

SCHOOL DISTRICT
OF THE
TOWN OF BELVIDERE

Town of Belvidere Board of Education
Belvidere, Warren County
New Jersey

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

Annual Comprehensive

Financial Report

of the

Town of Belvidere Board of Education

Belvidere, New Jersey

For the Fiscal Year Ending June 30, 2023

Prepared by

Town of Belvidere Board of Education

Finance Department

OUTLINE OF ACFR

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Introductory Section

TOWN OF BELVIDERE SCHOOL DISTRICT

809 Oxford Street, Belvidere, New Jersey 07823

Christopher Carrubba
Superintendent of Schools

Rachelle Tjalma
Business Administrator

Honorable President and
Members of the Board of Education
Town of Belvidere School District
Warren County, New Jersey

November 27, 2023

Dear Board Members:

The Annual Comprehensive Financial Report of the Belvidere 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 Belvidere 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 to present fairly the financial position and results of operations of the various funds and account groups of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The Annual Comprehensive Financial Report is presented in four sections: introductory, financial, statistical and single audit. The Introductory Section includes this transmittal letter, the District's organizational chart and a list of principal officials. The Financial Section includes the 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 the Single Audit Act of 1996 and the U.S. Office of Management and Budget Uniform Guidance, "Audits of State and Local Governments" and the New Jersey Treasury Circular Letter 15-08 OMB. "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid Payments". Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations, are included in the Single Audit Section of this report.

1. REPORTING ENTITY AND ITS SERVICES:

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

The District provides a full range of educational services appropriate to grade levels PK through 12. These include regular and vocational, as well as special education for classified students. The District completed the 2022-23 fiscal year with an enrollment of 604 students, which is 8

students more than the previous year's enrollment. The following details the changes in student enrollment of the District over the last five years:

<u>Fiscal Year</u>	<u>Average Daily Enrollment</u>	<u>Percent Change</u>
2018-19	685	-2.84%
2019-20	656	-4.23%
2020-21	628	-4.26%
2021-22	596	-5.01%
2022-23	604	1.30%

2. ECONOMIC CONDITION AND OUTLOOK:

The economic condition of the Belvidere area remained stable during the 2022-23 school year with little evidence of any single factor having a major impact on the District's programs. Residential development in the area has been minimal and declining enrollment may be a facility consideration in the future, as the district is considering the sale of the Third Street school. The Third Street school has been used as the Board of Education office since 2019-20.

3. MAJOR INITIATIVES:

Budgetary constraints prevented any major new initiatives in 2022-23. The District was able to maintain all existing programs and staffing and to address all ongoing facility maintenance concerns through careful monitoring of the budget. The continuing escalation of salaries and fringe benefits, primarily health insurance, consume approximately 85% of all available funds. The District expanded its state funded preschool program to three classes in 2022-23.

4. INTERNAL ACCOUNTING CONTROLS:

The 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 benefits requires estimates and judgments by management.

As a recipient of federal and state financial assistance, the District is also responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulation 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 above, 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. Annual appropriated budgets are adopted for the General Fund, and Special Revenue 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 reappropriations of fund balance in the subsequent year. Those amounts to be reappropriated are reported as reservations of fund balance totaling \$223,615 at June 30, 2023.

6. ACCOUNTING SYSTEM AND REPORTS:

The District's accounting records reflect Generally Accepted Accounting Principals, as promulgated by the GASB. The accounting system of the District is organized on the basis of funds and account groups, as explained in Note 1 to the Financial Statements.

7. FINANCIAL INFORMATION AT FISCAL YEAR-END:

As demonstrated by the various statements and schedules included in the Financial Section of this report, the District continues to meet its responsibility for sound financial management. The following schedules present a summary of the General and Special Revenue Fund revenues and expenditures for the fiscal year ended June 30, 2023 and the amount and percentage changes in relation to the previous year (see Exhibit B-2):

Revenues:				
<u>Source</u>	<u>Amount</u>	<u>Percent of Total</u>	<u>Increase Amount</u>	<u>(Decrease) Percent</u>
Local	8,804,308	55.33%	\$ 6,397	0.07%
State	6,593,110	41.44	19,343	0.29
Federal	<u>513,777</u>	<u>3.23</u>	<u>13,655</u>	<u>2.73</u>
Total	\$15,911,195	100.0%	\$ 39,395	0.25%

Expenditures:				
<u>Classification</u>	<u>Amount</u>	<u>Percent of Total</u>	<u>Increase Amount</u>	<u>(Decrease) Percent</u>
Current Expense				
Instruction	5,585,558	34.54%	\$ 270,055	5.08%
Undistributed	<u>9,249,653</u>	<u>57.20</u>	<u>343,552</u>	<u>3.86</u>
Total	14,385,211	91.74	613,607	4.31
Capital Outlay	157,875	0.98	95,073	151.39
Special Revenue	<u>1,178,378</u>	<u>7.29</u>	<u>181,540</u>	<u>18.21</u>
Total	\$16,171,464	100.0%	\$ 890,220	5.83%

8. DEBT ADMINISTRATION:

At June 30, 2023, the District had no outstanding bonded debt.

9. CASH MANAGEMENT:

The investment policy of the District is guided in large part by state statute as detailed in “Notes to the Financial Statements”, Note 2. The District has adopted a cash management plan which requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit deposit Protection Act, which was enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution in New Jersey.

10. RISK MANAGEMENT:

The Belvidere Board of Education carries various forms of insurance, including comprehensive property, general liability, automotive, excess liability, workers compensation and fidelity bonds as detailed in Exhibit J-13 of the Statistical Section.

11. OTHER INFORMATION:

Independent Audit - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Ardito & Co., LLP was selected by the Belvidere Board of Education to perform the audit. In addition to meeting the requirements set forth in state statutes, the audit was also designed to meet the requirements of the Single Audit Act and the related Uniform Guidance and State Treasury Circular Letter 15-08. The auditor’s report on the general purpose financial statements and the 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.

12. ACKNOWLEDGEMENT:

We would like to express our appreciation to the members of the Belvidere Board of Education for their concern in providing fiscal accountability to the citizens and taxpayers of the Town of Belvidere and the cluster townships and for their full support to the development and maintenance of our financial operation.

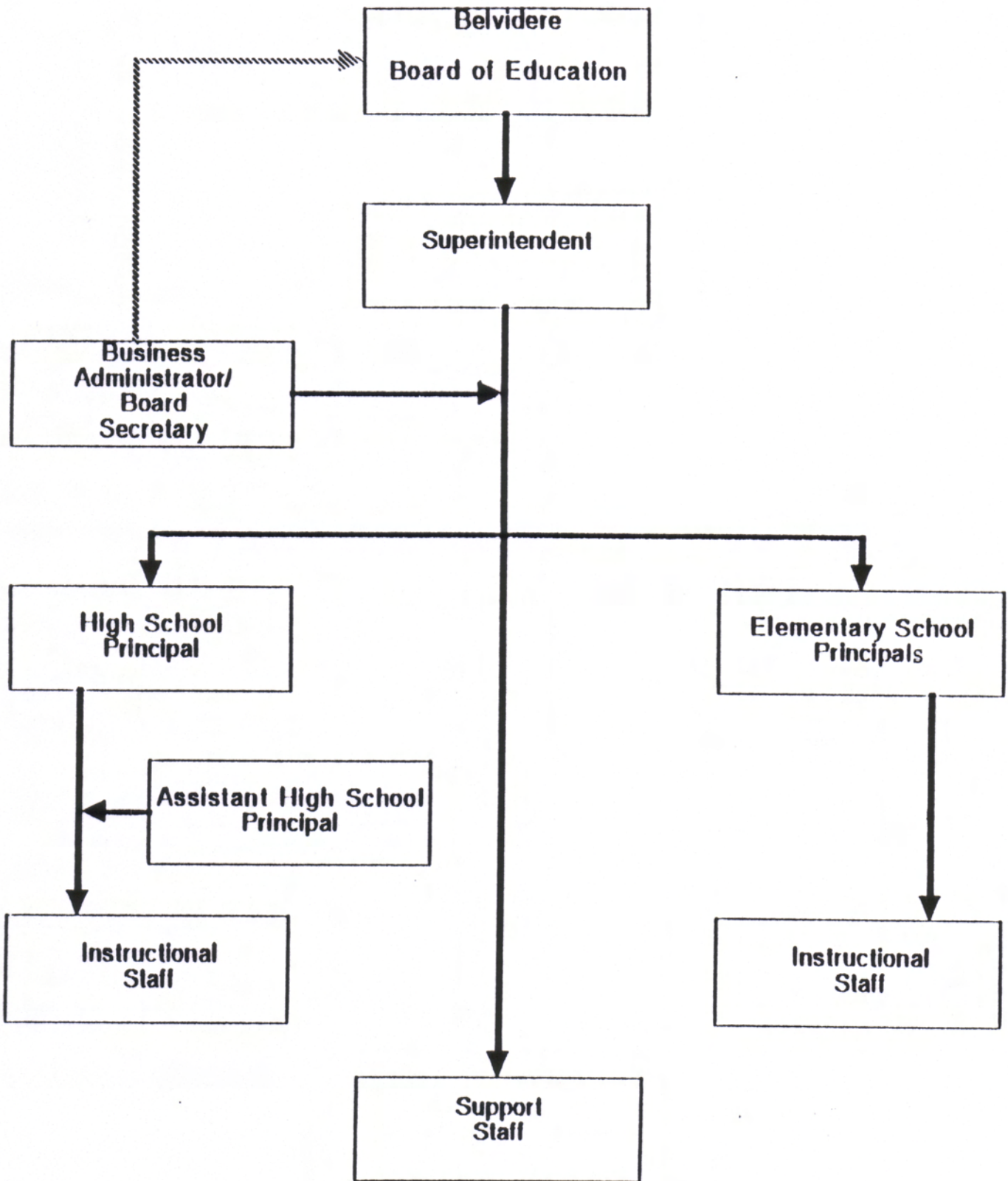
Respectfully submitted,



Christopher Carrubba
Superintendent of Schools

Rachelle Tjalma
Business Administrator / Board Secretary

ORGANIZATIONAL CHART OF THE BELVIDERE SCHOOL DISTRICT



BELVIDERE SCHOOL DISTRICT
Belvidere, New Jersey

ROSTER OF OFFICIALS

June 30, 2023

<u>Members of the Board of Education</u>	<u>Term Expires</u>
Melissa Duckworth, <i>President</i>	2023
Maryann Stephen, <i>Vice-President</i>	2023
Robert Czopoth	2024
Robert Blum	2023
Jordan McElroy	2023
Tyler Wenner	2025
Richard Wenner	2023
Thomas Ackerman	2024
Morris Scott	2025
Robyn Gardella - White Township Representative	
Doug Tighe - Hope Township Representative	
Heather Weidlick - Harmony Township Representative	

Other Officials

Christopher Carrubba, *Superintendent*

Rachelle Tjalma, CPA, *Business Administrator/Board Secretary*

Randy Wilson, *Treasurer*

**BELVIDERE SCHOOL DISTRICT
BOARD OF EDUCATION**

Consultants and Advisors

AUDIT FIRM

Ardito & Company LLC
1110 Harrison Street
Frenchtown, New Jersey 08825-1192

BOARD ATTORNEY

Weiner Law Group
One River Centre
331 Newman Springs Road, Building 1, Suite 136
Red Bank,, New Jersey 07701

OFFICIAL DEPOSITORY

PNC Bank
101 Mansfield Street
Belvidere, New Jersey 07823

Financial Section

Independent Auditor's Report



ARDITO & COMPANY LLC

1110 Harrison Street, Suite C
Frenchtown, New Jersey 08825-1192
908-996-4711 Fax: 908-996-4688
e-mail: anthony@arditoandcompany.com

Anthony Ardito, CPA, RMA, CMFO, PSA

Independent Auditor's Report

Honorable President and
Members of the Board of Education
Belvidere School District
County of Warren
Belvidere, New Jersey 07823

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the government activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Belvidere School District Board of Education, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

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

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

-Continued-

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards and ***Government Auditing Standards*** and audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey, we:

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

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

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Belvidere School District Board of Education's basic financial statements. The combining and individual non-major fund

-Continued-

financial statements, and the schedule of expenditures 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 for Federal Awards*; and New Jersey OMB's Circulars 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual non-major fund financial statements, and the schedule of expenditures of federal awards and state financial assistance are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 27, 2023, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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* the District's internal control over financial reporting and compliance.

Ardito & Company LLC

ARDITO & COMPANY LLC

Frenchtown, New Jersey
November 27, 2023

Anthony Ardito

Anthony Ardito
Certified Public Accountant
Licensed Public School Accountant No. 2369

ARDITO & COMPANY LLC

Frenchtown, New Jersey
November 27, 2023

Required Supplementary Information - Part I

Management's Discussion and Analysis

TOWN OF BELVIDERE SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
UNAUDITED

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

Financial Highlights

Key financial highlights for 2023 are as follows:

- ◆ In total, Net Position increased \$417,718 which represents a 32.7% increase from 2022.
- ◆ General revenues accounted for \$4,139,083 in revenue or 26.3% of all revenues. Program specific revenues in the form of charges for services, operating grants and contributions, and capital grants and contributions accounted for \$11,627,646 or 73.7% of total revenues of \$15,766,729.
- ◆ Total assets of governmental activities increased by \$492,391, as cash and cash equivalents decreased by \$582,507, receivables increased by \$1,090,727, and capital assets decreased by \$16,686.
- ◆ The School District had \$15,349,011 in expenses; only \$11,627,646 of these expenses were offset by program specific charges for services, grants or contributions. General revenues (primarily property taxes) of \$4,139,083 were available to provide for these programs.
- ◆ Among major funds, the General Fund had \$14,748,897 in revenues and \$14,993,086 in expenditures. The General Fund's surplus balance decreased \$257,638 over 2022, which compares favorably to the budgeted decrease of \$1,036,105.

Using this Generally Accepted Accounting Principals Report (GAAP)

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand Belvidere School District as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities. The Statement of Net Position and Statement of Activities provide information about the activities of the whole School District, presenting both an aggregate view of the School District's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail.

For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the School District's most significant funds with all other non-major funds presented in total in one column. In the case of Belvidere School District, the General Fund is by far the most significant fund.

TOWN OF BELVIDERE SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
UNAUDITED

Reporting the School District as a Whole

Statement of Net Position and the Statement of Activities

While this document contains the large number of funds used by the School District to provide programs and activities, the view of the School District as a whole looks at all financial transactions and asks the question, "How did we do financially during 2023?" The Statement of Net Position and the Statement of Activities answer this question. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

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

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

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

Reporting the School District's Most Significant Funds

Fund Financial Statements

The analysis of the School District's major funds begins on page 9. Fund financial reports provide detailed information about the School District's major funds. The School District uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the School District's most significant funds. The School District's major governmental funds are the General Fund, Special Revenue Fund, Capital Projects Fund and Debt Service Fund.

TOWN OF BELVIDERE SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
UNAUDITED

Governmental Funds

The School District's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in the future years. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the School District's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance educational programs. The relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is reconciled in the financial statements.

The School District as a Whole

Recall that the Statement of Net Position provides the perspective of the School District as a whole.

Table 1 provides a summary of the School District's Net Position for 2023 compared to 2022.

**Table 1
Net Position**

	<u>2023</u>	<u>2022</u>
Assets		
Current and Other Assets	\$ 3,709,469	\$ 3,200,392
Capital Assets	<u>1,650,601</u>	<u>1,667,287</u>
Total Assets	<u>5,360,070</u>	<u>4,867,679</u>
 Deferred Outflows of Resources	 <u>243,030</u>	 <u>206,526</u>
 Liabilities		
Long-Term Liabilities	43,921	43,921
Other Liabilities	<u>3,523,104</u>	<u>2,618,990</u>
Total Liabilities	<u>3,567,025</u>	<u>2,662,911</u>
 Deferred Inflows of Resources	 <u>341,156</u>	 <u>1,134,093</u>
 Net Position		
Invested in Capital Assets, Net of Debt	1,650,601	1,667,287
Restricted	1,534,646	1,774,957
Unrestricted	<u>(1,490,328)</u>	<u>(2,165,043)</u>
Total Net Position	<u>\$ 1,694,919</u>	<u>\$ 1,277,201</u>

TOWN OF BELVIDERE SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
UNAUDITED

Total assets of governmental activities increased by \$492,391, as cash and cash equivalents decreased by \$582,507, receivables increased by \$1,090,727, and capital assets decreased by \$16,686.

Cash and cash equivalents decreased due to capital asset and federal grants spending in advance of reimbursement.. Accounts receivable increased due to federal grant spending in advance of reimbursement, and the final tax levy payment from the town received in the subsequent year. Capital assets decreased due to depreciation expense, net of capital additions.

Table 2 shows the changes in Net Position from fiscal year 2022.

Table 2
Changes in Net Position

	<u>2023</u>	<u>2022</u>
Revenues		
Program Revenues:		
Charges for Services	\$ 5,746,641	\$ 5,610,618
Operating Grants and Contributions	5,881,005	7,004,546
General Revenues:		
Property Taxes	3,931,616	3,854,525
Investment Income	178	419
Other	<u>207,289</u>	<u>186,092</u>
Total Revenues	<u>15,766,729</u>	<u>16,656,200</u>
Program Expenses		
Instruction	8,710,763	9,029,735
Support Services:		
Tuition	10,199	223,526
Pupils and Instructional Staff	2,121,203	2,156,667
General Administration, School Administration, Business	1,614,830	1,701,100
Operations and Maintenance of Facilities	1,520,540	1,382,745
Pupil Transportation	181,903	117,112
Business-Type Activities	1,188,125	1,111,791
Interest and Fiscal Charges	<u>1,448</u>	<u>1,448</u>
Total Expenses	<u>15,349,011</u>	<u>15,724,124</u>
Increase in Net Position	<u>\$ 417,718</u>	<u>\$ 932,076</u>

TOWN OF BELVIDERE SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
UNAUDITED

Governmental Activities

The unique nature of property taxes in New Jersey creates the need to routinely seek voter approval for the School District operations. Property taxes made up 24.9% percent of revenues for governmental activities for the Belvidere School District for the fiscal year 2023.

Instruction comprises 56.8% of district expenses. Support services expenses make up 35.5% of the expenses.

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services. Table 3 shows the total cost of services and the net cost of services compared to 2022. That is, it identifies the cost of these services supported by tax revenue and unrestricted State entitlements.

Table 3

	<u>Total Cost of Services 2023</u>	<u>Net Cost of Services 2023</u>	<u>Total Cost of Services 2022</u>	<u>Net Cost of Services 2022</u>
Instruction	\$ 8,710,763	\$ 2,126,306	\$9,029,735	\$1,713,659
Support Services:				
Tuition	10,199	10,199	223,526	223,526
Pupils and Instructional Staff	2,121,203	166,785	2,156,667	143,422
General Administration, School				
Administration, Business	1,614,830	266,117	1,701,100	190,914
Operation and Maintenance of Facilities	1,520,540	1,011,236	1,382,745	812,465
Pupil Transportation	181,903	181,903	117,112	117,112
Other Fiscal Charges	1,448	1,448	1,448	1,448
Business-Type Activities	<u>1,188,125</u>	<u>(42,629)</u>	<u>1,111,791</u>	<u>(93,586)</u>
Total Expenses	<u>\$ 15,349,011</u>	<u>\$ 3,721,365</u>	<u>\$ 15,724,124</u>	<u>\$ 3,108,960</u>

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

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

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

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

TOWN OF BELVIDERE SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
UNAUDITED

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

Business-type activities includes expenses related to activities provided by the School District which are designed to provide for students to participate in food service.

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

The dependence upon tax revenues is apparent. Over 24.4% of instruction activities are supported through taxes and other general revenues; for all activities general revenue support is 30.0%. The community, as a whole, is the primary support for the Belvidere School District.

The School District's Funds

Information about the School District's major funds starts on page 24. These funds are accounted for using the modified accrual basis of accounting. All governmental funds had total revenues and other sources of \$15,911,195 and expenditures of \$16,171,464. The General Fund's surplus balance decreased \$257,638 over 2022, which compares favorably to the budgeted decrease of \$1,036,105.

General Fund Budgeting Highlights

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

During the course of the fiscal 2023 year, the School District amended its General Fund budget as needed. The School District uses program based budgeting and the budgeting systems are designed to tightly control total program budgets but provide flexibility for program management.

For the General Fund, budget basis revenue and other financing sources, excluding on-behalf payments, was \$11,371,074, \$185,346 over original budgeted estimates of \$11,185,728. This difference was due primarily to additional tuition revenue and supplemental stabilization aid.

General fund revenues fell short of expenditures by \$292,426. Again this deficit compares to a budgeted deficit of \$1,036,105, which was due to the budgeted use of surplus, and budgeted maintenance reserve withdrawals in the 2022-2023 budget. The budgeted deficit was reduced due to cost savings in the areas of instruction, tuition, and facilities.

