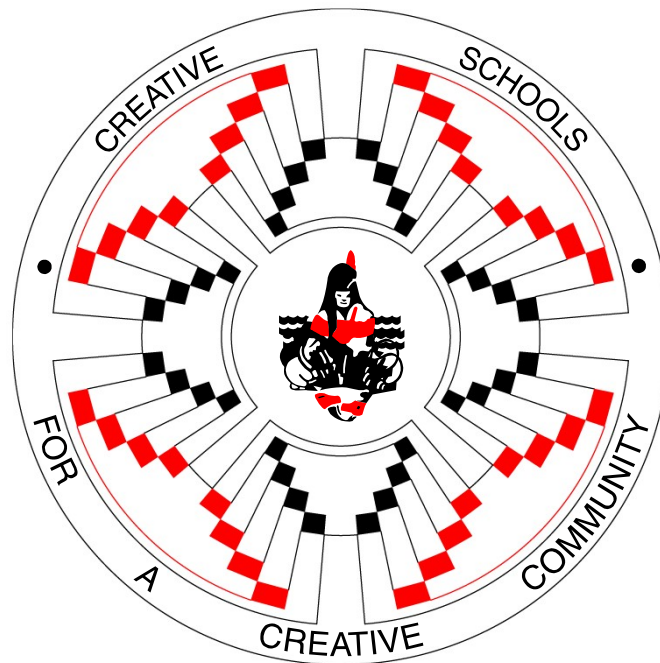


**Board of Education
of
Cinnaminson Township
School District
Cinnaminson, New Jersey**



**ANNUAL COMPREHENSIVE
FINANCIAL REPORT**

**For the Fiscal Year Ended
JUNE 30, 2023**

CINNAMINSON TOWNSHIP SCHOOL DISTRICT

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Introductory Section



Cinnaminson Township Public Schools

Administrative Offices

2195 Riverton Road

Cinnaminson, New Jersey 08077

Tel: (856) 829-7600 Fax (856) 786-9618

November 21, 2023

Honorable President and
Members of the Board of Education
Cinnaminson School District
Cinnaminson, New Jersey 08077

Dear Board Members:

The Annual Comprehensive Financial Report of the Cinnaminson Township Public Schools for the fiscal year ended June 30, 2023, is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Board of Education. To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The 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 in conformity with the provisions of the Title 2 U.S. Code of federal regulations, cost principals, and audit requirements for federal awards (uniform guidance); and the State of New Jersey Circular OMB15-08. Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations, are included in the single audit section of this report.

1. REPORTING ENTITY AND ITS SERVICES:

Cinnaminson Township Public 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 Cinnaminson Township Board of Education and all its schools constitute the District's reporting entity.

The District provides a comprehensive Pre- K through 12 grade curricula, including: gifted and talented, special education and basic skills. The current average daily enrollment of 2,839.65 students is 105.83 students more than the previous year. The following details the changes in enrollment over the last ten years.

Average Daily Enrollment

| <u>Fiscal Year</u> | <u>Student Enrollment</u> | <u>Percentage Change</u> |
|--------------------|---------------------------|--------------------------|
| 2022-2023 | 2839.65 | 3.87% |
| 2021-2022 | 2733.82 | 0.52% |
| 2020-2021 | 2719.6 | 1.22% |
| 2019-2020 | 2686.82 | 5.18% |
| 2018-2019 | 2554.5 | 2.45% |
| 2017-2018 | 2493.44 | 0.77% |
| 2016-2017 | 2474.5 | 1.45% |
| 2015-2016 | 2439.1 | 1.10% |
| 2014-2015 | 2412.64 | 2.10% |
| 2013-2014 | 2363.1 | 0.12% |

2. ECONOMIC CONDITIONS AND OUTLOOK

Cinnaminson Township continues to be a desirable, high-performing district. The 2022-23 state aid increased by \$3,162,474 or 25.2% and had provided the necessary funds to maintain and, where appropriate, add to the instructional staff as well as continue a quality instructional program. The number of state and federal unfunded or partially funded mandates have been and will continue to be a serious fiscal burden on our taxpayer. The increased enrollment from the “Riverfront” properties continues to have an effect on class size, ELL, and special program needs.

3. MAJOR INITIATIVES

The Cinnaminson Township School District has embarked on a number of new as well as continuing initiatives.

The necessary funds to maintain and, where appropriate, add augment instructional staff as well as continue a quality instructional program has been possible with significant local effort and continued state support. State financial aid, particularly over the past two years, has made a significant impact. Our district’s General Fund continues to address curricular improvements and supports in line with the New Jersey Learning Standards, purchase of instructional materials and supplemental resources that align with NJSL, and ongoing staff development.

In addition, the district has continued to support its ELL population as the student numbers have increased by more than 300% since the 2017-18 school year. The district has added three full-time ELL teachers in that time span and has offered ongoing professional development programs for our teaching staff.

The district’s educational program is complemented by a robust extracurricular program. With 26 varsity athletic programs available to our high school students, and 19 athletic programs available to students at Cinnaminson Middle School, many opportunities are in place for student athletes. Additionally, students at all schools are afforded a host of after-school clubs and activities to meet a range of interests. Offerings in the arts rival that of much larger districts as extracurriculars in the fine,

practical, and performing arts allow students to explore their creative pursuits. To date, the Cinnaminson Board of Education has resisted a participation fee for the aforementioned programs.

With the growing population of our preschool aged students needing Special Education programming and related services, our preschool program has expanded from one class to four in the past three years. Due to this expansion, preschool has been relocated to the Memorial School.

Additionally, the growing population of preschool students over the past three years has made an impact on our Multiple Disabilities programs in New Albany School. It is anticipated that this increase will continue to have an impact on the future grades as the students get older.

The increased enrollment also has a direct impact on related services. The District has hired an additional part-time Speech Therapist who was quickly moved to full-time due to the need for additional Speech Services. The District contracts for both Occupational and Physical Therapies. The need for these services has also increased due to the growing population of special needs students in the primary years.

The continued funding levels from the State have provided funds to assist with the creation of a Multiple Disability Program and Behavior Disability Program for the buildings, and the hiring and training of District ABA technicians to support the ever-growing needs of students. The BD and MD classes allows us to continue to economize by keeping the students in district and providing them with the life skills necessary to be productive members of the community. Integrated preschool and kindergarten programs initiated a few years are still in place.

The district continues to invest in its technology infrastructure to accommodate growth in demands and the increasing necessity of technology for instruction. Chromebooks were purchased for instructional staff to facilitate online instruction during the pandemic and for classroom use when students and staff returned to our buildings. The district's internet connection has been increased along with upgrades to the underlying hardware to keep pace with demands. Technology staff is working on a replacement cycle to upgrade existing "Smart" board to interactive flat panel displays. The technology department also supports building security with the continued expansion of support of the closed-circuitry camera systems. Currently the district supports over 450 IP-based cameras to provide coverage of high-traffic student and community spaces.

In order to build professional capacity, district and grant funds are allocated for continued training in curricular and pedagogical matters. District leaders work collaboratively with teacher leaders to shape the district's implementation of the AchieveNJ mandates regarding teacher evaluation, SGOs, and professional development. The District uses the Danielson rubric as its teacher evaluation tool and the NJPEPL framework for school leaders. The district's professional development offerings range from in-house, building and department-level activities to web-based and outside training for our certificated staff. District training sessions have included, and will continue to focus on: implementation of the 2020 and 2023 NJSLS, assessing our assessments, data collection and analysis, integration of technology, mental health issues for staff and students and topics related to diversity and inclusion.

Over the past summer months some of the facility upgrades included concrete repairs, replacement of floor tile at New Albany schools. New Albany and Rush School kitchens received a freshly painted slip resistant floor surface. Also, the New Albany School and Memorial School parking lots were made to increase access to parking. The replacement of the Middle School rooftop HVAC units is underway and expected to be completed by the end of the school year. We have planned for these units as well as

the HVAC units at the High School to receive ionization filtration systems. In addition, the district has been moving forward with planning, amending the LRFP, and submitting the application to the DOE for the installation of modular learning cottages for both New Albany and Rush Intermediate Schools to handle the growing student population.

The district continues to plan for the increases in student growth in order to maintain state aid support of the 2023-24 budget. As new staff move into the NJ Educators Health Plan (NJEHP), the cost-share portion that the district is responsible for has increased and the previous Chapter 78 contribution loss negatively impacts district spending.

The district maintains a shared service arrangement with Cinnaminson Township for security services. Five Class-3 Special Law Enforcement Officers are employed through this agreement. These officers are charged with providing School Resource Officer services for students and staff in the district. As a service to our shared taxpayers, the Cinnaminson Township Police provide backup support whenever the assigned Class-3 Special Law Enforcement Officers are out of their respective buildings.

District math curriculum documents are available on the website for staff and the community to view and will be updated to reflect the new 2023 NJSLs. Classrooms in our elementary schools use Promethean boards to enhance learning. Curriculum updates have occurred frequently to meet NJ QSAC expectations. The district uses the Savvas program for grades K-8. All sixth graders at the Middle School have double periods of Math, and most seventh graders receive an extra period of instruction every other day. Algebra I is offered at the Middle School and for a small group of students Honors Geometry may be taken in eighth grade. AP courses in Calculus AB, Calculus BC and Statistics are available at the High School. Budget Accounts supporting the curriculum for instructional services, supplies and materials, textbooks, and professional development are as follows: 11-190-100-320, 11-190-100-500, 11-190-100-610, 11-190-100-640, 11-190-100-890, 11-000-223-500, and Federal Title funds and salaries of staff.

The Science Department updated its curriculum maps to focus on NGSS & STEM initiatives. The core standards in science support the use of graphing calculators and computers. The department revised the K-12 curriculum in the summer of 2021 to meet the Next Generation Science Standards and the updated 2020 NJSLs. All department members use computers for lab activities. The Human Anatomy and Forensic Science electives remain well subscribed. AP courses are available in Environmental Science, Biology, Chemistry, Physics 1 and Physics C. Budget Accounts supporting the curriculum for instructional services, supplies and materials, textbooks, and professional development are as follows: 11-190-100-320, 11-190-100-500, 11-190-100-610, 11-190-100-640, 11-190-100-890, 11-000-223-500, and Federal Title funds and salaries of staff.

The entire English Language Arts curriculum was fully aligned to the New Jersey Student Learning Standards during the summer of 2017 and will be updated to align to the 2023 NJSLs. Curriculum updates have occurred frequently to meet NJ QSAC expectations. The writing process is emphasized at every grade including the important steps of revising and editing. Students have courses in both reading and writing in grades K-8, with a comprehensive literature & composition course in grades 9-12. The district now uses Benchmark Advance 2021 as the primary resource for grades K-5. Our K-12 reading program employs at least two full-time reading specialists in every building to provide ongoing remediation and skill development during the school day, after school and during the summer. Electives in Journalism, Creative Writing, and African-American Literature are popular with students at the secondary level. AP Literature courses are offered for juniors and seniors. Budget Accounts supporting the curriculum for instructional services, supplies and materials, textbooks, and professional development are as follows: 11-190-100-320, 11-190-100-500, 11-190-100-610, 11-190-100-640, 11-190-100-890, 11-000-223-500, and Federal Title funds and salaries of staff.

Social Studies curriculum updates have occurred to reflect the newest iteration of the NJSLs. The social studies curriculum focuses on teaching historical thinking skills (reading and writing) and historiography through the study of American and global history. Advanced Placement courses include Psychology, United States History, and World History. The social studies department incorporates primary source documents and historical perspectives as a major focus of study and assessment. The department also emphasizes historical writing skills and protocols. The use of these documents and writing activities mirrors the Research Simulation Task initiative in the English Language Arts area. The department offers a wide array of full year and semester electives including American Law, Human Behavior, Sociology, and Introduction to Economics. The curriculum is enriched through a variety of extra-curricular activities including Mock Trial, World Affairs Council, and Debate Club. Budget Accounts supporting the curriculum for instructional services, supplies and materials, textbooks, and professional development are as follows: 11-190-100-320, 11-190-100-500, 11-190-100-610, 11-190-100-640, 11-190-100-890, 11-000-223-500, and Federal Title funds and salaries of staff. Reviewing curriculum with anticipation of updating prior to September 2022.

In today's global economy, students need to be lifelong learners who have the knowledge and skills to adapt to an evolving workplace and world. Cinnaminson Schools infuse career readiness, life literacies and key skills throughout all content areas. These skills are documented in district curriculum maps. Personal Financial Literacy is incorporated in two classes in the high school: Introduction to Economics and Financial Readiness. A Financial Literacy course also runs in our middle school. 21st century Career Awareness, Exploration and Preparation is addressed in the two school-to-work classes at the high school. Budget Accounts supporting the curriculum for instructional services, supplies and materials, textbooks, and professional development are as follows: 11-190-100-320, 11-190-100-500, 11-190-100-610, 11-190-100-640, 11-190-100-890, 11-000-223-500, and Federal Title funds and salaries of staff. Reviewing curriculum with anticipation of updating prior to September 2021.

Visual and performing arts classes encompass offerings for students at all skill levels. Curriculum updates have occurred frequently to meet NJ QSAC expectations. Summer curriculum writing in 2021 and 2022 aligned our program to reflect the newest iteration of the NJSLs. Children enjoy our music and arts courses beginning in kindergarten. Our vocal and instrumental students consistently earn positions in highly-competitive honors ensembles on the state and regional levels, as well as individual accolades, and present numerous concerts for the community throughout the year. Visual Arts students can prepare a portfolio for college entrance, as well as compete in county-wide Teen Arts Festivals and local and national contests. Classes range from Photography, Graphic Design and Sculpture, to traditional drawing and painting classes. The Visual and Performing Arts program has enhanced connections with other content areas (especially Social Studies and English Language Arts) by infusing Reading, Writing, and History related to music and art. Courses explore career opportunities in this field. Benchmark assessments have been developed for all courses in Visual and Performing Arts. A Guitar Class was added to the high school in the fall of 2016. This offering is an extension of the program offered at the middle school. Media arts courses continue to grow in the district. Budget Accounts supporting the curriculum for instructional services, supplies and materials, textbooks, and professional development are as follows: 11-190-100-320, 11-190-100-500, 11-190-100-610, 11-190-100-640, 11-190-100-890, 11-000-223-500, and Federal Title funds and salaries of staff. Reviewing curriculum with anticipation of updating prior to September 2021.

The Physical Education program provides each student with the opportunity to participate in a comprehensive program consisting of skill development, lead up games, team sports, lifetime and physical fitness activities. Curriculum updates have occurred frequently to meet NJ QSAC expectations. Curriculum writing in 2022 aligned our program to reflect the newest iteration of the NJSLs. The students receive instruction in rules, skills, and strategies associated with the different sports as well as learning experiences involving physical conditioning activities. The students will also have

opportunities to become involved in life-long activities through individual sports units. The program promotes the spirit of cooperation, leadership, fair play, and friendly competition.

Health lessons are taught by certified health and PE teachers in grades K-2. Intermediate school students meet with their health teacher on a weekly basis. Middle and high school students attend health class for a marking period. The 9th – 12th grade health curriculum is designed to familiarize students with issues they will encounter during their high school years. The courses are designed to provide knowledge and skills, which will enable students to make healthy choices. Units covered include communicable diseases, wellness, tobacco, fitness, first aid, mental health, drug and alcohol, reproduction, character education, harassment, intimidation and bullying. Budget Accounts supporting the curriculum for instructional services, supplies and materials, textbooks, and professional development are as follows: 11-190-100-320, 11-190-100-500, 11-190-100- 610, 11-190-100-640, 11-190-100-890, 11-000-223-500, and Federal Title funds and salaries of staff.

The mission of the Cinnaminson World Languages Department is to impart an understanding and appreciation of the cultural diversity existing in today's society. It is also to instill in all students an interest in being multilingual and to view this as a 21st century life skill which will enable them to better compete in the global workforce. Cinnaminson is a routine participant in the NJ Seal of Biliteracy program with participation growing annually. Qualifying seniors who have demonstrated a score of Intermediate-Mid via a third party assessment in all four domains of second language acquisition: reading, writing, listening and speaking are awarded a state-issued certificate conferred at graduation. Exposure to Spanish begins in grades 2 where it is taught in the final marking period. Students then meet with a certified Spanish teacher one day per week. In the Middle School, students in grade 6 are exposed to both French and Spanish on a rotational schedule. In grade 7, students will choose either French or Spanish to begin their study at the introductory level. Level one study is continued in grade 8. The World Languages program at the high school offers a complete range of study. French and Spanish courses are offered at various ability levels from grades 9 through 12: on-level, accelerated, honors, and advanced placement. Curriculum updates have occurred frequently to meet NJ QSAC expectations and to align with the 2020 NJSLS. Budget Accounts supporting the curriculum for instructional services, supplies and materials, textbooks, and professional development are as follows: 11-190-100-320, 11-190-100-500, 11-190-100- 610, 11-190-100-640, 11-190-100-890, 11-000-223-500, and Federal Title funds and salaries of staff. Reviewing curriculum with anticipation of updating prior to September 2021.

Students in K-8 explore computer use and applications as part of their regular curriculum. Computer programming is infused at all levels, with early elementary students learning to program robot bees, upper elementary students using MIT's simple drag-and-drop coding software (Scratch), and middle school students refining their use of Scratch while taking a brief look at a full-scale programming language: Python. Students at all levels, K-12, receive instruction in basic computer applications. These enhance reading and math skills at the K-5 level, and introduce word processing, spreadsheet and presentation software from grades 3-8. Keyboarding proficiency is stressed from second grade on. Middle School students also take a test in technology literacy, to ensure they are meeting New Jersey computer literacy standards.

Cinnaminson High School offers numerous technology electives, with freshmen strongly encouraged to enroll in Computing for College & Careers to enhance keyboarding proficiency and expand knowledge of the features of the Microsoft and Google productivity suites. Honors offerings expand student familiarity with Excel spreadsheets, Access databases, Word, and PowerPoint. Electives are offered in Honors Computer Programming and AP Computer Science. Curriculum updates have occurred frequently to meet NJ QSAC expectations and to align with the newest iteration of the NJSLS. Budget Accounts supporting the curriculum for instructional services, supplies and materials, textbooks, and

professional development are as follows: 11-190-100-320, 11-190-100-500, 11-190-100-610, 11-190-100-640, 11-190-100-890, 11-000-223-500, and Federal Title funds and salaries of staff.

Whether it be in student accomplishments, staff commitment, rigorous instructional programs, or district governance and operations, the district continues to rank among the very best in the South Jersey region.

4. INTERNAL ACCOUNTING CONTROLS:

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

As a recipient of federal and state financial assistance, the District also is responsible for ensuring an adequate internal control structure, including that portion related to federal and state financial assistance programs, as well as to determine that the District has complied with applicable laws and regulations.

5. BUDGETARY CONTROLS

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

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either canceled or are included as re-appropriations of fund balance in the subsequent year. Those amounts to be re-appropriated are reported as reservations of fund balance on June 30, 2023.

6. ACCOUNTING SYSTEM AND REPORTS

The District's accounting records reflect generally accepted accounting principles, as promulgated by the GASB. The accounting system of the District is organized on the basis of funds and account groups. These funds and account groups are explained in "Notes to the Financial Statements," Note 1.

7. CASH MANAGEMENT

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

law requires governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act.

8. RISK MANAGEMENT

The Board carries various forms of insurance, including but not limited to general liability, automobile liability and comprehensive/collision, hazard and theft insurance on property and contents, and fidelity bonds.

9. OTHER INFORMATION

Independent Audit – State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Inverso & Stewart, LLC, performs the annual statutory audit of the Cinnaminson Township Board of Education. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Title 2 U.S. Code of Federal Regulations, cost principles, and audit requirements for federal awards (uniform guidance): and State of New Jersey Circular OMB15-08. The auditor’s report on the general-purpose financial statements and combining and individual fund statements and schedules is in the financial section of this report. The auditor’s report related specifically to the single audit is included in the single audit section of this report.


10. ACKNOWLEDGEMENTS

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

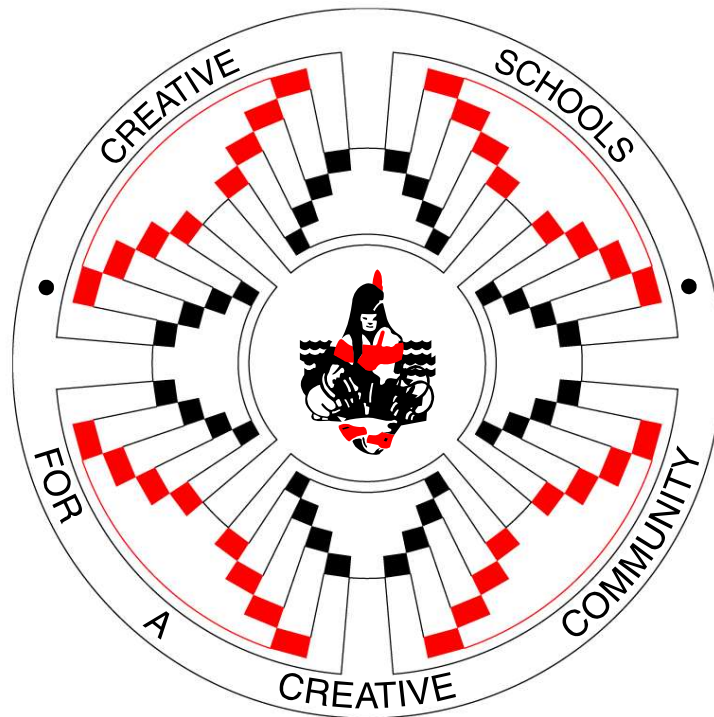
Respectfully submitted,



Stephen M. Cappello
Superintendent of Schools



Melissa Livengood
Board Secretary/Business Administrator



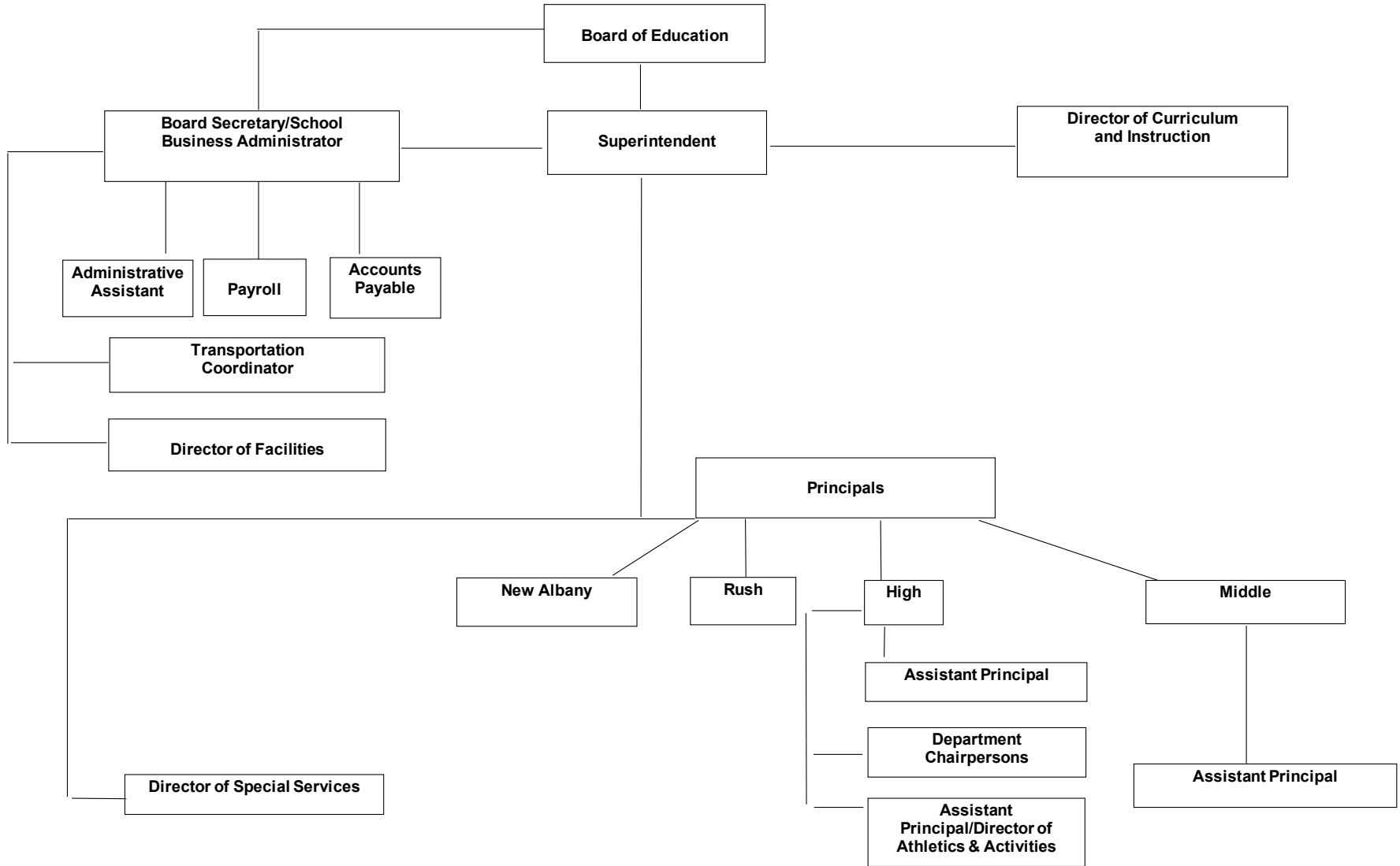
MISSION STATEMENT

The Mission of the Cinnaminson School District is to educate our students and to assist their development into self-motivated, multi-faceted, happy and physically fit individuals who are productive, responsible citizens. It is expected that all students will achieve the New Jersey Student Learning Standards at all grade levels.

