistance Subject to New Jersey OMB Circular 15-08									\$ (5,180,496)				

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

**Barrington School District
Notes to the Schedules of Expenditures
of Federal Awards and State Financial Assistance
For the Fiscal Year Ended June 30, 2023**

I. GENERAL

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

2. BASIS OF ACCOUNTING

The accompanying schedules of expenditures of federal awards and state financial assistance are presented using the budgetary basis of accounting with the exception of programs recorded in the food service fund, which are presented using the accrual basis of accounting. These bases of accounting are described in Note 1 to the School District's basic financial statements. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and State of New Jersey Circular 15-08-OMB, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements. The school district has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

3. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

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

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is (\$41,837) for the general fund. See Exhibit C-3, Notes to Required Supplementary Information for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board's basic financial statements on a GAAP basis as follows:

<u>Fund</u>	<u>Federal</u>	<u>State</u>	<u>Total</u>
General	\$ -	\$ 7,459,253	\$ 7,459,253
Special Revenue	932,283	12,668	944,951
Food Service	<u>165,301</u>	<u>4,840</u>	<u>170,141</u>
Total	<u>\$ 1,097,584</u>	<u>\$ 7,476,761</u>	<u>\$ 8,574,345</u>

**Barrington School District
Notes to the Schedules of Expenditures
of Federal Awards and State Financial Assistance
For the Fiscal Year Ended June 30, 2023
(Continued)**

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.

5. OTHER

Revenues and expenditures reported under the Food Distribution Program represent current year value received and current year distributions respectively. The amount reported as TPAF Pension Contributions represents the amount paid by the state on behalf of the District for the year ended June 30, 2023. TPAF Social Security Contributions represents the amount reimbursed by the state for the employer's share of social security contributions for TPAF members for the year ended June 30, 2023.

6. MAJOR PROGRAMS

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

7. ADJUSTMENTS

Amounts reported in the column entitled "Adjustments" represent the following:

	<u>Federal</u>	<u>State</u>
Prior Year Receivable Adjustments	\$ <u>22,841</u>	\$ <u>-</u>

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

Section 1 -- Summary of Auditor's Results

Financial Statement Section

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

Material weaknesses identified? yes X no

Significant deficiencies identified? yes X none reported

Noncompliance material to general purpose financial statements noted? yes X no

Federal Awards

Internal Control over major programs:

Material weaknesses identified? yes X no

Significant deficiencies identified? yes X none reported

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

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200 section .516 of the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)? yes X no

Identification of major programs:

<u>AL Number(s)</u>	<u>FAIN Number(s)</u>	<u>Name of Federal Program or Cluster</u>
<u>84.425D</u>	<u>S425D210027</u>	<u>CRRSA - ESSER II</u>
<u>84.425D</u>	<u>S425D210027</u>	<u>CRRSA - Learning Acceleration</u>
<u>84.425D</u>	<u>S425D210027</u>	<u>CRRSA - Mental Health</u>
<u>84.425U</u>	<u>S425U210027</u>	<u>ARP - ESSER III</u>
<u>84.425U</u>	<u>S425U210027</u>	<u>ARP - Accelerated Learning</u>
<u>84.425U</u>	<u>S425U210027</u>	<u>ARP - Summer Learning</u>
<u>84.425U</u>	<u>S425U210027</u>	<u>ARP - Beyond the School Day</u>
<u>84.425U</u>	<u>S425U210027</u>	<u>ARP - Mental Health</u>
<u> </u>	<u> </u>	<u> </u>
<u> </u>	<u> </u>	<u> </u>

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

Auditee qualified as low-risk auditee? X yes no

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

Section 1 -- Summary of Auditor's Results (Continued)

State Awards

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

Auditee qualified as low-risk auditee? X yes no

Internal Control over major programs:

Material weaknesses identified? yes X no

Significant deficiencies identified that are not considered to be a material weakness? yes X none reported

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

Any audit findings disclosed that are required to be reported in accordance with N.J. OMB Circular 15-08? yes X no

Identification of major programs:

State Grant/Project Number(s)

Name of State Program

23-495-034-5120-078

23-495-034-5120-089

23-495-034-5120-084

State Aid Public Cluster:
Equalization Aid

Special Education Categorical Aid

Security Aid

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

Section 2 -- Schedule of Financial Statement Findings

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

No findings and/or questioned costs identified.

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

**Section 3 -- Schedule of Federal Awards and State Financial Assistance
Findings and Questioned Costs**

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

FEDERAL AWARDS:

No findings and/or questioned costs identified.

STATE AWARDS:

No findings and/or questioned costs identified.

**BARRINGTON SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR-YEAR AUDIT FINDINGS
AND QUESTIONED COSTS AS PREPARED BY MANAGEMENT**

This section identifies the status of prior year findings related to the financial statements and federal and state awards that are required to be reported in accordance with Chapter 6.12 of *Government Auditing Standards*, Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and New Jersey Circular 15-08-OMB.

FINANCIAL STATEMENT FINDINGS

There were no prior year audit findings.

FEDERAL AWARDS

A federal single audit was not required.

STATE AWARDS

There were no prior year audit findings.