TOWN OF BELVIDERE SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
UNAUDITED

Overall general fund balance (budget basis) was \$1,935,752, and amounts ear-marked and reserved for future purposes were \$1,594,267, creating a surplus in unreserved fund balance of \$341,485. Management believes the district can maintain unreserved fund balances at or near the statutory maximum 2% level of \$341,485.

Capital Assets

At the end of the fiscal year 2023, the School District had \$1,650,601 invested in land, buildings, furniture and equipment, and vehicles. Table 4 shows fiscal 2023 balances compared to 2022.

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

	<u>2023</u>	<u>2022</u>
Land	\$ 853,550	\$ 853,550
Land Improvements		
Buildings and Improvements	681,457	707,230
Machinery and Equipment	<u>115,594</u>	<u>106,507</u>
Totals	<u>\$ 1,650,601</u>	<u>\$ 1,667,287</u>

Overall capital assets decreased \$16,686 from fiscal year 2022 to fiscal year 2023. The decrease was due depreciation expense, net of capital additions.

Major capital improvements of \$156,427 were purchased during fiscal year 2023.

Debt Administration

At June 30, 2023, the School District had \$43,921 as outstanding long term debt. Of this amount, \$43,921 is for compensated absences.

At June 30, 2023, the School District's overall legal debt margin was \$8,437,511 and the unvoted debt margin was the same.

TOWN OF BELVIDERE SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
UNAUDITED

For the Future

The Belvidere School District is in sound financial condition presently. A concern is the potential for increased reliance on local property taxes with declining aid from the State of New Jersey.

It has been increasingly difficult to balance educational needs with increases in property tax rates and flat state aid. The Belvidere School District is primarily a residential community and the Warren County Seat, with very few ratables, thus the burden is focused on homeowners to bear the tax burden.

In conclusion, the Belvidere School District has committed itself to financial survival for many years. The School District's system for financial planning, budgeting, and internal financial controls are well regarded. The School District plans to continue its sound fiscal management to meet the challenge of the future.

Contacting the School District's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the School District's finances and to show the School District's accountability for the money it receives. If you have questions about this report or need additional information contact Rachelle Tjalma, School Business Administrator/Board Secretary at Belvidere School District, 809 Oxford Street, Belvidere, NJ 07823, or E-mail at rtjalma@belvideresd.org.

Basic Financial Statements

DISTRICT-WIDE FINANCIAL STATEMENTS

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

TOWN OF BELVIDERE SCHOOL DISTRICT

Exhibit A-1

STATEMENT OF NET POSITION

June 30, 2023

	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
ASSETS			
Cash and Cash Equivalents	\$ 1,634,682	\$ (82,545)	\$ 1,552,137
Receivables from Other Governments	1,893,626	111,254	2,004,880
Interfunds Receivable		143,399	143,399
Inventory		9,053	9,053
Capital Assets, Net (Note 5):	1,650,601		1,650,601
Total Assets	5,178,909	181,161	5,360,070
DEFERRED OUTFLOWS OF RESOURCES			
Pension Deferred Outflows	243,030		243,030
LIABILITIES			
Accounts Payable	108,961	7,605	116,566
Payroll Deductions and Withholdings	308,710		308,710
Interfund Payable	143,399		143,399
Unearned Revenue	1,178,025	4,461	1,182,486
Net Pension Liability (Note 7)	1,771,943		1,771,943
Noncurrent Liabilities (Note 6):			
Due Within One Year			
Due Beyond One Year	43,921		43,921
Total Liabilities	3,554,959	12,066	3,567,025
DEFERRED INFLOWS OF RESOURCES			
Pension Deferred Inflows	341,156		341,156
NET POSITION			
Invested in Capital Assets, Net of Related Debt	1,650,601		1,650,601
Restricted for:			
Other Purposes	1,534,646		1,534,646
Unrestricted	(1,659,423)	169,095	(1,490,328)
Total Net Position	\$ 1,525,824	\$ 169,095	\$ 1,694,919

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

TOWN OF BELVIDERE SCHOOL DISTRICT

Exhibit A-2

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2023

Functions/Programs	PROGRAM REVENUES			NET(EXPENSE) REVENUE AND CHANGES IN NET POSITION			
	EXPENSES	CHARGES FOR SERVICES	OPERATING	CAPITAL	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
			GRANTS AND CONTRIBUTIONS	GRANTS AND CONTRIBUTIONS			
Governmental Activities:							
Instruction:							
Regular	\$ 6,399,263	\$ 2,355,938	\$ 2,823,216		\$ (1,220,109)		\$ (1,220,109)
Special Education	1,685,918	695,119	710,184		(280,615)		(280,615)
Other Special Instruction	625,582				(625,582)		(625,582)
Support Services:							
Tuition	10,199				(10,199)		(10,199)
Student & Instruction Related Serv.	2,121,203	695,119	1,259,299		(166,785)		(166,785)
School Administrative Services	799,136	401,209	409,905		11,978		11,978
Business Administrative Services	815,694	265,918	271,681		(278,095)		(278,095)
Plant Operations and Maintenance	1,520,540	251,922	257,382		(1,011,236)		(1,011,236)
Pupil Transportation	181,903				(181,903)		(181,903)
Other Fiscal Charges	1,448				(1,448)		(1,448)
Total Governmental Activities	14,160,886	4,665,225	5,731,667		(3,763,994)		(3,763,994)
Business-Type Activities:							
Food Service	231,202	124,493	149,338			\$ 42,629	42,629
Shared Services	956,923	956,923				-	-
Total Business-Type Activities	1,188,125	1,081,416	149,338	-	-	42,629	42,629
Total Primary Government	\$ 15,349,011	\$ 5,746,641	\$ 5,881,005		\$ (3,763,994)	\$ 42,629	\$ (3,721,365)
General Revenues:							
Taxes:							
Property Taxes, Levied for General Purposes, Net					\$ 3,931,616		\$ 3,931,616
Investment Earnings					178		178
Miscellaneous Income					207,289		207,289
Total General Revenues, Special Items, Extraor. Items and Transfers					4,139,083		4,139,083
Change in Net Position					375,089	\$ 42,629	417,718
Net Position—Beginning					1,150,735	126,466	1,277,201
Prior Period Adjustment					-		-
Net Position—Beginning (As Restated)					1,150,735	126,466	1,277,201
Net Position—Ending					\$ 1,525,824	\$ 169,095	\$ 1,694,919

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

FUND FINANCIAL STATEMENTS

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

BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2023

	GENERAL FUND	SPECIAL REVENUE FUND	TOTAL GOVERNMENTAL FUNDS
ASSETS			
Cash and Cash Equivalents	\$ 1,470,688	\$ 163,994	\$ 1,634,682
Interfund Receivables	6,388		6,388
Other Receivables	744,963		744,963
Receivables from Other Governments	2,757	1,145,906	1,148,663
TOTAL ASSETS	\$ 2,224,796	\$ 1,309,900	\$ 3,534,696
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts Payable	\$ 101,738	\$ 7,223	\$ 108,961
Payroll Deductions and Withholdings Payable	308,710		308,710
Unearned Revenue	-	1,178,025	1,178,025
Interfund Payable	143,399	6,388	149,787
Total Liabilities	553,847	1,191,636	1,745,483
Fund Balances:			
<u>Restricted for:</u>			
Capital Reserve	468,344		468,344
Maintenance Reserve	602,308		602,308
Student Activities		163,994	163,994
<u>Assigned to:</u>			
Year-End Encumbrances	223,615		223,615
General Fund-Designated for Subsequent Year's Expend.	300,000		300,000
<u>Unassigned:</u>			
General Fund	76,682		76,682
Special Revenue Fund		(45,730)	(45,730)
Total Fund Balances	1,670,949	118,264	1,789,213
TOTAL LIABILITIES AND FUND BALANCE	\$ 2,224,796	\$ 1,309,900	\$ 3,534,696

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 \$10,892,452 and the accumulated depreciation is \$9,241,851. (See Note 5)	\$ 1,650,601
Deferred Outflows related to pension contributions subsequent to the Net Pension Liability measurement date and other deferred items are not current financial resources and therefore are not reported in the fund statements. (See Note 7)	243,030
Deferred Inflows related to pension actuarial gains from experience and differences in actual return and assumed returns and other deferred items are not reported as liabilities in the fund statements. (See Note 7)	(341,156)
Long-term liabilities, including Net Pension Liability, are not due and payable in the current period and therefore are not reported as liabilities in the funds (see Note 7)	(1,771,943)
Long-term liabilities, including Compensated Absences, are not due and payable in the current period and therefore are not reported as liabilities in the funds (see Note 6)	(43,921)
Net Position of governmental activities	<u>\$ 1,525,824</u>

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

TOWN OF BELVIDERE SCHOOL DISTRICT

Exhibit B-2

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED JUNE 30, 2023

	General Fund	Special Revenue Fund	Total Governmental Funds
REVENUES			
Local sources:			
Local Tax Levy	\$ 3,931,616		\$ 3,931,616
Tuition	4,665,225		4,665,225
Miscellaneous	10,499	\$ 196,968	207,467
Total - Local Sources	8,607,340	196,968	8,804,308
State Sources	6,141,557	451,553	6,593,110
Federal Sources		513,777	513,777
Total Revenues	14,748,897	1,162,298	15,911,195
EXPENDITURES			
Current:			
Regular Instruction	3,825,914	629,263	4,455,177
Special Education Instruction	1,134,062		1,134,062
Other Special Instruction	625,582		625,582
Support services and undistributed costs:			
Tuition	10,199		10,199
Student and Instruction Related Services	1,016,250	549,115	1,565,365
School Administrative Services	480,859		480,859
Other Administrative Services	607,486		607,486
Plant Operations and Maintenance	1,303,291		1,303,291
Pupil Transportation	181,903		181,903
Unallocated Benefits	5,623,467		5,623,467
Transfer to Charter School	26,198		26,198
Capital Outlay	157,875	-	157,875
Total Expenditures	14,993,086	1,178,378	16,171,464
Excess (Deficiency) of			
Revenues Over Expenditures	(244,189)	(16,080)	(260,269)
Other Financing Sources/(Uses):			
Transfer to Special Revenue Fund - Preschool	(13,449)	13,449	-
Net Change in Fund Balances	(257,638)	(2,631)	(260,269)
Fund Balance—July 1	1,928,587	120,895	2,049,482
Prior Period Adjustment—See Note 20		-	-
Fund Balance—July 1 (Restated)	1,928,587	120,895	2,049,482
Fund Balance—June 30	\$ 1,670,949	\$ 118,264	\$ 1,789,213

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

TOWN OF BELVIDERE SCHOOL DISTRICT

Exhibit B-3

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2023**

Total Net Change in Fund Balances - Governmental Funds (from B-2) \$ (260,269)

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

Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the period.

Depreciation Expense	\$ (173,113)	
Capital Outlays	<u>156,427</u>	(16,686)

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

652,044

Repayment of long-term liabilities, such as compensated absences, 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.

-

Change in Net Position of Governmental Activities \$ 375,089

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

TOWN OF BELVIDERE SCHOOL DISTRICT

Exhibit B-4

STATEMENT OF PROPRIETARY NET POSITION
 PROPRIETARY FUNDS

June 30, 2023

	Business-Type Activities- Enterprise Funds		
	<u>Food Service</u>	<u>Shared Services</u>	<u>Totals</u>
ASSETS			
Current assets:			
Cash and Cash Equivalents	\$ 13,760	\$ (96,305)	\$ (82,545)
Accounts Receivable-Federal and State Subsidies	14,949		14,949
Shared Service Receivables		96,305	96,305
Interfund Receivables	143,399		143,399
Inventories	9,053		9,053
Total Current Assets	181,161		181,161
Noncurrent Assets:			
Furniture, Machinery and Equipment	226,779		226,779
Less Accumulated Depreciation	(226,779)		(226,779)
Total Noncurrent Assets			
Total Assets	181,161		181,161
LIABILITIES			
Current liabilities:			
Accounts Payable	7,605		7,605
Deferred Revenue	4,461		4,461
Total Current Liabilities	12,066		12,066
Total Liabilities	12,066		12,066
NET POSITION			
Invested in Capital Assets Net of Related Debt	-		-
Unrestricted	169,095		169,095
Total Net Position	\$ 169,095		\$ 169,095

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

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2023

	Business-type Activities - Enterprise Fund		
	Food Service	Shared Services	Total Enterprise
Operating Revenues:			
Charges for Services:			
Daily Sales - Reimbursable Programs	\$ 71,979	-	\$ 71,979
Daily Sales - Non-Reimb. Programs	52,514	-	52,514
Miscellaneous	-	\$ 956,923	956,923
Total Operating Revenues	124,493	956,923	1,081,416
Operating Expenses:			
Cost of Sales - Reimbursable Programs	78,200		78,200
Cost of Sales - Non-reimbursable Programs	21,782		21,782
Salaries	76,832	956,923	1,033,755
Employee Benefits	22,594		22,594
Supplies & Repairs	17,185		17,185
Other Purchased Professional Services	12,369		12,369
Miscellaneous	2,240		2,240
Depreciation	-		-
Total Operating Expenses	231,202	\$ 956,923	1,188,125
Operating Income (Loss)	(106,709)		(106,709)
Nonoperating Revenues (Expenses):			
State Sources:			
State School Lunch Program	3,020		3,020
Federal Sources:			
National School Lunch Program	79,646		79,646
National School Breakfast Program	8,421		8,421
Supply Chain Assistance Funding	41,415		41,415
Food Distribution Program	16,836		16,836
Total Nonoperating Revenues (Expenses)	149,338		149,338
Income (Loss) Before Contributions and Transfers	42,629		42,629
Transfers In (Out)			
Change in Net Position	42,629		42,629
Total Net Position—Beginning	126,466		126,466
Total Net Position—Ending	\$ 169,095	-	\$ 169,095

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

TOWN OF BELVIDERE SCHOOL DISTRICT

Exhibit B-6

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS

For the Year Ended June 30, 2023

	Business-Type Activities- Enterprise Funds		
	<u>Food Service</u>	<u>Shared Services</u>	<u>Total Enterprise</u>
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from Customers	\$ 124,493	\$ 896,110	\$ 1,020,603
Payments to Employees	(76,832)	(956,923)	(1,033,755)
Payments for Employee Benefits	(22,594)		(22,594)
Payments to Suppliers	(104,836)		(104,836)
Net Cash Provided by (used for) Operating Activities	(79,769)	(60,813)	(140,582)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Federal Sources	127,431		127,431
State Sources	2,755		2,755
Operating transfer from other funds	(80,185)		(80,185)
Net Cash Provided by (used for) Non-Capital Financing Activities	50,001		50,001
Net Increase (Decrease) in Cash and Cash Equivalents	(29,768)	(60,813)	(90,581)
Balances—Beginning of Year	43,528	(35,492)	8,036
Balances—End of Year	\$ 13,760	\$ (96,305)	\$ (82,545)
Reconciliation of Operating Income (Loss) to Net Cash Provided (used) by Operating Activities:			
Operating Income (Loss)	(106,709)		(106,709)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (used for) Operating Activities:			
Depreciation and Net Amortization	-		-
Federal Commodities	16,836		16,836
(Increase) Decrease in Accounts Receivable, Net		(60,813)	(60,813)
(Increase) Decrease in Inventories	(856)		(856)
Increase (Decrease) in Accounts Payable	10,960		10,960
Total Adjustments	26,940	(60,813)	(33,873)
Net Cash Provided by (used for) Operating Activities	\$ (79,769)	\$ (60,813)	\$ (140,582)

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

Notes to Financial Statements

TOWN OF BELVIDERE SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

In June 1999, the Governmental Accounting Standards Board (GASB) unanimously approved Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments (Statement No.34). This Statement provided the most significant change in financial reporting in over twenty years with a phased-in implementation period (based on amount of revenues) starting with fiscal years ending 2002 (for larger governments). The District was not required to implement the new model until the 2003-2004 school year.

In addition, the School District has implemented GASB Statement No.37, Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments: Omnibus, Statement No.38, Certain Financial Statement Note Disclosures, Statement No.40, Deposit and Investment Risk Disclosures, an amendment of GASB Statement No.3, and Statement 44, Economic Condition Reporting: The Statistical Section (GASB 44), an amendment of NCGA Statement 1, Governmental Accounting and Financial Reporting Principles is found in the Introduction, a revised statistical section in the Outline of the ACFR, GASB Statement No. 45, Other Post-retirement Employee Benefits, GASB No. 54, Fund Balance Reporting and Governmental Fund Type Definitions, and GASB No. 63 and 65, Deferred Outflows and Inflows and Net Position, and Items Previously Reported as Assets and Liabilities, GASB No. 68, Accounting for Pensions, an amendment of GASB No. 27, GASB No. 75, Accounting for OPEB, GASB 84, Fiduciary Activities, GASB 87, Leases, GASB 96, Subscriptions and GASB 98, Annual Comprehensive Financial Report. The implementation of these statements did not effect net position balances as previously reported for the fiscal year ended June 30, 2022.

A. Reporting Entity:

The Belvidere School District is a Type II district located in the County of Warren, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education. The board is comprised of nine members elected to three-year terms and three sending district members appointed annually. The purpose of the district is to educate students in grades K-12. The Belvidere School District had an approximate enrollment at June 30, 2023, of 604 students.

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

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

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

TOWN OF BELVIDERE SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Presentation, Basis of Accounting:

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

Basis of Presentation

District-wide Statements: The statement of net position and the statement of activities display information about the District as a whole. These statements include the financial activities of the overall District, except for fiduciary activities. Eliminations have been made to minimize the double-counting of internal activities. These statements distinguish between the governmental and business-type activity of the District. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange transactions. Business-type activities are financed in whole or in part by fees and charged to external parties. The statement of net position presents the financial condition of the governmental and business-type activity of the School District at fiscal year end. The statement of activities presents a comparison between direct expenses and program revenues for the business-type activity of the District and for each function of the District's governmental activities.

Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues. The comparison of direct expenses with program revenues identifies the extent to which each governmental function or business segment is self-financing or draws from the general revenues of the 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. The fund financial statements provide information about the District's funds, including its fiduciary funds. Separate statements for each fund category—*governmental*, *proprietary*, and *fiduciary*—are presented. The New Jersey Department of Education (NJDOE) has elected to require New Jersey districts to treat each governmental fund as a major fund in accordance with the option noted in GASB No.34, paragraph 76. The NJDOE believes that the presentation of all funds as major is important for public interest and to promote consistency among district financial reporting models.

GOVERNMENTAL FUNDS

The District reports the following governmental funds:

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

TOWN OF BELVIDERE SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Presentation, Basis of Accounting (Continued):

GOVERNMENTAL FUNDS (Continued)

As required by the New Jersey State Department of Education, the District includes budgeted Capital Outlay in this fund. Generally accepted accounting principles as they pertain to governmental entities state that General Fund resources may be used to directly finance capital outlays for long-lived improvements as long as the resources in such cases are derived exclusively from unrestricted revenues. Resources for budgeted capital outlay purposes are normally derived from State of New Jersey Aid, district taxes and appropriated fund balance. Expenditures are those that result in the acquisition of or additions to fixed assets for land, existing buildings, improvements of grounds, construction of buildings, additions to or remodeling of buildings and the purchase of built-in equipment. These resources can be transferred from and to Current Expense by board resolution.

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

Capital Projects Fund - The Capital Projects Fund is used to account for all financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds). The financial resources are derived from temporary notes or serial bonds that are specifically authorized by the voters as a separate question on the ballot either during the annual election or at a special election.

PROPRIETARY FUNDS

The District reports the following proprietary fund:

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

Basis of Accounting

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

District-wide, Proprietary, and Fiduciary Fund Financial Statements : The District-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting; the enterprise fund and fiduciary funds use the accrual basis of accounting. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue, and in the presentation of expenses versus expenditures. Ad Valorem (Property) Taxes are susceptible to accrual as under New Jersey 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.

TOWN OF BELVIDERE SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Presentation, Basis of Accounting (Continued):

The District records the entire approved tax levy as revenue (accrued) at the start of the fiscal year, since the revenue is both measurable and available. The District is entitled to receive monies under the established payment schedule and the unpaid amount is considered to be an “accounts receivable”. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental Fund Financial Statements: Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. “Measurable” means the amount of the transaction can be determined and “available” means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

All governmental and business-type activities and enterprise funds of the District follow FASB Statements and Interpretations issued on or before November 30, 1989, Accounting Principles Board Opinions, and Accounting Research Bulletins, unless those pronouncements conflict with GASB pronouncements.

C. Budgets/Budgetary Control:

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue and debt service funds. The budgets are submitted to the county office. In accordance with P.L.2011 c.202, which became effective January 17, 2012, the School District eliminated the April annual voter referendum on budgets which met the statutory tax levy cap limitations and the board of education members are elected at the November general election. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6A:23-2-2(f)1. Transfers of appropriations may be made by School Board resolution at any time during the fiscal year in accordance with N.J.A.C. 6A:23-2-11. In addition, transfers are also covered by changes in N.J.A.C.6A:23A-2.3, that can require approval through the state department. All budget amendments/transfers must be approved by School Board resolution and are subject to transfer limitations and approvals per P.L. 2004, c.73(S-1701).