With national and state program standards as a basis, Cinnaminson students will gain an appreciation of knowledge, a desire to learn, and a respect for themselves and others. In partnership with the family and the community, we will foster achievement and we will model excellence and responsible behavior.

CINNAMINSON BOARD OF EDUCATION

Organization Chart



**CINNAMINSON BOARD OF EDUCATION
CINNAMINSON, NEW JERSEY**

**ROSTER OF OFFICIALS
JUNE 30, 2023**

| | <u>Term Expires</u> |
|-------------------------------------|--------------------------------|
| Laura Fitzwater, President | 2024 |
| Christine L. Turner, Vice President | 2025 |
| Katherine Bleistine | 2025 |
| Michael Bramhall | 2025 |
| Daniel Evans, III | 2023 |
| Daniel P. Gaffney | 2023 |
| Donna Marie Iacone | 2024 |
| Ed Kenney | 2023 |
| Kathleen Quinn | 2023 |

Other Officials

Stephen M. Cappello, Superintendent
Melissa Livengood, Business Administrator/Board Secretary
Mark Gidjunis, Treasurer
Frank Cavallo, Esq., Solicitor

CINNAMINSON TOWNSHIP SCHOOL DISTRICT
Consultants and Advisors

Audit Firm

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

Attorney

Frank Cavallo, Esq.
Parker McCay P.A.
9000 Midlantic Drive
Suite 300
Mount Laurel, NJ 08054

Official Depository

Truist Bank
800 North Route 130
Cinnaminson, NJ 08077

Financial Section

INVERSO & STEWART, LLC

Certified Public Accountants

651 Route 73 North, Suite 402
Marlton, New Jersey 08053
(856) 983-2244
Fax (856) 983-6674
E-Mail: rinverso@inversocpa.com

**-Member of-
American Institute of CPAs
New Jersey Society of CPAs**

INDEPENDENT AUDITOR'S REPORT

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

Report on the Audit of the Financial Statements

Opinions

I have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Cinnaminson Township School District (the "School District"), in the County of Burlington, 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 School District's basic financial statements as listed in the table of contents.

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

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

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

Supplementary Information

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

The accompanying combining statements and related major fund supporting statements and schedules and schedules of expenditures of federal awards and state financial assistance are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the accompanying combining statements and related major fund supporting statements and schedules and schedules of expenditures of federal awards and state financial assistance are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, I have also issued my report dated November 21, 2023, on my consideration of the School District's internal control over financial reporting and my tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School District's internal control over financial reporting and compliance.

Respectfully submitted,

INVERSO & STEWART, LLC
Certified Public Accountants



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

Marlton, New Jersey
November 21, 2023

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

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

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

Financial Highlights

- The assets of the School District exceeded its liabilities at the close of the most recent fiscal year by \$19,338,415 (*net position*).
- Governmental activities have an unrestricted net position deficit of \$12,486,579. The accounting treatments in the governmental funds for compensated absences payable, net pension liability, and the last two state aid payments, and the state statute that prohibits school districts from maintaining more than 2% of its adopted budget as unrestricted fund balance are primarily responsible for this deficit balance.
- The total net position of the School District increased by \$4,164,652 or a 27.45% increase from the prior fiscal year-end balance.
- Fund balance of the School District's governmental funds increased by \$1,988,525 resulting in an ending fund balance of \$18,101,988. This increase is primarily due to the results of operations in the General Fund.
- Business-type activities have unrestricted net position of \$807,140, which may be used to meet the School District's ongoing obligations of the food service operations, school age child-care program, and student store.
- The School District's long-term obligations increased by \$1,465,344 which is the net result of the change in serial bond debt, net pension liability, compensated absences, financed purchases, and leases payable.

Overview of the Basic Financial Statements

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

District-wide Financial Statements

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

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

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

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

Fund Financial Statements

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

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

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

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

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

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

The School District's three enterprise funds (Food Service Fund, School Age Child Care Program, and School Store) are listed individually and are considered to be major funds.

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

Notes to the Basic Financial Statements

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

Other Information

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

District-wide Financial Analysis

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

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

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

The assets of the primary government activities exceeded liabilities by \$18,159,198 with an unrestricted deficit balance of \$12,486,579. The net position of the primary government does not include internal balances.

A net investment of \$15,558,190 in land, improvements, buildings, equipment and vehicles which provide the services to the School District's 2,839 public school students, represents 85.68% of the School District's net position. Net position of \$4,248,663 has been restricted to provide resources for future capital expansion and renovation projects, \$2,535,876 for maintenance reserve, \$750 has been reserved for repayment of debt, \$7,308,317 has been restricted for future budget appropriations, \$489,904 has been reserved for unemployment compensation, \$445,449 is reserved for student activities, and \$58,628 is reserved for scholarships.

As mentioned earlier, the deficit unrestricted net position is primarily due to the accounting treatment for compensated absences payable, net pension liability, the last two state aid payments, and state statutes that prohibit school districts from maintaining more than 2% of its adopted budget as unrestricted fund balance.

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

| | Governmental Activities | | Business-Type Activities | | District-Wide | |
|--------------------------------|-------------------------|----------------------|--------------------------|---------------------|----------------------|----------------------|
| | 2023 | 2022 | 2023 | 2022 | 2023 | 2022 |
| ASSETS | | | | | | |
| Current assets | \$ 19,488,058 | \$ 17,696,138 | \$ 1,573,186 | \$ 1,237,241 | \$ 21,061,244 | \$ 18,933,379 |
| Capital assets | 47,115,674 | 48,272,991 | 372,077 | 178,038 | 47,487,751 | 48,451,029 |
| Total assets | <u>66,603,732</u> | <u>65,969,129</u> | <u>1,945,263</u> | <u>1,415,279</u> | <u>68,548,995</u> | <u>67,384,408</u> |
| Deferred Outflows of Resources | 2,380,351 | 1,705,365 | | | 2,380,351 | 1,705,365 |
| LIABILITIES | | | | | | |
| Current liabilities | 5,059,353 | 5,114,159 | 766,046 | 289,780 | 5,825,399 | 5,403,939 |
| Noncurrent liabilities | 43,739,176 | 42,330,552 | | | 43,739,176 | 42,330,552 |
| Total Liabilities | <u>48,798,529</u> | <u>47,444,711</u> | <u>766,046</u> | <u>289,780</u> | <u>49,564,575</u> | <u>47,734,491</u> |
| Deferred Inflows of Resources | 2,026,356 | 6,181,519 | | | 2,026,356 | 6,181,519 |
| Net Position | <u>\$ 18,159,198</u> | <u>\$ 14,048,264</u> | <u>\$ 1,179,217</u> | <u>\$ 1,125,499</u> | <u>\$ 19,338,415</u> | <u>\$ 15,173,763</u> |
| Net Position Consists of: | | | | | | |
| Net investment in | | | | | | |
| Capital Assets | \$ 15,558,190 | \$ 15,037,513 | \$ 372,077 | \$ 178,038 | \$ 15,930,267 | \$ 15,215,551 |
| Restricted Assets | 15,087,587 | 13,665,478 | | | 15,087,587 | 13,665,478 |
| Unrestricted Assets | <u>(12,486,579)</u> | <u>(14,654,727)</u> | <u>807,140</u> | <u>947,461</u> | <u>(11,679,439)</u> | <u>(13,707,266)</u> |
| Net Position | <u>\$ 18,159,198</u> | <u>\$ 14,048,264</u> | <u>\$ 1,179,217</u> | <u>\$ 1,125,499</u> | <u>\$ 19,338,415</u> | <u>\$ 15,173,763</u> |

**Cinnaminson Township School District
Comparative Schedule of Changes in Net Position
As of and for the Fiscal Years Ended June 30, 2023 and 2022**

| | Governmental Activities | | Business-Type Activities | | District-Wide | |
|--|-------------------------|---------------------|--------------------------|---------------------|---------------------|---------------------|
| | 2023 | 2022 | 2023 | 2022 | 2023 | 2022 |
| Revenues: | | | | | | |
| Charges for services | \$ 2,214,544 | \$ 1,851,075 | \$ 983,727 | \$ 453,124 | \$ 3,198,271 | \$ 2,304,199 |
| Operating Grants and contributions | 19,764,564 | 22,319,422 | 502,333 | 1,363,964 | 20,266,897 | 23,683,386 |
| Property taxes | 37,591,460 | 37,239,437 | | | 37,591,460 | 37,239,437 |
| State aid - unrestricted | 17,260,049 | 14,068,504 | | | 17,260,049 | 14,068,504 |
| Other revenues | 240,414 | 125,236 | 16,463 | 605 | 256,877 | 125,841 |
| Total Revenues | 77,071,031 | 75,603,674 | 1,502,523 | 1,817,693 | 78,573,554 | 77,421,367 |
| Expenses: | | | | | | |
| Governmental Activities: | | | | | | |
| Instruction | 26,193,198 | 24,435,115 | | | 26,193,198 | 24,435,115 |
| Tuition | 1,561,015 | 1,319,281 | | | 1,561,015 | 1,319,281 |
| Related Services | 7,287,135 | 7,176,310 | | | 7,287,135 | 7,176,310 |
| Administrative Services | 2,070,189 | 2,655,905 | | | 2,070,189 | 2,655,905 |
| Operations and Maintenance | 5,600,519 | 3,912,441 | | | 5,600,519 | 3,912,441 |
| Transportation | 3,724,459 | 3,261,860 | | | 3,724,459 | 3,261,860 |
| Central services | 1,231,491 | 1,115,341 | | | 1,231,491 | 1,115,341 |
| Employee benefits | 24,205,128 | 25,670,589 | | | 24,205,128 | 25,670,589 |
| Charter Schools | 18,719 | 18,120 | | | 18,719 | 18,120 |
| Interest on debt | 984,375 | 1,035,875 | | | 984,375 | 1,035,875 |
| Other | 83,869 | 88,387 | | | 83,869 | 88,387 |
| Business-Type Activities: | | | | | | |
| Food Service | | | 1,169,449 | 1,066,228 | 1,169,449 | 1,066,228 |
| School Store | | | 24,666 | 11,526 | 24,666 | 11,526 |
| School Age Child Care | | | 254,690 | 270,835 | 254,690 | 270,835 |
| Total Expenses | 72,960,097 | 70,689,224 | 1,448,805 | 1,348,589 | 74,408,902 | 72,037,813 |
| Increase (Decrease) in Net Position before transfers | 4,110,934 | 4,914,450 | 53,718 | 469,104 | 4,164,652 | 5,383,554 |
| Transfers | | | | | | |
| Change in Net Position | 4,110,934 | 4,914,450 | 53,718 | 469,104 | 4,164,652 | 5,383,554 |
| Net Position, July 1 | 14,048,264 | 9,133,814 | 1,125,499 | 656,395 | 15,173,763 | 9,790,209 |
| Net Position, June 30 | \$18,159,198 | \$14,048,264 | \$ 1,179,217 | \$ 1,125,499 | \$19,338,415 | \$15,173,763 |

Governmental Activities

Governmental activities increased the net position of the School District by \$4,110,934 during the current fiscal year. Key elements of the increase in net position for governmental activities are as follows:

- Results of operations in the Governmental funds was a gain of \$1,988,525.

Business-type Activities

Business-type activities increased the School District's net position by \$53,718. Key elements of the increase in net position for governmental activities are as follows:

- The School Age Child Care Program had a net gain of \$77,004, the Food Service Fund had a net loss of \$33,495, and the School Store had a net gain of \$10,209.

Financial Analysis of the Governmental Funds

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

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

As of the end of the current fiscal year, the School District's governmental funds reported a combined ending fund balance of \$18,101,988, an increase of \$1,988,525 in comparison with the prior year. This increase is primarily due to the results of operations in the General Fund.

The unassigned fund balance for the School District at the end of the fiscal year includes unassigned fund balance for the General Fund of \$544,770. The remainder of the fund balance is reserved to indicate that it is not available for new spending because it has already been committed 1) as restricted cash reserved for future capital outlay expenditures of \$4,248,663, 2) \$2,535,876 maintenance reserve, 3) \$375 reserved for repayment of debt, 4) \$1,386,553 appropriated as a revenue source in the subsequent year's budget, 5) \$1,083,453 reserved for encumbrances, 6) \$489,904 reserved for unemployment compensation, 7) \$445,449 reserved for student activities, 8) \$58,628 reserved for scholarships, and 9) \$7,308,317 excess surplus which is reserved for future budget appropriation in accordance with state statute.

The general fund is the chief operating fund of the School District. As discussed earlier, the balance in the unreserved fund balance is due, primarily, to the accounting treatment of the last two state aid payments and state statutes that prohibit New Jersey school districts from maintaining more than 2% of its adopted budget as unrestricted fund balance.

General Fund Budgetary Highlights

There was no difference between the original budget and the final amended budget.

At the end of the current fiscal year, unreserved fund balance (budgetary basis) of the general fund was \$2,038,843 while total fund balance (budgetary basis) was \$19,091,234. As a measure of the general fund's liquidity, it may be useful to compare both unreserved fund balance (budgetary basis) and total fund balance (budgetary basis) to total general fund expenditures. Actual (budgetary basis) expenditures of the General Fund including other financing uses amounted to \$64,795,518. Unreserved fund balance (budgetary basis) represents 3.15% of expenditures while total fund balance (budgetary basis) represents 29.46% of that same amount.

Capital Asset and Debt Administration

The School District's investment in capital assets for its governmental and business-type activities as of June 30, 2023, totaled \$47,463,277 (net of accumulated depreciation). This investment in capital assets includes land, improvements, buildings, equipment and vehicles. The total decrease in the District's investment in capital assets for the current fiscal year was \$925,160 or a 1.91% decrease. The decrease is primarily due to depreciation and acquisition of new assets.

**Capital Assets/Lease (net of accumulated depreciation/amortization)
June 30, 2023 and 2022**

| | Governmental Activities | | Business-Type Activities | | District-Wide | |
|---------------------------------------|-------------------------|----------------------|--------------------------|-------------------|----------------------|----------------------|
| | 2023 | 2022 | 2023 | 2022 | 2023 | 2022 |
| Land | \$ 4,252,300 | \$ 4,252,300 | \$ - | \$ - | \$ 4,252,300 | \$ 4,252,300 |
| Building and Building Improvements | 40,306,002 | 40,997,011 | | | 40,306,002 | 40,997,011 |
| Equipment | 2,532,898 | 2,961,088 | 372,077 | 178,038 | 2,904,975 | 3,139,126 |
| Leases | 24,474 | 62,592 | | | 24,474 | 62,592 |
| Net Assets | <u>\$ 47,115,674</u> | <u>\$ 48,272,991</u> | <u>\$ 372,077</u> | <u>\$ 178,038</u> | <u>\$ 47,487,751</u> | <u>\$ 48,451,029</u> |

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

Long-term debt – During the fiscal year ended June 30, 2023, the School District had \$30,575,000 in serial bonds payable, \$957,124 in financed purchases, \$25,360 in leases, and \$1,899,502 in compensated absences.

State statutes limit the amount of general obligation debt that the District may issue. At the end of the current fiscal year, the legal debt limit was \$81,541,208. The available amount as of June 30, 2023 is \$50,966,208.

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

Economic Factors and Next Year’s Budgets and Rates

The following factors were considered and incorporated into the preparation of the School District’s budget for the 2023-24 fiscal year.

- For the 2023-24 fiscal year, the School District will be receiving an increase in state aid. The local tax levy in the General Fund increased by \$675,350 or a 1.90% increase. The 2023-24 General Fund Budget is \$4,174,285 more than the previous year.
- The tax rate for 2023 is \$2.342, which is an increase of 0.024 cents per \$100 over the previous year.

For the Future

The Cinnaminson Township Public School District is in good financial condition presently. However, a major concern is maintaining aging buildings of the district with an increased reliance on local property taxes as state aid has remained stagnant. Cinnaminson Township is primarily a residential community, with very few large ratables; thus the burden is focused on homeowners to share the tax burden.

In conclusion, the Cinnaminson Township Public School District has committed itself to financial excellence for many years. In addition, 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 challenges of the future.

Requests for Information

This financial report is designed to provide a general overview of the School District’s finances for all those with an interest in the School District. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Cinnaminson School District Business Administrator, PO Box 224, Cinnaminson, New Jersey, 08077.

Basic Financial Statements

District-Wide Financial Statements

CINNAMINSON TOWNSHIP SCHOOL DISTRICT
Statement of Net Position
June 30, 2023

| | Governmental Activities | Business-Type Activities | Total |
|--|------------------------------------|-------------------------------------|----------------------|
| ASSETS: | | | |
| Cash and cash equivalents | \$ 10,724,194 | \$ 1,492,847 | \$ 12,217,041 |
| Receivables, net | 2,015,599 | 19,648 | 2,035,247 |
| Inventory | | 24,417 | 24,417 |
| Internal Balances | (36,274) | 36,274 | |
| Restricted assets: | | | |
| Cash and cash equivalents | 6,784,539 | | 6,784,539 |
| Capital assets, net | 47,091,200 | 372,077 | 47,463,277 |
| Right-to-use lease assets, net | 24,474 | | 24,474 |
| Total Assets | <u>66,603,732</u> | <u>1,945,263</u> | <u>68,548,995</u> |
| DEFERRED OUTFLOWS OF RESOURCES: | | | |
| Deferred outflows of resources from pensions | <u>2,380,351</u> | <u>-</u> | <u>2,380,351</u> |
| TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES | <u>68,984,083</u> | <u>1,945,263</u> | <u>70,929,346</u> |
| LIABILITIES: | | | |
| Accounts payable: | | | |
| Other | 1,705,464 | 254,065 | 1,959,529 |
| Related to pensions | 1,145,558 | | 1,145,558 |
| Intergovernmental Accounts payable: | | | |
| State | 52,285 | | 52,285 |
| Internal Balances | (460,460) | 460,460 | - |
| Accrued Liabilities: | | | |
| Interest payable | 325,250 | | 325,250 |
| Unearned revenue | 88,781 | 51,521 | 140,302 |
| Noncurrent liabilities: | | | |
| Due within one year | 2,202,475 | | 2,202,475 |
| Due beyond one year | 43,739,176 | | 43,739,176 |
| Total Liabilities | <u>48,798,529</u> | <u>766,046</u> | <u>49,564,575</u> |
| DEFERRED INFLOWS OF RESOURCES: | | | |
| Deferred inflows of resources from pensions | <u>2,026,356</u> | <u>-</u> | <u>2,026,356</u> |
| TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES | <u>50,824,885</u> | <u>766,046</u> | <u>51,590,931</u> |
| NET POSITION: | | | |
| Net investment in capital assets | 15,558,190 | 372,077 | 15,930,267 |
| Restricted for: | | | |
| Capital projects | 4,248,663 | | 4,248,663 |
| Maintenance | 2,535,876 | | 2,535,876 |
| Excess Surplus | 7,308,317 | | 7,308,317 |
| Unemployment Compensation | 489,904 | | 489,904 |
| Debt Service | 750 | | 750 |
| Student Activities | 445,449 | | 445,449 |
| Scholarships | 58,628 | | 58,628 |
| Unrestricted (Deficit) | <u>(12,486,579)</u> | <u>807,140</u> | <u>(11,679,439)</u> |
| Total Net Position | <u>\$ 18,159,198</u> | <u>\$ 1,179,217</u> | <u>\$ 19,338,415</u> |

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

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

| Functions/Programs | Expenses | Program Revenues | | | Net (Expense) Revenue and Changes in Net Position | | |
|--|----------------------|----------------------|------------------------------------|----------------------------------|---|--------------------------|----------------------|
| | | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions | Governmental Activities | Business-Type Activities | Total |
| Governmental Activities: | | | | | | | |
| Instruction: | | | | | | | |
| Regular | \$ 17,513,448 | \$ 606,013 | \$ 501,837 | \$ - | \$ (16,405,598) | \$ - | \$ (16,405,598) |
| Special Education | 4,927,471 | | 636,220 | | (4,291,251) | | (4,291,251) |
| Other instruction | 3,752,279 | | | | (3,752,279) | | (3,752,279) |
| Support Services: | | | | | | | |
| Tuition | 1,561,015 | | | | (1,561,015) | | (1,561,015) |
| Student & instruction related services | 7,287,135 | | 1,020,002 | | (6,267,133) | | (6,267,133) |
| General administrative services | 89,874 | | | | (89,874) | | (89,874) |
| School administrative services | 1,980,315 | | | | (1,980,315) | | (1,980,315) |
| Central administrative services | 1,231,491 | | | | (1,231,491) | | (1,231,491) |
| Plant operations and maintenance | 5,600,519 | | | | (5,600,519) | | (5,600,519) |
| Pupil transportation | 3,724,459 | 1,608,531 | | | (2,115,928) | | (2,115,928) |
| Unallocated employee benefits | 24,205,128 | | 17,606,505 | | (6,598,623) | | (6,598,623) |
| Transfer of funds to Charter Schools | 18,719 | | | | (18,719) | | (18,719) |
| Interest on long-term debt | 984,375 | | | | (984,375) | | (984,375) |
| Unallocated depreciation and amortization | 83,869 | | | | (83,869) | | (83,869) |
| Total Governmental Activities | <u>72,960,097</u> | <u>2,214,544</u> | <u>19,764,564</u> | <u>-</u> | <u>(50,980,989)</u> | <u>-</u> | <u>(50,980,989)</u> |
| Business-Type Activities: | | | | | | | |
| Food service | 1,169,449 | 621,830 | 502,333 | - | - | (45,286) | (45,286) |
| School age child care | 254,690 | 327,225 | | - | - | 72,535 | 72,535 |
| School store | 24,666 | 34,672 | | - | - | 10,006 | 10,006 |
| Total Business-Type Activities | <u>1,448,805</u> | <u>983,727</u> | <u>502,333</u> | <u>-</u> | <u>-</u> | <u>37,255</u> | <u>37,255</u> |
| Total Primary Government | <u>\$ 74,408,902</u> | <u>\$ 3,198,271</u> | <u>\$ 20,266,897</u> | <u>\$ -</u> | <u>(50,980,989)</u> | <u>37,255</u> | <u>(50,943,734)</u> |
| General Revenues: | | | | | | | |
| Taxes: | | | | | | | |
| Property taxes, levied for general purposes | | | | | 35,544,722 | | 35,544,722 |
| Taxes levied for debt service | | | | | 2,046,738 | | 2,046,738 |
| Federal and State aid unrestricted | | | | | 17,260,049 | | 17,260,049 |
| Investment and Interest earnings - restricted | | | | | 6,038 | | 6,038 |
| Miscellaneous | | | | | 234,376 | 16,463 | 250,839 |
| Special Items: | | | | | | | |
| Transfer | | | | | | | - |
| Total general revenues, special items, extraordinary items and transfers | | | | | <u>55,091,923</u> | <u>16,463</u> | <u>55,108,386</u> |
| Change in Net Position | | | | | 4,110,934 | 53,718 | 4,164,652 |
| Net Position - July 1, | | | | | <u>14,048,264</u> | <u>1,125,499</u> | <u>15,173,763</u> |
| Net Position - June 30 | | | | | <u>\$ 18,159,198</u> | <u>\$ 1,179,217</u> | <u>\$ 19,338,415</u> |