All budget amounts presented in the accompanying supplementary information reflect the original budget and the amended budget (which have been adjusted for legally authorized revisions of the annual budgets during the year). Appropriations, except remaining project appropriations, encumbrances and unexpended grant appropriations, lapse at the end of each fiscal year. The capital projects fund presents the remaining project appropriations compared to current year expenditures.

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

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

TOWN OF BELVIDERE SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Encumbrance Accounting:

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

Open encumbrances in the special revenue fund, for which the District has received advances, are reflected in the balance sheet as deferred 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.

E. Assets, Liabilities and Equity:

Cash and Cash Equivalents:

Cash and cash equivalents includes petty cash, change funds, amounts in deposits, money market accounts and short-term investments with original maturities of three months or less.

Interfund Transactions:

Transfers between governmental and business-type activities on the District-wide statements are reported in the same manner as general revenues.

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after non-operating revenues/expenses in the enterprise fund. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

Deferred Outflows and Deferred Inflows of Resources

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

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

TOWN OF BELVIDERE SCHOOL DISTRICT
 NOTES TO BASIC FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Assets, Liabilities and Equity (Continued):

Inventories:

Inventory purchases, other than those recorded in the enterprise fund, are recorded as expenditures during the year of purchase. Enterprise fund inventories are valued at cost, which approximates market, using the first-in, first-out (FIFO) method.

Allowance for Uncollectible Accounts:

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

Capital Assets:

The District has established a formal system of accounting for its capital assets. Purchased or constructed capital assets are reported at cost. Donated capital assets are valued at their estimated fair market value on the date received. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. The School District does not possess any infrastructure. The capitalization threshold used by school districts in the State of New Jersey is \$2,000.

All reported capital assets except for land and construction in progress are depreciated. Depreciation is computed using the straight-line method under the half-year convention over the following estimated useful lives:

<u>Class</u>	<u>Estimated Useful Lives</u>
Buildings	50
Building Improvements	20
Electrical/Plumbing	30
Vehicles	8
Office and Computer Equipment	5-10
Instructional Equipment	10
Grounds Equipment	15

E. Assets, Liabilities and Equity (Continued):

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

Compensated Absences:

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

TOWN OF BELVIDERE SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Assets, Liabilities and Equity (Continued):

District employees are granted vacation and sick leave in varying amounts under the District's personnel policies. In the event of termination, an employee is reimbursed for accumulated vacation. Sick leave benefits provide for ordinary sick pay and begin vesting with the employee after ten years of service and upon becoming eligible for retirement, generally twenty-five years of service.

The liability for compensated absences was accrued using the termination payment method, whereby the liability is calculated based on the amount of sick leave that is expected to become eligible for payment upon termination. The District estimates its accrued compensated absences liability based on the accumulated sick and vacation days at the balance sheet date by those employees who are currently eligible to receive termination payments. Salary related payments for the employer's share of social security and medicare taxes, as well as pension contributions, are included.

For the District-wide Statements, the current portion is the amount estimated to be used in the following year. In accordance with GAAP, for the governmental funds, in the Fund Financial Statements, all of the compensated absences are considered long-term and therefore, are not a fund liability and represents a reconciling item between the fund level and District-wide presentations.

Deferred Revenue:

Deferred revenue arises when assets are recognized before revenue recognition criteria have been satisfied. Property taxes that were received as of June 30, 2023, but which were levied to finance subsequent fiscal years operations, have been recorded as deferred revenue. Grants and entitlement received before the eligible requirements are met are also recorded as deferred revenue.

Accrued Liabilities and Long-Term Obligations:

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

Net Position:

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

TOWN OF BELVIDERE SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Assets, Liabilities and Equity (Continued):

Fund Balance Reserves:

The School District reserves those portions of fund balance which are legally segregated for a specific future use or which do not represent available expendable resources and, therefore, are not available for appropriation or expenditure. Unreserved fund balance indicates that portion which is available for appropriation in future periods. A fund balance reserve has been established for encumbrances.

Revenues—Exchange and Nonexchange Transactions

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

Nonexchange transactions, in which the School District receives value without directly giving equal value in return, include property taxes, income taxes, grants, entitlements and donations. On the accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from income taxes is recognized in the period in which the income is earned. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted; matching requirements, in which the School District must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the School District on a reimbursement basis. On the modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

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

Operating Revenues and Expenses:

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

Allocation of Indirect Expenses:

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

TOWN OF BELVIDERE SCHOOL DISTRICT
 NOTES TO BASIC FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Assets, Liabilities and Equity (Continued):

Extraordinary and Special Items:

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

Management Estimates:

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

NOTE 2: CASH AND CASH EQUIVALENTS

Deposits:

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

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

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

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

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

Pursuant to GASB Statement No. 40, "Deposit and Investment Risk Disclosures" ("GASB 40"), the district's accounts are profiled in order to determine exposure, if any, to Custodial Credit Risk (risk that in the event of failure of the counterparty the municipality would not be able to recover the value of its deposits or investment). Deposits are considered to be exposed to Custodial Credit Risk if they are: uncollateralized or collateralized with securities held by the financial institution's trust department or agent but not in the government's name. At June 30, 2023, all of the district's deposits were collateralized by securities held in its name and, accordingly, not exposed to custodial credit risk. The district does not have a policy for custodial credit risk.

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

	Cash and Cash <u>Equivalents (A-1)</u>
Checking	\$ 1,552,137
	<u>\$ 1,552,137</u>

TOWN OF BELVIDERE SCHOOL DISTRICT
 NOTES TO BASIC FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 2: CASH AND CASH EQUIVALENTS (Continued)

The carrying amount of the Board’s cash and cash equivalents at June 30, 2023, was \$1,552,137 and the bank balance was \$1,810,438. All bank balances were covered by federal depository insurance and/or covered by a collateral pool maintained by the banks as required by New Jersey statutes. Of these bank balances, \$250,000 was covered by federal depository insurances and \$1,560,438 was covered by collateral pool.

NOTE 3: RECEIVABLES

Receivables at June 30, 2023, consisted of tuition accounts and intergovernmental. All receivables are considered collectible in full. A summary of the principal items of intergovernmental receivables follows:

	Governmental Fund Financial Statements	Government-Wide Financial Statements
State Government	\$ 2,757	\$ 3,239
Federal Government	1,145,906	1,160,373
Local-Enterprise Fund Shared Services- Hope & White Twsp.	-	96,305
Local-Tax Levy-Town of Belvidere	327,635	327,635
Local-Tuition	<u>417,328</u>	<u>417,328</u>
Gross Receivable	1,893,626	2,004,880
Less: Allowance for Uncollectibles	-	-
Total Receivables, Net	<u><u>\$ 1,893,626</u></u>	<u><u>\$ 2,004,880</u></u>

NOTE 4: INVENTORY

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

Food	\$ 1,880
Supplies	<u>7,173</u>
	<u><u>\$ 9,053</u></u>

The value of Federal donated commodities as reflected on Schedule A (required by the Single Audit Law of 1996, as revised) is the difference between market value and cost of the commodities at the date of purchase and has been included as an item of nonoperating revenue in the financial statements.

NOTE 5: CAPITAL ASSETS

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

	Beginning Balance	Additions	Retirements	Ending Balance
Governmental Activities:				
<i>Capital Assets Not Being Depreciated:</i>				
Land	\$ 853,550			\$ 853,550
Total Capital Assets Not Being Depreciated	<u>853,550</u>	-		<u>853,550</u>
<i>Capital Assets Being Depreciated:</i>				
Buildings and Building Improvements	8,569,632	\$ 126,947		8,696,579
Machinery and Equipment	<u>1,312,843</u>	<u>29,480</u>		<u>1,342,323</u>
Total at Historical Cost	<u><u>9,882,475</u></u>	<u><u>156,427</u></u>		<u><u>10,038,902</u></u>

TOWN OF BELVIDERE SCHOOL DISTRICT
 NOTES TO BASIC FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 5: CAPITAL ASSETS - (Continued)

Governmental Activities:	<u>Beginning</u> <u>Balance</u>	<u>Additions</u>	<u>Retirements</u>	<u>Ending</u> <u>Balance</u>
Less Accumulated Depreciation for:				
Building and Improvements	\$ (7,862,402)	\$ (152,720)		\$ (8,015,122)
Equipment	(1,206,336)	(20,393)		(1,226,729)
Total Accumulated Depreciation	<u>(9,068,738)</u>	<u>(173,113)</u>		<u>(9,241,851)</u>
Total Capital Assets Being Depreciated, net of Accum. Depreciation	<u>813,737</u>	<u>(16,686)</u>		<u>797,051</u>
Government Activity Capital Assets, Net	<u>\$ 1,667,287</u>	<u>\$ (16,686)</u>		<u>\$ 1,650,601</u>

On January 11, 2001, the NJ State Department of Education announced that effective July 1, 2001, the capitalization threshold used by school districts in the State of New Jersey is increased to \$2,000. The previous threshold was \$500. Applying the higher capitalization threshold retroactively (removal of old assets from the General Fixed Assets Account Group) will be permitted by the State regulations in situations where (1) the assets have been fully depreciated, or (2) the assets have exceeded their useful lives. The retirement of machinery and equipment is due to the retroactive application of the higher threshold of equipment capitalization. That is, the District has removed from their records assets with a historical cost greater than \$500 but not greater than \$2,000 that were fully depreciated or had exceeded their useful lives.

Depreciation expense was charged to functions as follows:

Regular Instruction	\$ 114,774
Special Education	12,118
Support Services	16,100
General Administration	1,731
School Administration	6,751
Maintenance and Plant	<u>21,639</u>
Total	<u>\$ 173,113</u>

NOTE 6: LONG-TERM OBLIGATIONS

Bonds are authorized in accordance with State law by the voters of the municipality through referendums. All bonds are retired in serial installments within the statutory period of usefulness. Bonds issued by the Board are general obligation bonds. The district has no bond obligations.

A. Long-Term Obligation Activity:

Changes in long-term obligations for the year ended June 30, 2023, are as follows:

Governmental Activities:	<u>Balance</u> <u>7/1/22</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u> <u>6/30/23</u>	<u>Amounts</u> <u>Due Within</u> <u>One Year</u>
Other Liabilities:					
Compensated Absences Payable	\$ 43,921			\$ 43,921	
Total Other Liabilities	<u>\$ 43,921</u>	<u>-</u>	<u>-</u>	<u>\$ 43,921</u>	<u>-</u>

Compensated absences, separation agreement payments and tuition adjustment credits have been liquidated in the General Fund.

TOWN OF BELVIDERE SCHOOL DISTRICT
 NOTES TO BASIC FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 7: PENSION PLANS

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

Teachers' Pension and Annuity Fund (TPAF) - The Teachers' Pension and Annuity Fund was established as of January 1, 1955, under the provisions of N.J.S.A. 18A:66 to provide retirement benefits, death, disability and medical benefits to certain qualified members. The Teachers' Pension and Annuity Fund is considered a cost-sharing multiple-employer plan with a special funding situation, as under current statute, 100% of employer contributions are made by the State of New Jersey on behalf of the District and the system's other related non-contributing employers. Membership is mandatory for substantially all teachers or members of the professional staff certified by the State Board of Examiners, and employees of the Department of Education who have titles that are unclassified, professional and certified.

Summary of Significant Accounting Policies - 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.

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

The employer contributions for the district are legally required to be funded by the State in accordance with N.J.S.A 18:66-33. Therefore, the district (employer) is considered to be in a special funding situation as defined by GASB Statement No. 68 and the State is treated as a nonemployer contributing entity. Since the district (employer) does not contribute directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to report in the financial statements of the district. However, the state's portion of the net pension liability that was associated with the district was \$27,711,062 as measured on June 30, 2022 and \$23,406,880 measured on June 30, 2021.

For the year ended June 30, 2023, the District recognized pension expense of \$745,742 and revenue of \$745,742 for support provided by the State. The measurement period for the pension expense and revenue reported in the district's financial statements (A-2) at June 30, 2023 is based upon changes in the collective net pension liability with a measurement period of June 30, 2021 through June 30, 2022. Accordingly, the pension expense and the related revenue associated with the support provided by the State is based upon the changes in the collective net pension liability between July 1, 2021 and June 30, 2022.

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

	<u>6/30/2022</u>	<u>6/30/2023</u>
Collective deferred outflows of resources	\$6,356,228,800	\$4,996,491,160
Collective deferred inflows of resources	\$27,175,330,929	\$19,532,696,776
Collective net pension liability (Nonemployer-State of New Jersey)	\$48,075,188,642	\$51,594,415,806

TOWN OF BELVIDERE SCHOOL DISTRICT
 NOTES TO BASIC FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 7: PENSION PLANS (Continued)

State's portion of the net pension liability that was associated with the district	\$23,406,880	\$27,711,062
State's portion of the net pension liability that was associated with the district as a percentage of the collective net pension liability	0.048688%	0.053709%

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:	
Price	2.75%
Wage	3.25%
Salary Increases	2.75-5.65%
Investment Rate of Return	7.00%

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.

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

Long-Term Expected Rate of Return- In accordance with State statute, the long-term expected rate of return on plan investments (7.0% at June 30, 2022) is determined by the State Treasurer, after consultation with the Directors of the Division of Investment and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic 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-US devel.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%

TOWN OF BELVIDERE SCHOOL DISTRICT
 NOTES TO BASIC FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 7: PENSION PLANS (Continued)

US Treasuries	4.00%	1.75%
Risk mitigation	3.00%	4.91%

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

Sensitivity of the State's net pension liability to changes in the discount rate - Since the District has no proportionate share of the net pension liability because of the special funding situation, the district would not be sensitive to any changes in the discount rate. The following presents the State's net pension liability measured as of June 30, 2022, calculated using the discount rate shown above, as well as what the State's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	<u>1% Decrease</u>	<u>Current Discount</u>	<u>1% Increase</u>
	<u>(6.00%)</u>	<u>Rate (7.00%)</u>	<u>(8.00%)</u>
State's Collective Net Pension Liability	\$ 60,591,896,759	\$ 51,676,587,303	\$ 44,166,559,329

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 Divisions of Pensions and Benefits financial report at <http://www.nj.gov/treasury/pensions/financial-rprts-home.shtml>. The plan fiduciary net position as of June 30, 2022 was \$24,640,530,532.

Amortization of Deferred Outflows and Inflows of Resources - Amount reported as deferred outflows of resources and deferred inflows of resources (excluding employer specific amounts) related to pensions will be recognized in the state's pension expense as follows:

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

TOWN OF BELVIDERE SCHOOL DISTRICT
 NOTES TO BASIC FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 7: PENSION PLANS (Continued)

Pension Expense - The components of allocable pension expense and pension expense related to specific liabilities of individual employers, for state and local employers for the year ending June 30, 2022 are as follows:

Service cost	\$1,195,044,307
Interest on total ension liability	5,146,965,905
Member contributions	(907,326,471)
Administrative expens	12,635,916
Expected investment return net of investment expenses	(1,983,153,368)
Pension expense related to specific liabilities of individual employers	(395,540)
Recognition (amortization) of deferred inflows/outflows:	
Differences between expected and actual experience	200,689,404
Changes in assumptions	(2,396,459,882)
Difference between projected and actual investment earnings on pension plan investments	<u>122,761,073</u>
Total pension expense	<u>\$1,390,761,344</u>

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

Summary of Significant Accounting Policies - 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.

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

At June 30, 2023, the District reported a liability of \$1,771,943 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 to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2021, which was rolled forward to June 30, 2022. The total pension liability for the June 30, 2021 valuation was determined by an experience study for the period July 1, 2018 to June 30, 2021. The District's proportion of the net pension liability is based on the ratio of the contributions as an individual employer to total contributions to the PERS during the years ended June 30, 2022 and 2021. At June 30, 2022, the District's proportion was 0.01174% which was a decrease of 0.00172% from its proportion measured as of June 30, 2021.

TOWN OF BELVIDERE SCHOOL DISTRICT
 NOTES TO BASIC FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 7: PENSION PLANS (Continued)

For the year ended June 30, 2023, the District recognized pension expense/(benefit) of (\$154,307). At June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 12,789	\$ 5,631
Changes of assumptions	5,490	132,469
Net difference between projected and actual earnings on pension plan investments	73,339	-
Changes in proportion and differences between District contributions and proportionate share of contributions	3,347	203,056
District contributions subsequent to the measurement date	148,065	
Total	<u>\$ 243,030</u>	<u>\$ 341,156</u>

\$148,065 reported as deferred outflows of resources related to pensions resulting from school district contributions subsequent to the measurement date (i.e. for the school year ending June 30, 2023, the plan measurement date is June 30, 2022) will be recognized as a reduction of the net pension liability measured as of June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

	<u>Year Ended June 30:</u>
2023	(\$202,281)
2024	(103,055)
2025	(50,258)
2026	109,644
2027	(241)
Total	<u>(\$246,191)</u>

	<u>6/30/2022</u>	<u>6/30/2023</u>
Collective deferred outflows of resources	\$1,164,738,169	\$1,660,772,008
Collective deferred inflows of resources	8,339,123,762	3,236,303,935
Collective net pension liability (Non State - Local Group)	\$11,846,496,875	\$15,091,376,611
District's portion of net pension liability	\$1,594,546	\$1,771,943
District's proportion %	0.01346006%	0.01174143%

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

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

TOWN OF BELVIDERE SCHOOL DISTRICT
 NOTES TO BASIC FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 7: PENSION PLANS (Continued)

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

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

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
US Equity	27.00%	8.12%
Non-US devel.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%
US Treasuries	4.00%	1.75%
Risk mitigation	3.00%	4.91%

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

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

	<u>1% Decrease</u>	<u>Current Discount</u>	<u>1% Increase</u>
	<u>(6.00%)</u>	<u>Rate (7.00%)</u>	<u>(8.00%)</u>
District's proportionate share of the net pension liability	\$ 2,276,428	\$ 1,771,943	\$ 1,342,606

TOWN OF BELVIDERE SCHOOL DISTRICT
 NOTES TO BASIC FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 7: PENSION PLANS (Continued)

Pension Expense - The components of allocable pension expense and pension expense related to specific liabilities of individual employers, for state and local employers for the year ending June 30, 2022 are as follows:

Service cost	\$102,702
Interest on total Pension liability	\$411,911
Benefit changes	\$1,195
Member contributions	(\$85,648)
Administrative expens	\$1,839
Expected investment return net of investment expenses	(\$274,964)
Pension expense related to specific liabilities of individual employers	(\$1,475)
Recognition (amortization) of deferred inflows/outflows:	
Differences between expected and actual experience	\$4,876
Changes in assumptions	(\$307,906)
Difference between projected and actual investment earnings on pension plan investments	<u>(\$6,839)</u>
Total pension expense	<u>(\$154,307)</u>

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 Divisions of Pensions and Benefits financial report at <http://www.nj.gov/treasury/pensions/financial-rprts-home.shtml>.

Defined Contribution Retirement Plan (DCRP) - The Defined Contribution Retirement Program (DCRP) was established as of 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.). The DCRP is a cost-sharing multiple-employer defined contribution pension fund. 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. The State Treasurer has the right under current law to make temporary reductions in member rates based on the existence of surplus plan assets in the retirement system; however statute also requires the return to the normal rate when such surplus pension assets no longer exist.

PERS and TPAF Vesting and Benefit Provisions - The vesting and benefit provisions for PERS are set by N.J.S.A. 43:15A and 43.3B, and N.J.S.A. 18A:6C for TPAF. All benefits vest after eight to ten years of service, except for medical benefits that vest after 25 years of service. Retirement benefits for age and service are available at age 60 and are generally determined to be 1/60 of the final average salary for each year of service credit, as defined. Final average salary equals the average salary for the final three years of service prior to retirement (or highest three years' compensation if other than the final three years). Members may seek early retirement after achieving 25 years of service credit or they may elect deferred retirement after achieving eight to ten years of service in which case benefits would begin the first day of the month after the member attains normal retirement age.

The TPAF and PERS provides for specified medical benefits for members who retire after achieving 25 years of qualified service, as defined, or under the disability provisions of the System. 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.

Significant Legislation - Chapter 78, P.L. 2011, effective June 28, 2011 made various changes to the manner in which the Public Employees’ Retirement System (PERS) and the Police and Firemen’s Retirement System (PFRS) operate and to the benefit provisions of those systems.

TOWN OF BELVIDERE SCHOOL DISTRICT
 NOTES TO BASIC FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 7: PENSION PLANS (Continued)

Chapter 78’s provisions impacting employee pension and health benefits include:

□ New members of the PERS hired on or after June 28, 2011 (Tier 5 members) will need 30 years of creditable service and age 65 for receipt of the early retirement benefit without a reduction of ¼ of 1% for each month that the member is under age 65. □ The eligibility age to qualify for a service retirement in the PERS is increased from age 63 to 65 for Tier 5 members. □ The annual benefit under special retirement for new PFRS members enrolled after June 28, 2011 (Tier 3 members), will be 60% instead of 65% of the member’s final compensation plus 1% for each year of creditable service over 25 years but not to exceed 30 years. □ Increases in active member contribution rates. PERS active member rates increase from 5.5% of annual compensation to 6.5% plus an additional 1% phased-in over 7 years; PFRS active member rate increase from 8.5% to 10%. For fiscal year 2012, the member contribution rates increased in October 2011. The phase-in of the additional incremental member contribution rates for PES members will take place in July of each subsequent fiscal year.

□ The payment of automatic cost-of-living adjustment (COLA) additional increases to current and future retirees and beneficiaries is suspended until reactivated as permitted by this law. □ New employee contribution requirements towards the cost of employer-provided health benefit coverage. Employees are required to contribute a certain percentage of the cost of coverage. The rate of contribution is determined based on the employee’s annual salary and the selected level of coverage. The increased employee contributions will be phased in over a 4-year period for those employed prior to Chapter 78’s effective date with a minimum contribution required to be at least 1.5% of salary. □ In addition, this new legislation changes the method for amortizing the pension systems’ unfunded accrued liability (from a level percent of pay method to a level dollar of pay).

Contribution Requirements - The contribution policy is set by N.J.S.A. 43:15A, Chapter 62, P.L. of 1994, Chapter 115, P.L. of 1997 (PERS) and N.J.S.A. 18:66 (TPAF) requires contributions by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. TPAF and PERS provide for employee contributions of 6.5% of employees’ annual compensation, as defined. Employers are required to contribute at an actuarially determined rate in both TPAF and PERS. The current TPAF rate is 6.5% and the PERS rate is 6.5% of covered payroll.

Three-Year Trend Information for PERS

Year Funding	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
6/30/2023	\$148,065	100 %	-0-
6/30/2022	\$157,633	100	-0-
6/30/2021	\$157,250	100	-0-

Three-Year Trend Information for TPAF (Paid on-behalf of the District)

Year Funding	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
6/30/2023	\$2,270,372	100 %	-0-
6/30/2022	\$2,242,825	100	-0-
6/30/2021	\$1,442,837	100	-0-

During the fiscal year ended June 30, 2023, the State of New Jersey did contribute \$2,866,618 to the TPAF for post-retirement benefits on behalf of the District. Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the District \$476,417 during the year ended June 30, 2023, for the employer’s share of social security contributions for TPAF members, as calculated on their base salaries. The PERS amounts have been included in the fund-based statements as pension expense and the TPAF on-behalf amounts have been included in fund-based statements as revenues and expenditures. The PERS and TPAF amounts have been modified and included in the District-wide financial statements in accordance with GASB Statement No. 68.

TOWN OF BELVIDERE SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE: 8: POST-RETIREMENT BENEFITS

Plan description and benefits provided

The State provides post-retirement medical (PRM) benefits for certain State and other retired employees meeting the service credit eligibility requirements.

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

State Health Benefit State Retired Employees Plan:

Pension and Other Postemployment Benefits (OPEB) Obligations in Fiscal Year 2022 the State funded the various defined benefit pension systems at 108 percent of the full actuarially determined contributions. Employer contributions to the pension plans are calculated per the requirements of the governing State statutes using generally accepted actuarial procedures and practices. The actuarial funding method used to determine the State's contribution is a matter of State law. Any change to the funding method requires the approval of the State Legislature and the Governor. The amount the State actually contributes to the pension plans may differ from the actuarially determined contributions of the pension plans because the State's contribution to the pension plans is subject to the appropriation of the State Legislature and actions by the Governor. GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, requires participating employers to recognize their proportionate share of the collective net pension liability. Under the new statement, the calculation of the pension liability was changed to a more conservative methodology and each employer was allocated a proportional share of the pension plans' net pension liability. The State's share of the net pension liability, based on a measurement date of June 30, 2021, which is required to be recorded on the financial statements, is \$75.1 billion.

The Fiscal Year 2023 projected aggregate State contribution to the pension plans of \$6.8 billion represents 104 percent of the actuarially determined contribution. The State provides post-retirement medical (PRM) benefits for certain State and other retired employees meeting the service credit eligibility requirements. In Fiscal Year 2022, the State paid PRM benefits for 161,238 State and local retirees. The State funds post-retirement medical benefits on a "pay-as-you-go" basis, which means that the State does not pre-fund, or otherwise establish a reserve or other pool of assets against the PRM expenses that the State may incur in future years. For Fiscal Year 2022, the State contributed \$1.9 billion to pay for "pay-as-you-go" PRM benefit costs incurred by covered populations, a slight increase from \$1.8 billion in Fiscal Year 2021. The State has appropriated \$2.1 billion in Fiscal Year 2023 as the State's contribution to fund increases in prescription drugs and medical claims costs. In accordance with the provisions of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, the State is required to quantify and disclose its obligations to pay Other Postemployment Benefits (OPEB) to retired plan members. This new standard supersedes the previously issued guidance, GASB Statement No. 45, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, effective for Fiscal Year 2018. The State is now required to accrue a liability in all instances where statutory language names the State as the legal obligor for benefit payments. The Fiscal Year 2022 State OPEB liability to provide these benefits is \$88.9 billion, a decrease of \$12.7 billion, or 12.5 percent from the \$101.6 billion liability recorded in Fiscal Year 2021. Additional information on Pensions and OPEB can be accessed on the Division of Pensions & Benefits Financial Reports webpage: <https://www.state.nj.us/treasury/pensions/financial-reports.shtml>.

TOWN OF BELVIDERE SCHOOL DISTRICT
 NOTES TO BASIC FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE: 8: POST-RETIREMENT BENEFITS-(Continued)

Total Nonemployer OPEB Liability

The State, a nonemployer contributing entity, is the only entity that has a legal obligation to make employer contributions to OPEB for qualified retired PERS and TPAF participants. The LEA’s proportionate share percentage determined under paragraphs 193 and 203 through 205 of GASBS No. 75 is zero percent. Accordingly, the LEA 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.

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

Actuarial assumptions and other imputes. The June 30, 2023 GASB 75 reporting is based on a measurement date of June 30, 2022. The total nonemployer OPEB liability as of June 30, 2022 was determined by an actuarial valuation as of June 30, 2021, which was rolled forward to June 30, 2022. The actuarial assumptions used in the June 30, 2021 valuation were based on the results of actuarial experience studies for the periods July 1, 2018 - June 30, 2021 for TPAF, PERS and PFRS. The actuarial assumptions vary for each plan member depending on the pension plan the member is enrolled in. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

Total Nonemployer OPEB Liability:	\$	50,646,462,966			
			TPAF/ABP	PERS	PFRS
Salary Increases			2.75% to 4.25%	2.75% to 6.55%	3.25% to 16.25%
			Based on service years		

(a) 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%.

(b) 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.

TOWN OF BELVIDERE SCHOOL DISTRICT
 NOTES TO BASIC FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE: 8: POST-RETIREMENT BENEFITS-(Continued)

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

Changes in the Total OPEB Liability reported by the State of New Jersey

	<u>Total OPEB Liability</u>
The State's Total OPEB Liability Balance at 6/30/2021	\$60,007,650,970
<u>Changes for the year:</u>	
Service Cost	2,770,618,025
Interest on the Total OPEB Liability	1,342,187,139
Change in Benefit Terms	-
Differences Between Expected and Actual Experience	1,399,200,736
Changes of Assumptions	(13,586,368,097)
Gross Benefit Payments	(1,329,476,059)
Contributions from Members	<u>42,650,252</u>
Net changes	<u>(9,361,188,004)</u>
The State's Total OPEB Liability Balance at 6/30/2022	<u>\$50,646,462,966</u>

The State's total OPEB liability attributable to the District: \$30,758,426

Benefit Changes: The decrease in liability from June 30, 2021 to June 30, 2022 is due to employers adopting Chapter 44 provisions.

Changes of assumptions and other inputs reflects a change in the discount rate from 2.16 percent in 2021 to 3.54 percent in 2022 and other changes.

Sensitivity of the total OPEB liability to changes in the discount rate. The following presents the total OPEB liability of the State for school board retirees, as well as what the State's total OPEB liability for school board would be if it were calculated using a discount rate that is 1-percentage -point lower or 1- percentage-point higher than the current discount rate:

	June 30, 2022		
	At 1% Decrease <u>2.54%</u>	At Discount Rate <u>3.54%</u>	At 1% Increase <u>4.54%</u>
Total OPEB Liability (School Retirees)	\$59,529,589,697	\$50,646,462,966	\$43,527,080,995

TOWN OF BELVIDERE SCHOOL DISTRICT
 NOTES TO BASIC FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE: 8: POST-RETIREMENT BENEFITS-(Continued)

	June 30, 2021		
	At 1% Decrease <u>1.16%</u>	At Discount Rate <u>2.16%</u>	At 1% Increase <u>3.16%</u>
Total OPEB Liability (School Retirees)	\$71,879,745,555	\$60,007,650,970	\$50,659,089,138

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates. The following presents the total OPEB liability of the State, as well as what the State’s total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage- point higher than the current healthcare cost trend rates:

	June 30, 2022		
	<u>At 1% Decrease</u>	Health Care Cost <u>Trend Rate</u>	<u>At 1% Increase</u>
Total OPEB Liability (School Retirees)	\$41,862,397,291	\$50,646,462,966	\$62,184,866,635

	June 30, 2021		
	<u>At 1% Decrease</u>	Health Care Cost <u>Trend Rate</u>	<u>At 1% Increase</u>
Total OPEB Liability (School Retirees)	\$48,576,388,417	\$60,007,650,970	\$75,358,991,782

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

For the year ended June 30, 2022, the board of education recognized OPEB expense and related revenue of \$745,616 determined by the State as the total OPEB liability for benefits provided through a defined benefit OPEB plan that is not administered through a trust that meets the criteria in paragraph 4 of GASBS No. 75 and in which there is a special funding situation.

In accordance with GASBS No. 75, the District's proportionate share of school retirees OPEB is zero, and there is no recognition of the allocation of proportionate share of deferred outflows of resources and deferred inflows of resources. At June 30, 2022, the State reported deferred outflows of resources and deferred inflows of resources related to retired school employee’s OPEB from the following sources:

	<u>Deferred Outflows</u>	<u>Deferred Inflows</u>
Differences Between Expected and Actual Experience	\$9,042,402,619	\$15,462,950,679
Changes of assumptions or other inputs	<u>8,765,620,577</u>	<u>17,237,289,230</u>
Total	<u>\$17,808,023,196</u>	<u>\$32,700,239,909</u>

TOWN OF BELVIDERE SCHOOL DISTRICT
 NOTES TO BASIC FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 8: POST-RETIREMENT BENEFITS-(Continued)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to retired school employee's OPEB will be recognized in OPEB expense as follows:

Year ended June 30:	
2023	(\$2,517,151,602)
2024	(\$2,517,151,602)
2025	(\$2,517,151,602)
2026	(\$2,175,449,761)
2027	(1,243,951,140)
Thereafter	<u>(3,921,361,006)</u>
	<u>(\$14,892,216,713)</u>

NOTE 9: DEFERRED COMPENSATION

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

- Equitable Life
- Pioneer Funds
- Kemper Funds
- Oppenheimer Funds
- Vanguard Funds
- Siracusa

NOTE 10: COMPENSATED ABSENCES

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

District employees are granted vacation and sick leave in varying amounts under the District's personnel policies. In the event of termination, an employee is reimbursed for accumulated vacation. Sick leave benefits provide for ordinary sick pay and begin vesting with the employee after ten years of service and upon becoming eligible for retirement, generally twenty-five years of service.

The District adopted a Separation Agreement dated April 17, 2002, that provides to qualified district personnel that resign by a specified date, a terminal remuneration package payable based upon accumulated sick days and payable over four (4) calendar years.

TOWN OF BELVIDERE SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 10: COMPENSATED ABSENCES - (Continued)

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

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

NOTE 11: RISK MANAGEMENT

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

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

NOTE 12: CONTINGENT LIABILITIES

GRANT PROGRAMS

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

LITIGATION

The Board is not involved in claims and lawsuits incidental to its operations.

NOTE 13: FUND BALANCE APPROPRIATED

General Fund (Exhibit B-1) - Of the \$1,670,949 General Fund fund balance at June 30, 2023, \$602,308 is reserved in the Maintenance Reserve Account, \$468,344 is reserved in the Capital Reserve Account, \$223,615 is reserved for encumbrances; \$300,000 has been appropriated and included as anticipated revenue as of June 30, 2023; and \$76,682 is unreserved and undesignated.

NOTE 14: ACCRUED SALARIES AND WAGES

Certain District employees, who provide services to the District over the ten month academic year, have the option to have a percentage of their salary withheld, deposited in a trust account and disbursed over the summer months (summer pay plan). New Jersey statutes require that these earned but undisbursed amounts be retained in a separate bank account. As of June 30, 2023, the amount earned by these employees but not disbursed was \$290,443 and is included as part of Payroll Deductions and Withholdings Payable on schedule B-1.

TOWN OF BELVIDERE SCHOOL DISTRICT
 NOTES TO BASIC FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 15: CALCULATION OF EXCESS SURPLUS

The designation for Reserved Fund Balance – Excess Surplus is a required calculation pursuant to N.J.S.A. 18A:7F-7, as amended. New Jersey school districts are required to reserve General Fund fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2023 is zero.

NOTE 16: CAPITAL RESERVE ACCOUNT

A capital reserve account was established by the School District Board of Education on June 16, 2010, for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

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

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

Beginning balance July 1, 2022	\$	565,508
Withdrawals (6A:26-9.1(e))		(311,150)
Interest		26
Deposits (PL 2007 c.62 (A1)) - June 28, 2023 Board Resolution		213,960
Ending balance June 30, 2023	\$	<u>468,344</u>

NOTE 17: MAINTENANCE RESERVE ACCOUNT

A maintenance reserve account was established by the School District Board of Education in fiscal year 2008, for the accumulation of funds for use in accordance with PL 2007 c.62 (A1). The maintenance reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

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

Beginning balance July 1, 2022	\$	754,242
Interest Earned		33
Deposits (PL 2007 c.62 (A1)) - June 28, 2023 Board Resolution		273,033
Budgeted Withdrawals		(425,000)
Ending balance June 30, 2023	\$	<u>602,308</u>

NOTE 18: INTERFUND RECEIVABLES AND PAYABLES

Interfund receivables and payables as of June 30, 2023, are as follows:

	<u>Receivable</u>		<u>Payable</u>
General Fund	-	\$	143,399
Enterprise Fund	\$ 143,399		-
	<u>\$ 143,399</u>	\$	<u>143,399</u>

The general fund interfund payable is due to the enterprise fund for federal/state lunch subsidies.

TOWN OF BELVIDERE SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 19: 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.

REQUIRED SUPPLEMENTARY INFORMATION - PART II

BUDGETARY COMPARISON SCHEDULES

TOWN OF BELVIDERE SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND

Exhibit C-1

Fiscal Year Ended June 30, 2023

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Final to Actual Favorable/ (Unfavorable)
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 3,931,616		\$ 3,931,616	\$ 3,931,616	
Tuition	4,581,060		4,581,060	4,665,225	\$ 84,165
Miscellaneous	1,545		1,545	10,499	8,954
Total - Local Sources	8,514,221		8,514,221	8,607,340	93,119
State Sources:					
Equalization Aid	2,302,610		2,302,610	2,302,610	
Transportation Aid	14,798		14,798	14,798	
Special Education Aid	295,639		295,639	295,639	
Security Aid	58,460		58,460	58,460	
Supplemental Stabilization Aid				92,227	92,227
TPAF Pension (On-Behalf - Non-Budgeted)				2,269,707	2,269,707
TPAF Post Retirement Medical (On-Behalf - Non-Budgeted)				596,246	596,246
TPAF Pension LTD Insurance (On-Behalf - Non-Budgeted)				665	665
TPAF Social Security (Reimbursed - Non-Budgeted)				476,417	476,417
Total State Sources	2,671,507		2,671,507	6,106,769	3,435,262
TOTAL REVENUES	11,185,728		11,185,728	14,714,109	3,528,381

TOWN OF BELVIDERE SCHOOL DISTRICT

Exhibit C-1

**BUDGETARY COMPARISON SCHEDULE
GENERAL FUND**

Fiscal Year Ended June 30, 2023

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Final to Actual Favorable/ (Unfavorable)
EXPENDITURES:					
Current Expense:					
Regular Programs - Instruction					
Preschool - Salaries of Teachers					
Kindergarten - Salaries of Teachers	105,921	(49,000)	56,921	55,683	1,238
Grades 1-5 - Salaries of Teachers	690,273	21,515	711,788	711,646	142
Grades 6-8 - Salaries of Teachers	505,294	79,122	584,416	584,069	347
Grades 9-12 - Salaries of Teachers	2,121,203	(11,980)	2,109,223	2,108,541	682
Regular Programs - Home Instruction:					
Salaries of Teachers	5,000	22,194	27,194	27,194	
Purchased Professional-Educational Services	15,000	(9,000)	6,000	5,095	905
Regular Programs - Undistributed Instruction					
Other Salaries for Instruction	33,024		33,024	30,735	2,289
Purchased Professional-Educational Services	500		500		500
Purchased Services (300-500 series)	46,500	(6,026)	40,474	36,808	3,666
General Supplies	303,462	(29,131)	274,331	266,006	8,325
Other Objects	4,000		4,000	137	3,863
TOTAL REGULAR PROGRAMS - INSTRUCTION	3,830,177	17,694	3,847,871	3,825,914	21,957
Special Ed-Behavioral Disabilities					
Salaries of Teachers	65,483	46,111	111,594	111,594	
Other Salaries for Instruction	20,428	(392)	20,036	20,036	
General Supplies	2,000	781	2,781	2,707	74
TOTAL SPEC-ED BD	87,911	46,500	134,411	134,337	74
SPECIAL EDUCATION - INSTRUCTION					
Multiple Disabilities:					
Salaries of Teachers	221,039		221,039	219,662	1,377
General Supplies	5,000	(1,000)	4,000	1,984	2,016
Total Behavioral Disabilities	226,039	(1,000)	225,039	221,646	3,393
Resource Room/Resource Center:					
Salaries of Teachers	667,456	71,769	739,225	738,149	1,076
Other Salaries for Instruction	45,536		45,536	36,836	8,700
General Supplies	5,500		5,500	3,094	2,406
Total Resource Room/Resource Center	718,492	71,769	790,261	778,079	12,182

TOWN OF BELVIDERE SCHOOL DISTRICT

Exhibit C-1

**BUDGETARY COMPARISON SCHEDULE
GENERAL FUND**

Fiscal Year Ended June 30, 2023

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Final to Actual Favorable/ (Unfavorable)
TOTAL SPECIAL EDUCATION - INSTRUCTION	1,032,442	117,269	1,149,711	1,134,062	15,649
Basic Skills/Remedial - Instruction:					
Salaries of Teachers	206,389	1,691	208,080	208,080	
General Supplies	3,000	540	3,540	3,040	500
Total Basic Skills/Remedial - Instruction	209,389	2,231	211,620	211,120	500
School Sponsored Co/Extra Curricular Activities-Instruction:					
Salaries	80,000	3,742	83,742	83,742	
General Supplies	500	1,458	1,958	1,846	112
Other Objects	4,500	(2,000)	2,500	2,164	336
Total School Sponsored Co/Extra Curricular Activities-Instr.	85,000	3,200	88,200	87,752	448
School Sponsored Athletics-Instruction:					
Salaries	205,225	(23,405)	181,820	181,820	
Purchased Services (300-500 series)	6,450		6,450	4,076	2,374
General Supplies	63,195		63,195	41,980	21,215
Other Objects	124,745	(14,500)	110,245	98,021	12,224
Total School Sponsored Athletics-Instruction	399,615	(37,905)	361,710	325,897	35,813
Summer Programs					
Salaries	25,500	(15,800)	9,700		9,700
General Supplies	1,000		1,000	813	187
Total School Sponsored Athletics-Instruction	26,500	(15,800)	10,700	813	9,887
TOTAL INSTRUCTION	5,583,123	86,689	5,669,812	5,585,558	84,254
UNDISTRIBUTED EXPENDITURES					
Instruction:					
Tuition to County Voc. School Dist - Regular	1,480	11,100	12,580	9,455	3,125
Tuition to Private School for the Disabilities W/I State	37,200	63,544	100,744	744	100,000
Total Instruction	38,680	74,644	113,324	10,199	103,125