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

Fund Financial Statements

CINNAMINSON TOWNSHIP SCHOOL DISTRICT
Balance Sheet
Governmental Funds
June 30, 2023

| | General Fund | Special Revenue Fund | Capital Projects Fund | Debt Service Fund | Total Governmental Funds |
|--|----------------------|----------------------------|-----------------------------|-------------------------|--------------------------------|
| ASSETS | | | | | |
| Cash and Cash Equivalents | \$ 16,884,029 | \$ 623,954 | \$ - | \$ 750 | \$ 17,508,733 |
| Interfund Accounts Receivable | | | | | |
| Special Revenue Fund | 288,520 | | | | 288,520 |
| Enterprise Fund | 460,460 | | | | 460,460 |
| Intergovernmental Accounts Receivables: | | | | | |
| State | 1,320,547 | | | | 1,320,547 |
| Federal | | 289,941 | | | 289,941 |
| Other | 398,175 | | | | 398,175 |
| Other Accounts Receivable | | 6,936 | | | 6,936 |
| Total Assets | 19,351,731 | 920,831 | | 750 | 20,273,312 |
| LIABILITIES AND FUND BALANCES | | | | | |
| Liabilities: | | | | | |
| Interfund Accounts Payable | | | | | |
| General Fund | | 288,520 | | | 288,520 |
| Enterprise Fund | 36,274 | | | | 36,274 |
| Intergovernmental Accounts Payable: | | | | | |
| State | | 52,285 | | | 52,285 |
| Accounts Payable: | | | | | |
| Payroll Deductions and Withholdings Payable | 221,915 | | | | 221,915 |
| Unemployment Claims Payable | 52,334 | | | | 52,334 |
| Other | 1,422,266 | 8,949 | | | 1,431,215 |
| Unearned Revenue | 21,781 | 67,000 | | | 88,781 |
| Total Liabilities | 1,754,570 | 416,754 | | - | 2,171,324 |
| Fund Balances: | | | | | |
| Restricted: | | | | | |
| Capital Reserve | 4,248,663 | | | | 4,248,663 |
| Maintenance Reserve | 2,535,876 | | | | 2,535,876 |
| Excess Surplus | 7,308,317 | | | | 7,308,317 |
| Unemployment Compensation | 489,904 | | | | 489,904 |
| Debt Service | | | | 375 | 375 |
| Student Activities | | 445,449 | | | 445,449 |
| Scholarships | | 58,628 | | | 58,628 |
| Assigned to: | | | | | |
| Other Purposes | 1,083,453 | | | | 1,083,453 |
| Designated for Subsequent Year's Expenditure | 1,386,178 | | | 375 | 1,386,553 |
| Unassigned | 544,770 | | | | 544,770 |
| Total Fund Balances | 17,597,161 | 504,077 | | 750 | 18,101,988 |
| Total Liabilities and Fund Balances | \$ 19,351,731 | \$ 920,831 | \$ - | \$ 750 | |

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 \$84,902,231 and the accumulated depreciation is \$37,811,031. 47,091,200

Leased assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$101,717 and the accumulated amortization is \$77,243. 24,474

Accounts payable related to the April 1, 2024 required PERS contribution that is not to be liquidated with current financial resources. (1,145,558)

Accrued interest is not due and payable in the current period and, therefore is not reported as a liability in the funds. (325,250)

The District's proportionate share of net pension assets and liabilities as well as pension-related deferred outflows and deferred inflows of resources are recognized in the government-wide statements and include:

| | | |
|--|--------------------|--------------|
| Deferred Outflows of resources from Pensions | \$ 2,380,351 | |
| Net Pension Liability | (12,484,665) | |
| Deferred Inflows of resources from Pensions | <u>(2,026,356)</u> | (12,130,670) |

Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds.

| | | |
|----------------------------|--------------------|---------------------|
| General Obligation Bonds | (30,575,000) | |
| Financed Purchases Payable | (957,124) | |
| Leases Payable | (25,360) | |
| Compensated Absences | <u>(1,899,502)</u> | <u>(33,456,986)</u> |

Net position of governmental activities \$ 18,159,198

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

| | General Fund | Special Revenue Fund | Capital Projects Fund | Debt Service Fund | Total Governmental Funds |
|--|----------------------|----------------------------|-----------------------------|-------------------------|--------------------------------|
| REVENUES: | | | | | |
| Local property tax levy | \$ 35,544,722 | \$ - | \$ - | \$ 2,046,738 | \$ 37,591,460 |
| Tuition charges | 606,013 | | | | 606,013 |
| Transportation fees | 1,608,531 | | | | 1,608,531 |
| Maintenance reserve interest | 14,012 | | | | 14,012 |
| Capital reserve interest | 9,495 | | | | 9,495 |
| Other restricted miscellaneous revenues | 6,038 | | | | 6,038 |
| Miscellaneous | 210,869 | | | | 210,869 |
| Federal sources | 64,642 | 1,346,356 | | | 1,410,998 |
| State sources | 28,178,958 | 143,884 | | 680,237 | 29,003,079 |
| Local sources | | 722,071 | | | 722,071 |
| Total revenues | 66,243,280 | 2,212,311 | | 2,726,975 | 71,182,566 |
| EXPENDITURES: | | | | | |
| Current: | | | | | |
| Regular instruction | 15,594,943 | 501,837 | | | 16,096,780 |
| Special education instruction | 4,291,251 | 636,220 | | | 4,927,471 |
| Other instruction | 3,752,279 | | | | 3,752,279 |
| Support services and undistributed costs: | | | | | |
| Tuition | 1,561,015 | | | | 1,561,015 |
| Student & instruction related services | 6,241,417 | 1,045,718 | | | 7,287,135 |
| General administrative services | 842,156 | | | | 842,156 |
| School administrative services | 1,980,315 | | | | 1,980,315 |
| Central services | 650,090 | | | | 650,090 |
| Administrative technology services | 579,495 | | | | 579,495 |
| Plant operations and maintenance | 4,641,435 | | | | 4,641,435 |
| Pupil transportation | 3,472,853 | | | | 3,472,853 |
| Employee benefits | 20,058,905 | 54,252 | | | 20,113,157 |
| Capital outlay | 1,110,645 | | | | 1,110,645 |
| Transfer of funds to Charter Schools | 18,719 | | | | 18,719 |
| Debt service: | | | | | |
| Principal | | | | 1,725,000 | 1,725,000 |
| Interest and other charges | | | | 1,001,625 | 1,001,625 |
| Total expenditures | 64,795,518 | 2,238,027 | | 2,726,625 | 69,760,170 |
| Excess (deficiency) of revenues over (under) expenditures | 1,447,762 | (25,716) | | 350 | 1,422,396 |
| Other Financing Sources (Uses): | | | | | |
| Proceeds of Financed Purchases | 566,129 | | | | 566,129 |
| Transfer in | | | | | - |
| Transfer out | | | | | - |
| Total other financing sources (uses) | 566,129 | - | - | - | 566,129 |
| Net change in fund balance | 2,013,891 | (25,716) | | 350 | 1,988,525 |
| Fund balance, July 1 | 15,583,270 | 529,793 | | 400 | 16,113,463 |
| Fund balance, June 30 | \$ 17,597,161 | \$ 504,077 | \$ - | \$ 750 | \$ 18,101,988 |

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

CINNAMINSON TOWNSHIP SCHOOL DISTRICT
Reconciliation of the Statement of Revenues, Expenditures
and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
for the Fiscal Year Ended June 30, 2023

| | | |
|---|----------------|---------------------|
| Total net change in fund balances - governmental funds (from B-2) | | \$ 1,988,525 |
| Amounts reported for governmental activities in the statement of activities (A-2) are different because: | | |
| <p>Capital outlays are reported in the governmental funds as expenditures. However, on the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation exceeded capital outlay in the current fiscal year.</p> | | |
| Depreciation expense | \$ (1,677,374) | |
| Capital outlay | <u>558,175</u> | (1,119,199) |
| <p>Capital outlays related to leases are reported in the governmental funds as expenditures. However, on the statement of activities, the cost of those assets is allocated over their estimated useful lives as amortization expense. This is the amount by which capital outlays exceeded amortization in the current fiscal year.</p> | | |
| Amortization expense | (38,118) | |
| Lease Asset Additions | <u>-</u> | (38,118) |
| Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is reported in the statement of activities. | | 1,725,000 |
| Repayment of leases is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is not reported in the statement of activities. | | 38,407 |
| The issuance of a financed purchase increases long-term liabilities, however has no effect on fund balance. | | (566,129) |
| Repayment of financed purchases principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is reported in the statement of activities. | | 480,716 |
| Net differences between pension system contributions recognized in the fund statement of revenues, expenditures and changes in fund balances and the statement of activities. | | 1,796,494 |
| In the statement of activities, interest on long-term debt is accrued, regardless of when due. In the governmental funds, interest is reported when due. The accrued interest is an addition in the reconciliation. | | 17,250 |
| In the statement of activities, certain operating expenses, e.g., compensated absences (vacations) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is a reduction in the reconciliation (-); when the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+). | | <u>(212,012)</u> |
| Change in net position of governmental activities | | <u>\$ 4,110,934</u> |

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

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

| | Business-type Activities | | | Total |
|----------------------------------|---------------------------------|--|------------------|---------------------|
| | Enterprise Funds | | | |
| | Food Service Fund | School Age Child Care Program | School Store | |
| ASSETS: | | | | |
| Current assets: | | | | |
| Cash and cash equivalents | \$ 1,003,315 | \$ 472,735 | \$ 16,797 | \$ 1,492,847 |
| Accounts receivable | 19,648 | - | - | 19,648 |
| Interfund receivable | 36,274 | | | 36,274 |
| Inventories | 15,316 | - | 9,101 | 24,417 |
| Total current assets | <u>1,074,553</u> | <u>472,735</u> | <u>25,898</u> | <u>1,573,186</u> |
| Noncurrent assets: | | | | |
| Equipment | 823,806 | 29,123 | - | 852,929 |
| Less accumulated depreciation | (455,148) | (25,704) | - | (480,852) |
| Total noncurrent assets | <u>368,658</u> | <u>3,419</u> | <u>-</u> | <u>372,077</u> |
| Total assets | <u>\$ 1,443,211</u> | <u>\$ 476,154</u> | <u>\$ 25,898</u> | <u>\$ 1,945,263</u> |
| LIABILITIES: | | | | |
| Current liabilities: | | | | |
| Accounts payable | \$ 254,065 | \$ - | \$ - | \$ 254,065 |
| Interfunds payable | 460,460 | - | - | 460,460 |
| Unearned revenue | 25,341 | 26,180 | - | 51,521 |
| Total liabilities | <u>739,866</u> | <u>26,180</u> | <u>-</u> | <u>766,046</u> |
| NET POSITION: | | | | |
| Net investment in capital assets | 368,658 | 3,419 | - | 372,077 |
| Unrestricted | 334,687 | 446,555 | 25,898 | 807,140 |
| Total net position | <u>\$ 703,345</u> | <u>\$ 449,974</u> | <u>\$ 25,898</u> | <u>\$ 1,179,217</u> |

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

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

| | Business-type Activities | | | Total |
|---|---------------------------------|--|------------------|---------------------|
| | Enterprise Funds | | | |
| | Food Service Fund | School Age Child Care Program | School Store | |
| Operating revenues: | | | | |
| Charges for services: | | | | |
| Daily sales-reimbursable programs | \$ 315,614 | \$ - | \$ - | \$ 315,614 |
| Daily sales-non-reimbursable programs | 265,899 | - | - | 265,899 |
| Special Functions | 38,636 | - | - | 38,636 |
| Sales | 1,681 | - | 34,672 | 36,353 |
| Program fees | - | 327,225 | - | 327,225 |
| Miscellaneous | - | - | - | - |
| Total operating revenue | 621,830 | 327,225 | 34,672 | 983,727 |
| Operating expenses: | | | | |
| Salaries | 525,171 | 197,262 | - | 722,433 |
| Employee benefits | 91,623 | 44,882 | - | 136,505 |
| Supplies and materials | 76,718 | 343 | - | 77,061 |
| Depreciation | 47,485 | 1,456 | - | 48,941 |
| Management Fee | 59,338 | - | - | 59,338 |
| Direct expenses | 28,992 | 862 | - | 29,854 |
| Cost of sales - reimbursable programs | 239,054 | - | - | 239,054 |
| Cost of sales - nonreimbursable programs | 100,528 | 4,359 | 24,666 | 129,553 |
| Building usage | - | 5,165 | - | 5,165 |
| Other | 540 | 361 | - | 901 |
| Total operating expenses | 1,169,449 | 254,690 | 24,666 | 1,448,805 |
| Operating income (loss) | (547,619) | 72,535 | 10,006 | (465,078) |
| Nonoperating revenues (expenses): | | | | |
| State sources: | | | | |
| State school lunch program | 13,734 | - | - | 13,734 |
| Federal sources: | | | | |
| National school lunch program | 264,919 | - | - | 264,919 |
| Supply chain assistance | 133,913 | - | - | 133,913 |
| U.S.D.A. commodities | 89,767 | - | - | 89,767 |
| Local sources: | | | | |
| Interest revenue | 11,791 | 4,469 | 203 | 16,463 |
| Total nonoperating revenues (expenses) | 514,124 | 4,469 | 203 | 518,796 |
| Change in net position | (33,495) | 77,004 | 10,209 | 53,718 |
| Total net position - July 1 | 736,840 | 372,970 | 15,689 | 1,125,499 |
| Total net position - June 30 | \$ 703,345 | \$ 449,974 | \$ 25,898 | \$ 1,179,217 |

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

CINNAMINSON TOWNSHIP SCHOOL DISTRICT
Statement of Cash Flows
Proprietary Funds
for the Fiscal Year Ended June 30, 2023

| | Business-type Activities | | | Total |
|--|---------------------------------|--|------------------|---------------------|
| | Enterprise Funds | | | |
| | Food Service Fund | School Age Child Care Program | Student Store | |
| Cash flows from operating activities: | | | | |
| Receipts from customers | \$ 631,734 | \$ 333,326 | \$ 34,672 | \$ 999,732 |
| Payments to employees for services | (406,741) | (242,144) | - | (648,885) |
| Payments to suppliers | (407,845) | (11,091) | (29,688) | (448,624) |
| Net cash used for operating activities | <u>(182,852)</u> | <u>80,091</u> | <u>4,984</u> | <u>(97,777)</u> |
| Cash flows from noncapital financing activities: | | | | |
| Cash received from federal and state sources | 449,418 | - | - | 449,418 |
| Net cash provided by non-capital financing activities | <u>449,418</u> | <u>-</u> | <u>-</u> | <u>449,418</u> |
| Cash flows from capital activities: | | | | |
| Purchases of fixed assets | - | - | - | - |
| | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Cash flows from investing activities: | | | | |
| Interest and dividends | 11,791 | 4,469 | 203 | 16,463 |
| Net cash provided by investing activities | <u>11,791</u> | <u>4,469</u> | <u>203</u> | <u>16,463</u> |
| Net increase in cash and cash equivalents | 278,357 | 84,560 | 5,187 | 368,104 |
| Balances - July 1 | 724,958 | 388,175 | 11,610 | 1,124,743 |
| Balances - June 30 | <u>\$ 1,003,315</u> | <u>\$ 472,735</u> | <u>\$ 16,797</u> | <u>\$ 1,492,847</u> |
| Reconciliation of operating loss to net cash provided (used) by operating activities: | | | | |
| Operating income (loss) | \$ (547,619) | \$ 72,535 | \$ 10,006 | \$ (465,078) |
| Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities: | | | | |
| Depreciation | 47,485 | 1,456 | - | 48,941 |
| Federal commodities | 89,767 | - | - | 89,767 |
| (Increase) decrease in accounts receivable | 3,230 | - | - | 3,230 |
| (Increase) decrease in interfunds receivable | 628 | - | - | 628 |
| (Increase) decrease in inventory | (3,529) | - | (5,022) | (8,551) |
| Increase (decrease) in unearned revenue | 6,048 | - | - | 6,048 |
| Increase (decrease) in interfunds payable | 210,053 | - | - | 210,053 |
| Increase (decrease) in accounts payable | 11,085 | 6,100 | - | 17,185 |
| Total adjustments | <u>364,767</u> | <u>7,556</u> | <u>(5,022)</u> | <u>367,301</u> |
| Net cash provided by (used for) operating activities | <u>\$ (182,852)</u> | <u>\$ 80,091</u> | <u>\$ 4,984</u> | <u>\$ (97,777)</u> |

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

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

1. DESCRIPTION OF SCHOOL DISTRICT AND REPORTING ENTITY

Reporting Entity - The Cinnaminson Township School District (District) is a Type II school district located in Burlington County, New Jersey and covers an area of approximately 7.5 miles. As a Type II school district, it functions independently through a Board of Education. The Board is comprised of nine members elected to three-year terms. These terms are staggered so that three member's terms expire each year. The purpose of the School District is to provide educational services for all of Cinnaminson's students in grades K through 12. The Cinnaminson Township School District has an approximate enrollment at June 30, 2023 of 2,840 students.

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

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

Basis of Presentation

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

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

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

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

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

As required by the New Jersey State Department of Education, the School District includes budgeted capital outlay in this fund. Accounting principles generally accepted in the United States of America as they pertain to governmental entities state that general fund resources may be used to directly finance capital outlays for long-lived improvements as long as the resources in such cases are derived exclusively from unrestricted revenues.

Resources for budgeted capital outlay purposes are normally derived from State of New Jersey aid, district taxes and appropriated fund balance. Expenditures are those which result in the acquisition of or additions to capital assets for land, existing buildings, improvements of grounds, construction of buildings, additions to or remodeling of buildings and the purchase of built-in equipment.

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

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

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

The School District’s enterprise funds are:

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

Student Store - This fund accounts for all revenues and expenses pertaining to the operations of the student store.

School Age Child Care - This fund accounts for all revenues and expenses pertaining to the operations of the before and after school program sponsored by the District.

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

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

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

Measurement Focus

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

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Financial Statements (Continued) – Governmental fund financial statements, therefore, include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

Like the government-wide statements, all proprietary fund types are accounted for on a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of these funds are included on the statement of net position. The statement of changes in fund net position presents increases (i.e. revenues) and decreases (i.e. expenses) in net position. The statement of cash flows provides information about how the School District finances and meets the cash flow needs of its proprietary activities. Fiduciary funds are reported using the economic resources measurement focus.

Basis of Accounting

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

Revenues - Exchange and Non-exchange Transactions - Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. "Measurable" means the amount of the transaction can be determined and "available" means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the School District, available means expected to be received within sixty days after fiscal year end.

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

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

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

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

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

Exhibit C-3 presents a reconciliation of the general fund revenues and special revenue fund revenues and expenditures from the budgetary basis of accounting as presented in the general fund budgetary comparison schedule and the special revenue fund budgetary comparison schedule to the GAAP basis of accounting as presented in the statement of revenues, expenditures and changes in fund balances – governmental funds. Note that the School District does not report encumbrances outstanding at year end as expenditures in the general fund since the general fund budget follows modified accrual basis with the exception of the revenue recognition policy for the one or more June state aid payments.

Encumbrances - Under encumbrance accounting purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve a portion of the applicable appropriation. Encumbrances are a component of fund balance at fiscal year-end as they do not constitute expenditures or liabilities but rather commitments related to unperformed contracts for goods and services. Open encumbrances in governmental funds, other than the special revenue fund, which have not been previously restricted, committed, or assigned, should be included within committed or assigned fund balance, as appropriate.

Open encumbrances in the special revenue fund, however, for which the School District has received advances of grant awards, and all eligibility and time requirements satisfied are reflected on the balance sheet as unearned grant revenue at fiscal year-end.

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

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

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

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

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

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

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

Prepaid Expenses - Prepaid expenses recorded on the government-wide financial statements and in the proprietary fund types represent payments made to vendors for services that will benefit periods beyond June 30, 2023.

In the governmental fund types, however, payments for prepaid items are fully recognized as an expenditure in the fiscal year of payment. No asset for the prepayment is created, and no expenditure allocation to future accounting periods is required (*non-allocation method*). This is consistent with the basic governmental concept that only expendable financial resources are reported by a specific fund.

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

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

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

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Capital Assets (Continued) - Capital assets utilized by the proprietary funds are reported both in the business-type activities column of the government-wide statement of and the proprietary fund statement of net position.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the fiscal year. Donated fixed assets are recorded at their fair market value as of the date received. The School District maintains a capitalization threshold of \$2,000. The School District does not possess any infrastructure. Improvements are capitalized; the cost of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not. All reported capital assets except land and construction in progress are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets.

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

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

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

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

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

Accrued Salaries and Wages - Certain School District employees, who provide services to the School District over the ten-month academic year, have the option to have their salaries evenly disbursed during the twelve-month year. New Jersey statutes require that these earned, but undisbursed amounts be retained in a separate bank account. As of June 30, 2023, the amounts earned by these employees were disbursed to the employees' own individual accounts.

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

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

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Accrued Liabilities and Long-Term Obligations - All payables, accrued liabilities, and long-term obligations are reported on the government-wide financial statements, and all payables, accrued liabilities and long-term obligations payable from proprietary funds are reported on the proprietary fund financial statements. In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full, from current financial resources are reported as obligations of the funds.

Accrued Liabilities and Long-Term Obligations (Continued) - However, claims and judgments, compensated absences, special termination benefits and contractually required pension contributions that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are normally expected to be paid with expendable available financial resources. Bonds are recognized as a liability on the fund financial statements when due.

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

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

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

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

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

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

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

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

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

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balances are available, it is the School District's policy to spend restricted fund balances first. Likewise, when an expenditure is incurred for purposes for which amounts in any of the unrestricted fund balance classifications can be used, it is the policy of the School District to spend fund balances, if appropriate, in the following order: committed, assigned, then unassigned.

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

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

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

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

Recently Issued Accounting Pronouncements – In May 2020, the GASB issued Statement No. 96, *Subscription-Based Information Technology Arrangements*. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset-and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosure regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, *Leases*, as amended. The requirements of this Statement are effective for reporting periods beginning after June 15, 2022. The District did not have any subscription-based information technology agreements that required disclosure.

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

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

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

2. CASH AND CASH EQUIVALENTS

Custodial Credit Risk Related to Deposits – Custodial credit risk refers to the risk that, in the event of a bank failure, the School District’s deposits might not be recovered. Although the School District does not have a formal policy regarding custodial credit risk, N.J.S.A. 17:9-41et seq. requires that governmental units shall deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Unit (GUDPA). Under the Act, the first \$250,000 of governmental deposits in each insured depository is protected by the Federal Deposit Insurance Corporation (FDIC). Public funds owned by the School district in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds such as salary withholdings of funds that pass to the School District relative to the happening of a future condition. Such funds are classified as uninsured and uncollateralized. Of the School District’s amount on deposit of \$20,069,316 as of June 30, 2023, \$500,000 was insured under FDIC and the remaining balance of \$19,569,316 was collateralized under GUDPA.

3. CAPITAL RESERVE ACCOUNT

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

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

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

| | | |
|-------------------------|------------|--------------|
| Balance – July 1, 2022 | | \$ 3,618,856 |
| Increased by: | | |
| Return of Unused Funds | \$ 381,640 | |
| Interest Earned | 9,442 | |
| Board Resolution | 1,500,000 | 1,891,082 |
| | | 5,509,938 |
| Decreased by: | | |
| Board Resolution | 1,261,275 | 1,261,275 |
| Balance – June 30, 2023 | | \$ 4,248,663 |

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

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

4. ACCOUNTS RECEIVABLE

Accounts receivable at June 30, 2023 consisted of tuition, transportation fees charged other governmental units and governmental grants. All receivables are considered collectible in full due to the stable condition of the other governmental units, state, and federal programs.