TOWN OF BELVIDERE SCHOOL DISTRICT

Exhibit C-1

**BUDGETARY COMPARISON SCHEDULE
GENERAL FUND**

Fiscal Year Ended June 30, 2023

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Final to Actual Favorable/ (Unfavorable)
Attendance and Social Work:					
Salaries	13,599		13,599	13,598	1
Other Objects	12,000		12,000	10,653	1,347
Total Attendance and Social Work	25,599		25,599	24,251	1,348
Health Services:					
Salaries	137,762	4,488	142,250	142,250	
Supplies and Materials	5,500		5,500	1,004	4,496
Other Objects	27,388	(4,488)	22,900	17,313	5,587
Total Health Services	170,650		170,650	160,567	10,083
Other Supp. Services Students-Related Services:					
Salaries	309,125	7,057	316,182	316,182	
Purchased Professional - Educational Services	60,000	19,987	79,987	79,987	
Supplies and Materials	3,500	(1,975)	1,525	1,524	1
Total Other Supp. Services Students-Related Services	372,625	25,069	397,694	397,693	1
Other Supp. Services Students-Extra. Services:					
Supplies and Materials	500	8,796	9,296	9,296	
Total Other Supp. Services Students-Extra. Services	500	8,796	9,296	9,296	
Other Supp. Services Students-Regular:					
Salaries of Other Professional Staff	210,734		210,734	207,020	3,714
Salaries of Secretarial and Clerical Assistants	35,191	5,200	40,391	40,391	
Supplies and Materials	3,000	(49)	2,951	1,085	1,866
Other Objects	6,000		6,000	5,615	385
Total Other Supp. Services Students-Regular	254,925	5,151	260,076	254,111	5,965
Other Supp. Services Students-Special:					
Salaries of Other Professional Staff		5,732	5,732	5,732	
Purchased Professional - Educational Services	6,000	(3,852)	2,148	2,148	
Misc Pur Serv (400-500 series Other Than Resid Costs)	11,500	(7,030)	4,470	4,141	329
Supplies and Materials	10,000	1,000	11,000	10,533	467
Other Objects	41,000		41,000	40,845	155
Total Other Supp. Services Students-Special	68,500	(4,150)	64,350	63,399	951
Improvement of Instruction Services :					
Salaries of Other Professional Staff	32,500	(5,800)	26,700	26,600	100
Supplies and Materials	500		500		500
Total Improvement of Instruction Services	33,000	(5,800)	27,200	26,600	600

TOWN OF BELVIDERE SCHOOL DISTRICT

Exhibit C-1

**BUDGETARY COMPARISON SCHEDULE
GENERAL FUND**

Fiscal Year Ended June 30, 2023

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Final to Actual Favorable/ (Unfavorable)
Educational Media Services/School Library:					
Salaries	59,963		59,963	58,963	1,000
Supplies and Materials	20,000	2,050	22,050	17,973	4,077
Other Objects	2,500	660	3,160	2,890	270
Total Educational Media Services/School Library	82,463	2,710	85,173	79,826	5,347
Instructional Staff Training Services:					
Other Purchased Services (400-500 series)	25,000		25,000	507	24,493
Total Instructional Staff Training Services	25,000		25,000	507	24,493
Supp. Services - General Administration:					
Salaries	165,483	148	165,631	165,631	
Legal Services	50,000	(38,615)	11,385	11,385	
Audit Services	28,000	674	28,674	28,674	
Other Purchased Professional Services		20,800	20,800	18,000	2,800
Communications/Telephone	50,480	(14,000)	36,480	23,869	12,611
BOE Other Purchased Services	3,800		3,800	748	3,052
Other Purchased Services (400-500 series)	32,449	(322)	32,127	30,472	1,655
General Supplies	2,500	175	2,675	2,675	
BOE In-House Training/Meeting Supplies	1,000		1,000		1,000
Miscellaneous Expenditures	10,000		10,000	5,563	4,437
BOE Membership Dues and Fees	16,900		16,900	14,441	2,459
Total Supp. Services - General Administration	360,612	(31,140)	329,472	301,458	28,014
Support Services - School Administration:					
Salaries of Principals/Assistant Principals	348,511	177	348,688	348,688	
Salaries of Secretarial and Clerical Assistants	104,059	412	104,471	104,471	
Other Purchased Services (400-500 series)	3,500	986	4,486	2,986	1,500
Supplies and Materials	10,000	819	10,819	9,776	1,043
Other Objects	19,000	(2,394)	16,606	14,938	1,668
Total Support Services - School Administration	485,070		485,070	480,859	4,211
Central Services					
Salaries	187,765		187,765	187,316	449
Misc. Purchased Services (400-500)	500	(126)	374	125	249
Supplies and Materials	1,200	126	1,326	1,326	
Other Objects	30,000		30,000	26,466	3,534
Total Central Services	219,465		219,465	215,233	4,232

TOWN OF BELVIDERE SCHOOL DISTRICT

Exhibit C-1

**BUDGETARY COMPARISON SCHEDULE
GENERAL FUND**

Fiscal Year Ended June 30, 2023

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Final to Actual Favorable/ (Unfavorable)
Admin. Info. Tech					
Salaries	55,917	4,083	60,000	60,000	
Supplies and Materials	8,000	(2,559)	5,441	3,712	1,729
Other Objects	38,544	695	39,239	27,083	12,156
Total Admin. Info. Tech	<u>102,461</u>	<u>2,219</u>	<u>104,680</u>	<u>90,795</u>	<u>13,885</u>
Required Maintenance for School Facilities:					
Salaries	164,200		164,200	161,429	2,771
Cleaning, Repair and Maintenance Services	275,600	194,104	469,704	327,387	142,317
Maint Supplies- HS	78,100	3,167	81,267	32,149	49,118
Total Required Maintenance for School Facilities	<u>517,900</u>	<u>197,271</u>	<u>715,171</u>	<u>520,965</u>	<u>194,206</u>
Other Operations and Maintenance of Plant:					
Salaries	300,661	703	301,364	301,189	175
Other Purchased Property Services	99,700	(15,830)	83,870	76,669	7,201
Insurance	76,279	3,204	79,483	79,483	
Custodial Travel	600		600	38	562
General Supplies	23,500	4,000	27,500	27,284	216
Energy (Natural Gas)	120,000	7,495	127,495	127,495	
Energy (Electricity)	178,000	(20,000)	158,000	135,320	22,680
Gasoline	2,500	428	2,928	2,928	
Total Other Operations and Maintenance of Plant	<u>801,240</u>	<u>(20,000)</u>	<u>781,240</u>	<u>750,406</u>	<u>30,834</u>
Undist. Expend. -Security					
Purchased Professional and Technical Services	40,000		40,000	31,920	8,080
Total Undist. Expend. -Security	<u>40,000</u>		<u>40,000</u>	<u>31,920</u>	<u>8,080</u>
Student Transportation Services					
Salary for Pupil Trans. (Other than Bet. Home and School)		350	350	350	
Aid in Lieu of Payments-Charter		1,000	1,000	1,000	
Contracted Services - Aid in Lieu of Payments-Choice Sch.	2,000		2,000	2,000	
Contracted Services (Other than Bet. Home and School)-Vendors	100,000	51,941	151,941	151,941	
Contracted Services (Spl. Ed Students)-Vendors	10,000	(10,000)			
Contracted Services (Regular Students)-ESC's & CTSAs	18,270	83,342	101,612	26,612	75,000
Total Student Transportation Services	<u>130,270</u>	<u>126,633</u>	<u>256,903</u>	<u>181,903</u>	<u>75,000</u>

TOWN OF BELVIDERE SCHOOL DISTRICT

Exhibit C-1

**BUDGETARY COMPARISON SCHEDULE
GENERAL FUND**

Fiscal Year Ended June 30, 2023

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Final to Actual Favorable/ (Unfavorable)
UNALLOCATED BENEFITS					
Social Security Contributions	165,000	17,205	182,205	182,205	
Other Retirement Contributions - Regular	160,000	(7,990)	152,010	148,065	3,945
DCRP Contribution	8,000		8,000	6,853	1,147
Unemployment Compensation	35,000		35,000	31,570	3,430
Workmans Compensation	64,878	3,963	68,841	68,841	
Health Benefits	2,072,346	(230,310)	1,842,036	1,782,323	59,713
Tuition Reimbursement	36,000	9,429	45,429	45,429	
Other Employee Benefits	19,880		19,880	15,146	4,734
TOTAL UNALLOCATED BENEFITS	2,561,104	(207,703)	2,353,401	2,280,432	72,969
On-behalf TPAF pension Contrib. (non-budgeted)				2,269,707	(2,269,707)
On-behalf TPAF PRM Contrib. (non-budgeted)				596,246	(596,246)
On-behalf TPAF pension LTD Ins. (non-budgeted)				665	(665)
Reimbursed TPAF Social Security Contrib. (non-budgeted)				476,417	(476,417)
TOTAL ON-BEHALF CONTRIBUTIONS				3,343,035	(3,343,035)
TOTAL PERSONAL SERVICES-EMPLOYEE BENEFITS	2,561,104	(207,703)	2,353,401	5,623,467	(3,270,066)
TOTAL UNDISTRIBUTED EXPENDITURES	6,290,064	173,700	6,463,764	9,223,455	(2,759,691)
TOTAL GENERAL CURRENT EXPENSE	11,873,187	260,389	12,133,576	14,809,013	(2,675,437)
CAPITAL OUTLAY					
Equipment					
Equipment - Grades 9-12		55,678	55,678	53,682	1,996
Undistributed Expenditures-Required Maint. For School Fac.	9,500	29,369	38,869	29,480	9,389
Total Equipment	9,500	85,047	94,547	83,162	11,385
Facilities Acquisition and Construction:					
Construction Services	311,150		311,150	73,265	237,885
Assessment for Debt Service on SDA Funding	1,448		1,448	1,448	
Total Facilities Acquisition and Construction	312,598		312,598	74,713	237,885
TOTAL CAPITAL OUTLAY	322,098	85,047	407,145	157,875	249,270

TOWN OF BELVIDERE SCHOOL DISTRICT

Exhibit C-1

**BUDGETARY COMPARISON SCHEDULE
GENERAL FUND**

Fiscal Year Ended June 30, 2023

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Final to Actual Favorable/ (Unfavorable)
Transfer to Charter School	13,099	13,099	26,198	26,198	
TOTAL EXPENDITURES	12,208,384	358,535	12,566,919	14,993,086	(2,426,167)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,022,656)	(358,535)	(1,381,191)	(278,977)	1,102,214
Other Financing Sources:					
Operating Transfer (In)/Out:					
Transfer to Special Revenue Fund - Preschool	13,449	-	13,449	13,449	-
Total Other Financing Sources:	13,449	-	13,449	13,449	-
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Sources (Uses)	(1,036,105)	(358,535)	(1,394,640)	(292,426)	1,102,214
Fund Balance, July 1	2,228,178		2,228,178	2,228,178	
Fund Balance, June 30	\$ 1,192,073	\$ (358,535)	\$ 833,538	\$ 1,935,752	\$ 1,102,214
Recapitulation:					
Restricted for:					
Capital Reserve				468,344	
Maintenance Reserve				602,308	
Assigned to:					
Year-End Encumbrances				223,615	
Designated for Subsequent Year's Expenditures				300,000	
Unassigned:					
Unrestricted Fund Balance				341,485	
Fund Balance per Governmental Funds(Budgetary Basis)				1,935,752	
Reconciliation to Governmental Funds Statement B-2 (GAAP Basis):					
Last State Aid Payment not recognized on GAAP basis				(264,803)	
Fund Balance per Governmental Funds B-2 (GAAP Basis)				\$ 1,670,949	

**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 Favorable/ (Unfavorable)
REVENUES:					
Local Sources		\$ 194,718	\$ 194,718	\$ 194,718	
State Sources	\$ 457,266	-	457,266	457,266	-
Federal Sources	454,091	1,225,029	1,679,120	1,403,287	\$ (275,833)
Total Revenues	911,357	1,419,747	2,331,104	2,055,271	(275,833)
EXPENDITURES:					
Instruction					
Salaries of Teachers	254,618	61,309	315,927	253,110	62,817
Other Salaries for Instruction	248,756	76,758	325,514	281,014	44,500
Purchased Professional Services	23,600	19,049	42,649	2,078	40,571
Other Purchased Serv. - Spec. Ed Tuition	30,000	3,429	33,429	33,429	
General Supplies	16,500	47,262	63,762	62,910	852
Total Instruction	573,474	207,807	781,281	632,541	148,740
Support Services					
Salaries of Program Directors	33,955	55	34,010	34,010	
Salaries of Other Professional Staff	18,244		18,244	18,244	
Salaries of Secretarial & Clerical Staff	12,566		12,566	12,566	
Other Salaries	7,750		7,750	7,750	
Salaries of Master Teachers	10,000		10,000	10,000	
Personal Services - Employee Benefits	254,603	117,412	372,015	249,473	122,542
Other Purchased Services	10,664	(568)	10,096	9,096	1,000
Supplies and Materials	550	12,115	12,665	12,114	551
Other Objects	3,000	5,158	8,158	5,158	3,000
Student Activities		180,131	180,131	180,131	
Total Support Services	351,332	314,303	665,635	538,542	127,093
Facilities Acq. and Const. Services:					
Buildings		888,850	888,850	888,850	
Total Facilities Acq. and Const. Svs	-	888,850	888,850	888,850	-
Total Expenditures	924,806	1,410,960	2,335,766	2,059,933	275,833
Other Financing Sources (Uses)					
Transfers from Other Funds	13,449		13,449	13,449	
Total Other Financing Sources (Uses)	13,449		13,449	13,449	
Total Outflows	\$ 911,357	\$1,410,960	\$2,322,317	\$2,046,484	275,833
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)					
	-	8,787	8,787	8,787	-
Fund Balance Beginning				155,207	
Prior Period Adjustment				-	
Fund Balance Beginning (Restated)				155,207	
Fund Balance Ending				<u>\$ 163,994</u>	
Recapitulation:					
Restricted:					
Student Activities				\$ 163,994	
Fund Balance per Governmental Funds(Budgetary Basis)				163,994	
Reconciliation to Governmental Funds Statement B-2 (GAAP Basis):					
Last State Aid Payment not recognized on GAAP basis				(45,730)	
Fund Balance per Governmental Funds B-2 (GAAP Basis)				<u>\$ 118,264</u>	

TOWN OF BELVIDERE SCHOOL DISTRICT

Exhibit C-3

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE

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
	<hr/>	<hr/>
Sources/Inflows of Resources		
Actual amounts (budgetary basis) "revenue"		
from the budgetary comparison schedule (Exhibits C-1 and C-2, respectively)	\$ 14,714,109	\$ 2,055,271
Difference - budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		
Prior Year Encumbrances	N/A	20,637
Current Year Encumbrances	N/A	(902,192)
Adjustment for: Prior year Final State Aid Payment excluded in State Source Revenues that is considered a revenue for GAAP reporting purposes	299,591	34,312
Adjustment for: Final State Aid Payment included in State Source Revenues that is not considered a revenue for GAAP reporting purposes	<u>(264,803)</u>	<u>(45,730)</u>
Total revenues as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds. (Exhibit B-2)	<u>\$ 14,748,897</u>	<u>\$ 1,162,298</u>
Uses/outflows of resources		
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedules (Exhibits C-1 and C-2, respectively)	\$ 15,006,535	\$ 2,046,484
Differences - budget to GAAP		
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for <i>budgetary</i> purposes, but in the year the supplies are received for <i>financial reporting</i> purposes.		
Prior Year Encumbrances	N/A	20,637
Current Year Encumbrances	N/A	(902,192)
Transfers to and from other funds are presented as outflows of budgetary resources but are not expenditures for financial reporting purposes.	(13,449)	13,449
Net transfers (outflows) to general fund	<hr/>	<hr/>
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds (Exhibit B-2)	<u>\$ 14,993,086</u>	<u>\$ 1,178,378</u>

Belvidere School District
Required Supplementary Information - Part III
Schedule of the District's Proportionate Share of the Net Pension Liability
Last Ten Fiscal Years

Exhibit L-3

Teachers' Pension and Annuity Fund (TPAF)

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2019</u>	<u>2020</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
District's proportion of the net pension liability (asset) **	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
District's proportionate share of the net pension liability (asset) **	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
State's proportionate share of the net pension liability (asset) associated with the District	\$ 27,711,062	\$ 23,406,880	\$ 34,393,487	\$ 32,178,260	\$ 34,767,525	\$ 36,480,490	\$ 41,418,239	\$ 36,436,093	\$ 32,846,594	\$ 31,437,001
Total	\$ 27,711,062	\$ 23,406,880	\$ 34,393,487	\$ 32,178,260	\$ 34,767,525	\$ 36,480,490	\$ 41,418,239	\$ 36,436,093	\$ 32,846,594	\$ 31,437,001
District's covered employee payroll	\$ 6,611,590	\$ 6,287,476	\$ 6,263,115	\$ 5,958,984	\$ 5,353,563	\$ 5,728,827	\$ 5,619,481	\$ 5,745,002	\$ 5,618,189	\$ 5,908,579
District's proportionate share of the of the net pension liability (asset) as a percentage of its covered-employee payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Plan fiduciary net position as a percentage of the total pension liability	32.29%	35.50%	24.60%	26.95%	26.49%	25.41%	22.33%	28.71%	33.64%	33.76%

** Note: TPAF is a special funding situation as defined by GASB Statement No. 68 in which the State of New Jersey is 100% responsible for contributions to the plan. Since the district (employer) does not contribute directly to the plan there is no net pension liability to report in the financial statements of the district.

Public Employees' Retirement System (PERS)

Exhibit L-1

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2019</u>	<u>2020</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
District's proportion of the net pension liability (asset)	0.0117414%	0.0134601%	0.0139276%	0.0142167%	0.0141531%	0.0143523%	0.013864%	0.013050%	0.013576%	0.013823%
District's proportionate share of the net pension liability (asset)	\$ 1,771,943	\$ 1,594,546	\$ 2,271,229	\$ 2,561,641	\$ 2,786,682	\$ 3,340,993	\$ 4,106,059	\$ 2,929,437	\$ 2,541,876	\$ 2,641,787
District's covered employee payroll	\$ 953,305	\$ 961,612	\$ 901,413	\$ 1,018,144	\$ 971,470	\$ 1,005,133	\$ 973,564	\$ 1,522,140	\$ 1,376,850	\$ 1,358,909
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	185.87%	165.82%	251.96%	251.60%	286.85%	332.39%	421.76%	192.46%	184.62%	194.40%
Plan fiduciary net position as a percentage of the total pension liability (Local)	62.91%	70.33%	58.32%	56.27%	53.60%	58.18%	40.14%	47.92%	52.08%	48.72%

**Belvidere School District
Required Supplementary Information - Part III
Schedule of District Contributions
Last Ten Fiscal Years**

Exhibit L-2

Teachers' Pension and Annuity Fund (TPAF)

	2023	2022	2021	2019	2020	2018	2017	2016	2015	2014
Contractually required contribution **	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Contributions in relation to the contractually required contribution **	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Contribution deficiency (excess)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
District's covered employee payroll	\$ 6,611,590	\$ 6,287,476	\$ 6,263,115	\$ 5,958,984	\$ 5,353,563	\$ 5,728,827	\$ 5,619,481	\$ 5,745,002	\$ 5,618,189	\$ 5,908,579
Contributions as a percentage of covered-employee payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

** Note: TPAF is a special funding situation as defined by GASB Statement No. 68 in which the State of New Jersey is 100% responsible for contributions to the plan. The district (employer) does not contribute to the plan.