Accounts receivables as of year-end for the School District's individual major funds, in the aggregate, are as follows:

| | General Fund | Special Revenue Fund | Proprietary Funds | Total |
|----------------------------------|-------------------------|-------------------------------------|------------------------------|---------------------|
| State Aid | \$ 1,320,547 | \$ - | \$ 730 | \$ 1,321,277 |
| Federal Aid | - | 289,941 | 14,094 | 304,035 |
| Transportation Fees | 322,985 | - | - | 322,985 |
| Tuition Fees | 75,190 | - | - | 75,190 |
| Other | - | 6,936 | 4,824 | 11,760 |
| Total Accounts Receivable | \$ 1,718,722 | \$ 296,877 | \$ 19,648 | \$ 2,035,247 |

5. CAPITAL ASSETS

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

| | Balance June 30, 2022 | Additions | Adjustments/ Deletions | Balance June 30, 2023 |
|---|----------------------------------|-----------------------|-----------------------------------|----------------------------------|
| Governmental Activities: | | | | |
| <i>Capital Assets, not being depreciated:</i> | | | | |
| Land | \$ 4,252,300 | \$ - | \$ - | \$ 4,252,300 |
| Construction in Progress | - | - | - | - |
| Total Capital Assets not being Depreciated | 4,252,300 | - | - | 4,252,300 |
| <i>Capital Assets, being depreciated:</i> | | | | |
| Building and Improvements | 68,466,789 | - | 670,005 | 69,136,794 |
| Equipment | 11,624,967 | 558,175 | (670,005) | 11,513,137 |
| Total Historical Cost | 80,091,756 | 558,175 | - | 80,649,931 |
| <i>Less Accumulated Depreciation:</i> | | | | |
| Building and Improvements | (27,469,778) | (1,126,729) | (234,285) | (28,830,792) |
| Equipment | (8,663,879) | (550,645) | 234,285 | (8,980,239) |
| Total Accumulated Depreciation | (36,133,657) | (1,677,374) | - | (37,811,031) |
| Total Capital Assets, being depreciated, net | 43,958,099 | (1,119,199) | - | 42,838,900 |
| Governmental Activities Capital Assets, Net | \$ 48,210,399 | \$ (1,119,199) | \$ - | \$ 47,091,200 |
| Business-Type Activities: | | | | |
| Equipment | \$ 644,778 | - | \$ (34,829) | \$ 609,949 |
| Less - Accumulated Depreciation | (466,740) | (14,112) | - | (480,852) |
| Business-Type Activities Capital Assets, Net | \$ 178,038 | \$ (14,112) | \$ (34,829) | \$ 129,097 |

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

5. CAPITAL ASSETS (Continued)

Depreciation expense in the amount of \$1,677,374 was charged to governmental functions as follows:

| Function | Amount |
|----------------------------------|--------------|
| Instruction | \$ 1,174,162 |
| Plant Operations and Maintenance | 167,737 |
| Transportation | 251,606 |
| Unallocated | 83,869 |
| Total | \$ 1,677,374 |

6. LEASE ASSETS

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

| | Balance June 30, 2022 | Additions | Deletions | Balance June 30, 2023 |
|---|--------------------------|-------------|-----------|--------------------------|
| Governmental Activities: | | | | |
| Lease Assets, being Amortized: | | | | |
| Machinery and Equipment | \$ 101,717 | \$ - | \$ 1,191 | \$ 100,526 |
| Total Lease Assets Being Amortized | 101,717 | - | 1,191 | 100,526 |
| Governmental Activities Lease Assets | 101,717 | - | 1,191 | 100,526 |
| Less Accumulated Amortization for: | | | | |
| Machinery and Equipment | (39,125) | (38,118) | 1,191 | (76,052) |
| Total Accumulated Amortization | (39,125) | (38,118) | 1,191 | (76,052) |
| Governmental Activities Lease Assets, Net | \$ 62,592 | \$ (38,118) | \$ 2,382 | \$ 24,474 |

Amortization expense in the amount of \$38,118 was charged to governmental functions as follows:

| Function | Amount |
|---------------------|-----------|
| Regular Instruction | \$ 30,494 |
| Administration | 5,718 |
| Central Services | 1,906 |
| | \$ 38,118 |

7. INVENTORY

Inventory in the Proprietary Funds at June 30, 2023 consisted of the following:

| | Food Service | School Store |
|----------|--------------|--------------|
| Food | \$ 13,659 | \$ - |
| Supplies | 1,657 | 9,101 |
| | \$ 15,316 | \$ 9,101 |

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

8. LONG-TERM OBLIGATIONS

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

| | <u>Balance</u> <u>July 1, 2022</u> | <u>Additions</u> | <u>Reductions</u> | <u>Balance</u> <u>June 30, 2023</u> | <u>Amounts</u> <u>Due Within</u> <u>One Year</u> |
|----------------------------|---------------------------------------|---------------------|---------------------|--|--|
| School Bonds | \$ 32,300,000 | \$ - | \$ 1,725,000 | \$ 30,575,000 | \$ 1,775,000 |
| Financed Purchases Payable | 871,711 | 566,129 | 480,716 | 957,124 | 407,921 |
| Lease Payable | 63,767 | - | 38,407 | 25,360 | 19,554 |
| Compensated Absences | 1,687,490 | 323,338 | 111,326 | 1,899,502 | - |
| Net Pension Liability | 9,553,339 | 2,931,326 | - | 12,484,665 | - |
| | <u>\$ 44,476,307</u> | <u>\$ 3,820,793</u> | <u>\$ 2,355,449</u> | <u>\$ 45,941,651</u> | <u>\$ 2,202,475</u> |

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

2014 School Bonds dated December 18, 2014, with \$30,575,000 outstanding, due in annual installments through August 1, 2039, bearing interest rates ranging from 3.00% - 3.50%.

Principal and interest due on bonds outstanding is as follows:

| <u>Year ending June 30,</u> | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
|-----------------------------|----------------------|---------------------|----------------------|
| 2024 | \$ 1,775,000 | \$ 949,125 | \$ 2,724,125 |
| 2025 | 1,800,000 | 895,500 | 2,695,500 |
| 2026 | 1,800,000 | 841,500 | 2,641,500 |
| 2027 | 1,800,000 | 787,500 | 2,587,500 |
| 2028 | 1,800,000 | 733,500 | 2,553,500 |
| 2029-2033 | 9,000,000 | 2,851,875 | 11,851,875 |
| 2034-2038 | 9,000,000 | 1,402,875 | 10,402,875 |
| 2039-2040 | 3,600,000 | 126,000 | 3,726,000 |
| | <u>\$ 30,575,000</u> | <u>\$ 8,587,875</u> | <u>\$ 39,162,875</u> |

As of June 30, 2023, the District had no authorized but not issued bonds.

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

Financed Purchases - The School District has entered into the following financed purchases agreements:

| <u>Purpose</u> | <u>Maturity Date</u> | <u>Interest Rate</u> | <u>Total Value</u> |
|--------------------------------|----------------------|----------------------|--------------------|
| Five Buses | August 15, 2023 | 2.340% | \$ 106,374 |
| Four Buses | August 15, 2024 | 1.454% | 177,931 |
| Three Buses, One Bus with Lift | August 15, 2024 | 1.238% | 205,057 |
| Four Buses | November 1, 2026 | 3.290% | 467,762 |
| Total | | | <u>\$ 957,124</u> |

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

8. LONG-TERM OBLIGATIONS (Continued)

Financed Purchases (Continued)

The following is a schedule of the future minimum payments under these financed purchases, and the present value of the net minimum payments at June 30, 2023:

| <u>Year Ending June 30,</u> | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
|-----------------------------|-------------------|------------------|---------------------|
| 2024 | \$ 407,921 | \$ 23,002 | \$ 430,923 |
| 2025 | 307,754 | 14,307 | 322,061 |
| 2026 | 118,771 | 7,943 | 126,714 |
| 2027 | 122,678 | 4,036 | 126,714 |
| | <u>\$ 957,124</u> | <u>\$ 49,288</u> | <u>\$ 1,006,412</u> |

Leases Payable - The School District has entered into agreements to lease certain equipment. The lease agreements qualify as other than short-term leases under GASB 87 and, therefore, have been recorded at the present value of the future minimum lease payments as of the date of their inception.

On November 1, 2018, the School District entered a 60-month lease as lessee for the use of copiers. As of June 30, 2023, the lease liability was \$4,919. The School District is required to make monthly payments of \$1,236. The lease has an interest rate of 4.00%. The value of the right to use asset as of June 30, 2023, was \$4,728 with accumulated amortization of \$28,370.

On December 1, 2018, the School District entered a 60-month lease as lessee for the use of copiers. As of June 30, 2023, the lease liability was \$6,857. The School District is required to make monthly payments of \$1,380. The lease has an interest rate of 4.00%. The value of the right to use asset as of June 30, 2023, was \$6,591 with accumulated amortization of \$31,636.

On February 1, 2020, the School District entered a 48-month lease as lessee for the use of a copier. As of June 30, 2023, the lease liability was \$616. The School District is required to make monthly payments of \$89. The lease has an interest rate of 4.00%. The value of the right to use asset as of June 30, 2023, was \$592 with accumulated amortization of \$2,030.

On August 1, 2020, the School District entered a 63-month lease as lessee for the use of a postage meter. As of June 30, 2023, the lease liability was \$10,011. The School District is required to make monthly payments of \$370. The lease has an interest rate of 3.00%. The value of the right to use asset as of June 30, 2023, was \$9,720 with accumulated amortization of \$8,332.

On July 1, 2021, the School District entered a 36-month lease as lessee for the use of a copier. As of June 30, 2023, the lease liability was \$2,957. The School District is required to make monthly payments of \$251. The lease has an interest rate of 4.00%. The value of the right to use asset as of June 30, 2023, was \$2,843 with accumulated amortization of \$5,685.

As of June 30, 2023, the District had leases outstanding as follows:

| <u>Purpose</u> | <u>Commencement Date</u> | <u>Maturity Date</u> | <u>Interest Rate</u> | <u>Total Value</u> |
|----------------|--------------------------|----------------------|----------------------|--------------------|
| Copiers | November 1, 2018 | October 1, 2023 | 4.00% | \$ 4,919 |
| Copiers | December 1, 2018 | November 1, 2023 | 4.00% | 6,857 |
| Copier | February 1, 2020 | January 1, 2024 | 4.00% | 616 |
| Postage Meter | August 1, 2020 | October 1, 2025 | 3.00% | 10,011 |
| Copier | July 1, 2021 | June 1, 2024 | 4.00% | 2,957 |
| Total | | | | <u>\$ 25,360</u> |

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

8. LONG-TERM OBLIGATIONS (Continued)

The future annual lease obligations as of June 30, 2023, are as follows:

| <u>Year ending June 30,</u> | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
|-----------------------------|------------------|-----------------|------------------|
| 2024 | 19,554 | 362 | 19,916 |
| 2025 | 4,333 | 104 | 4,437 |
| 2026 | 1,473 | 6 | 1,479 |
| Total | <u>\$ 25,360</u> | <u>\$ 472</u> | <u>\$ 25,832</u> |

9. PENSION PLANS

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

Teachers' Pension and Annuity Fund (TPAF)

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

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

The following represents the membership tiers for TPAF:

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

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

9. PENSION PLANS (Continued)

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

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

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

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

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

Based on the most recent TPAF measurement date of June 30, 2022, the State's contractually required contribution, on-behalf of the School District, to the pension plan for the fiscal year ended June 30, 2023 was \$7,805,373 and was paid by April 1, 2023. School District employee contributions to the pension plan during the fiscal year ended June 30, 2023 were \$1,784,096.

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

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

For the year ended June 30, 2023, the School District recognized pension expense of \$2,589,606 and revenue of \$2,589,606 for support provided by the State. Although the School District does not report net pension liability or deferred outflows or inflows related to the TPAF, the following schedule illustrates the collective net pension liability and deferred items and the State's portion of the net pension liability associated with the School District.

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

9. PENSION PLANS (Continued)

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

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

| | <u>06/30/22</u> | <u>06/30/21</u> |
|---|------------------|------------------|
| Collective deferred outflows of resources | \$ 4,885,289,911 | \$ 6,230,825,389 |
| Collective deferred inflows of resources | 19,563,805,393 | 27,221,092,460 |
| Collective net pension liability (Non-Employer – State of New Jersey) | 51,676,587,303 | 48,165,991,182 |
| State's portion of the net pension liability that was associated with the School District | 96,222,100 | 87,723,040 |
| State's portion of the net pension liability that was associated with the School District as a percentage of the collective net pension liability | .1864971204% | .1824705061% |

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

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

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

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

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

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

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

9. PENSION PLANS (Continued)

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

Best estimates of arithmetic real rates of return for each major asset class included in TPAF's target asset allocation as of June 30, 2022 are summarized in the following table:

| <u>Asset Class</u> | <u>Target Allocation</u> | <u>Long-Term Expected Real Rate of Return</u> |
|-----------------------------------|--------------------------|---|
| US Equity | 27.00% | 8.12% |
| Non-U.S. Developed Markets Equity | 13.50% | 8.38% |
| Emerging Markets Equity | 5.50% | 10.33% |
| Private Equity | 13.00% | 11.80% |
| Real Estate | 8.00% | 11.19% |
| Real Assets | 3.00% | 7.60% |
| High Yield | 4.00% | 4.95% |
| Private Credit | 8.00% | 8.10% |
| Investment Grade Credit | 7.00% | 3.38% |
| Cash Equivalents | 4.00% | 1.75% |
| U.S. Treasuries | 4.00% | 1.75% |
| Risk Mitigation Strategies | 3.00% | 4.91% |
| | <u>100.00%</u> | |

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

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

| | <u>1% Decrease (6.00%)</u> | <u>Current Discount Rate (7.00%)</u> | <u>1% Increase (8.00%)</u> |
|--|--------------------------------|--|--------------------------------|
| District's proportionate share of the net pension liability | \$ - | \$ - | \$ - |
| State's proportionate share of the net pension liability associated with the School District | <u>112,822,457</u> | <u>96,222,100</u> | <u>82,238,385</u> |
| | <u>\$ 112,822,457</u> | <u>\$ 96,222,100</u> | <u>\$ 82,238,385</u> |

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

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

9. PENSION PLANS (Continued)

Public Employees' Retirement System (PERS)

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

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

The following represents the membership tiers for PERS:

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

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

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

Based on the most recent PERS measurement date of June 30, 2022, the School District's contractually required contribution to the pension plan for the fiscal year ended June 30, 2023 was \$1,043,229 and was paid by April 1, 2023. School District employee contributions to the pension plan during the fiscal year ended June 30, 2023 were \$518,769.

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

9. PENSION PLANS (Continued)

Public Employees' Retirement System (PERS) (Continued)

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

| Fiscal Year | Normal Contributions | Accrued Liability | Non Contributory Life | Longterm Disability | Total Liability Paid by District |
|--------------------|-----------------------------|--------------------------|------------------------------|----------------------------|---|
| 2023 | \$ 158,895 | \$ 839,162 | \$ 45,172 | \$ - | \$ 1,043,229 |
| 2022 | 114,355 | 786,533 | 43,532 | - | 944,420 |
| 2021 | 100,277 | 735,627 | 42,455 | - | 878,359 |

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

At June 30, 2023, the School District reported a liability of \$12,484,665 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2021. The School District's proportion of the net pension liability was based on a projection of the School District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined.

For the year ended June 30, 2023, the School District recognized pension expense of (\$753,264). At June 30, 2023, the School District reported a liability of \$12,484,665 for its proportionate share of the PERS net pension liability and deferred outflows of resources related to PERS from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|--|--------------------------------|-------------------------------|
| Differences between expected and actual experience | \$ 90,109 | \$ 79,463 |
| Changes of assumptions | 38,681 | 1,869,449 |
| Net Difference between projected and actual earnings on pension plan investments | 516,729 | - |
| Changes in proportion | 589,274 | 77,444 |
| District contributions subsequent to the measurement date | 1,145,558 | - |
| Total | \$ 2,380,351 | \$ 2,026,356 |

\$1,145,558 reported as deferred outflows of resources related to pensions resulting from school district contributions subsequent to the measurement date will be recognized as a reduction of the net liability in the year ended June 30, 2024.

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

9. PENSION PLANS (Continued)

Public Employees' Retirement System (PERS) (Continued)

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

| For the year ended: | Net Deferred Outflows (Inflows) of Resources |
|---------------------|--|
| 2024 | \$ (1,008,957) |
| 2025 | (366,124) |
| 2026 | (113,772) |
| 2027 | 689,352 |
| 2028 | 7,938 |
| Total | \$ (791,563) |

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

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

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

9. PENSION PLANS (Continued)

Public Employees' Retirement System (PERS) (Continued)

Additional Information

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

| | <u>6/30/2022</u> | <u>6/30/2021</u> |
|---|-------------------|-------------------|
| Collective deferred outflows of resources | \$ 1,715,543,211 | \$ 818,359,815 |
| Collective deferred inflows of resources | \$ 4,112,583,758 | \$ 11,243,411,487 |
| Collective net pension liability | \$ 15,219,184,920 | \$ 11,972,782,878 |
| School District's Proportion | .0827271430% | .0806427219% |

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

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

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

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

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

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

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

9. PENSION PLANS (Continued)

Public Employees' Retirement System (PERS) (Continued)

Best estimates of arithmetic rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2022 are summarized in the following table:

| <u>Asset Class</u> | <u>Target Allocation</u> | <u>Long-Term Expected Real Rate of Return</u> |
|----------------------------------|--------------------------|---|
| US Equity | 27.00% | 8.12% |
| Non-U.S. Developed Market Equity | 13.50% | 8.38% |
| Emerging Market Equity | 5.50% | 10.33% |
| Private Equity | 13.00% | 11.80% |
| Real Estate | 8.00% | 11.19% |
| Real Assets | 3.00% | 7.60% |
| High Yield | 4.00% | 4.95% |
| Private Credit | 8.00% | 8.10% |
| Investment Grade Credit | 7.00% | 3.38% |
| Cash Equivalents | 4.00% | 1.75% |
| U.S. Treasuries | 4.00% | 1.75% |
| Risk Mitigation Strategies | 3.00% | 4.91% |
| Total | 100.00% | |

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

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

| | <u>1% Decrease (6.00%)</u> | <u>Current Discount Rate (7.00%)</u> | <u>1% Increase (8.00%)</u> |
|--|--------------------------------|--|--------------------------------|
| School District's proportionate share of the net pension liability | \$ 16,039,137 | \$ 12,484,665 | \$ 9,459,666 |

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

Defined Contribution Retirement Program (DCRP)

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

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

9. PENSION PLANS (Continued)

Defined Contribution Retirement Program (DCRP) (Continued)

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

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

| <u>Year</u> | <u>Total Liability</u> | <u>Paid by School District</u> |
|-------------|----------------------------|--|
| 2023 | \$ 27,003 | \$ 27,003 |
| 2022 | 14,170 | 14,170 |
| 2021 | 9,833 | 9,833 |

10. OTHER POSTEMPLOYMENT BENEFITS (OPEB)

Plan Description and Benefits Provided

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

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

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

Contributions

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

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

10. OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)

Plan Membership

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

| | |
|---------------------|----------------|
| Active Plan Members | 213,148 |
| Retirees | <u>151,669</u> |
| | <u>364,817</u> |

Total Non-Employer OPEB Liability

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

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

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

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

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

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

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

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

10. OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)

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

Changes in the Total Nonemployer OPEB Liability

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

| | Total OPEB Liability |
|--|-------------------------|
| Balance as of June 30, 2021 | \$ 117,090,639 |
| Changes for the Year | |
| Service Cost | 5,577,928 |
| Interest | 2,620,241 |
| Changes of benefit terms | - |
| Differences between expected and actual experience | 2,619,803 |
| Changes in assumptions | (26,523,544) |
| Gross Benefit Payments | (2,595,426) |
| Contributions from the Non-employer | N/A |
| Contributions from the Member | 83,263 |
| Net Investment Income | N/A |
| Administrative Expense | N/A |
| Net Changes | (18,217,735) |
| Balance at 06/30/2022 | \$ 98,872,904 |

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

| | 1% Decrease (2.54%) | Current Discount Rate (3.54%) | 1% Increase (4.54%) |
|---|------------------------|-------------------------------------|------------------------|
| State of New Jersey's Proportionate Share of the Total Nonemployer OPEB Liability Associated with the School District | \$ 116,214,698 | \$ 98,872,904 | \$ 84,974,323 |

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

| | 1% Decrease | Healthcare Cost Trend Rates | 1% Increase |
|---|---------------|-----------------------------------|----------------|
| State of New Jersey's Proportionate Share of the Total Nonemployer OPEB Liability Associated with the School District | \$ 81,724,499 | \$ 98,872,904 | \$ 121,398,376 |

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

10. OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)

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

For the year ended June 30, 2023, the School District recognized \$4,052,123 in OPEB expense and revenue, in the government-wide financial statements, for the State’s proportionate share of the OPEB Plan’s OPEB Expense, associated with the School District. This expense and revenue were based on the OPEB Plan’s June 30, 2022 measurement date.

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

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

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|--|--------------------------------------|-------------------------------------|
| Change in Proportion | \$ 4,799,597 | \$ (156,437) |
| Differences between expected and actual experience | 17,652,735 | (30,187,041) |
| Changes of assumptions | 17,112,397 | (33,650,935) |
| Total | \$ 39,564,729 | \$ (63,994,413) |

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

| For the year ended: | |
|------------------------|------------------------|
| 2024 | \$ (4,129,219) |
| 2025 | (4,129,219) |
| 2026 | (4,129,219) |
| 2027 | (3,568,680) |
| 2028 | (2,040,619) |
| Thereafter | (6,432,728) |
| Total | \$ (24,429,684) |

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

11. ON-BEHALF PAYMENTS

For the fiscal year ended June 30, 2023, the School District has recognized as revenues and expenditures on-behalf payments made by the state for normal retirement costs, post-retirement medical costs and long-term disability insurance related to TPAF, in the fund statements. The amounts recognized as revenues and expenditures in the fund financial statements for normal costs, post-retirement medical costs and long-term disability insurance were \$7,883,202, \$2,070,898 and \$2,479 respectively. In addition, \$1,707,209 on-behalf payments were made by the state for the employer’s share of social security contributions for TPAF members, as calculated on their base salaries.

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

12. RISK MANAGEMENT

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

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

Joint Insurance Pool - The School District is a member of the School Alliance Insurance Fund. Insurance coverage as provided by the Fund can be found in the Statistical Section of this Annual Comprehensive Financial Report.

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

The Fund publishes its own financial report which can be obtained at: School Alliance Insurance Fund, c/o PEGAS, 51 Everett Drive, Suite B-40 West Windsor, New Jersey, 08550.

New Jersey Unemployment Compensation Insurance - The School District has elected to fund its New Jersey Unemployment Compensation Insurance under the "Business Reimbursement Method". Under this plan, the School District is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The District is billed quarterly for amounts due to the State.

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

| <u>Fiscal Year</u> | <u>District Contributions</u> | <u>Employee Contributions</u> | <u>Interest Earned</u> | <u>Amount Reimbursed</u> | <u>Ending Balance</u> |
|--------------------|-------------------------------|-------------------------------|------------------------|--------------------------|-----------------------|
| 2022-2023 | \$ - | \$ - | \$ 6,037 | \$ - | \$ 489,904 |
| 2021-2022 | - | - | 377 | - | 483,867 |
| 2020-2021 | - | - | 872 | - | 483,490 |

13. DEFERRED COMPENSATION

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

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

14. COMPENSATED ABSENCES

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

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

The liability for vested compensated absences is recorded within those funds as the benefits accrued to the employees. As of June 30, 2023, the liability for compensated absences in the governmental activities was \$1,899,502.

15. INTERFUND BALANCES AND TRANSFERS

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

| <u>Fund</u> | <u>Interfund Receivable</u> | <u>Interfund Payable</u> |
|-----------------|---------------------------------|------------------------------|
| General | \$ 748,980 | \$ 36,274 |
| Special Revenue | - | 288,520 |
| Proprietary | 36,274 | 460,460 |
| | \$ 785,254 | \$ 785,254 |

16. CONTINGENCIES

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

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

17. FLEXIBLE BENEFITS PROGRAM

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

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

17. FLEXIBLE BENEFITS PROGRAM (Continued)

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

| <u>Fiscal Year</u> | <u>Interest Earnings</u> | <u>Employee Contributions</u> | <u>Amount Reimbursed</u> | <u>Ending Balance</u> |
|--------------------|--------------------------|-------------------------------|--------------------------|-----------------------|
| 2022-2023 | \$ 236 | \$ 78,403 | \$ 77,208 | \$ 5,524 |
| 2021-2022 | 333 | 67,200 | 68,749 | 4,093 |
| 2020-2021 | - | 62,421 | 70,304 | 5,309 |
| 2019-2020 | - | 80,541 | 69,096 | 13,192 |
| 2018-2019 | - | 78,736 | 85,624 | 1,747 |

18. TAX ABATEMENTS

As defined by the Governmental Accounting Standards Board (GASB), a tax abatement is an agreement between a government and an individual or entity in which the government promises to forgo tax revenues and the individual or entity promises to subsequently take a specific action that contributes to economic development or otherwise benefits the government or its citizens. School districts are not authorized by New Jersey statute to enter into tax abatement agreements. However, the county or municipality in which the school district is situated may have entered into tax abatement agreements, and that potential must be disclosed in these financial statements. If the county or municipality entered into tax abatement agreements, those agreements will not directly affect the school district’s local tax revenue because N.J.S.A. 54:4-75 and N.J.S.A. 54:4-76 require that amounts so forgiven must effectively be recouped from other taxpayers and remitted to the school district.

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

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

The municipality recognized revenue of \$385,292 from the annual service charge in lieu of payment of taxes in 2022. The assessed value on these tax exemption properties amounted to \$27,780,300 which would have resulted in 2022 taxes billed in full of \$1,010,091. Of this amount \$643,947 would have been allocated to the district.

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

19. DEFICIT UNRESTRICTED NET POSITION

As of June 30, 2023, a deficit of \$12,486,579 existed in the Unrestricted Net Position of the Governmental Activities. A reconciliation of Unreserved Fund Balance reported on Exhibit B-1 to Unrestricted Net Position reported on Exhibited A-1 as follows:

| | |
|--|-------------------------------|
| Balances, June 30, 2023: | |
| Fund Balance (Deficit) | |
| (Exclusive of Capital Projects and Debt Service Funds) | \$ - |
| Assigned | 2,469,631 |
| Unassigned | 544,770 |
| Liabilities: | |
| Net Pension Differences | (13,276,228) |
| Accrued Interest Payable | (325,250) |
| Compensated Absences | (1,899,502) |
| Unrestricted Net Position (Deficit) | <u><u>\$ (12,486,579)</u></u> |

20. FUND BALANCES

The School District has classified its fund balances with the following hierarchy:

Nonspendable – The School District does not have any nonspendable funds.

Spendable – The School District has classified the spendable fund balances as *Restricted*, *Assigned* and *Unassigned* and considered each to have been spent when expenditures are incurred. The School District currently has no funds classified as *Committed*.

Restricted Items:

General Fund:

Capital Reserve – As of June 30, 2023, the balance in the capital reserve account is \$4,248,663 which is restricted for future capital outlay expenditures for capital projects in the School District’s approved Long-Range Facilities Plan. Of this amount \$150,000 has been designated for use in the 2023-2024 budget.

Excess Surplus – In accordance with N.J.S.A. 18A:7F-7, as amended, the designation of restricted fund balance - excess surplus is the result of a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to restrict general fund, fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2023 is \$4,084,870. Additionally, \$3,223,447 of excess fund balance generated during the 2021-2022 fiscal year has been restricted and designated for utilization in the 2023-2024 budget.

Maintenance Reserve Account – As of June 30, 2023, the balance in the maintenance reserve account is \$2,535,876. These funds are restricted for the required maintenance of school facilities in accordance with the Educational Facilities Construction and Financing Act (EFCFA) (N.J.S.A. 18A:7G-9) as amended by P.L. 2004, c. 73 (S1701). Of this amount \$500,000 has been designated for use in the 2023-2024 budget.

Unemployment Compensation – As of June 30, 2023, the balance in unemployment compensation is \$489,904. These funds are restricted for the purpose of financing unemployment claims.

Special Revenue Fund:

Student Activities – As of June 30, 2023, the balance in student activities is \$445,449.

Scholarships – As of June 30, 2023, the balance in scholarships is \$58,628.

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

20. FUND BALANCES (Continued)

Debt Service Fund:

Debt Service – As of June 30, 2023, the balance in debt service is \$375.

Assigned:

General Fund:

Year-end Encumbrances – At June 30, 2023 a total of \$1,083,453 in the General Fund is committed to meet contractual obligations. The School District has purchase orders outstanding with vendors in this amount and expects the vendors to deliver the goods and services in the upcoming year.

Designated for Subsequent Year's Expenditures – In the original 2023-2024 budget, the School District appropriated \$1,386,178 as an anticipated revenue for the fiscal year ending June 30, 2024.

Debt Service Fund:

Designated for Subsequent Year's Expenditures – The School District has appropriated \$375 and included as an anticipated revenue for the fiscal year ending June 30, 2024.

Unassigned:

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

General Fund – As of June 30, 2023, \$544,770 of the general fund balance was unassigned.

Required Supplementary Information - Part II

Budgetary Comparison Schedules

CINNAMINSON TOWNSHIP SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
Fiscal Year Ended June 30, 2023

| | Original Budget | Budget Transfers | Final Budget | Actual | Variance Final to Actual |
|--|--------------------|---------------------|-------------------|-------------------|--------------------------------|
| REVENUES: | | | | | |
| Local sources: | | | | | |
| Local tax levy | \$ 35,544,722 | \$ - | \$ 35,544,722 | \$ 35,544,722 | \$ - |
| Tuition from Individuals | 30,000 | | 30,000 | 53,538 | 23,538 |
| Tuition from other LEAs | 100,000 | | 100,000 | 552,475 | 452,475 |
| Transportation fees from other LEAs | 900,000 | | 900,000 | 1,608,531 | 708,531 |
| Maintenance reserve interest | 100 | | 100 | 14,012 | 13,912 |
| Capital reserve interest | 100 | | 100 | 9,495 | 9,395 |
| Other restricted miscellaneous revenues | | | | 6,038 | 6,038 |
| Unrestricted miscellaneous revenue | 115,092 | | 115,092 | 210,869 | 95,777 |
| Total local sources | 36,690,014 | | 36,690,014 | 37,999,680 | 1,309,666 |
| State sources: | | | | | |
| Extraordinary Aid | 300,000 | | 300,000 | 1,263,507 | 963,507 |
| Additional Non-Public Transportation Aid | | | | 24,024 | 24,024 |
| Homeless Aid | | | | 19,447 | 19,447 |
| School Security Grant - Alyssa's Law | | | | 106,414 | 106,414 |
| Lead Testing for Schools Aid | | | | 7,236 | 7,236 |
| Categorical Special Education Aid | 1,385,471 | | 1,385,471 | 1,385,471 | |
| Equalization Aid | 13,485,243 | | 13,485,243 | 13,485,243 | |
| Categorical Security Aid | 57,475 | | 57,475 | 57,475 | |
| Categorical Transportation Aid | 483,083 | | 483,083 | 483,083 | |
| On-behalf TPAF Pension (non-budgeted) | | | | 7,883,202 | 7,883,202 |
| On-behalf TPAF Medical contributions (non-budgeted) | | | | 2,070,898 | 2,070,898 |
| On-behalf TPAF Pension LTDI (non-budgeted) | | | | 2,479 | 2,479 |
| Reimbursed TPAF social security contributions (non-budgeted) | | | | 1,707,209 | 1,707,209 |
| Total state sources | 15,711,272 | | 15,711,272 | 28,495,688 | 12,784,416 |
| Federal sources: | | | | | |
| Medicaid reimbursement | 50,862 | | 50,862 | 57,564 | 6,702 |
| FFCRA/SEMI | | | | 7,078 | 7,078 |
| Total federal sources | 50,862 | | 50,862 | 64,642 | 13,780 |
| TOTAL REVENUES | 52,452,148 | | 52,452,148 | 66,560,010 | 14,107,862 |
| EXPENDITURES: | | | | | |
| CURRENT EXPENSE: | | | | | |
| Regular Programs - Instruction: | | | | | |
| Salaries of teachers | | | | | |
| Preschool | 74,360 | 4,750 | 79,110 | 79,070 | 40 |
| Kindergarten | 711,097 | (33,950) | 677,147 | 496,089 | 181,058 |
| Grades 1-5 | 5,184,212 | (90,700) | 5,093,512 | 5,081,909 | 11,603 |
| Grades 6-8 | 4,144,973 | (57,865) | 4,087,108 | 3,789,703 | 297,405 |
| Grades 9-12 | 4,856,326 | (69,700) | 4,786,626 | 4,770,074 | 16,552 |
| Total Instruction | 14,970,968 | (247,465) | 14,723,503 | 14,216,845 | 506,658 |
| Regular Programs - Home Instruction: | | | | | |
| Salaries of teachers | 30,000 | 33,290 | 63,290 | 63,289 | 1 |
| Purchased professional - educ services | 20,000 | (544) | 19,456 | 19,423 | 33 |
| Total Home Instruction | 50,000 | 32,746 | 82,746 | 82,712 | 34 |
| Regular Programs - Undistributed Instruction: | | | | | |
| Other salaries for instruction | 193,695 | (16,000) | 177,695 | 169,613 | 8,082 |
| Purchased professional - educ services | 11,060 | 1,605 | 12,665 | 8,773 | 3,892 |
| Other purchased services | 285,022 | 50,986 | 336,008 | 265,979 | 70,029 |
| General supplies | 768,978 | 6,217 | 775,195 | 688,569 | 86,626 |
| Textbooks | 204,000 | (7,005) | 196,995 | 153,987 | 43,008 |
| Other objects | 16,709 | (96) | 16,613 | 8,465 | 8,148 |
| Total Undistributed Instruction | 1,479,464 | 35,707 | 1,515,171 | 1,295,386 | 219,785 |
| Total - Regular Programs - Instruction | 16,500,432 | (179,012) | 16,321,420 | 15,594,943 | 726,477 |

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

(CONTINUED TO NEXT PAGE)

CINNAMINSON TOWNSHIP SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
Fiscal Year Ended June 30, 2023

| (Continued from prior page) | Original Budget | Budget Transfers | Final Budget | Actual | Variance Final to Actual |
|---|--------------------|---------------------|------------------|------------------|--------------------------------|
| Special Educ Instruction: Behavioral Disabilities | | | | | |
| Salaries of teachers | \$ 65,752 | \$ 14,000 | \$ 79,752 | \$ 79,433 | \$ 319 |
| Other salaries for instruction | 35,000 | 28,000 | 63,000 | 34,715 | 28,285 |
| General supplies | 1,500 | | 1,500 | 256 | 1,244 |
| Total Behavioral Disabilities | <u>102,252</u> | <u>42,000</u> | <u>144,252</u> | <u>114,404</u> | <u>29,848</u> |
| Special Educ Instruction: Multiple Disabilities | | | | | |
| Salaries of teachers | 763,682 | (118,032) | 645,650 | 557,546 | 88,104 |
| Other salaries for instruction | 223,024 | 571,812 | 794,836 | 674,070 | 120,766 |
| General supplies | 15,843 | 3,100 | 18,943 | 11,260 | 7,683 |
| Total Multiple Disabilities | <u>1,002,549</u> | <u>456,880</u> | <u>1,459,429</u> | <u>1,242,876</u> | <u>216,553</u> |
| Special Educ Instruction: Res. Room/Res. Center | | | | | |
| Salaries of teachers | 2,648,474 | (11,500) | 2,636,974 | 2,464,547 | 172,427 |
| Other salaries for instruction | 328,710 | (1,700) | 327,010 | 217,204 | 109,806 |
| General supplies | 28,700 | | 28,700 | 9,275 | 19,425 |
| Total Resource Room/Resource Center | <u>3,005,884</u> | <u>(13,200)</u> | <u>2,992,684</u> | <u>2,691,026</u> | <u>301,658</u> |
| Special Educ Instruction: Preschool Disb - PT | | | | | |
| Salaries of teachers | 224,033 | (1,002) | 223,031 | 201,116 | 21,915 |
| Other salaries for instruction | 33,094 | | 33,094 | | 33,094 |
| General supplies | 4,500 | 8,400 | 12,900 | 12,776 | 124 |
| Total Preschool Disabilities - Part-Time | <u>261,627</u> | <u>7,398</u> | <u>269,025</u> | <u>213,892</u> | <u>55,133</u> |
| Special Educ Instruction: Home Instruction | | | | | |
| Salaries of teachers | 25,000 | | 25,000 | 649 | 24,351 |
| Purchased professional - educ services | 80,000 | (40,000) | 40,000 | 28,404 | 11,596 |
| General Supplies | 500 | | 500 | | 500 |
| Total Home Instruction | <u>105,500</u> | <u>(40,000)</u> | <u>65,500</u> | <u>29,053</u> | <u>36,447</u> |
| Total Special Education - Instruction | <u>4,477,812</u> | <u>453,078</u> | <u>4,930,890</u> | <u>4,291,251</u> | <u>639,639</u> |
| Basic Skills/Remedial - Instruction | | | | | |
| Salaries of teachers | 1,523,380 | 137,010 | 1,660,390 | 1,630,257 | 30,133 |
| Other salaries for instruction | 284,156 | 20,292 | 304,448 | 297,337 | 7,111 |
| General supplies | 12,200 | | 12,200 | 5,794 | 6,406 |
| Total Basic Skills/Remedial - Instruction | <u>1,819,736</u> | <u>157,302</u> | <u>1,977,038</u> | <u>1,933,388</u> | <u>43,650</u> |
| Bilingual Education - Instruction | | | | | |
| Salaries of teachers | 229,912 | 16,500 | 246,412 | 244,542 | 1,870 |
| Purchased professional - educ services | 5,000 | 3,300 | 8,300 | 7,124 | 1,176 |
| General Supplies | 4,000 | | 4,000 | 2,568 | 1,432 |
| Textbooks | 1,000 | | 1,000 | 1,000 | |
| Total Bilingual Education - Instruction | <u>239,912</u> | <u>19,800</u> | <u>259,712</u> | <u>255,234</u> | <u>4,478</u> |
| School-Sponsored Cocurricular Act - Inst. | | | | | |
| Salaries | 380,005 | (4,909) | 375,096 | 370,968 | 4,128 |
| Purchased services | 57,143 | (654) | 56,489 | 34,196 | 22,293 |
| Supplies and materials | 21,320 | 4,907 | 26,227 | 15,850 | 10,377 |
| Other objects | 4,372 | 129 | 4,501 | 2,947 | 1,554 |
| Total School-Sponsored Cocurr. Act. - Inst. | <u>462,840</u> | <u>(527)</u> | <u>462,313</u> | <u>423,961</u> | <u>38,352</u> |

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

(CONTINUED TO NEXT PAGE)

CINNAMINSON TOWNSHIP SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
Fiscal Year Ended June 30, 2023

| (Continued from prior page) | Original Budget | Budget Transfers | Final Budget | Actual | Variance Final to Actual |
|--|--------------------|---------------------|------------------|------------------|--------------------------------|
| School-Sponsored Athletics - Inst. | | | | | |
| Salaries | \$ 916,143 | \$ 3,555 | \$ 919,698 | \$ 888,173 | \$ 31,525 |
| Purchased services | 106,821 | (6,006) | 100,815 | 89,184 | 11,631 |
| Supplies and materials | 345,267 | (148,723) | 196,544 | 125,474 | 71,070 |
| Other objects | 34,825 | 3,156 | 37,981 | 36,865 | 1,116 |
| Total School-Sponsored Athletics - Inst. | <u>1,403,056</u> | <u>(148,018)</u> | <u>1,255,038</u> | <u>1,139,696</u> | <u>115,342</u> |
| Other Instructional Programs - Instruction | | | | | |
| Salaries | 30,680 | | 30,680 | | 30,680 |
| Purchased prof ed services | 1,500 | | 1,500 | | 1,500 |
| Supplies and materials | 1,000 | | 1,000 | | 1,000 |
| Total Other Instructional Programs - Inst. | <u>33,180</u> | | <u>33,180</u> | | <u>33,180</u> |
| Undistributed Expenditures - Instruction | | | | | |
| Tuition to other LEAs within the state - regular | 125,000 | (74,214) | 50,786 | 24,451 | 26,335 |
| Tuition to other LEAs within the state - special | 125,000 | 16,073 | 141,073 | 141,072 | 1 |
| Tuition county voc. school dist. - regular | 54,885 | | 54,885 | 54,885 | |
| Tuition county voc. school dist. - special | 43,908 | (43,908) | | | |
| Tuition to CSSD & reg. day schools | 410,307 | 28,316 | 438,623 | 438,623 | |
| Tuition to priv. sch. for the disabled w/i state | 995,338 | 61,733 | 1,057,071 | 897,484 | 159,587 |
| Tuition - state facilities | 4,500 | | 4,500 | 4,500 | |
| Tuition - other | | | | | |
| Total Undistributed Expenditures - Instruction | <u>1,758,938</u> | <u>(12,000)</u> | <u>1,746,938</u> | <u>1,561,015</u> | <u>185,923</u> |
| Undistributed Expenditures - Attendance & Social Work | | | | | |
| Salaries | 292,071 | 71,702 | 363,773 | 319,803 | 43,970 |
| Other Purchased services | 24,889 | | 24,889 | 20,953 | 3,936 |
| Other Objects | 250 | | 250 | | 250 |
| Total Undistributed Expenditures - Attendance & Soc. | <u>317,210</u> | <u>71,702</u> | <u>388,912</u> | <u>340,756</u> | <u>48,156</u> |
| Undistributed Expenditures - Health Services | | | | | |
| Salaries | 539,570 | (25,700) | 513,870 | 389,137 | 124,733 |
| Purchased Professional and Technical Services | 20,000 | | 20,000 | 15,117 | 4,883 |
| Other purchased services | 15,832 | 1 | 15,833 | 7,206 | 8,627 |
| Supplies and materials | 16,387 | 534 | 16,921 | 11,929 | 4,992 |
| Other objects | 1,162 | | 1,162 | 594 | 568 |
| Total Undistributed Expenditures - Health Svcs. | <u>592,951</u> | <u>(25,165)</u> | <u>567,786</u> | <u>423,983</u> | <u>143,803</u> |
| Undist. Expend. - Speech, OT, PT & Rel. Serv. | | | | | |
| Salaries | 419,923 | 23,647 | 443,570 | 439,706 | 3,864 |
| Purchased professional - educ services | 269,235 | 60,000 | 329,235 | 296,354 | 32,881 |
| Supplies and materials | 2,896 | (146) | 2,750 | 1,610 | 1,140 |
| Total Undist. Expend. - OT, PT & Rel. Serv. | <u>692,054</u> | <u>83,501</u> | <u>775,555</u> | <u>737,670</u> | <u>37,885</u> |
| Undist. Expend. - Other Supp. Serv. Stud. - Extra | | | | | |
| Salaries | 1,806,141 | (490,425) | 1,315,716 | 1,234,559 | 81,157 |
| Purchased professional - educ services | 122,500 | (8,000) | 114,500 | 88,508 | 25,992 |
| Supplies and materials | 3,000 | | 3,000 | 305 | 2,695 |
| Total Undst. Expend. - Other Supp. Serv. Stud. - Extra | <u>1,931,641</u> | <u>(498,425)</u> | <u>1,433,216</u> | <u>1,323,372</u> | <u>109,844</u> |
| Undist. Expend. - Guidance | | | | | |
| Salaries of other professional staff | 670,345 | 61,600 | 731,945 | 682,310 | 49,635 |
| Salaries of secretarial and clerical assistants | 256,711 | (5,468) | 251,243 | 220,782 | 30,461 |
| Other purchased services | 10,727 | | 10,727 | 7,584 | 3,143 |
| Supplies and materials | 4,476 | | 4,476 | 3,781 | 695 |
| Other objects | 3,940 | | 3,940 | 3,305 | 635 |
| Total Undst. Expend. - Guidance | <u>946,199</u> | <u>56,132</u> | <u>1,002,331</u> | <u>917,762</u> | <u>84,569</u> |

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

**CINNAMINSON TOWNSHIP SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
Fiscal Year Ended June 30, 2023**

| (Continued from prior page) | Original Budget | Budget Transfers | Final Budget | Actual | Variance Final to Actual |
|---|--------------------|---------------------|------------------|------------------|--------------------------------|
| Undist. Expend. - Child Study Team | | | | | |
| Salaries of other professional staff | \$ 945,324 | \$ (32,969) | \$ 912,355 | \$ 887,638 | \$ 24,717 |
| Salaries of secretarial and clerical assistants | 161,900 | | 161,900 | 156,836 | 5,064 |
| Other purchased prof. and tech. services | 90,913 | | 90,913 | 43,155 | 47,758 |
| Other purchased services (400-500 series) | 74,000 | (2,173) | 71,827 | 61,082 | 10,745 |
| Supplies and materials | 69,208 | (11,500) | 57,708 | 34,106 | 23,602 |
| Other objects | 7,000 | | 7,000 | 3,529 | 3,471 |
| Total Undst. Expend. - Child Study Team | 1,348,345 | (46,642) | 1,301,703 | 1,186,346 | 115,357 |
| Undist. Expend. - Improvement of Instr. Services | | | | | |
| Salaries of supervisor of instruction | 766,023 | (50,187) | 715,836 | 648,243 | 67,593 |
| Salaries of other professional staff | 32,000 | 5,839 | 37,839 | 37,839 | |
| Salaries of secretarial and clerical assistants | 31,911 | 1,801 | 33,712 | 33,711 | 1 |
| Purchased professional - educ services | 5,050 | (1) | 5,049 | 1,800 | 3,249 |
| Other purchased services | 43,200 | (9,259) | 33,941 | 30,656 | 3,285 |
| Supplies and materials | 3,065 | (1) | 3,064 | 2,125 | 939 |
| Other objects | 18,100 | | 18,100 | 17,070 | 1,030 |
| Total Undst. Expend. - Improvement of Instr. Services | 899,349 | (51,808) | 847,541 | 771,444 | 76,097 |
| Undist. Expend. - Educ. Media Serv./Sch. Library | | | | | |
| Salaries | 323,374 | 10,050 | 333,424 | 333,398 | 26 |
| Other purchased services | 52,975 | (2,062) | 50,913 | 36,837 | 14,076 |
| Supplies and materials | 36,836 | 2,456 | 39,292 | 35,700 | 3,592 |
| Total Undst. Expend. - Educ. Media Serv./Sch. Library | 413,185 | 10,444 | 423,629 | 405,935 | 17,694 |
| Undist. Expend. - Instructional Staff Training Services | | | | | |
| Salaries of supervisor of instruction | 82,466 | 2 | 82,468 | 82,467 | 1 |
| Salaries of secretarial and clerical assistance | 31,911 | | 31,911 | 31,911 | |
| Purchased professional education services | 14,000 | | 14,000 | 6,137 | 7,863 |
| Other purchased services | 14,000 | (303) | 13,697 | 13,331 | 366 |
| Other objects | | 303 | 303 | 303 | |
| Total Undst. Expend. - Instructional Staff Training Services | 142,377 | 2 | 142,379 | 134,149 | 8,230 |
| Undist. Expend. - Supp. Serv. General Admin. | | | | | |
| Salaries | 364,505 | 2,076 | 366,581 | 366,517 | 64 |
| Unused sick payment to terminated/retired staff | | | | | |
| Legal services | 80,000 | | 80,000 | 45,458 | 34,542 |
| Audit fees | 32,000 | 500 | 32,500 | 32,500 | |
| Architectural/engineering services | 96,357 | (5,500) | 90,857 | 75,394 | 15,463 |
| Other purchased professional services | 7,000 | | 7,000 | 5,315 | 1,685 |
| Communications / telephone | 134,800 | 1,983 | 136,783 | 82,455 | 54,328 |
| BOE - Other purchased services | 8,000 | (4,000) | 4,000 | 2,448 | 1,552 |
| Other purchased services | 195,400 | 918 | 196,318 | 195,928 | 390 |
| General supplies | 9,000 | (500) | 8,500 | 7,463 | 1,037 |
| Judgements against the school district | | | | | |
| Miscellaneous expenditures | 10,000 | 1,000 | 11,000 | 10,814 | 186 |
| BOE Membership dues and fees | 20,000 | | 20,000 | 17,864 | 2,136 |
| Total Undst. Expend. - Supp. Serv. General Admin. | 957,062 | (3,523) | 953,539 | 842,156 | 111,383 |
| Undist. Expend. - Supp. Serv. School Admin. | | | | | |
| Salaries of principals/assist. principals | 1,172,400 | 63,513 | 1,235,913 | 1,195,108 | 40,805 |
| Salaries of other professional staff | 170,597 | 2,847 | 173,444 | 173,440 | 4 |
| Salaries of secretarial and clerical assistants | 542,508 | 6,309 | 548,817 | 546,009 | 2,808 |
| Other purchased services | 17,711 | | 17,711 | 11,096 | 6,615 |
| Supplies and materials | 48,297 | (430) | 47,867 | 39,489 | 8,378 |
| Other objects | 17,735 | 150 | 17,885 | 15,173 | 2,712 |
| Total Undst. Expend. - Supp. Serv. School Admin. | 1,969,248 | 72,389 | 2,041,637 | 1,980,315 | 61,322 |