Public Employees' Retirement System (PERS)

	2023	2022	2021	2019	2020	2018	2017	2016	2015	2014
Contractually required contribution	\$ 148,065	\$ 157,633	\$ 152,361	\$ 139,167	\$ 141,599	\$ 163,893	\$ 124,255	\$ 112,194	\$ 104,151	\$ 111,037
Contributions in relation to the contractually required contribution	(148,065)	(157,633)	(152,361)	(139,167)	(141,599)	(163,893)	(124,255)	(112,194)	(104,151)	(111,037)
Contribution deficiency (excess)	-	-	-	-	-	-	-	-	-	-
District's covered employee payroll	\$ 953,305	\$ 961,612	\$ 901,413	\$ 1,018,144	\$ 971,470	\$ 1,005,133	\$ 973,564	\$ 1,522,140	\$ 1,376,850	\$ 1,358,909
Contributions as a percentage of covered-employee payroll	15.53%	16.39%	16.90%	13.67%	14.58%	16.31%	12.76%	7.37%	7.56%	8.17%

Belvidere School District
 Required Supplementary Information - Part III
 Schedule of Changes in the State's Total OPEB Liability and Related Ratios
 Last Ten Fiscal Years *

Exhibit M-1

State Health Benefit Local Education Retired Employees Plan (TPAF and PERS)

The State of New Jersey's Total OPEB Liability	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2019</u>	<u>2020</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Service Cost	\$ 2,770,618,025	\$ 3,217,184,264	\$ 1,790,973,822	\$ 1,734,404,850	\$ 1,984,642,729	\$ 2,391,878,884	\$ 1,723,999,319			
Interest	1,342,187,139	1,556,661,679	1,503,341,357	1,827,787,206	1,970,236,232	1,699,441,736	1,823,643,792			
Change in Benefit Terms	-	(63,870,842)								
Differences Between Expected and Actual Experience	1,399,200,736	(11,385,071,658)	11,544,750,637	(7,323,140,818)	(5,002,065,740)					
Benefit Payments	(13,586,368,097)	59,202,205	(1,180,515,618)	(1,280,958,373)	(1,232,987,247)	(1,242,412,566)	(1,223,298,019)			
Contributions from Members	(1,329,476,059)	-	35,781,384	37,971,171	42,614,005	45,748,749	46,273,747			
Changes of Assumptions or other inputs	<u>42,650,252</u>	<u>(1,186,417,186)</u>	<u>12,386,549,981</u>	<u>622,184,027</u>	<u>\$ (5,291,448,855)</u>	<u>\$ (7,086,599,129)</u>	<u>8,611,513,521</u>			
Net change in total OPEB liability	(9,361,188,004)	(7,802,311,638)	26,080,881,563	(4,381,751,937)	(7,529,008,876)	(4,191,942,326)	10,982,132,360			
Total OPEB Liability - Beginning	\$ <u>60,007,650,970</u>	\$ <u>67,809,962,608</u>	\$ <u>41,729,081,045</u>	\$ <u>46,110,832,982</u>	\$ <u>53,639,841,858</u>	\$ <u>57,831,784,184</u>	\$ <u>46,849,651,824</u>			
Total OPEB Liability - Ending	\$ <u>50,646,462,966</u>	\$ <u>60,007,650,970</u>	\$ <u>67,809,962,608</u>	\$ <u>41,729,081,045</u>	\$ <u>46,110,832,982</u>	\$ <u>53,639,841,858</u>	\$ <u>57,831,784,184</u>			
The State of New Jersey's total OPEB liability **	\$ 50,646,462,966	\$ 60,007,650,970	\$ 67,809,962,608	\$ 41,729,081,045	\$ 46,110,832,982	\$ 53,639,841,858	\$ 57,831,784,184			
The State of New Jersey's OPEB liability attributable to the District **	\$ 30,758,426	\$ 36,437,182	\$ 41,316,923	\$ 25,501,739	\$ 28,621,932	\$ 33,070,928	\$ 35,858,491			
The District's proportionate share of the total OPEB liability	Zero	Zero	Zero	Zero	Zero	Zero	Zero			
District's covered employee payroll	\$ 7,564,895	\$ 7,249,088	\$ 7,164,528	\$ 6,977,128	\$ 6,325,033	\$ 6,733,960	\$ 6,593,045			
Total District's OPEB liability as a percentage of its covered-employee payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%			
District's contribution	None	None	None	None	None	None	None			
State's covered employee payroll ***	\$ 14,753,355,408	\$ 14,425,669,769	\$ 14,267,738,657	\$ 13,929,083,479	\$ 13,640,275,833	\$ 13,493,400,208	\$ 13,493,400,208			
Total State's OPEB liability as a percentage of its covered-employee payroll	343.29%	415.98%	475.27%	299.58%	338.05%	397.53%	428.59%			

** Note: Other Post Employment Benefits (OPEB) for employees of the Teachers' Pension and Annuity Fund (TPAF) and the Public Employees' Retirement System (PERS) is considered a special funding situation as defined by GASB Statement No. 75 in which the State of New Jersey is 100% responsible for contributions to the health insurance plan. The district (employer) does not contribute to the plan and the district's OPEB liability is zero.

*** Covered payroll for the Measurement Period ending June 30, 2021 and June 30, 2022 is based on the payroll on the June 30, 2020 and June 30, 2021 census data, respectively

* - Until a full ten year trend is compiled, information will be presented for those years for which information is available.

BELVIDERE SCHOOL DISTRICT

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION-PART III
Pension and Other Post-Employment Benefits (OPEB) Schedules

For the Fiscal Year Ended June 30, 2023

Teachers' Pension and Annuity Fund (TPAF)

Pension Schedules

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

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

OPEB Schedules

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASBS No. 75.

Changes of benefit terms. The decrease in liability from June 30, 2021 to June 30, 2022 is due to employers adopting Chapter 44 provisions.

Changes of assumptions. Changes of assumptions and other inputs reflects a change in the discount rate from 2.16 percent in 2021 to 3.54 percent in 2022.

Public Employees' Retirement System (PERS)

Pension Schedules

Changes of benefit terms. 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 for medical benefits, which vest after 25 years of service or under the disability provisions of PERS.

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

OPEB Schedules

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASBS No. 75.

Changes of benefit terms. The decrease in liability from June 30, 2021 to June 30, 2022 is due to employers adopting Chapter 44 provisions.

Changes of assumptions. Changes of assumptions and other inputs reflects a change in the discount rate from 2.16 percent in 2021 to 3.54 percent in 2022.

OTHER SUPPLEMENTARY INFORMATION

**SPECIAL REVENUE FUND
DETAIL STATEMENTS**

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

TOWN OF BELVIDERE SCHOOL DISTRICT

Exhibit E-1

SPECIAL REVENUE FUND
 COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS

For the Fiscal Year Ended June 30, 2023

	Title I Part A	Title I SIA Part A	Title I I Part A	Title IV	IDEA Basic	IDEA Preschool	CRRSA II MENTAL	ARP ESSER	ARP Accel Learn	ARP Summer	ARP Beyond Sch Day	ARP Mental Health	SBB-VEEVR Energy Program	Preschool Education Aid	NJSBAIG Grant	Student Activities	Totals
REVENUES																	
Local Sources																	194,718
State Sources														\$ 457,266			457,266
Federal Sources	\$ 51,949	\$ 41,700	\$ 9,709	\$ 10,000	\$ 153,429	\$ 4,907	\$ 6,340	\$ 148,941	\$ 22,183	\$ 20,000	\$ 20,000	\$ 25,279	\$ 888,850				1,403,287
TOTAL REVENUES	51,949	41,700	9,709	10,000	153,429	4,907	6,340	148,941	22,183	20,000	20,000	25,279	888,850	457,266	5,800	188,918	2,055,271
EXPENDITURES:																	
Instruction:																	
Salaries of Teachers		11,000							22,183	20,000	17,500			182,427			253,110
Other Salaries for Instruction	51,000				120,000			44,500						65,514			281,014
Purchased Professional Svcs												2,078					2,078
Other Purchased Serv. - Spec. Ed Tuition					33,429												33,429
General Supplies	949	30,700	5,000	10,000			489				2,500			13,272			62,910
Total Instruction	51,949	41,700	5,000	10,000	153,429	-	489	44,500	22,183	20,000	20,000	2,078	-	261,213	-	-	632,541
Support Services:																	
Salaries of Program Directors														34,010			34,010
Salaries of Other Professional Staff														18,244			18,244
Salaries of Secretarial & Clerical Staff														12,566			12,566
Other Salaries														7,750			7,750
Salaries of Master Teachers														10,000			10,000
Personal Services - Employee Bene.								104,441				18,100		126,932			249,473
Other Purchased Services						4,907	3,189					1,000					9,096
Supplies and Materials			4,709				504					1,101			5,800		12,114
Other Ojects							2,158					3,000					5,158
Student Activities																180,131	180,131
Total Support Services	-	-	4,709	-	-	4,907	5,851	104,441	-	-	-	23,201	-	209,502	5,800	180,131	538,542
Facilities Acq. and Const. Services:																	
Buildings													888,850				888,850
Total Facilities Acq. and Const. Svcs	-	-	-	-	-	-	-	-	-	-	-	-	888,850	-	-	-	888,850
TOTAL EXPENDITURES	51,949	41,700	9,709	10,000	153,429	4,907	6,340	148,941	22,183	20,000	20,000	25,279	888,850	470,715	5,800	180,131	2,059,933
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-	-	-	-	-	-	-	-	-	-	(13,449)	-	8,787	(4,662)
Other Financing Sources (Uses):																	
Transfers from Other Funds														13,449			13,449
Total Other Financing Sources (Uses)	-	-	-	-	-	-	-	-	-	-	-	-	-	13,449	-	-	13,449
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	8,787	8,787
Fund Balance Beginning	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	155,207	155,207
Prior Period Adjustment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fund Balance Beginning (Restated)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	155,207	155,207
Fund Balance Ending	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ 163,994	\$ 163,994

Belvidere School District
Special Revenue Fund
Preschool Education Aid Schedule of Expenditures
Preschool - All Programs
Budgetary Basis
For the Fiscal Year Ended June 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance
EXPENDITURES:					
Instruction:					
Salaries of Teachers	\$ 197,118	\$ (14,691)	\$ 182,427	\$ 182,427	-
Other Salaries for Instruction	43,256	22,258	65,514	65,514	-
Other Purchased Services	2,000	(2,000)	-	-	-
General Supplies	12,000	1,272	13,272	13,272	-
Total instruction	254,374	6,839	261,213	261,213	-
Support services:					
Salaries of Program Directors	33,955	55	34,010	34,010	-
Salaries of Other Professional Staff	18,244	-	18,244	18,244	-
Salaries of Secr. And Clerical Assistants	12,566	-	12,566	12,566	-
Other Salaries	7,750	-	7,750	7,750	-
Salaries of Master Teachers	10,000	-	10,000	10,000	-
Personal Services - Employee Benefits	132,062	(5,130)	126,932	126,932	-
Travel	1,764	(1,764)	-	-	-
Supplies and Materials	-	-	-	-	-
Total support services	216,341	(6,839)	209,502	209,502	-
Facilities Acq. & Construction:					
Non-Instructional Equipment	-	-	-	-	-
Total Facilities Acq. & Construction	-	-	-	-	-
Total Expenditures	\$ 470,715	-	\$ 470,715	\$ 470,715	-

CALCULATION OF BUDGET & CARRYOVER

Total 2022-2023 PreK Aid Allocation	\$ 457,266
Add: Actual ECPA Carryover June 30, 2022	-
Add: Budgeted Transfer From General Fund	13,449
Total Funds Available for 2021-2023 Budget	470,715
Less: 2022-2023 Budgeted PreK & ECPA (Including prior year budgeted carryover)	\$ (470,715)
Available & Unbudgeted Funds as of June 30, 2023	-
Add: June 30, 2023 Unexpended PreK Aid	-
2022-2023 Actual Carryover - PreK Aid	-
2022-2023 PreK Carryover Budgeted in 2023-2024	-

**CAPITAL PROJECTS FUND
DETAIL STATEMENTS**

The Capital Projects Fund is used to account for the acquisition and construction of major capital facilities and equipment purchases other than those financed by proprietary funds.

N/A

<p style="text-align: center;">PROPRIETARY FUND DETAIL STATEMENTS</p>
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Proprietary Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises - where the intent of the district's board is that the costs of providing goods or services be financed through user charges.

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

Internal Services Fund - This fund provides for the operation of shared services for administrative salaries with Harmony Township School District.

THIS SECTION HAS ALREADY BEEN INCLUDED IN STATEMENTS B-4, B-5 AND B-6.

**FIDUCIARY FUND
DETAIL STATEMENTS**

Fiduciary Funds are defined by GASB No. 84 as four funds. (1) pension (and other employee benefit) trust funds, (2) investment trust funds, (3) private-purpose trust funds, and (4) custodial funds.

N/A

LONG-TERM DEBT SCHEDULES

The Long-Term Schedules are used to reflect the outstanding principal balances of the general long-term liabilities of the school district. This includes serial bonds outstanding and obligations under capital leases.

N/A

Town of Belvidere School District
Statistical Section

<u>Contents</u>	<u>Page</u>
Financial Trends (J-1 thru J-5) These schedules contain trend information to help the reader understand how the district's financial performance and well being have changed over time.	83-88
Revenue Capacity (J-6 thru J-9) These schedules contain information to help the reader assess the district's most significant local revenue source, the property tax.	89-92
Debt Capacity (J-10 thru J-13) These schedules present information to help the reader assess the affordability of the district's current levels of outstanding debt and the district's ability to issue additional debt in the future.	93-96
Demographic and Economic Information (J-14 and J-15) These schedules offer demographic and economic indicators to help the reader understand the environment within which the district's financial activities take place.	97-98
Operating Information (J-16 thru J-20) These schedules contain service and infrastructure data to help the reader understand how the information in the district's financial report relates to the services the district provides and the activities it performs.	99-103

Sources:

Unless otherwise noted, the information in these schedules is derived from the Annual Comprehensive Financial Reports (ACFR) for the relevant year.

**Town of Belvidere School District
Net Position by Component,
Last Ten Fiscal Years**

Exhibit J-1

(accrual basis of accounting)

	Fiscal Year Ending June 30,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Governmental activities										
Invested in capital assets, net of related debt	\$ 1,891,365	\$ 1,812,654	\$ 1,568,798	\$ 1,493,768	\$ 1,611,274	\$ 1,489,311	\$ 1,704,009	\$ 1,820,731	\$ 1,667,287	\$ 1,650,601
Restricted	925,000	1,398,000	1,310,574	904,574	644,574	820,482	980,658	1,360,530	1,774,957	1,534,646
Unrestricted	217,227	(2,483,043)	(2,318,398)	(2,397,180)	(2,909,524)	(3,050,963)	(2,600,379)	(2,869,016)	(2,291,509)	(1,659,423)
Total governmental activities net position	<u>\$ 3,033,592</u>	<u>\$ 727,611</u>	<u>\$ 560,974</u>	<u>\$ 1,162</u>	<u>\$ (653,676)</u>	<u>\$ (741,170)</u>	<u>\$ 84,288</u>	<u>\$ 312,245</u>	<u>\$ 1,150,735</u>	<u>\$ 1,525,824</u>
Business-type activities										
Invested in capital assets, net of related debt	\$ 63,501	\$ 54,986	\$ 41,776	\$ 30,926	\$ 21,303	\$ 23,409	\$ 35,370	\$ 32,880	\$ 126,466	\$ 169,095
Restricted	-	-	-	-	-	-	-	-	-	-
Unrestricted	-	-	-	-	-	-	-	-	-	-
Total business-type activities net position	<u>\$ 63,501</u>	<u>\$ 54,986</u>	<u>\$ 41,776</u>	<u>\$ 30,926</u>	<u>\$ 21,303</u>	<u>\$ 23,409</u>	<u>\$ 35,370</u>	<u>\$ 32,880</u>	<u>\$ 126,466</u>	<u>\$ 169,095</u>
District-wide										
Invested in capital assets, net of related debt	\$ 1,954,866	\$ 1,867,640	\$ 1,610,574	\$ 1,524,694	\$ 1,632,577	\$ 1,512,720	\$ 1,739,379	\$ 1,853,611	\$ 1,793,753	\$ 1,819,696
Restricted	925,000	1,398,000	1,310,574	904,574	644,574	820,482	980,658	1,360,530	1,774,957	1,534,646
Unrestricted	217,227	(2,483,043)	(2,318,398)	(2,397,180)	(2,909,524)	(3,050,963)	(2,600,379)	(2,869,016)	(2,291,509)	(1,659,423)
Total district net position	<u>\$ 3,097,093</u>	<u>\$ 782,597</u>	<u>\$ 602,750</u>	<u>\$ 32,088</u>	<u>\$ (632,373)</u>	<u>\$ (717,761)</u>	<u>\$ 119,658</u>	<u>\$ 345,125</u>	<u>\$ 1,277,201</u>	<u>\$ 1,694,919</u>

Source: ACFR Schedule A-1

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

Exhibit J-2

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Expenses										
Governmental activities										
Instruction										
Regular	\$ 5,602,210	\$ 6,704,378	\$ 5,119,106	\$ 7,612,502	\$ 8,071,843	\$ 7,226,137	\$ 6,974,613	\$ 7,585,238	\$ 6,744,946	\$ 6,399,263
Special education	1,323,646	1,540,037	1,215,591	1,915,070	2,015,680	1,900,734	1,633,056	1,901,125	1,648,569	1,685,918
Other special education	444,762	505,616	530,546	522,185	565,280	543,342	583,037	584,142	636,220	625,582
Support Services:										
Tuition	142,304	145,456	100,751	122,078	88,238	104,739	258,469	366,692	223,526	10,199
Student & instruction related services	1,590,942	1,868,617	1,428,396	2,239,008	2,523,324	2,306,806	2,103,094	2,310,476	2,156,667	2,121,203
General administrative services	882,892	1,082,428	870,255	1,269,026	1,255,837	1,101,943	1,016,011	1,096,111	815,158	799,136
School administrative services	727,140	799,111	686,389	958,528	1,003,494	966,448	887,278	1,040,317	885,942	815,694
Business administrative services	1,371,599	1,472,010	1,470,116	1,563,393	1,553,578	1,442,855	1,491,469	1,546,929	1,382,745	1,520,540
Plant operations and maintenance	90,605	116,433	141,253	201,205	215,690	231,170	204,910	79,361	117,112	181,903
Pupil transportation										
Other Fiscal Charges	1,448	1,448	1,448	1,448	1,448	1,448	1,448	1,448	1,448	1,448
Total governmental activities expenses	<u>12,177,548</u>	<u>14,235,534</u>	<u>11,563,851</u>	<u>16,404,443</u>	<u>17,294,412</u>	<u>15,825,622</u>	<u>15,153,385</u>	<u>16,511,839</u>	<u>14,612,333</u>	<u>14,160,886</u>
Business-type activities:										
Food service	218,098	218,013	206,037	200,405	186,632	185,588	143,537	142,833	295,452	231,202
Child Care										
Total business-type activities expense	<u>218,098</u>	<u>218,013</u>	<u>206,037</u>	<u>200,405</u>	<u>186,632</u>	<u>185,588</u>	<u>143,537</u>	<u>142,833</u>	<u>295,452</u>	<u>231,202</u>
Total district expenses	<u>\$ 12,395,646</u>	<u>\$ 14,453,547</u>	<u>\$ 11,769,888</u>	<u>\$ 16,604,848</u>	<u>\$ 17,481,044</u>	<u>\$ 16,011,210</u>	<u>\$ 15,296,922</u>	<u>\$ 16,654,672</u>	<u>\$ 14,907,785</u>	<u>\$ 14,392,088</u>
Program Revenues										
Governmental activities:										
Charges for services:										
Instruction (regular & special education)	\$ 2,959,815	\$ 3,366,022	\$ 3,375,196	\$ 3,288,397	\$ 3,165,705	\$ 3,151,773	\$ 3,215,736	\$ 2,914,745	\$ 3,110,997	\$ 3,051,057
Business and other support services	1,565,895	1,780,800	1,785,655	1,739,732	1,674,822	1,667,451	1,701,292	1,542,051	1,645,878	1,614,168
Operating grants and contributions	4,107,550	5,736,577	2,592,735	7,099,467	8,027,203	7,028,963	6,398,926	8,131,293	6,652,912	5,731,667
Capital grants and contributions										
Total governmental activities program revenues	<u>8,633,260</u>	<u>10,883,399</u>	<u>7,753,586</u>	<u>12,127,596</u>	<u>12,867,730</u>	<u>11,848,187</u>	<u>11,315,954</u>	<u>12,588,089</u>	<u>11,409,787</u>	<u>10,396,892</u>
Business-type activities:										
Charges for services										
Food service	141,585	145,344	141,976	128,681	116,373	125,506	86,547	752	37,404	124,493
Operating grants and contributions	56,634	64,154	50,851	60,874	60,636	62,188	68,951	139,591	351,634	149,338
Capital grants and contributions										
Total business type activities program revenues	<u>198,219</u>	<u>209,498</u>	<u>192,827</u>	<u>189,555</u>	<u>177,009</u>	<u>187,694</u>	<u>155,498</u>	<u>140,343</u>	<u>389,038</u>	<u>273,831</u>
Total district program revenues	<u>\$ 8,831,479</u>	<u>\$ 11,092,897</u>	<u>\$ 7,946,413</u>	<u>\$ 12,317,151</u>	<u>\$ 13,044,739</u>	<u>\$ 12,035,881</u>	<u>\$ 11,471,452</u>	<u>\$ 12,728,432</u>	<u>\$ 11,798,825</u>	<u>\$ 10,670,723</u>