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

CINNAMINSON TOWNSHIP SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
Fiscal Year Ended June 30, 2023

| (Continued from prior page) | Original Budget | Budget Transfers | Final Budget | Actual | Variance Final to Actual |
|--|--------------------|---------------------|------------------|------------------|--------------------------------|
| Undist. Expend. - Central Services | | | | | |
| Salaries | \$ 569,630 | \$ 29,195 | \$ 598,825 | \$ 533,994 | \$ 64,831 |
| Purchased professional services | 62,750 | 5,547 | 68,297 | 67,397 | 900 |
| Purchased professional services - prc | 6,000 | | 6,000 | 5,000 | 1,000 |
| Miscellaneous purchased services | 29,000 | 2,468 | 31,468 | 26,256 | 5,212 |
| Supplies and materials | 20,182 | (3,060) | 17,122 | 13,427 | 3,695 |
| Miscellaneous expenditures | 8,000 | (1,557) | 6,443 | 4,016 | 2,427 |
| Total Undst. Expend. - Central services | 695,562 | 32,593 | 728,155 | 650,090 | 78,065 |
| Undist. Expend. - Admin. Info. Tech. | | | | | |
| Salaries | 587,874 | | 587,874 | 515,490 | 72,384 |
| Purchased technical services | | 13,849 | 13,849 | 13,849 | |
| Other purchased services | 59,175 | (18,466) | 40,709 | 28,859 | 11,850 |
| Supplies and materials | 6,700 | 18,000 | 24,700 | 21,297 | 3,403 |
| Total Undst. Expend. - Admin. Info. Tech. | 653,749 | 13,383 | 667,132 | 579,495 | 87,637 |
| Undist. Expend. - Required Maint. Sch. Facilities | | | | | |
| Salaries | 270,976 | | 270,976 | 222,185 | 48,791 |
| Cleaning, repair, and maintenance services | 355,703 | 153,520 | 509,223 | 262,675 | 246,548 |
| Lead testing of drinking water | 3,129 | | 3,129 | 1,584 | 1,545 |
| General supplies | 336,980 | (134,774) | 202,206 | 155,681 | 46,525 |
| Total Undst. Expend. - Required Maint. Sch. Facilities | 966,788 | 18,746 | 985,534 | 642,125 | 343,409 |
| Undist. Expend. - Custodial Services | | | | | |
| Salaries | 1,490,337 | (3,000) | 1,487,337 | 1,310,448 | 176,889 |
| Salaries of Non-Instructional Aides | 244,441 | (18,256) | 226,185 | 11,885 | 214,300 |
| Purchased professional & tech. services | 15,000 | (15,000) | | | |
| Cleaning, repair, and maintenance services | 105,000 | 36,365 | 141,365 | 127,459 | 13,906 |
| Other purchased property services | 410,000 | (15,144) | 394,856 | 342,248 | 52,608 |
| Insurance | 441,191 | 108,051 | 549,242 | 549,242 | |
| Miscellaneous purchased services | 34,000 | 2,090 | 36,090 | 32,797 | 3,293 |
| General supplies | 197,000 | 88,732 | 285,732 | 284,512 | 1,220 |
| Energy (natural gas) | 389,000 | 198,205 | 587,205 | 211,955 | 375,250 |
| Energy (electricity) | 995,000 | (262,205) | 732,795 | 624,567 | 108,228 |
| Other objects | 6,500 | (90) | 6,410 | 5,059 | 1,351 |
| Total Undst. Expend. - Other oper. & Maint. of Plant | 4,327,469 | 119,748 | 4,447,217 | 3,500,172 | 947,045 |
| Undist. Expend. - Care & Upkeep of Grounds | | | | | |
| Salaries | 216,786 | 3,000 | 219,786 | 217,892 | 1,894 |
| Total Undst. Expend. - Care & Upkeep of Grounds | 216,786 | 3,000 | 219,786 | 217,892 | 1,894 |
| Undist. Expend. - Security | | | | | |
| Purchased professional and technical services | 225,000 | 5,506 | 230,506 | 224,206 | 6,300 |
| Cleaning, Repair, and Maintenance services | 45,700 | (35,000) | 10,700 | 10,539 | 161 |
| General supplies | 27,000 | 35,000 | 62,000 | 46,501 | 15,499 |
| Other objects | 2,000 | | 2,000 | | 2,000 |
| Total Undst. Expend. - Security | 299,700 | 5,506 | 305,206 | 281,246 | 23,960 |
| Total Undst. Expend. - Oper. & Maint. of Plant Services | 5,810,743 | 147,000 | 5,957,743 | 4,641,435 | 1,316,308 |

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

CINNAMINSON TOWNSHIP SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
Fiscal Year Ended June 30, 2023

| (Continued from prior page) | Original Budget | Budget Transfers | Final Budget | Actual | Variance Final to Actual |
|---|--------------------|---------------------|-------------------|-------------------|--------------------------------|
| Undist. Expend. - Student Transportation Services | | | | | |
| Salaries of non-instructional aides | \$ 380,000 | \$ (8,400) | \$ 371,600 | \$ 270,636 | \$ 100,964 |
| Salaries for pupil trans. (bet home & sch) - reg. | 1,084,500 | | 1,084,500 | 972,297 | 112,203 |
| Salaries for pupil trans. (bet home & sch) - spec ed. | 650,000 | (21,520) | 628,480 | 566,918 | 61,562 |
| Salaries for pupil trans. (other than bet home & sch) | 270,820 | 29,920 | 300,740 | 275,791 | 24,949 |
| Salaries for pupil trans. (bet h&s) - nonpublc sch | 60,000 | | 60,000 | 60,000 | |
| Purchased professional and technical services | 5,000 | | 5,000 | 2,615 | 2,385 |
| Cleaning, repair, and maintenance services | 25,000 | 10,000 | 35,000 | 32,115 | 2,885 |
| Lease purchase payments - school buses | 490,000 | 7,851 | 497,851 | 497,851 | |
| Contr. serv. - aid in lieu of payments | 100,000 | (15,251) | 84,749 | 84,725 | 24 |
| Contr. serv. (bet. home & sch.) - vendors | 6,800 | 275 | 7,075 | 7,205 | 4,370 |
| Contr. serv. (bet home & sch) - joint agreements | 50,000 | (30,000) | 20,000 | 11,155 | 8,845 |
| Contr. serv. (sp ed stds) - vendors | 20,000 | | 20,000 | 17,514 | 2,486 |
| Contr. serv. (sp ed stds) - joint agreements | 22,500 | (4,450) | 18,050 | 4,113 | 13,937 |
| Contr. serv. (sp ed stds) - ESCs & CTSA | 30,000 | 250 | 30,250 | 30,242 | 8 |
| Miscellaneous purchased services | 33,500 | (19,720) | 13,780 | 4,148 | 9,632 |
| General Supplies | 227,000 | (227,000) | | | |
| Transportation Supplies | 407,028 | 326,200 | 733,228 | 632,908 | 100,320 |
| Other objects | 5,000 | 2,120 | 7,120 | 7,120 | |
| Total Undst. Expend. - Student Transportation Services | 3,867,148 | 50,275 | 3,917,423 | 3,472,853 | 444,570 |
| Custodial Services - Employee Benefits | | | | | |
| Workers Compensation | 99,000 | | 99,000 | 99,000 | |
| Total Custodial Service - Employee Benefits | 99,000 | | 99,000 | 99,000 | |
| Student Transportation Services - Employee Benefits | | | | | |
| Social security contributions | 175,300 | (24,000) | 151,300 | 149,468 | 1,832 |
| Workmen's compensation | 104,000 | | 104,000 | 104,000 | |
| Health benefits | 438,000 | (50,000) | 388,000 | 346,006 | 41,994 |
| Total Student Transportation Services - Employee Ben. | 717,300 | (74,000) | 643,300 | 599,474 | 43,826 |
| Total Allocated Benefits - Employee Benefits | 816,300 | (74,000) | 742,300 | 698,474 | 43,826 |
| Unallocated Benefits - Employee Benefits | | | | | |
| Social security contributions | 720,563 | 26,650 | 747,213 | 732,180 | 15,033 |
| Other retirement contributions - PERS | 1,030,432 | 15,637 | 1,046,069 | 1,046,069 | |
| Unemployment Compensation | | 20,000 | 20,000 | | 20,000 |
| Workmen's compensation | 180,000 | (62,302) | 117,698 | 111,348 | 6,350 |
| Health benefits | 5,739,164 | (112,735) | 5,626,429 | 5,478,408 | 148,021 |
| Tuition reimbursement | 60,000 | (15,637) | 44,363 | 26,642 | 17,721 |
| Other employee benefits | 200,000 | | 200,000 | 198,581 | 1,419 |
| Unused sick payment to terminated/retired staff | 90,000 | 13,500 | 103,500 | 103,415 | 85 |
| Total Unallocated Benefits - Employee Benefits | 8,020,159 | (114,887) | 7,905,272 | 7,696,643 | 208,629 |
| Total Personal - Employee Benefits | 8,836,459 | (188,887) | 8,647,572 | 8,395,117 | 252,455 |
| On-behalf TPAF Pension (non-budgeted) | | | | 7,883,202 | (7,883,202) |
| On-behalf TPAF Medical contributions (non-budgeted) | | | | 2,070,898 | (2,070,898) |
| On-behalf TPAF Pension LTDI (non-budgeted) | | | | 2,479 | (2,479) |
| Reimbursed TPAF social security contributions (non-budgeted) | | | | 1,707,209 | (1,707,209) |
| Total Undistributed Expenditures - TPAF | | | | 11,663,788 | (11,663,788) |
| Total Undistributed Expenditures | 31,832,220 | (289,029) | 31,543,191 | 40,027,681 | (8,484,490) |
| Total General Current Expense | 56,769,188 | 13,594 | 56,782,782 | 63,666,154 | (6,883,372) |

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

CINNAMINSON TOWNSHIP SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
Fiscal Year Ended June 30, 2023

| (Continued from prior page) | Original Budget | Budget Transfers | Final Budget | Actual | Variance Final to Actual |
|---|----------------------|---------------------|----------------------|----------------------|--------------------------------|
| EXPENDITURES: | | | | | |
| CAPITAL OUTLAY: | | | | | |
| Equipment: | | | | | |
| Preschool | \$ 16,237 | | \$ 16,237 | \$ 16,237 | \$ - |
| Grades 1-5 | | 13,281 | 13,281 | | 13,281 |
| Grades 6-8 | | | | | |
| Grades 9-12 | 215,662 | (40,181) | 175,481 | 174,303 | 1,178 |
| School-sponsored co-curricular | 5,700 | (5,700) | | | |
| School-sponsored athletic instruction | | 19,006 | 19,006 | 12,098 | 6,908 |
| Undist. expend. - admin info tech | 26,105 | | 26,105 | 24,639 | 1,466 |
| Undist. expend. - Custodial Services | | | | | |
| Undist. expend. - student trans. - non-inst. Equipment | | | | | |
| Total Equipment | <u>263,704</u> | <u>(13,594)</u> | <u>250,110</u> | <u>227,277</u> | <u>22,833</u> |
| Facilities acquisition and construction services: | | | | | |
| Architectural/Engineering Services | 54,850 | 59,312 | 114,162 | 16,573 | 97,589 |
| Other purchased professional and technical services | 144,311 | (59,312) | 84,999 | 84,999 | 84,999 |
| Maintenance and repairs | | 100,000 | 100,000 | | 100,000 |
| Construction services | 761,680 | | 761,680 | 96,256 | 665,424 |
| General Supplies | 360,538 | (100,000) | 260,538 | 97,704 | 162,834 |
| Lease Purchase Agreements - Principal | 106,414 | | 106,414 | 106,172 | 242 |
| Assessment for Debt Service on SDA Funding | 534 | | 534 | 534 | |
| Total Facilities acquisition and construction services | <u>1,428,327</u> | <u></u> | <u>1,428,327</u> | <u>317,239</u> | <u>1,111,088</u> |
| Assets acquired under Financed Purchases (non-budgeted): | | | | | |
| Equipment | | | | | |
| Transportation vehicles | | | | 566,129 | (566,129) |
| Total Capital Outlay | <u>1,692,031</u> | <u>(13,594)</u> | <u>1,678,437</u> | <u>1,110,645</u> | <u>567,792</u> |
| Transfer of Funds to Charter Schools | 18,719 | | 18,719 | 18,719 | |
| Total Expenditures | <u>58,479,938</u> | <u></u> | <u>58,479,938</u> | <u>64,795,518</u> | <u>(6,315,580)</u> |
| Excess (Deficiency) of Revenues Over (Under) Expenditures: | <u>(6,027,790)</u> | | <u>(6,027,790)</u> | <u>1,764,492</u> | <u>7,792,282</u> |
| Other Financing Sources (Uses): | | | | | |
| Proceeds of Financed Purchases (non-budgeted) | | | | 566,129 | 566,129 |
| Total Other Financing Sources | | | | <u>566,129</u> | <u>566,129</u> |
| Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Sources (Uses): | <u>(6,027,790)</u> | | <u>(6,027,790)</u> | <u>2,330,621</u> | <u>8,358,411</u> |
| Fund Balance, July 1 | <u>16,760,613</u> | | <u>16,760,613</u> | <u>16,760,613</u> | |
| Fund Balance, June 30 | <u>\$ 10,732,823</u> | | <u>\$ 10,732,823</u> | <u>\$ 19,091,234</u> | <u>\$ 8,358,411</u> |
| Recapitulation: | | | | | |
| Restricted: | | | | | |
| Capital Reserve: | | | | | |
| Designated for Subsequent Year's Expenditures | | | | \$ 150,000 | |
| Capital Reserve | | | | 4,098,663 | |
| Maintenance Reserve | | | | | |
| Designated for Subsequent Year's Expenditures | | | | 500,000 | |
| Maintenance Reserve | | | | 2,035,876 | |
| Excess Surplus: | | | | | |
| Designated for Subsequent Year's Expenditures | | | | 3,223,447 | |
| Current Year | | | | 4,084,870 | |
| Unemployment Compensation | | | | 489,904 | |
| Assigned: | | | | | |
| Year-end encumbrances | | | | 1,083,453 | |
| Designated for Subsequent Year's Expenditures | | | | 1,386,178 | |
| Unassigned | | | | <u>2,038,843</u> | |
| | | | | 19,091,234 | |
| Reconciliation on Governmental Fund Statements (GAAP): | | | | | |
| Less: State Aid Payment not Recognized on GAAP Basis | | | | <u>(1,494,073)</u> | |
| Fund Balance per Government Fund (GAAP) | | | | <u>\$ 17,597,161</u> | |

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

CINNAMINSON TOWNSHIP SCHOOL DISTRICT
Budgetary Comparison Schedule
Special Revenue Fund
Fiscal Year Ended June 30, 2023

| | Original Budget | Budget Transfers | Final Budget | Actual | Final to Actual |
|---|--------------------|---------------------|------------------|-------------------|--------------------|
| REVENUES: | | | | | |
| Local sources | \$ - | \$ 28,502 | \$ 28,502 | \$ 722,071 | \$ 693,569 |
| State sources | 103,730 | 159,436 | 263,166 | 143,884 | (119,282) |
| Federal sources | 780,667 | 1,581,569 | 2,362,236 | 1,346,356 | (1,015,880) |
| Total revenues | <u>884,397</u> | <u>1,769,507</u> | <u>2,653,904</u> | <u>2,212,311</u> | <u>(441,593)</u> |
| EXPENDITURES: | | | | | |
| Instruction: | | | | | |
| Salaries of teachers | 210,935 | 318,745 | 529,680 | 282,815 | 246,865 |
| Purchased professional - tech. services | | 63,331 | 63,331 | 1,496 | 61,835 |
| Other purchased services | | 170,404 | 170,404 | 170,404 | - |
| General supplies | | 88,873 | 88,873 | 45,403 | 43,470 |
| Tuition | 487,373 | 135,581 | 622,954 | 612,229 | 10,725 |
| Textbooks | | 16,962 | 16,962 | 16,745 | 217 |
| Miscellaneous | | 16,502 | 16,502 | 8,965 | 7,537 |
| Total instruction | <u>698,308</u> | <u>810,398</u> | <u>1,508,706</u> | <u>1,138,057</u> | <u>370,649</u> |
| Support services: | | | | | |
| Salaries - Support Staff | | 83,147 | 83,147 | 30,924 | 52,223 |
| Personal services - employee benefits | | 133,289 | 133,289 | 54,103 | 79,186 |
| Purchased professional and educational services | | 1,000 | 1,000 | 748 | 252 |
| Purchased professional and technical services | 45,991 | 213,774 | 259,765 | 133,509 | 126,256 |
| Other purchased services | 61,449 | 81,987 | 143,436 | 93,216 | 50,220 |
| Supplies and materials | 78,649 | 28,868 | 107,517 | 58,152 | 49,365 |
| Student activities | | | | 713,949 | (713,949) |
| Scholarship awards | | | | 15,369 | (15,369) |
| Total support services | <u>186,089</u> | <u>542,065</u> | <u>728,154</u> | <u>1,099,970</u> | <u>(371,816)</u> |
| Facilities acquisition and construction services: | | | | | |
| Building | | | | | |
| Non-Instructional equipment | | 417,044 | 417,044 | | 417,044 |
| Total facilities acq. and const. services | | <u>417,044</u> | <u>417,044</u> | | <u>417,044</u> |
| Total expenditures | <u>884,397</u> | <u>1,769,507</u> | <u>2,653,904</u> | <u>2,238,027</u> | <u>415,877</u> |
| Total outflows | <u>884,397</u> | <u>1,769,507</u> | <u>2,653,904</u> | <u>2,238,027</u> | <u>415,877</u> |
| Excess (Deficiency) of revenues over (under) expenditures and other financing sources (uses) | <u>-</u> | <u>-</u> | <u>-</u> | (25,716) | (25,716) |
| Fund Balance, July 1 | | | | <u>529,793</u> | |
| Fund Balance, June 30 | | | | <u>\$ 504,077</u> | |
| Recapitulation: | | | | | |
| Restricted: | | | | | |
| Student Activities | | | | \$ 445,449 | |
| Scholarships | | | | <u>58,628</u> | |
| Total Fund Balance | | | | <u>\$ 504,077</u> | |

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

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

| | General Fund | Special Revenue Fund |
|--|-------------------------|-------------------------------------|
| Sources/inflows of resources | | |
| Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedules | \$ 66,560,010 | \$ 2,212,311 |
| Difference - budget to GAAP: | | |
| State aid payment recognized for GAAP statements in current year, previously recognized for budgetary purposes. | 1,177,343 | |
| State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year. | (1,494,073) | |
| Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds. | \$ 66,243,280 | \$ 2,212,311 |
| Uses/outflows of resources | | |
| Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule | \$ 64,795,518 | \$ 2,238,027 |
| Differences - budget to GAAP | | |
| Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes. | | |
| Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds | \$ 64,795,518 | \$ 2,238,027 |

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

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

| | June 30, 2023 | June 30, 2022 | June 30, 2021 | June 30, 2020 | June 30, 2019 | June 30, 2018 | June 30, 2017 | June 30, 2016 | June 30, 2015 | June 30, 2014 |
|---|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| District's proportion of the net pension liability (asset) | 0.0827271430% | 0.0806427219% | 0.0802924586% | 0.0779066274% | 0.0780290550% | 0.0808424543% | 0.0771108750% | 0.0714173882% | 0.0711656070% | 0.0681418604% |
| District's proportionate share of the net pension liability (asset) | \$ 12,484,665 | \$ 9,553,339 | \$ 13,093,600 | \$ 14,037,592 | \$ 15,363,532 | \$ 18,818,831 | \$ 22,828,029 | \$ 16,031,773 | \$ 13,324,148 | \$ 13,023,263 |
| District's covered-employee payroll | \$ 6,724,577 | \$ 6,169,514 | \$ 5,725,195 | \$ 5,826,124 | \$ 5,763,725 | \$ 5,537,321 | \$ 5,335,617 | \$ 4,942,772 | \$ 5,027,300 | \$ 4,850,733 |
| District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll | 185.66% | 154.85% | 228.70% | 240.94% | 266.56% | 339.85% | 427.84% | 324.35% | 265.04% | 268.48% |
| Plan fiduciary net position as a percentage of the total pension liability | 62.91% | 70.33% | 58.32% | 56.27% | 53.60% | 48.10% | 40.14% | 47.93% | 52.08% | 48.72% |

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

| | June 30, 2023 | June 30, 2022 | June 30, 2021 | June 30, 2020 | June 30, 2019 | June 30, 2018 | June 30, 2017 | June 30, 2016 | June 30, 2015 | June 30, 2014 |
|---|--------------------|--------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| Contractually required contribution | \$ 1,145,558 | \$ 1,043,229 | \$ 944,420 | \$ 878,359 | \$ 761,563 | \$ 776,137 | \$ 748,919 | \$ 685,042 | \$ 613,998 | \$ 586,679 |
| Contributions in relation to the contractually required contributions | <u>(1,145,558)</u> | <u>(1,043,229)</u> | <u>(944,420)</u> | <u>(878,359)</u> | <u>(761,563)</u> | <u>(776,137)</u> | <u>(748,919)</u> | <u>(685,042)</u> | <u>(613,998)</u> | <u>(586,679)</u> |
| Contribution deficiency (excess) | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| District's covered-employee payroll | \$ 6,724,577 | \$ 6,169,514 | \$ 5,725,195 | \$ 5,826,124 | \$ 5,763,725 | \$ 5,537,321 | \$ 5,335,617 | \$ 4,942,772 | \$ 5,027,300 | \$ 4,850,733 |
| Contributions as a percentage of covered-employee payroll | 17.04% | 16.91% | 16.50% | 15.08% | 13.21% | 14.02% | 14.04% | 13.86% | 12.21% | 12.09% |

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

| | June 30, 2023 | June 30, 2022 | June 30, 2021 | June 30, 2020 | June 30, 2019 | June 30, 2018 | June 30, 2017 | June 30, 2016 | June 30, 2015 | June 30, 2014 |
|---|----------------------|----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|----------------------|----------------------|
| District's proportion of the net pension liability (asset) | 0.1864971204% | 0.1824705061% | 0.1835439582% | 0.1826543426% | 0.1771711895% | 0.1711102056% | 0.1724765937% | 0.1692070049% | 0.1639022100% | 0.1679719794% |
| District's proportionate share of the net pension liability (asset) | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| State's proportionate share of the net pension liability (asset) associated with the District | 96,222,100 | 87,723,040 | 120,861,488 | 112,096,694 | 112,712,505 | 115,368,671 | 135,681,070 | 106,946,053 | 87,600,397 | 84,891,717 |
| Total | \$ 96,222,100 | \$ 87,723,040 | \$ 120,861,488 | \$ 112,096,694 | \$ 112,712,505 | \$ 115,368,671 | \$ 135,681,070 | \$ 106,946,053 | \$ 87,600,397 | \$ 84,891,717 |
| District's covered-employee payroll | \$ 23,560,546 | \$ 22,418,161 | \$ 21,492,484 | \$ 20,316,372 | \$ 19,884,152 | \$ 19,615,077 | \$ 18,951,375 | \$ 18,058,763 | \$ 17,435,627 | \$ 16,823,260 |
| District's proportionate share of the net pension liability (asset) as a percentage of its covered employee payroll | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| Plan fiduciary net position as a percentage of the total pension liability | 32.29% | 35.52% | 24.60% | 26.95% | 26.49% | 25.41% | 22.33% | 28.71% | 33.64% | 33.76% |

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

| | June 30, 2023 | June 30, 2022 | June 30, 2021 | June 30, 2020 | June 30, 2019 | June 30, 2018 |
|--|----------------------|-----------------------|-----------------------|----------------------|----------------------|----------------------|
| State's proportion of the net OPEB liability (asset) associated with the District | 0.20% | 0.20% | 0.19% | 0.19% | 0.19% | 0.18% |
| District's proportionate share of the net OPEB liability | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| State's proportionate share of the net OPEB liability associated with the District | <u>98,872,904</u> | <u>117,090,639</u> | <u>129,686,014</u> | <u>78,106,218</u> | <u>86,515,675</u> | <u>98,568,495</u> |
| Total proportionate share of the net OPEB liability (asset) associated with the District | <u>\$ 98,872,904</u> | <u>\$ 117,090,639</u> | <u>\$ 129,686,014</u> | <u>\$ 78,106,218</u> | <u>\$ 86,515,675</u> | <u>\$ 98,568,495</u> |
| Plan fiduciary net position as a percentage of the total OPEB Liability | | | | | | 0.00% |
| | June 30, 2023 | June 30, 2022 | June 30, 2021 | June 30, 2020 | June 30, 2019 | June 30, 2018 |
| Total OPEB Liability | | | | | | |
| Service Cost | \$ 5,577,928 | \$ 6,266,593 | \$ 3,471,533 | \$ 3,432,633 | \$ 3,840,813 | \$ 4,624,765 |
| Interest | 2,620,241 | 3,037,455 | 2,817,238 | 3,436,408 | 3,626,626 | 3,124,251 |
| Changes in benefit terms | | (124,629) | | | | |
| Difference between expected and actual experience | 2,619,803 | (19,575,303) | 23,791,142 | (14,116,512) | (7,358,709) | |
| Changes of assumptions | (26,523,544) | 115,519 | 23,689,178 | 1,164,570 | (9,928,107) | (13,071,381) |
| Member Contributions | 83,263 | 77,653 | 68,432 | 71,072 | 79,955 | 84,068 |
| Benefit payments | <u>(2,595,426)</u> | <u>(2,392,663)</u> | <u>(2,257,727)</u> | <u>(2,397,628)</u> | <u>(2,313,398)</u> | <u>(2,283,056)</u> |
| Net Change in total OPEB Liability | (18,217,735) | (12,595,375) | 51,579,796 | (8,409,457) | (12,052,820) | (7,521,353) |
| Total OPEB Liability - beginning | <u>117,090,639</u> | <u>129,686,014</u> | <u>78,106,218</u> | <u>86,515,675</u> | <u>98,568,495</u> | <u>106,089,848</u> |
| Total OPEB Liability - ending | <u>\$ 98,872,904</u> | <u>\$ 117,090,639</u> | <u>\$ 129,686,014</u> | <u>\$ 78,106,218</u> | <u>\$ 86,515,675</u> | <u>\$ 98,568,495</u> |
| District's covered-employee payroll | \$ 30,285,123 | \$ 28,587,675 | \$ 27,217,679 | \$ 26,142,496 | \$ 25,647,877 | \$ 25,152,398 |
| Total OPEB Liability as a percentage of covered-employee payroll | 326.47% | 409.58% | 476.48% | 298.77% | 337.32% | 391.89% |

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

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

Teacher’s Pension and Annuity Fund (TPAF)

Changes of benefit term: There were none.

Changes of assumptions: There were none.

Public Employees’ Retirement System (PERS)

Changes of benefit term: There were none.

Changes of assumptions: There were none.

State Health Benefit Local Education Retired Employees Plan (OPEB)

Changes of benefit term: There were none.

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

Other Supplementary Information

Special Revenue Fund

**CINNAMINSON TOWNSHIP SCHOOL DISTRICT
Special Revenue Fund
Combining Statement of Revenues and Expenditures
Budgetary Basis
for the Fiscal Year Ended June 30, 2023**

| | Brought Forward (Exh. E-1B) | Brought Forward (Exh. E-1C) | Brought Forward (Exh. E-1D) | Brought Forward (Exh. E-1E) | Total |
|--|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|------------------|
| REVENUES: | | | | | |
| Local sources | \$ 703,602 | \$ - | \$ 18,469 | \$ - | \$ 722,071 |
| State sources | 60,178 | - | 83,706 | - | 143,884 |
| Federal sources | - | 944,088 | - | 402,268 | 1,346,356 |
| Total Revenues | 763,780 | 944,088 | 102,175 | 402,268 | 2,212,311 |
| EXPENDITURES: | | | | | |
| Instruction: | | | | | |
| Salaries of teachers | | 178,130 | 1,500 | 103,185 | 282,815 |
| Purchased professional and technical services | | 1,496 | | | 1,496 |
| Other purchased services | | | | 170,404 | 170,404 |
| General supplies | | 10,404 | 10,993 | 24,006 | 45,403 |
| Tuition | | 612,229 | | | 612,229 |
| Textbooks | | | 16,745 | | 16,745 |
| Miscellaneous | | | 8,965 | | 8,965 |
| Total instruction | - | 802,259 | 38,203 | 297,595 | 1,138,057 |
| Support services: | | | | | |
| Salaries - Other Support Staff | | 3,342 | | 27,582 | 30,924 |
| Personal services-employee benefits | | 46,296 | | 7,807 | 54,103 |
| Purchased professional and educational services | | 748 | | | 748 |
| Purchased professional and technical services | | 53,963 | 29,344 | 50,202 | 133,509 |
| Other purchased services | 60,178 | 5,371 | 25,949 | 1,718 | 93,216 |
| Supplies and materials | | 32,109 | 8,679 | 17,364 | 58,152 |
| Student activities | 713,949 | | | | 713,949 |
| Scholarship awards | 15,369 | | | | 15,369 |
| Total support services | 789,496 | 141,829 | 63,972 | 104,673 | 1,099,970 |
| Facilities acquisition and const. serv.: | | | | | |
| Building | | | | | |
| Non-Instructional equipment | | | | | |
| Total facilities acquisition and const. serv.: | - | - | - | - | - |
| Total Expenditures | 789,496 | 944,088 | 102,175 | 402,268 | 2,238,027 |
| Excess (Deficiency) of revenues over (under) expenditures and other financing sources (uses) | (25,716) | - | - | - | (25,716) |
| Fund Balance, July 1 | 529,793 | - | - | - | 529,793 |
| Fund Balance, June 30 | \$ 504,077 | \$ - | \$ - | \$ - | \$ 504,077 |

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

| | Chapter 192 | | Chapter 193 - Handicapped Services | | Scholarship Fund | Student Activity & Athletics Fund | Carried Forward (Exh. E-1A) |
|---|---------------------------|--------------|---|----------------------|---------------------|---|-----------------------------------|
| | Auxiliary Services | | | | | | |
| | Comp. Education | ESL | Exam & Classification | Corrective Speech | | | |
| REVENUES: | | | | | | | |
| Local sources | \$ - | \$ - | \$ - | \$ - | \$ 10,277 | \$ 693,325 | \$ 703,602 |
| State sources | 35,579 | 2,806 | 11,563 | 10,230 | | | 60,178 |
| Federal sources | | | | | | | - |
| Total Revenues | 35,579 | 2,806 | 11,563 | 10,230 | 10,277 | 693,325 | 763,780 |
| EXPENDITURES: | | | | | | | |
| Instruction: | | | | | | | |
| Salaries of teachers | | | | | | | - |
| General supplies | | | | | | | - |
| Tuition | | | | | | | - |
| Textbooks | | | | | | | - |
| Miscellaneous | | | | | | | - |
| Total instruction | - | - | - | - | - | - | - |
| Support services: | | | | | | | |
| Salaries - Other Support Staff | | | | | | | - |
| Personal services-employee benefits | | | | | | | - |
| Purchased professional and educational services | | | | | | | - |
| Purchased professional and technical services | | | | | | | - |
| Other purchased services | 35,579 | 2,806 | 11,563 | 10,230 | | | 60,178 |
| Supplies and materials | | | | | | | - |
| Student activities | | | | | | 713,949 | 713,949 |
| Scholarship awards | | | | | 15,369 | | 15,369 |
| Total support services | 35,579 | 2,806 | 11,563 | 10,230 | 15,369 | 713,949 | 789,496 |
| Facilities acquisition and const. serv.: | | | | | | | |
| Building | | | | | | | - |
| Non-instructional equipment | | | | | | | - |
| Total facilities acquisition and const. serv.: | - | - | - | - | - | - | - |
| Total Expenditures | 35,579 | 2,806 | 11,563 | 10,230 | 15,369 | 713,949 | 789,496 |
| Excess (Deficiency) of revenues over (under) expenditures and other financing sources (uses) | - | - | - | - | (5,092) | (20,624) | (25,716) |
| Fund Balance, July 1 | - | - | - | - | 63,720 | 466,073 | 529,793 |
| Fund Balance, June 30 | \$ - | \$ - | \$ - | \$ - | \$ 58,628 | \$ 445,449 | \$ 504,077 |

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

| | Every Student Succeeds Act (ESSA) | | | | | | | | IDEA - Part B | | | Carried Forward (Exh. E-1A) | |
|--|-----------------------------------|-------------------|----------------------------------|--------------------|--------------------------|---------------------|------------------------------------|-------------------------|--------------------|----------------------|--------------------------|--------------------------------|--------------------------|
| | Title I Current Yr. | Title I Summer | Title II - Part A Current Yr. | Title II Summer | Title III Current Yr. | Title III Summer | Title III Immigrant Current Yr. | Title IV Current Yr. | Title IV Summer | Basic Current Yr. | ARP Basic Current Yr. | | Preschool Current Yr. |
| REVENUES: | | | | | | | | | | | | | |
| Local sources | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| State sources | | | | | | | | | | | | | |
| Federal sources | 105,695 | 62,027 | 15,192 | 9,429 | 9,482 | 271 | 1,694 | 8,307 | 1,925 | 661,762 | 32,854 | 35,450 | 944,088 |
| Total Revenues | 105,695 | 62,027 | 15,192 | 9,429 | 9,482 | 271 | 1,694 | 8,307 | 1,925 | 661,762 | 32,854 | 35,450 | 944,088 |
| EXPENDITURES: | | | | | | | | | | | | | |
| Instruction: | | | | | | | | | | | | | |
| Salaries of teachers | 92,431 | 57,022 | | | 7,832 | 271 | 1,574 | | | | | 19,000 | 178,130 |
| Purchased professional - tech. services | 780 | | | | | | | 716 | | | | | 1,496 |
| General supplies | 5,413 | | | | | | | | | 4,991 | | | 10,404 |
| Tuition | | | | | | | | | | 612,229 | | | 612,229 |
| Textbooks | | | | | | | | | | | | | - |
| Miscellaneous | | | | | | | | | | | | | - |
| Total instruction | 98,624 | 57,022 | - | - | 7,832 | 271 | 1,574 | 716 | - | 617,220 | - | 19,000 | 802,259 |
| Support services: | | | | | | | | | | | | | |
| Salaries - Other Support Staff | | | | | | | | | | | | | |
| Personal services-employee benefits | 7,071 | | | | 599 | | 120 | | | | 3,342 | | 3,342 |
| Purchased professional and educational services | | | | | 748 | | | | | | 22,056 | 16,450 | 46,296 |
| Purchased professional and technical services | | | | | | | | | 1,965 | 44,542 | 7,456 | | 748 |
| Other purchased services | | | 5,371 | | | | | | | | | | 53,963 |
| Supplies and materials | | 5,005 | 9,821 | 9,429 | 303 | | | 5,626 | 1,925 | | | | 5,371 |
| Student activities | | | | | | | | | | | | | 32,109 |
| Scholarship awards | | | | | | | | | | | | | - |
| Total support services | 7,071 | 5,005 | 15,192 | 9,429 | 1,650 | - | 120 | 7,591 | 1,925 | 44,542 | 32,854 | 16,450 | 141,829 |
| Facilities acquisition and const. serv.: | | | | | | | | | | | | | |
| Building | | | | | | | | | | | | | - |
| Non-instructional equipment | | | | | | | | | | | | | - |
| Total facilities acquisition and const. serv.: | | | | | | | | | | | | | - |
| Total Expenditures | 105,695 | 62,027 | 15,192 | 9,429 | 9,482 | 271 | 1,694 | 8,307 | 1,925 | 661,762 | 32,854 | 35,450 | 944,088 |
| Excess (Deficiency) of revenues over (under) expenditures and other financing sources (uses) | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Fund Balance, July 1 | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Fund Balance, June 30 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

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

| | Nonpublic Nursing | Nonpublic Textbook | Nonpublic Security | Nonpublic Technology | Cinnaminson Education Foundation Grant | HS Home and School | Play Unified Grant | SHIF Wellness Grant | Carried Forward (Exh. E-1A) |
|--|----------------------|-----------------------|-----------------------|-------------------------|--|-----------------------|--------------------|------------------------|-----------------------------------|
| REVENUES: | | | | | | | | | |
| Local sources | \$ - | \$ - | \$ - | \$ - | \$ 8,865 | \$ 100 | \$ 2,518 | \$ 6,986 | \$ 18,469 |
| State sources | 29,344 | 16,745 | 27,642 | 9,975 | | | | | 83,706 |
| Federal sources | | | | | | | | | - |
| Total Revenues | 29,344 | 16,745 | 27,642 | 9,975 | 8,865 | 100 | 2,518 | 6,986 | 102,175 |
| EXPENDITURES: | | | | | | | | | |
| Instruction: | | | | | | | | | |
| Salaries of teachers | | | | | | | 1,500 | | 1,500 |
| General supplies | | | | 9,975 | | | 1,018 | | 10,993 |
| Tuition | | | | | | | | | - |
| Textbooks | | 16,745 | | | 8,865 | 100 | | | 16,745 |
| Miscellaneous | | | | | | | | | 8,965 |
| Total instruction | - | 16,745 | - | 9,975 | 8,865 | 100 | 2,518 | - | 38,203 |
| Support services: | | | | | | | | | |
| Salaries - other support staff | | | | | | | | | - |
| Personal services-employee benefits | | | | | | | | | - |
| Purchased professional and educational services | | | | | | | | | - |
| Purchased professional and technical services | 29,344 | | | | | | | | 29,344 |
| Other purchased services | | | 25,949 | | | | | | 25,949 |
| Supplies and materials | | | 1,693 | | | | | 6,986 | 8,679 |
| Student activities | | | | | | | | | - |
| Scholarship awards | | | | | | | | | - |
| Total support services | 29,344 | - | 27,642 | - | - | - | - | 6,986 | 63,972 |
| Facilities acquisition and const. serv.: | | | | | | | | | |
| Building | | | | | | | | | - |
| Non-instructional equipment | | | | | | | | | - |
| Total facilities acquisition and const. serv.: | - | - | - | - | - | - | - | - | - |
| Total Expenditures | 29,344 | 16,745 | 27,642 | 9,975 | 8,865 | 100 | 2,518 | 6,986 | 102,175 |
| Excess (Deficiency) of revenues over (under) expenditures and other financing sources (uses) | - | - | - | - | - | - | - | - | - |
| Fund Balance, July 1 | - | - | - | - | - | - | - | - | - |
| Fund Balance, June 30 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

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

| | ARP ESSER III Current Yr. | ARP Accelerated Learning | CRRSA Learning Acceleration | CRRSA Mental Health | ARP Evidence-Based Summer Learning | ARP Homeless Children and Youth | ARP NJTSS Mental Health | ACSERS Grant Current Yr. | Carried Forward (Exh. E-1A) |
|--|------------------------------|-----------------------------|-----------------------------------|---------------------------|--|------------------------------------|----------------------------|-----------------------------|-----------------------------------|
| REVENUES: | | | | | | | | | |
| Local sources | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| State sources | | | | | | | | | |
| Federal sources | 41,907 | 117,751 | 302 | 20,924 | 24,489 | 3,117 | 23,374 | 170,404 | 402,268 |
| Total Revenues | 41,907 | 117,751 | 302 | 20,924 | 24,489 | 3,117 | 23,374 | 170,404 | 402,268 |
| EXPENDITURES: | | | | | | | | | |
| Instruction: | | | | | | | | | |
| Salaries of teachers | 1,976 | 78,158 | 302 | | 22,749 | | | | 103,185 |
| General supplies | 24,006 | | | | | | | | 24,006 |
| Tuition | | | | | | | | | - |
| Textbooks | | | | | | | | | - |
| Other Purchased Services | | | | | | | | 170,404 | 170,404 |
| Total instruction | 25,982 | 78,158 | 302 | - | 22,749 | - | - | 170,404 | 297,595 |
| Support services: | | | | | | | | | |
| Salaries - Other Support Staff | | | | 20,924 | | | 6,658 | | 27,582 |
| Personal services-employee benefits | | 5,493 | | | 1,740 | | 574 | | 7,807 |
| Purchased professional and educational services | | | | | | | | | - |
| Purchased professional and technical services | | 34,100 | | | | | 16,102 | | 50,202 |
| Other purchased services | | | | | | 1,678 | 40 | | 1,718 |
| Supplies and materials | 15,925 | | | | | 1,439 | | | 17,364 |
| Student activities | | | | | | | | | - |
| Scholarship awards | | | | | | | | | - |
| Total support services | 15,925 | 39,593 | - | 20,924 | 1,740 | 3,117 | 23,374 | - | 104,673 |
| Facilities acquisition and const. serv.: | | | | | | | | | |
| Building | | | | | | | | | - |
| Non-instructional equipment | | | | | | | | | - |
| Total facilities acquisition and const. serv.: | - | - | - | - | - | - | - | - | - |
| Total Expenditures | 41,907 | 117,751 | 302 | 20,924 | 24,489 | 3,117 | 23,374 | 170,404 | 402,268 |
| Excess (Deficiency) of revenues over (under) expenditures and other financing sources (uses) | - | - | - | - | - | - | - | - | - |
| Fund Balance, July 1 | - | - | - | - | - | - | - | - | - |
| Fund Balance, June 30 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

Proprietary Funds

CINNAMINSON TOWNSHIP SCHOOL DISTRICT
Enterprise Funds
Statement of Net Position
as of June 30, 2023

| | Food Service Fund | School Age Child Care Program | School Store | Total |
|----------------------------------|-------------------------|--|------------------|---------------------|
| ASSETS: | | | | |
| Current assets: | | | | |
| Cash and cash equivalents | \$ 1,003,315 | \$ 472,735 | \$ 16,797 | \$ 1,492,847 |
| Accounts receivable: | | | | |
| State | 730 | - | - | 730 |
| Federal | 14,094 | - | - | 14,094 |
| Other | 4,824 | - | - | 4,824 |
| Interfund Receivable | 36,274 | - | - | 36,274 |
| Inventories | 15,316 | - | 9,101 | 24,417 |
| Total current assets | <u>1,074,553</u> | <u>472,735</u> | <u>25,898</u> | <u>1,573,186</u> |
| Fixed assets: | | | | |
| Equipment | 823,806 | 29,123 | - | 852,929 |
| Less Accumulated depreciation | <u>(455,148)</u> | <u>(25,704)</u> | <u>-</u> | <u>(480,852)</u> |
| Total fixed assets | <u>368,658</u> | <u>3,419</u> | <u>-</u> | <u>372,077</u> |
| Total assets | <u>\$ 1,443,211</u> | <u>\$ 476,154</u> | <u>\$ 25,898</u> | <u>\$ 1,945,263</u> |
| LIABILITIES | | | | |
| Current liabilities: | | | | |
| Accounts payable | \$ 254,065 | \$ - | \$ - | \$ 254,065 |
| Interfund payable | 460,460 | - | - | 460,460 |
| Unearned revenue | 25,341 | 26,180 | - | 51,521 |
| Total current liabilities | <u>739,866</u> | <u>26,180</u> | <u>-</u> | <u>766,046</u> |
| NET POSITION | | | | |
| Net investment in capital assets | 368,658 | 3,419 | - | 372,077 |
| Unrestricted | <u>334,687</u> | <u>446,555</u> | <u>25,898</u> | <u>807,140</u> |
| Total net position | <u>\$ 703,345</u> | <u>\$ 449,974</u> | <u>\$ 25,898</u> | <u>\$ 1,179,217</u> |

CINNAMINSON TOWNSHIP SCHOOL DISTRICT
Enterprise Funds

Statement of Revenues, Expenses and Changes in Fund Net Position
for the Fiscal Year ended June 30, 2023

| | Food Service Fund | School Age Child Care Program | School Store | Total |
|---|-------------------------|--|-----------------|--------------|
| OPERATING REVENUES: | | | | |
| Local sources: | | | | |
| Daily sales-reimbursable programs: | | | | |
| School lunch program | \$ 315,614 | \$ - | \$ - | \$ 315,614 |
| Total-daily sales-reimbursable programs | 315,614 | - | - | 315,614 |
| Daily sales non-reimbursable programs: | | | | |
| Adult and a la carte meals | 265,899 | - | - | 265,899 |
| Special functions | 38,636 | - | - | 38,636 |
| Vending and sales | 1,681 | - | 34,672 | 36,353 |
| Program fees | - | 327,225 | - | 327,225 |
| Total operating revenue | 621,830 | 327,225 | 34,672 | 983,727 |
| OPERATING EXPENSES: | | | | |
| Salaries | 525,171 | 197,262 | - | 722,433 |
| Employee benefits | 91,623 | 44,882 | - | 136,505 |
| Supplies and materials | 76,718 | 343 | - | 77,061 |
| Depreciation | 47,485 | 1,456 | - | 48,941 |
| Management fee | 59,338 | - | - | 59,338 |
| Direct expenses | 28,992 | 862 | - | 29,854 |
| Cost of sales - reimbursable programs | 239,054 | - | - | 239,054 |
| Cost of sales - non-reimbursable programs | 100,528 | 4,359 | 24,666 | 129,553 |
| Building usage | - | 5,165 | - | 5,165 |
| Other | 540 | 361 | - | 901 |
| Total operating expenses | 1,169,449 | 254,690 | 24,666 | 1,448,805 |
| Operating income (loss) | (547,619) | 72,535 | 10,006 | (465,078) |
| Non-operating revenues: | | | | |
| State sources: | | | | |
| State school lunch program | 13,734 | - | - | 13,734 |
| Federal sources: | | | | |
| National school lunch program | 264,919 | - | - | 264,919 |
| Supply chain assistance | 133,913 | - | - | 133,913 |
| U.S.D.A. commodities | 89,767 | - | - | 89,767 |
| Interest revenue | 11,791 | 4,469 | 203 | 16,463 |
| Total non-operating revenues | 514,124 | 4,469 | 203 | 518,796 |
| Change in net position | (33,495) | 77,004 | 10,209 | 53,718 |
| Net position - July 1 | 736,840 | 372,970 | 15,689 | 1,125,499 |
| Net position - June 30 | \$ 703,345 | \$ 449,974 | \$ 25,898 | \$ 1,179,217 |