Continued

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

Exhibit J-2

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Net (Expense)/Revenue										
Governmental activities	\$ (3,544,288)	\$ (3,352,135)	\$ (3,810,265)	\$ (4,276,847)	\$ (4,426,682)	\$ (3,977,435)	\$ (3,837,431)	\$ (3,923,750)	\$ (3,202,546)	\$ (3,763,994)
Business-type activities	(19,879)	(8,515)	(13,210)	(10,850)	(9,623)	2,106	11,961	(2,490)	93,586	42,629
Total district-wide net expense	<u>\$ (3,564,167)</u>	<u>\$ (3,360,650)</u>	<u>\$ (3,823,475)</u>	<u>\$ (4,287,697)</u>	<u>\$ (4,436,305)</u>	<u>\$ (3,975,329)</u>	<u>\$ (3,825,470)</u>	<u>\$ (3,926,240)</u>	<u>\$ (3,108,960)</u>	<u>\$ (3,721,365)</u>
General Revenues and Other Changes in Net Position										
Governmental activities:										
Property taxes levied for general purposes, net	\$ 3,554,307	\$ 3,554,307	\$ 3,625,393	\$ 3,697,901	\$ 3,753,370	\$ 3,864,525	\$ 3,864,525	\$ 3,854,525	\$ 3,854,525	\$ 3,931,616
Unrestricted grants and contributions										
Investment earnings	749	551	843	694	1,695	4,085	10,524	2,855	419	178
Miscellaneous income	13,786	21,104	17,392	18,440	16,779	21,331	12,431	294,327	186,092	207,289
Transfers	-	-	-	-	-	-	-	-	-	-
Total governmental activities	<u>3,568,842</u>	<u>3,575,962</u>	<u>3,643,628</u>	<u>3,717,035</u>	<u>3,771,844</u>	<u>3,889,941</u>	<u>3,887,480</u>	<u>4,151,707</u>	<u>4,041,036</u>	<u>4,139,083</u>
Business-type activities:										
Investment earnings	-	-	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-	-	-
Total business-type activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total district-wide	<u>\$ 3,568,842</u>	<u>\$ 3,575,962</u>	<u>\$ 3,643,628</u>	<u>\$ 3,717,035</u>	<u>\$ 3,771,844</u>	<u>\$ 3,889,941</u>	<u>\$ 3,887,480</u>	<u>\$ 4,151,707</u>	<u>\$ 4,041,036</u>	<u>\$ 4,139,083</u>
Change in Net Position										
Governmental activities	\$ 24,554	\$ 223,827	\$ (166,637)	\$ (559,812)	\$ (654,838)	\$ (87,494)	\$ 50,049	\$ 227,957	\$ 838,490	\$ 375,089
Business-type activities	(19,879)	(8,515)	(13,210)	(10,850)	(9,623)	2,106	11,961	(2,490)	93,586	42,629
Total district	<u>\$ 4,675</u>	<u>\$ 215,312</u>	<u>\$ (179,847)</u>	<u>\$ (570,662)</u>	<u>\$ (664,461)</u>	<u>\$ (85,388)</u>	<u>\$ 62,010</u>	<u>\$ 225,467</u>	<u>\$ 932,076</u>	<u>\$ 417,718</u>

Source: ACFR Schedule A-2

**Town of Belvidere 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										
Reserved	\$ 1,216,798	\$ 1,510,775	\$ 1,659,926	\$ 1,444,591	\$ 767,225	\$ 899,720	\$ 1,386,077	\$ 1,398,330	\$ 1,978,285	\$ 1,594,267
Unreserved	(13,616)	(13,133)	(36,479)	(31,159)	(34,595)	(46,751)	(53,010)	(53,589)	(49,698)	76,682
Total general fund	<u>\$ 1,203,182</u>	<u>\$ 1,497,642</u>	<u>\$ 1,623,447</u>	<u>\$ 1,413,432</u>	<u>\$ 732,630</u>	<u>\$ 852,969</u>	<u>\$ 1,333,067</u>	<u>\$ 1,344,741</u>	<u>\$ 1,928,587</u>	<u>\$ 1,670,949</u>
All Other Governmental Funds										
Reserved							\$ 160,176	\$ 151,820	\$ 155,207	\$ 163,994
Unreserved, reported in:										
Special revenue fund						\$ (18,810)	(38,342)	(37,635)	(34,312)	(45,730)
Capital projects fund										
Debt service fund										
Permanent fund										
Total all other governmental funds	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (18,810)</u>	<u>\$ 121,834</u>	<u>\$ 114,185</u>	<u>\$ 120,895</u>	<u>\$ 118,264</u>

Source: ACFR Schedule B-1

**Town of Belvidere School District
Changes in Fund Balances, Governmental Funds,
Last Ten Fiscal Years**

Exhibit J-4

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Revenues										
Tax levy	\$ 3,554,307	\$ 3,554,307	\$ 3,625,393	\$ 3,697,901	\$ 3,753,370	\$ 3,864,525	\$ 3,864,525	\$ 3,854,525	\$ 3,854,525	\$ 3,931,616
Tuition charges	4,525,710	5,146,822	5,160,851	5,028,129	4,840,527	4,819,224	4,917,028	4,456,796	4,756,875	4,665,225
Interest earnings	-	-	-	-	-	-	-	-	-	-
Miscellaneous	14,535	21,655	18,235	19,134	18,474	25,416	22,955	297,182	186,511	207,467
State sources	3,924,438	4,053,768	4,170,543	4,361,316	4,601,367	4,998,456	5,344,840	5,671,949	6,573,767	6,593,110
Federal sources	183,112	227,021	225,404	236,100	268,355	260,283	233,828	311,115	500,122	513,777
Total revenue	12,202,102	13,003,573	13,200,426	13,342,580	13,482,093	13,967,904	14,383,176	14,591,567	15,871,800	15,911,195
Expenditures										
Instruction										
Regular Instruction	3,765,222	4,059,976	3,944,659	4,060,316	4,055,788	3,844,595	4,124,877	4,147,208	4,281,432	4,455,177
Special education instruction	815,229	796,463	911,004	907,534	877,559	953,327	842,558	908,887	954,994	1,134,062
Other special instruction	444,762	505,616	530,546	522,185	565,280	543,342	583,037	584,142	636,220	625,582
Other instruction	-	-	-	-	-	-	-	-	-	-
Support Services:										
Tuition	142,304	145,456	100,751	122,078	88,238	104,739	258,469	366,692	223,526	10,199
Student & instruction related services	1,076,376	1,123,831	1,116,975	1,224,056	1,376,632	1,350,186	1,238,581	1,314,182	1,459,007	1,565,365
General administrative services	589,819	653,660	694,869	687,947	599,459	555,679	560,312	523,658	420,239	480,859
School Administrative services	537,131	519,552	574,854	578,505	574,359	610,738	591,593	663,695	618,444	607,486
Business administrative services	-	-	-	-	-	-	-	-	-	-
Plant operations and maintenance	1,160,703	1,173,455	1,330,126	1,166,122	1,103,974	1,059,593	1,165,074	1,169,757	1,113,688	1,303,291
Pupil transportation	90,605	116,433	141,253	201,205	215,690	231,170	204,910	79,361	117,112	181,903
Unallocated employee benefits	3,261,625	3,372,362	3,651,142	3,832,097	4,214,283	4,332,986	4,286,949	4,535,449	5,391,357	5,623,467
Charter School	21,959	33,280	8,111	1,593	-	-	-	-	2,423	26,198
Special Revenue										
Capital outlay	173,560	209,029	70,331	248,957	491,633	280,020	66,250	294,511	62,802	157,875
Debt service:										
Principal										
Interest and other charges										
Total expenditures	12,079,295	12,709,113	13,074,621	13,552,595	14,162,895	13,866,375	13,922,610	14,587,542	15,281,244	16,171,464
Excess (Deficiency) of revenues over (under) expenditures	122,807	294,460	125,805	(210,015)	(680,802)	101,529	460,566	4,025	590,556	(260,269)
Other Financing Sources (uses)										
Transfers in							4,000	12,977	13,197	13,449
Transfers out							(4,000)	(12,977)	(13,197)	(13,449)
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-
Net change in fund balances	\$ 122,807	\$ 294,460	\$ 125,805	\$ (210,015)	\$ (680,802)	\$ 101,529	\$ 460,566	\$ 4,025	\$ 590,556	\$ (260,269)
Debt service as a percentage of noncapital expenditures	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

Source: ACFR Schedule B-2

TOWN OF BELVIDERE SCHOOL DISTRICT

GENERAL FUND OTHER LOCAL REVENUE BY SOURCE
LAST TEN FISCAL YEARS
UNAUDITED

Exhibit J-5

<u>Fiscal Year</u> <u>Ended June 30,</u>	<u>Interest on</u> <u>Investments</u>	<u>Refund</u> <u>Prior Year</u> <u>Expenditures</u>	<u>Room</u> <u>Rentals</u>	<u>Pepsi</u> <u>Commission</u>	<u>Athletics</u> <u>Cocurricular</u> <u>Events</u>	<u>Tuition</u>	<u>Miscellaneous</u>	<u>Total</u>
2014	\$ 749	195	\$ -	\$ 1,627	\$ 11,835	\$ 4,525,710	\$ 129	\$ 4,540,245
2015	551	\$ 185	-	1,991	13,327	5,146,822	101	5,162,977
2016	843	1,935	-	886	12,671	5,160,851	-	5,177,186
2017	694	81	1,480	331	12,735	5,028,129	913	5,044,363
2018	1,695	637	-	500	6,829	4,840,527	7,238	4,857,426
2019	4,085	-	-	-	12,606	4,819,224	-	4,835,915
2020	10,524	322	-	-	-	4,917,028	12,109	4,939,983
2021	2,855	7,615	-	-	-	4,456,796	498	4,467,764
2022	419	-	-	-	-	4,756,875	44,786	4,802,080
2023	178	-	-	-	-	4,665,225	10,321	4,675,724

SOURCE: District Records

**Town of Belvidere 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.	Qfarm	Commercial	Industrial	Apartment	Total Assessed Value	Less: Tax-Exempt Property	Public Utilities a	Net Valuation Taxable	Total Direct School Tax Rate b	Estimated Actual (County Equalized Value)
2014	\$1,814,600	\$100,889,900	\$512,800	\$42,900	\$13,572,699	\$9,480,450	\$2,878,200	\$167,720,312	\$38,119,600	\$409,163	\$129,600,712	\$2.743	\$200,659,426
2015	1,749,000	100,811,500	472,900	42,900	13,592,199	9,068,350	2,878,200	167,261,046	38,119,600	526,397	129,141,446	2.752	183,621,188
2016	1,730,000	100,588,199	472,900	42,900	13,154,599	8,993,350	2,878,200	166,506,200	38,119,600	526,452	128,386,600	2.824	175,682,635
2017	1,758,800	100,686,699	296,100	41,600	13,086,799	8,993,350	2,878,200	166,418,900	38,152,600	524,752	128,266,300	2.883	182,538,876
2018	1,702,700	100,381,123	459,900	44,000	12,653,899	8,993,350	2,760,300	165,624,624	38,104,600	524,752	127,520,024	2.943	183,780,143
2019	1,665,700	100,392,123	459,900	44,000	12,594,499	8,993,350	2,760,300	165,014,521	38,104,600	49	126,909,921	3.045	192,691,306
2020	1,648,100	100,258,623	459,900	18,100	12,702,999	9,233,350	2,760,300	165,291,921	38,210,500	49	127,081,421	3.041	186,995,504
2021	1,576,100	100,353,323	452,900	19,200	12,685,099	9,291,650	2,760,300	165,293,821	38,155,200	49	127,138,621	3.032	193,638,425
2022	1,562,600	100,142,723	452,900	18,900	12,685,099	9,291,650	2,760,300	165,242,221	38,328,000	49	126,914,221	3.037	189,585,526
2023	1,562,100	100,000,223	452,900	18,900	12,685,099	9,291,650	2,760,300	165,317,422	38,546,200	50	126,771,222	3.101	212,295,088

Source: District records Tax list summary & Municipal Tax Assessor

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

Reassessment occurs when ordered by the County Board of Taxation

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

b Tax rates are per \$100

**Town of Belvidere School District
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years**

Exhibit J-7

(rate per \$100 of assessed value)

Fiscal Year Ended June 30,	Belvidere Board of Education		Total Direct	Overlapping Rates		Total Direct and Overlapping Tax Rate
	Basic Rate ^a	General Obligation Debt Service ^b		Belvidere Town	Warren County	
2014	\$2.743	\$0.000	\$2.743	\$1.605	\$0.880	\$5.228
2015	\$2.752	\$0.000	\$2.752	\$1.648	\$1.021	\$5.421
2016	\$2.824	\$0.000	\$2.824	\$1.646	\$0.989	\$5.459
2017	\$2.883	\$0.000	\$2.883	\$1.668	\$1.011	\$5.562
2018	\$2.943	\$0.000	\$2.943	\$1.641	\$1.048	\$5.632
2019	\$3.045	\$0.000	\$3.045	\$1.665	\$1.110	\$5.820
2020	\$3.041	\$0.000	\$3.041	\$1.643	\$1.053	\$5.737
2021	\$3.032	\$0.000	\$3.032	\$1.592	\$1.072	\$5.696
2022	\$3.037	\$0.000	\$3.037	\$1.590	\$1.044	\$5.671
2023	\$3.101	\$0.000	\$3.101	\$1.637	\$1.135	\$5.873

Source: District Records and Municipal Tax Collector

Note: NJSA 18A:7F-5d limits the amount that the district can submit for a general fund tax levy . The levy when added to other components of the district's net budget may not exceed the prebudget year net budget by more than the spending growth limitation calculated as follows: the prebudget year net budget increased by the cost of living or 2.5 percent, whichever is greater, plus any spending growth adjustments.

^a The district's basic tax rate is calculated from the A4F form which is submitted with the budget and the Net valuation taxable.

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

**Town of Belvidere School District
Principal Property Tax Payers,
Current Year and Nine Years Ago**

Exhibit J-8

Taxpayer	2023			2013		
	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value
DSM Nutritional Products, Inc.(formerly Hoffman LaRoche)	\$ 4,615,000	1	3.64%	\$ 9,297,000	1	6.74%
BASF Corp. Coating and Ink	1,505,250	2	1.19%	6,728,150	2	4.88%
Graham Packaging Plastic Products(formerly Owens Illinoise)	1,421,700	3	1.12%	2,597,900	3	1.88%
ADTI Housing Corp.	950,000	4	0.75%			
Sprint	712,800	5	0.56%	864,200	10	0.63%
3 Greenwich Street	665,900	6	0.53%			
Westgate Apartments, LLC	640,500	7	0.51%			
Individual Taxpayer #1	631,500	8	0.50%	1,513,700	5	1.10%
Transistor Devices Inc.	600,000	9	0.47%	887,900	8	0.64%
Individual Taxpayer #2	571,500	10	0.45%			
Georgia Pacific Corp.				1,008,600	7	0.73%
Embarq Corp.				1,745,174	4	1.27%
Belvidere Heights, Inc.				1,410,000	6	1.02%
Synergy Housing Development				875,000	9	0.63%
Total	<u>\$ 12,314,150</u>		<u>9.71%</u>	<u>\$ 26,927,624</u>		<u>19.52%</u>

Source: District ACFR & Municipal Tax Assessor

**Town of Belvidere School District
Property Tax Levies and Collections,
Last Ten Fiscal Years**

Exhibit J-9

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years
		Amount	Percentage of Levy	
2014	\$3,554,307	\$3,554,307	100.00%	-
2015	\$3,554,307	\$3,554,307	100.00%	-
2016	\$3,625,393	\$3,625,393	100.00%	-
2017	\$3,697,901	\$3,697,901	100.00%	-
2018	\$3,753,370	\$3,753,370	100.00%	-
2019	\$3,864,525	\$3,864,525	100.00%	-
2020	\$3,864,525	\$3,864,525	100.00%	-
2021	\$3,854,525	\$3,854,525	100.00%	-
2022	\$3,854,525	\$3,854,525	100.00%	-
2023	\$3,931,616	\$3,931,616	100.00%	-

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

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

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

Exhibit J-10

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

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

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

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

b Includes Early Retirement Incentive Plan (ERIP) refunding

Town of Belvidere 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 Actual Taxable Value ^a of Property	Per Capita ^b
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding		
2014	-0-	-0-	-0-	-0-	-0-
2015	-0-	-0-	-0-	-0-	-0-
2016	-0-	-0-	-0-	-0-	-0-
2017	-0-	-0-	-0-	-0-	-0-
2018	-0-	-0-	-0-	-0-	-0-
2019	-0-	-0-	-0-	-0-	-0-
2020	-0-	-0-	-0-	-0-	-0-
2021	-0-	-0-	-0-	-0-	-0-
2022	-0-	-0-	-0-	-0-	-0-
2023	-0-	-0-	-0-	-0-	-0-

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

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

b Population data can be found in Exhibit NJ J-14.

**Town of Belvidere School District
Ratios of Overlapping Governmental Activities Debt
As of June 30, 2023**

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			
Town of Belvidere	\$ 3,404,168	100%	\$ 3,404,168
Other debt			
Warren County	830,000	1.75%	<u>14,525</u>
Subtotal, overlapping debt			3,418,693
Town of Belvidere School District Direct Debt	None	100%	<u>None</u>
Total direct and overlapping debt			<u><u>\$ 3,418,693</u></u>

Sources: Belvidere Finance Officer, Warren County Finance Office and Utility Authorities

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

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

**Town of Belvidere School District
Legal Debt Margin Information,
Last Ten Fiscal Years**

Exhibit J-13

Legal Debt Margin Calculation for Fiscal Year 2023

	Equalized valuation basis	
	2020	\$187,326,662
	2021	\$209,983,788
	2022	\$235,502,877
	[A]	<u>\$632,813,327</u>
Average equalized valuation of taxable property	[A/3]	\$ 210,937,776
Debt limit (4 % of average equalization value)	[B]	8,437,511
Net bonded school debt	[C]	None
Legal debt margin	[B-C]	<u>\$ 8,437,511</u>

	Fiscal Year									
	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Debt limit	\$8,233,950	\$7,370,698	\$7,125,832	\$7,136,453	\$7,359,130	\$7,418,669	\$7,541,771	\$7,501,584	\$7,845,088	\$8,437,511
Total net debt applicable to limit	-	-	-	-	-	-	-	-	-	-
Legal debt margin	<u>\$8,233,950</u>	<u>\$7,370,698</u>	<u>\$7,125,832</u>	<u>\$7,136,453</u>	<u>\$7,359,130</u>	<u>\$7,418,669</u>	<u>\$7,541,771</u>	<u>\$7,501,584</u>	<u>\$7,845,088</u>	<u>\$8,437,511</u>
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

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

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

**Town of Belvidere School District
Demographic and Economic Statistics
Last Ten Fiscal Years**

Exhibit J-14

<u>Year</u>	<u>Population ^a</u>	<u>Personal Income (thousands of dollars) ^b</u>	<u>Per Capita Personal Income ^c</u>	<u>Unemployment Rate ^d</u>
2014	2,623	\$128,516,240	\$48,887 R	6.0%
2015	2,620	\$133,069,216	\$50,741 R	5.3%
2016	2,611	\$134,171,168	\$51,503 R	4.9%
2017	2,592	\$138,591,759	\$53,149 R	4.1%
2018	2,580	\$138,163,511	\$54,973 R	3.4%
2019	2,576	\$137,895,856	\$56,956 R	3.7%
2020	2,566	\$143,564,538	\$60,525 R	7.9%
2021	2,563	\$148,279,802	\$63,041 R	5.8%
2022	2,521	\$152,583,525	\$63,041 *	4.1%
2023	2,534	\$159,745,894	\$63,041 *	*

Source:

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

^b Personal Income provided by US Dept of Commerce

^c Per Capita provided by US Dept of Commerce

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

R =Revised

* Current data unavailable

Town of Belvidere School District
Principal Employers,
Current Year and Nine Years Ago

Exhibit J-15

	2023			2014		
Employer	Employees	Rank (Optional)	Percentage of Total Employment	Employees	Rank (Optional)	Percentage of Total Employment
		1	0.00%	-		0.00%
		2	0.00%	-		0.00%
		3	0.00%	-		0.00%
		4	0.00%	-		0.00%
		5	0.00%	-		0.00%
		6	0.00%	-		0.00%
		7	0.00%	-		0.00%
		8	0.00%	-		0.00%
		9	0.00%	-		0.00%
		10	0.00%	-		0.00%
	-		0.00%	-		0.00%

Source:
No reliable information is available at the local or county level.

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

Exhibit J-16

<u>Function/Program</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Instruction										
Regular	55.5	57.5	57.5	54.0	54.0	54.0	56.0	53.0	51.0	50.0
Special education	21.1	22.0	22.5	20.5	22.0	24.6	26.0	22.5	23.5	23.5
Support Services:										
Student & instruction related services	13.0	13.0	13.0	13.0	13.0	14.0	17.0	17.5	18.5	20.5
General administrative services	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5
School administrative services	9.0	9.0	9.0	9.0	9.0	8.0	7.5	6.5	5.5	5.5
Business administrative services	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	4.0
Plant operations and maintenance	8.5	8.5	8.5	8.5	8.5	8.5	8.5	7.5	7.5	8.0
Other Support Services - Athletics	1.0	1.0	1.0	1.0	1.0	-	1.0	0.5	0.5	0.5
Total	113.6	116.5	117.0	111.5	113.0	114.6	121.5	113.0	112.0	114.5

Source: District Personnel Records

**Town of Belvidere School District
Operating Statistics
Last Ten Fiscal Years**

Exhibit J-17

Fiscal Year	Enrollment	Operating Expenditures^a	Cost Per Pupil	Percentage Change	Teaching Staff^b	Pupil/Teacher Ratio	Average Daily Enrollment (ADE)^c	Average Daily Attendance (ADA)^c	% Change in Average Daily Enrollment	Student Attendance Percentage
2014	737	\$ 11,905,735	\$ 16,154	1.34%	88.6	1:8.3	737.3	691.9	-6.05%	93.8%
2015	773	12,500,084	16,171	0.10%	91.5	1:8.4	772.2	726.9	4.73%	94.1%
2016	742	13,004,290	17,526	8.38%	92.0	1:8.1	747.5	705.0	-3.20%	94.3%
2017	739	13,671,262	18,500	5.56%	86.5	1:8.5	735.3	683.7	-1.63%	93.0%
2018	704	13,671,262	19,419	4.97%	88.0	1:8.0	705.0	668.2	-4.12%	94.8%
2019	693	13,586,355	19,605	0.96%	92.6	1:7.5	684.6	647.0	-2.89%	94.5%
2020	651	13,856,360	21,285	8.57%	99.0	1:6.6	656.0	624.7	-4.18%	95.2%
2021	628	14,293,031	22,760	6.93%	93.0	1:6.8	625.3	593.7	-4.68%	94.9%
2022	596	15,218,442	25,534	12.19%	93.0	1:6.4	607.1	545.2	-2.91%	89.8%
2023	604	16,013,589	26,513	3.83%	94.0	1:6.4	603.5	547.7	-0.59%	90.8%

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

Note: Enrollment based on annual October district count.

- a Operating expenditures equal total expenditures less debt service and capital outlay; Schedule J-4
- b Teaching staff includes only full-time equivalents of certificated staff.
- c Average daily enrollment and average daily attendance are obtained from the School Register Summary (SRS).

**Town of Belvidere School District
School Building Information
Last Ten Fiscal Years**

Exhibit J-18

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
<u>District Building</u>										
<u>Elementary</u>										
Third Street Elementary (1916)										
Square Feet	17,688	17,688	17,688	17,688	17,688	17,688	17,688	17,688	17,688	17,688
Capacity (students)	239	239	239	239	239	239	239	239	239	239
Enrollment	98	94	94	98	104	85	-	-	-	-
Oxford Street Elementary School (1958/1976)										
Square Feet	41,500	41,500	41,500	41,500	41,500	41,500	41,500	41,500	41,500	41,500
Capacity (students)	250	250	250	250	250	250	250	250	250	250
Enrollment	187	195	171	165	145	169	174	167	181	201
<u>High School</u>										
Belvidere High School (1938/1958/1976)										
Square Feet	132,500	132,500	132,500	132,500	132,500	132,500	132,500	132,500	132,500	132,500
Capacity (students)	940	940	940	940	940	940	940	940	940	940
Enrollment	452	484	477	476	455	419	477	461	415	403
<u>Other</u>										
Storage Building (1958)										
Square Feet	1,548	1,548	1,548	1,548	1,548	1,548	1,548	1,548	1,548	1,548

Number of Schools at June 30, 2023

Source: District Facilities Office

Third Street Elementary serves as the administrative and board of education office starting in fiscal year '20.

Elementary = 1

High School = 1

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

TOWN OF BELVIDERE SCHOOL DISTRICT
 GENERAL FUND
 SCHEDULE OF REQUIRED MAINTENANCE FOR SCHOOL FACILITIES
 Last Ten Fiscal Years Ending June 30, 2023
 UNAUDITED

Exhibit J-19

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

<u>School Facilities</u>	<u>Project #</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>Total</u>
Third Street Elementary	N/A	\$ 16,646	\$ 17,795	\$ 24,431	\$ 17,243	\$ 16,293	\$ 13,147	\$ 17,518	\$ 17,185	\$ 11,921	\$ 19,276	\$ 171,455
Oxford Elementary	N/A	12,147	12,986	17,828	12,583	11,889	9,594	12,784	12,541	8,699	14,066	125,117
Belvidere High School	N/A	421,103	450,173	618,030	436,205	412,162	332,585	443,165	434,738	301,569	487,624	4,337,354
Total School Facilities		449,896	480,954	660,289	466,031	440,344	355,325	473,466	464,463	322,189	520,965	4,633,926
Other Facilities												
Grand Total		\$ 449,896	\$ 480,954	\$ 660,289	\$ 466,031	\$ 440,344	\$ 355,325	\$ 473,466	\$ 464,463	\$ 322,189	\$ 520,965	\$ 4,633,926

BELVIDERE BOARD OF EDUCATION

Exhibit J-20

INSURANCE SCHEDULE

6/30/2023

UNAUDITED

	<u>Coverage</u>	<u>Deductible</u>
Commercial Package Policy - NJ Schools Insurance Group (NJSIG):		
<u>PROPERTY SECTION:</u>		
Blanket Building and Contents (fund limit)	\$ 450,000,000	\$ 1,000
Accounts Receivable	250,000	1,000
Automobile Physical Damage	In Blanket Limit	1,000
Electronic Data Processing Equipment	375,000	1,000
 <u>LIABILITY SECTION:</u>		
Comprehensive General Liability	11,000,000	
Automobile Liability	11,000,000	
Employee Benefit Liability	11,000,000	1,000
 <u>CRIME:</u>		
Blanket Employee Dishonesty	100,000	500
Forgery	50,000	500
Theft/Disappearance/Destruction:		
Inside	50,000	500
Outside	50,000	500
 <u>SCHOOL BOARD LEGAL LIABILITY - NJSIG</u>	11,000,000	5,000
 Zurich Insurance Company (NJSIG):		
<u>ENVIRONMENTAL IMPAIRMENT LIABILITY:</u>		
Limit of Liability:		
Incident	1,000,000	10,000
Fund Annual Aggregate	25,000,000	
 <u>WORKERS' COMPENSATION (NJSIG):</u>		
(a) Statutory Benefits	Included	
(a) Employer's Liability	5,000,000	
Supplemental Coverage (optional)	Included	
 Selective Insurance Company		
Public Employees' Faithful Performance Blanket Position Bond -		
Board Secretary - R Tjalma	25,000	
Treasurer -R Wilson	206,000	

Single Audit Section



ARDITO & COMPANY LLC

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Anthony Ardito, CPA, RMA, CMFO, PSA

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

Honorable President and
 Members of the Board of Education
 Belvidere School District
 County of Warren
 Belvidere, New Jersey 07823

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Belvidere School District Board of Education in the County of Warren, 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 Town of Belvidere School District Board of Education's basic financial statements, and have issued our report thereon dated November 27, 2023.

Internal Control Over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the 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.

-Continued-

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

Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and for New Jersey Department of Education use, 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* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Ardito & Company LLC

ARDITO & COMPANY LLC

Frenchtown, New Jersey

November 27, 2023

Anthony Ardito

Anthony Ardito

Certified Public Accountant

Licensed Public School Accountant No. 2369

ARDITO & COMPANY LLC

Frenchtown, New Jersey

November 27, 2023



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Anthony Ardito, CPA, RMA, CMFO, PSA

Independent Auditor's Report on Compliance For Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance and New Jersey OMB circular 15-08

Honorable President and
 Members of the Board of Education
 Belvidere School District
 County of Warren
 Belvidere, New Jersey 07823

Report on Compliance for Each Major Federal and State Program

Opinion on Each Major Federal and State Program

We have audited the Belvidere School District Board of Education's compliance with the types of compliance requirements described in the OMB Compliance Supplement and the New Jersey State Aid/Grant Compliance Supplement that could have a direct and material effect on each of the District's major federal and state programs for the year ended June 30, 2023. The Belvidere School District Board of Education's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Belvidere School District Board of Education 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

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

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

-Continued-

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

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

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

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

Report on Internal Control Over Compliance

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

-Continued-

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

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

Ardito & Company LLC

ARDITO & COMPANY LLC

Frenchtown, New Jersey

November 27, 2023

Anthony Ardito

Anthony Ardito

Certified Public Accountant

Licensed Public School Accountant No. 2369

ARDITO & COMPANY LLC

Frenchtown, New Jersey

November 27, 2023

TOWN OF BELVIDERE SCHOOL DISTRICT

Schedule of Expenditures of Federal Awards
for the Fiscal Year ended June 30, 2023

Schedule A

Federal Grantor/Pass-through Grantor/Program Title	Federal Assistance Listing No.	FAIN Number	Grant or State Project Number	Program or Award Amount	Grant Period		Balance At June 30, 2022	Carryover/ Walkover Amount	Cash Received	Budgetary Expenditures	Adjust.	Repayment of Prior Years' Balances	Balance at June 30, 2023			Cumulative Total Expenditures
					From	To							Accounts Receivable	Deferred Revenue	Due to Grantor	
U.S. Dept. of Education Passed- Through State Dept. of Education:																
Special Revenue Fund:																
Title I	84.010	S010A220030	N/A	\$ 51,949	7/1/22	6/30/23	\$ (6,414)		\$ 58,363	\$ (51,949)						\$ 51,949
Title I SIA	84.010A	S010A220030	N/A	41,700	7/1/22	6/30/23	(8,083)		49,783	(41,700)						41,700
Title II (A)	84.367A	S367B220027	N/A	9,709	7/1/22	6/30/23	(3,496)		13,205	(9,709)						9,709
Title IV	84.424A	S424B220027	N/A	10,000	7/1/22	6/30/23	-		10,000	(10,000)						10,000
Total ESEA							(17,993)	-	131,351	(113,358)	-	-	-	-	-	113,358
IDEA Part B, Basic Regular	84.027	H027A220100	FT-1785-22	153,429	7/1/22	6/30/23	(72,331)		225,760	(153,429)						153,429
IDEA Part B, Preschool	84.173	H173A220114	FT-1785-22	4,907	7/1/22	6/30/23	-		4,907	(4,907)						4,907
Total Special Education Cluster							(72,331)	-	230,667	(158,336)	-	-	-	-	-	158,336
American Rescue Plan-ESSER III	84.425U	S425U220027	ARP	297,883	3/13/20	9/30/24	-		148,941	(148,941)		\$ (148,942)	\$ 148,942			148,941
American Rescue Plan-Accel. Learn. Coaching & Ed. Support	84.425U	S425U220027	ARP	50,000	3/13/20	9/30/24	-		22,183	(22,183)		(27,817)	27,817			22,183
American Rescue Plan-Evidence Based Summer Learning	84.425U	S425U220027	ARP	40,000	3/13/20	9/30/24	-		20,000	(20,000)		(20,000)	20,000			20,000
American Rescue Plan-Evidence Based Beyond the Sch. Day	84.425U	S425U220027	ARP	40,000	3/13/20	9/30/24	(4,148)		20,000	(20,000)		(20,000)	15,852			24,148
American Rescue Plan-NJTSS Mental Health Support Staffing	84.425U	S425U220027	ARP	88,501	3/13/20	9/30/24	-		23,204	(25,279)		(65,297)	63,222			25,279
CRRSA ESSER II	84.425D	S425D220027	CRRSA	132,544	3/13/20	9/30/23	(4,190)		4,190	-		-	-			132,544
CRRSA II Learning	84.425D	S425D220027	CRRSA	25,000	3/13/20	9/30/23	(227)		227	-		-	-			25,000
CRRSA II Mental Health	84.425D	S425D220027	CRRSA	45,000	3/13/20	9/30/23	(3,611)		9,951	(6,340)		-	-			45,000
Total Education Stabilization Fund							(12,176)	-	248,696	(242,743)	-	-	(282,056)	275,833	-	443,095
U.S. Department of Treasury																
Passed-through State Dept. Community Affairs/ Board of Public Utilities:																
Special Revenue Fund:																
Coronavirus State and Local Fiscal Recovery Fund	21.027	SLFRP1024	SSB-VEEVR (807 Oxford St.)	437,675	2/22/22	2/22/23	-		25,000	(437,675)			(412,675)			437,675
Coronavirus State and Local Fiscal Recovery Fund	21.027	SLFRP1024	SSB-VEEVR (809 Oxford St.)	451,175	2/22/22	2/22/23	-		-	(451,175)			(451,175)			451,175
Total Coronavirus State and Local Fiscal Recovery Fund							-	-	25,000	(888,850)	-	-	(863,850)	-	-	888,850
Total Special Revenue Fund							(102,500)	-	635,714	(1,403,287)	-	-	(1,145,906)	275,833	-	1,603,639
U.S. Dept. of Agriculture Passed- Through State Dept. of Education:																
Enterprise Fund:																
Child Nutrition Cluster:																
National School Lunch Program (Food Distribution)	10.555	221NJ304N1099	N/A		7/1/21	6/30/22	1,105			(1,105)						1,105
National School Lunch Program (Food Distribution)	10.555	231NJ304N1199	N/A	20,192	7/1/22	6/30/23			20,192	(15,731)			4,461			15,731
School Breakfast Program	10.553	221NJ304N1099	N/A		7/1/21	6/30/22	(3,004)		3,004	-						
School Breakfast Program	10.553	231NJ304N1199	N/A	8,421	7/1/22	6/30/23			6,925	(8,421)			(1,496)			8,421
National School Lunch Program	10.555	221NJ304N1099	N/A		7/1/21	6/30/22	(9,412)		9,412	-						
National School Lunch Program	10.555	231NJ304N1199	N/A	79,646	7/1/22	6/30/23			66,675	(79,646)			(12,971)			79,646
Supply Chain Assistance Funding	10.555	231NJ344N8903	N/A	41,415	7/1/22	6/30/23			41,415	(41,415)			-			41,415
Total Enterprise Fund							(11,311)	-	147,623	(146,318)	-	-	(14,467)	4,461	-	146,318
TOTAL FEDERAL ASSISTANCE							\$ (113,811)	-	\$ 783,337	\$ (1,549,605)	-	-	\$(1,160,373)	\$ 280,294	-	\$ 1,749,957

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

TOWN OF BELVIDERE SCHOOL DISTRICT

K-4

Schedule of Expenditures of State Financial Assistance
for the Fiscal Year ended June 30, 2023

Schedule B

STATE GRANTOR/PASS-THROUGH GRANTOR/PROGRAM TITLE	GRANT OR STATE PROJECT NUMBER	GRANT PERIOD	AWARD AMOUNT	Balance at June 30, 2022		CASH RECEIVED	BUDGETARY EXPEND.	ADJUST.	REPAYMENT OF PRIOR YEARS' BALANCES	Balance at June 30, 2023			MEMO			
				DEFER. REVENUE (ACCTS. RECEIV.)	DUE TO GRANTOR					CARRY- OVER AMOUNT	(ACCTS. RECEIV.)	DEFER. REVENUE	DUE TO GRANTOR	BUDGETARY RECEIVABLE	TOTAL EXPEND.	
STATE DEPARTMENT OF EDUCATION																
General Fund:																
Equalization Aid	23-495-034-5123-078	7/1/22-6/30/23	\$ 2,302,610			\$ 2,302,610	\$ (2,302,610)									
Transortation Aid	23-495-034-5123-014	7/1/22-6/30/23	14,798			14,798	(14,798)									
Special Education Aid	23-495-034-5123-089	7/1/22-6/30/23	295,639			295,639	(295,639)									
Security Aid	23-495-034-5123-084	7/1/22-6/30/23	58,460			58,460	(58,460)									
Supplemental Stabilization Aid	23-100-034-5120-494	7/1/22-6/30/23	92,227			92,227	(92,227)									
TPAF Pension	23-495-034-5094-002	7/1/22-6/30/23	2,269,707			2,269,707	(2,269,707)									
TPAF Pension PMR	23-495-034-5094-001	7/1/22-6/30/23	596,246			596,246	(596,246)									
TPAF Pension LTD Ins	23-495-034-5094-004	7/1/22-6/30/23	665			665	(665)									
Reimbursed TPAF Soc. Sec. Contrib.	23-495-034-5094-003	7/1/22-6/30/23	476,417	\$ (2,640)		476,300	(476,417)			\$ (2,757)						
Total General Fund				(2,640)		6,106,652	(6,106,769)			(2,757)				264,803	6,091,971	
Special Revenue Fund:																
Preschool Education Aid	23-495-034-5123-086	7/1/22-6/30/23	457,266			457,266	(457,266)							45,730	457,266	
Total Special Revenue Fund						457,266	(457,266)							45,730	457,266	
STATE DEPARTMENT OF AGRICULTURE																
Enterprise Fund:																
National School Lunch Prog.(State Share)	22-100-010-3350-023	7/1/21-6/30/22		(217)		217										
National School Lunch Prog.(State Share)	23-100-010-3350-023	7/1/22-6/30/23	3,020			2,538	(3,020)			(482)					3,020	
Total Enterprise Fund				(217)		2,755	(3,020)			(482)					3,020	
Total State Financial Assistance																
				\$ (2,857)			\$ 6,566,673	\$ (6,567,055)			\$ (3,239)				\$ 310,533	\$ 6,552,257
Less On-behalf TPAF Pension Amounts:																
TPAF Pension	23-495-034-5094-002					2,269,707										
TPAF Pension PMR	23-495-034-5094-001					596,246										
TPAF Pension LTD Ins	23-495-034-5094-004					665										
Total State Expenditures Subject to Major Program Determination						\$ (3,700,437)										

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

NOTES TO THE SCHEDULES OF STATE FINANCIAL ASSISTANCE
JUNE 30, 2023

NOTE 1. GENERAL

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

NOTE 2. BASIS OF ACCOUNTING

The accompanying schedules of expenditures of awards and financial assistance are presented on the budgetary basis of accounting with the exception of programs recorded in the food service fund, which are presented using the accrual basis of accounting. These basis of accounting are described in Note 1 to the Board's basic financial statements. The information in this schedule is presented in accordance with the requirements of 2 CFR 200-Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, and NJ OMB 15-08. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements. The District has elected not to use the 10% de minimis indirect cost rate.

NOTE 3. RELATIONSHIP TO GENERAL PURPOSE FINANCIAL STATEMENTS

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

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$34,788 for the general fund and (\$892,973) for the special revenue fund. See Exhibit C-3 for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board's basic financial statements on a GAAP basis as presented on the following page:

NOTES TO THE SCHEDULES OF STATE FINANCIAL ASSISTANCE
JUNE 30, 2023

NOTE 3. (Continued)

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	-	\$ 6,141,557	\$ 6,141,557
Special Revenue Fund	\$ 513,777	451,553	965,330
Food Service Fund	<u>146,318</u>	<u>3,020</u>	<u>149,338</u>
Total Financial Assistance	<u>\$ 660,095</u>	<u>\$ 6,596,130</u>	<u>\$ 7,256,225</u>

NOTE 4. RELATIONSHIP TO STATE FINANCIAL REPORTS

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

NOTE 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 employer's share of social security contributions for TPAF members for the year ended June 30, 2023.

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

Section I - Summary of Auditor's Results

Financial Statement Section

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

1) Material weakness(es) identified? ___ Yes No

2) Were significant deficiencies identified that were not considered to be material weaknesses? ___ Yes None Reported

Noncompliance material to financial statements noted? ___ Yes No

Federal Awards

Internal control over major programs:

1) Material weakness(es) identified? ___ Yes No

2) Were significant deficiencies identified that were not considered to be material weaknesses? ___ Yes None

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

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200 section .516(a) of ? ___ Yes No

Identification of major programs:

<u>Assistance Listing</u>	<u>FAIN Number(s)</u>	<u>Name of Federal Program or Cluster</u>
21.027	SLFRP1024	Coronavirus State and Local Fiscal Recovery Fund; ARP SLFRF BPU SSB Energy Efficiency Stimulus Program

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

Auditee qualified as low-risk auditee? ___ Yes No

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

State Financial Assistance Section

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

Auditee qualified as low-risk auditee? x Yes No

Internal Control over major programs:
1) Material weakness(es) identified? Yes x No

2) Were significant deficiencies identified that were not considered to be material weaknesses? Yes x None

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

Any audit findings disclosed that are required to be reported in accordance with NJ OMB Circular letter 15-08 as applicable? Yes x No

Identification of major programs:

State Grant/Project Number(s)

Name of State Program

23-495-034-5122-078
23-495-034-5122-089
23-495-034-5122-084
23-495-034-5123-086

Equalization Aid (State Aid Cluster)
Special Education Aid (State Aid Cluster)
Security Aid (State Aid Cluster)
Preschool Education Aid

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

Section II-Financial Statement Findings

This section identifies the significant deficiencies, material weaknesses, fraud, noncompliance with provisions of laws, regulations, contracts, and grant agreements, and abuse related to the financial statements for which *Government Auditing Standards* requires reporting.

Financial Statement N/A

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

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

Federal Awards N/A

State Awards N/A

SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
AND QUESTIONED COSTS AS PREPARED BY MANAGEMENT
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

STATUS OF PRIOR YEAR FINDINGS

N/A

In accordance with *government auditing standards* , our procedures included a review of all prior year recommendations. There were no prior year findings.