CINNAMINSON TOWNSHIP SCHOOL DISTRICT
Enterprise Funds
Statement of Cash Flows
for the Fiscal Year ended June 30, 2023

| | Food Service Fund | School Age Child Care Program | School Store | Total |
|---|-------------------------|--|------------------|---------------------|
| Cash flows from operating activities: | | | | |
| Cash receipts from customers | \$ 631,734 | \$ 333,326 | \$ 34,672 | \$ 999,732 |
| Cash payments to employees for services | (406,741) | (242,144) | - | (648,885) |
| Cash payments to suppliers for goods and services | (407,845) | (11,091) | (29,688) | (448,624) |
| Net cash used by operating activities | <u>(182,852)</u> | <u>80,091</u> | <u>4,984</u> | <u>(97,777)</u> |
| Cash flows from noncapital financing activities: | | | | |
| Cash received from state and federal reimbursements | 449,418 | - | - | 449,418 |
| Net cash provided by noncapital financing activities | <u>449,418</u> | <u>-</u> | <u>-</u> | <u>449,418</u> |
| Cash flows from capital financing activities: | | | | |
| Purchases of fixed assets | - | - | - | - |
| Net cash used by capital financing activities | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Cash flows from investing activities: | | | | |
| Interest on investments | 11,791 | 4,469 | 203 | 16,463 |
| Net cash provided by investing activities | <u>11,791</u> | <u>4,469</u> | <u>203</u> | <u>16,463</u> |
| Net increase (decrease) in cash and cash equivalents | 278,357 | 84,560 | 5,187 | 368,104 |
| Cash and cash equivalents, July 1 | 724,958 | 388,175 | 11,610 | 1,124,743 |
| Cash and cash equivalents, June 30 | <u>\$ 1,003,315</u> | <u>\$ 472,735</u> | <u>\$ 16,797</u> | <u>\$ 1,492,847</u> |
| Reconciliation of operating income (loss) to net cash provided (used) by operating activities: | | | | |
| Operating income (loss) | \$ (547,619) | \$ 72,535 | \$ 10,006 | \$ (465,078) |
| Adjustments to reconcile operating income (loss) to cash provided (used) by operating activities: | | | | |
| Depreciation | 47,485 | 1,456 | - | 48,941 |
| Federal commodities | 89,767 | - | - | 89,767 |
| Change in assets and liabilities: | | | | |
| (Increase)/decrease in accounts receivable | 3,230 | - | - | 3,230 |
| (Increase)/decrease in interfunds receivable | 628 | - | - | 628 |
| (Increase)/decrease in inventory | (3,529) | - | (5,022) | (8,551) |
| Increase/(decrease) in accounts payable | 11,085 | - | - | 11,085 |
| Increase/(decrease) in interfunds payable | 210,053 | - | - | 210,053 |
| Increase/(decrease) in unearned revenue | 6,048 | 6,100 | - | 12,148 |
| Net cash used by operating activities | <u>\$ (182,852)</u> | <u>\$ 80,091</u> | <u>\$ 4,984</u> | <u>\$ (97,777)</u> |

Long-Term Debt Schedules

CINNAMINSON TOWNSHIP SCHOOL DISTRICT
General Long-Term Debt Account Group
 Schedule of Serial Bonds
 June 30, 2023

| Issue | Date of Issue | Amount of Issue | Annual Maturities | | Rate of Interest | Balance July 1, 2023 | Issued | Retired | Balance June 30, 2023 |
|-------------------|---------------|-----------------|-------------------|--------------|------------------|----------------------|-------------|---------------------|-----------------------|
| | | | Date | Amount | | | | | |
| 2014 School Bonds | 12/18/14 | \$ 40,048,000 | 8/1/23 | \$ 1,775,000 | 3.000% | \$ 32,300,000 | \$ - | \$ 1,725,000 | \$ 30,575,000 |
| | | | 8/1/24 | 1,800,000 | 3.000% | | | | |
| | | | 8/1/25 | 1,800,000 | 3.000% | | | | |
| | | | 8/1/26 | 1,800,000 | 3.000% | | | | |
| | | | 8/1/27 | 1,800,000 | 3.000% | | | | |
| | | | 8/1/28 | 1,800,000 | 3.000% | | | | |
| | | | 8/1/29 | 1,800,000 | 3.000% | | | | |
| | | | 8/1/30 | 1,800,000 | 3.000% | | | | |
| | | | 8/1/31 | 1,800,000 | 3.125% | | | | |
| | | | 8/1/32 | 1,800,000 | 3.250% | | | | |
| | | | 8/1/33 | 1,800,000 | 3.250% | | | | |
| | | | 8/1/34 | 1,800,000 | 3.250% | | | | |
| | | | 8/1/35 | 1,800,000 | 3.375% | | | | |
| | | | 8/1/36 | 1,800,000 | 3.500% | | | | |
| | | | 8/1/37 | 1,800,000 | 3.500% | | | | |
| | | | 8/1/38 | 1,800,000 | 3.500% | | | | |
| | | | 8/1/39 | 1,800,000 | 3.500% | | | | |
| | | | | | | <u>\$ 32,300,000</u> | <u>\$ -</u> | <u>\$ 1,725,000</u> | <u>\$ 30,575,000</u> |

CINNAMINSON TOWNSHIP SCHOOL DISTRICT
General Long-Term Debt Account Group
 Schedule of Obligations Under Financed Purchases
 June 30, 2023

| Series | Interest Rate Payable | Amount of Original Issue | Balance June 30, 2022 | Issued Current Year | Retired Current Year | Balance June 30, 2023 |
|-----------------------------------|-----------------------|--------------------------|-----------------------|---------------------|----------------------|-----------------------|
| Four Buses and One Pickup Truck | 3.250% | 443,007 | 90,695 | - | 90,695 | - |
| Five Buses | 2.340% | 510,140 | 210,318 | - | 103,944 | 106,374 |
| Four Buses | 1.454% | 463,639 | 264,989 | - | 87,058 | 177,931 |
| Three Buses and One Bus With Lift | 1.238% | 405,347 | 305,709 | | 100,652 | 205,057 |
| Four Buses | 3.290% | 566,129 | | 566,129 | 98,367 | 467,762 |
| | | | <u>\$ 871,711</u> | <u>\$ 566,129</u> | <u>\$ 480,716</u> | <u>\$ 957,124</u> |

CINNAMINSON TOWNSHIP SCHOOL DISTRICT
General Long-Term Debt Account Group
 Schedule of Obligations Under Leases
 June 30, 2023

| Purpose | Interest Rate Payable | Amount of Original Issue | Balance June 30, 2022 | Issued Current Year | Retired Current Year | Balance June 30, 2023 |
|---------------|-----------------------|--------------------------|-----------------------|---------------------|----------------------|-----------------------|
| Copiers | 4.000% | \$ 5,090 | \$ 94 | \$ - | \$ 94 | \$ - |
| Copiers | 4.000% | 67,334 | 19,290 | - | 14,371 | 4,919 |
| Copiers | 4.000% | 75,209 | 22,855 | - | 15,998 | 6,857 |
| Copiers | 4.000% | 3,949 | 1,639 | - | 1,023 | 616 |
| Postage Meter | 3.000% | 21,579 | 14,091 | - | 4,080 | 10,011 |
| Copiers | 4.000% | 11,151 | 5,798 | - | 2,841 | 2,957 |
| | | | <u>\$ 63,767</u> | <u>\$ -</u> | <u>\$ 38,407</u> | <u>\$ 25,360</u> |

**CINNAMINSON TOWNSHIP SCHOOL DISTRICT
 Budgetary Comparison Schedule
 Debt Service Fund
 Fiscal Year Ended June 30, 2023**

| | Original Budget | Budget Transfers | Final Budget | Actual | Variance Final to Actual |
|--|--------------------|---------------------|------------------|------------------|--------------------------------|
| REVENUES: | | | | | |
| Local sources: | | | | | |
| Local tax levy | \$ 2,046,738 | \$ - | \$ 2,046,738 | \$ 2,046,738 | \$ - |
| Miscellaneous | | | | | |
| Total revenues - local sources | <u>2,046,738</u> | | <u>2,046,738</u> | <u>2,046,738</u> | |
| State sources: | | | | | |
| Debt service aid type II | <u>680,237</u> | | <u>680,237</u> | <u>680,237</u> | |
| Total revenues - state sources | <u>680,237</u> | | <u>680,237</u> | <u>680,237</u> | |
| Total Revenues | <u>2,726,975</u> | | <u>2,726,975</u> | <u>2,726,975</u> | |
| EXPENDITURES: | | | | | |
| Regular debt service: | | | | | |
| Interest | 1,002,000 | | 1,002,000 | 1,001,625 | 375 |
| Redemption of principal | <u>1,725,000</u> | | <u>1,725,000</u> | <u>1,725,000</u> | |
| Total Expenditures | <u>2,727,000</u> | | <u>2,727,000</u> | <u>2,726,625</u> | <u>375</u> |
| Excess (Deficiency) of revenues over (under) expenditures | (25) | | (25) | 350 | 375 |
| Other Financing Sources (Uses): | | | | | |
| Transfer from Capital Projects Fund | | | | | - |
| Total Other Financing Sources (Uses) | | | | - | - |
| Excess (Deficiency) of revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Sources (Uses) | (25) | | (25) | 350 | 375 |
| Fund Balances, July 1 | <u>400</u> | | <u>400</u> | <u>400</u> | |
| Fund Balances, June 30 | <u>\$ 375</u> | <u>\$ -</u> | <u>\$ 375</u> | <u>\$ 750</u> | <u>\$ 375</u> |

Statistical Section

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

EXHIBIT J-1

| | Fiscal Year Ending June 30, | | | | | | | | | |
|--|------------------------------------|---------------------|-----------------------|---------------------|---------------------|---------------------|---------------------|---------------------|----------------------|----------------------|
| | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 |
| Governmental activities: | | | | | | | | | | |
| Net investment in capital assets | \$ 7,963,105 | \$ (26,887,966) | \$ (2,659,793) | \$ 10,604,836 | \$ 11,258,794 | \$ 11,910,452 | \$ 12,764,137 | \$ 14,264,304 | \$ 15,037,513 | \$ 15,558,190 |
| Restricted for: | | | | | | | | | | |
| Special Revenue | - | - | - | - | - | - | - | 440,329 | 529,793 | 504,077 |
| Capital projects | 855,544 | 37,155,985 | 2,371,104 | 1,717,648 | 1,766,166 | 2,484,260 | 2,952,987 | 2,797,140 | 3,618,856 | 4,248,663 |
| Debt service | - | - | - | - | - | - | - | 895 | 400 | 750 |
| Other purposes | 4,695,490 | 5,263,199 | 6,267,406 | 6,585,998 | 7,254,744 | 7,810,597 | 8,462,506 | 8,500,663 | 9,516,429 | 10,334,097 |
| Unrestricted | <u>(1,385,252)</u> | <u>(14,988,324)</u> | <u>(15,164,205)</u> | <u>(17,442,026)</u> | <u>(18,566,456)</u> | <u>(19,116,208)</u> | <u>(19,435,263)</u> | <u>(16,869,517)</u> | <u>(14,654,727)</u> | <u>(12,486,579)</u> |
| Total governmental activities net position | <u>\$ 12,128,887</u> | <u>\$ 542,894</u> | <u>\$ (9,185,488)</u> | <u>\$ 1,466,456</u> | <u>\$ 1,713,248</u> | <u>\$ 3,089,101</u> | <u>\$ 4,744,367</u> | <u>\$ 9,133,814</u> | <u>\$ 14,048,264</u> | <u>\$ 18,159,198</u> |
| Business-type activities: | | | | | | | | | | |
| Net investment in capital assets | \$ 59,817 | \$ 57,279 | \$ 51,539 | \$ 80,304 | \$ 77,698 | \$ 117,890 | \$ 151,393 | \$ 173,013 | \$ 178,038 | \$ 372,077 |
| Unrestricted | <u>315,412</u> | <u>421,250</u> | <u>556,532</u> | <u>691,497</u> | <u>752,703</u> | <u>855,601</u> | <u>735,254</u> | <u>483,382</u> | <u>947,461</u> | <u>807,140</u> |
| Total business-type activities net position | <u>\$ 375,229</u> | <u>\$ 478,529</u> | <u>\$ 608,071</u> | <u>\$ 771,801</u> | <u>\$ 830,401</u> | <u>\$ 973,491</u> | <u>\$ 886,647</u> | <u>\$ 656,395</u> | <u>\$ 1,125,499</u> | <u>\$ 1,179,217</u> |
| District-wide: | | | | | | | | | | |
| Net investment in capital assets | \$ 8,022,922 | \$ (26,830,687) | \$ (2,608,254) | \$ 10,685,140 | \$ 11,336,492 | \$ 12,028,342 | \$ 12,915,530 | \$ 14,437,317 | \$ 15,215,551 | \$ 15,930,267 |
| Restricted: | | | | | | | | | | |
| Special Revenue | - | - | - | - | - | - | - | 440,329 | 529,793 | 504,077 |
| Capital projects | 855,544 | 37,155,985 | 2,371,104 | 1,717,648 | 1,766,166 | 2,484,260 | 2,952,987 | 2,797,140 | 3,618,856 | 4,248,663 |
| Debt service | - | - | - | - | - | - | - | 895 | 400 | 750 |
| Other purposes | 4,695,490 | 5,263,199 | 6,267,406 | 6,585,998 | 7,254,744 | 7,810,597 | 8,462,506 | 8,500,663 | 9,516,429 | 10,334,097 |
| Unrestricted | <u>(1,069,840)</u> | <u>(14,567,074)</u> | <u>(14,607,673)</u> | <u>(16,750,529)</u> | <u>(17,813,753)</u> | <u>(18,260,607)</u> | <u>(18,700,009)</u> | <u>(16,386,135)</u> | <u>(13,707,266)</u> | <u>(11,679,439)</u> |
| Total district net position | <u>\$ 12,504,116</u> | <u>\$ 1,021,423</u> | <u>\$ (8,577,417)</u> | <u>\$ 2,238,257</u> | <u>\$ 2,543,649</u> | <u>\$ 4,062,592</u> | <u>\$ 5,631,014</u> | <u>\$ 9,790,209</u> | <u>\$ 15,173,763</u> | <u>\$ 19,338,415</u> |

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

EXHIBIT J-2

| | Fiscal Year Ending June 30, | | | | | | | | | |
|---|------------------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|
| | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 |
| Expenses: | | | | | | | | | | |
| Governmental activities: | | | | | | | | | | |
| Instruction: | | | | | | | | | | |
| Regular | \$ 12,159,632 | \$ 12,652,594 | \$ 12,346,152 | \$ 13,294,163 | \$ 14,317,085 | \$ 14,553,839 | \$ 14,805,789 | \$ 15,582,885 | \$ 16,698,670 | \$ 17,513,448 |
| Special education | 2,826,077 | 3,140,913 | 3,470,172 | 3,616,797 | 3,701,565 | 3,695,721 | 3,798,782 | 4,213,749 | 4,104,583 | 4,927,471 |
| Other instruction | 2,913,515 | 2,891,834 | 3,107,318 | 3,225,899 | 3,282,335 | 3,375,211 | 3,255,311 | 3,214,190 | 3,631,862 | 3,752,279 |
| Support Services: | | | | | | | | | | |
| Tuition | 3,321,908 | 2,499,099 | 2,285,604 | 1,882,993 | 1,273,713 | 1,041,634 | 1,472,679 | 973,467 | 1,319,281 | 1,561,015 |
| Student & instruction related services | 5,086,763 | 5,197,664 | 5,225,208 | 5,277,983 | 5,297,730 | 5,534,420 | 5,681,254 | 6,307,209 | 7,176,310 | 7,287,135 |
| School administrative services | 1,460,267 | 1,496,302 | 1,552,664 | 1,618,073 | 1,874,905 | 1,929,144 | 1,812,537 | 1,851,092 | 1,790,548 | 1,980,315 |
| General and business administrative services | 1,659,560 | 1,673,010 | 1,596,552 | 1,739,843 | 1,712,920 | 1,785,680 | 1,889,735 | 1,820,812 | 1,980,698 | 1,321,365 |
| Plant operations and maintenance | 3,172,548 | 3,031,481 | 14,559,553 | (8,108,950) | 3,634,731 | 3,503,950 | 4,158,014 | 4,840,841 | 3,912,441 | 5,600,519 |
| Pupil transportation | 2,806,684 | 2,702,043 | 2,635,508 | 2,804,092 | 2,891,810 | 2,966,304 | 2,859,579 | 2,671,187 | 3,261,860 | 3,724,459 |
| Unallocated employee benefits | 9,747,330 | 10,226,329 | 11,528,287 | 14,671,819 | 30,617,636 | 26,839,396 | 24,502,980 | 31,045,809 | 25,670,589 | 24,205,128 |
| Special schools | - | 21 | 11,466 | - | - | - | - | - | - | - |
| Charter Schools | - | - | - | 22,932 | 27,550 | - | - | 17,025 | 18,120 | 18,719 |
| Interest on long-term debt | 138,902 | 744,238 | 1,357,660 | 1,285,833 | 1,235,412 | 1,177,575 | 1,130,075 | 991,975 | 1,035,875 | 984,375 |
| Unallocated depreciation | 53,443 | 46,703 | 7,944 | 31,448 | 51,649 | 112,606 | 88,837 | 91,081 | 88,387 | 83,869 |
| Total governmental activities expenses | <u>45,346,629</u> | <u>46,302,231</u> | <u>59,684,088</u> | <u>41,362,925</u> | <u>69,919,041</u> | <u>66,515,480</u> | <u>65,455,572</u> | <u>73,621,322</u> | <u>70,689,224</u> | <u>72,960,097</u> |
| Business-type activities: | | | | | | | | | | |
| Food service | 666,236 | 696,434 | 671,559 | 679,696 | 696,479 | 756,534 | 607,189 | 316,888 | 1,066,228 | 1,169,449 |
| School age child care program | 296,114 | 305,109 | 321,170 | 325,917 | 396,679 | 333,236 | 333,296 | 287,650 | 270,835 | 254,690 |
| Employment orientation program/School store | 24,141 | 30,938 | 28,962 | 48,425 | 41,284 | 34,508 | 32,214 | 4,719 | 11,526 | 24,666 |
| Total business-type activities expense | <u>986,491</u> | <u>1,032,481</u> | <u>1,021,691</u> | <u>1,054,038</u> | <u>1,134,442</u> | <u>1,124,278</u> | <u>972,699</u> | <u>609,257</u> | <u>1,348,589</u> | <u>1,448,805</u> |
| Total district expenses | <u>\$ 46,333,120</u> | <u>\$ 47,334,712</u> | <u>\$ 60,705,779</u> | <u>\$ 42,416,963</u> | <u>\$ 71,053,483</u> | <u>\$ 67,639,758</u> | <u>\$ 66,428,271</u> | <u>\$ 74,230,579</u> | <u>\$ 72,037,813</u> | <u>\$ 74,408,902</u> |
| Program Revenues: | | | | | | | | | | |
| Governmental activities: | | | | | | | | | | |
| Operating grants and contributions | 4,334,604 | 4,944,119 | 5,888,700 | 6,579,952 | 23,811,328 | 20,748,973 | 18,243,636 | 26,105,865 | 22,319,422 | 19,764,564 |
| Charges for services | - | - | - | - | - | - | - | 1,541,456 | 1,851,075 | 2,214,544 |
| Total governmental activities program revenues | <u>4,334,604</u> | <u>4,944,119</u> | <u>5,888,700</u> | <u>6,579,952</u> | <u>23,811,328</u> | <u>20,748,973</u> | <u>18,243,636</u> | <u>27,647,321</u> | <u>24,170,497</u> | <u>21,979,108</u> |
| Business-type activities: | | | | | | | | | | |
| Charges for services: | | | | | | | | | | |
| Food service | 456,210 | 483,538 | 492,150 | 524,062 | 530,831 | 535,452 | 379,053 | 19,310 | 196,233 | 621,830 |
| School age child care program | 372,734 | 406,655 | 417,758 | 408,140 | 387,039 | 422,544 | 272,486 | 92,560 | 242,638 | 327,225 |
| School store | 26,841 | 28,004 | 32,623 | 42,796 | 39,359 | 34,075 | 30,017 | 4,576 | 14,253 | 34,672 |
| Operating grants and contributions | 197,505 | 217,164 | 208,265 | 242,247 | 232,035 | 245,149 | 193,585 | 261,444 | 1,363,964 | 502,333 |
| Capital grants and contributions | - | - | - | - | - | 23,923 | - | - | - | - |
| Total business type activities program revenues | <u>1,053,290</u> | <u>1,135,361</u> | <u>1,150,796</u> | <u>1,217,245</u> | <u>1,189,264</u> | <u>1,261,143</u> | <u>875,141</u> | <u>377,890</u> | <u>1,817,088</u> | <u>1,486,060</u> |
| Total district program revenues | <u>\$ 5,387,894</u> | <u>\$ 6,079,480</u> | <u>\$ 7,039,496</u> | <u>\$ 7,797,197</u> | <u>\$ 25,000,592</u> | <u>\$ 22,010,116</u> | <u>\$ 19,118,777</u> | <u>\$ 28,025,211</u> | <u>\$ 25,987,585</u> | <u>\$ 23,465,168</u> |
| Net (Expense)/Revenue: | | | | | | | | | | |
| Governmental activities | \$ (41,012,025) | \$ (41,358,112) | \$ (53,795,388) | \$ (34,782,973) | \$ (46,107,713) | \$ (45,766,507) | \$ (47,211,936) | \$ (45,974,001) | \$ (46,518,727) | \$ (50,980,989) |
| Business-type activities | 66,799 | 102,880 | 129,105 | 163,207 | 54,822 | 136,865 | (97,558) | (231,367) | 468,499 | 37,255 |
| Total district-wide net expense | <u>\$ (40,945,226)</u> | <u>\$ (41,255,232)</u> | <u>\$ (53,666,283)</u> | <u>\$ (34,619,766)</u> | <u>\$ (46,052,891)</u> | <u>\$ (45,629,642)</u> | <u>\$ (47,309,494)</u> | <u>\$ (46,205,368)</u> | <u>\$ (46,050,228)</u> | <u>\$ (50,943,734)</u> |

(Continued)

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

EXHIBIT J-2

| | Fiscal Year Ending June 30, | | | | | | | | | |
|--|------------------------------------|-----------------------------|------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 |
| General Revenues and Other Changes in Net Position: | | | | | | | | | | |
| Governmental activities: | | | | | | | | | | |
| Property taxes levied for general purposes, net | \$ 29,413,071 | \$ 30,251,332 | \$ 31,187,085 | \$ 32,036,557 | \$ 32,792,708 | \$ 33,448,562 | \$ 34,033,912 | \$ 34,809,885 | \$ 35,192,794 | \$ 35,544,722 |
| Taxes levied for debt service | 1,079,150 | 964,150 | 1,544,360 | 2,204,948 | 2,196,486 | 2,186,925 | 2,025,050 | 2,033,271 | 2,046,643 | 2,046,738 |
| Unrestricted grants and contributions | 9,563,014 | 9,421,278 | 9,438,297 | 9,479,077 | 9,534,038 | 9,769,198 | 11,015,727 | 12,160,231 | 14,068,504 | 17,260,049 |
| State aid restricted for capital projects | - | - | - | - | - | - | - | - | 8,119 | - |
| Tuition revenue | 176,702 | 166,274 | 369,140 | 173,954 | 199,304 | 198,866 | 316,864 | - | - | - |
| Transportation revenue | 1,185,061 | 1,263,898 | 1,182,154 | 1,319,598 | 1,291,055 | 1,262,527 | 1,221,705 | - | - | - |
| Miscellaneous revenue | 202,220 | 215,015 | 345,970 | 220,783 | 340,914 | 276,282 | 253,944 | 483,915 | 117,117 | 240,414 |
| Transfers | - | - | - | - | - | - | - | - | - | - |
| Total governmental activities | <u>41,619,218</u> | <u>42,281,947</u> | <u>44,067,006</u> | <u>45,434,917</u> | <u>46,354,505</u> | <u>47,142,360</u> | <u>48,867,202</u> | <u>49,487,302</u> | <u>51,433,177</u> | <u>55,091,923</u> |
| Business-type activities: | | | | | | | | | | |
| Miscellaneous income | 275 | 420 | 437 | 523 | 3,778 | 6,225 | 10,714 | 1,115 | 605 | 16,463 |
| Contributed capital | 18,204 | - | - | - | - | 0 | - | - | - | - |
| Transfers | - | - | - | - | - | - | - | - | - | - |
| Total business-type activities | <u>18,479</u> | <u>420</u> | <u>437</u> | <u>523</u> | <u>3,778</u> | <u>6,225</u> | <u>10,714</u> | <u>1,115</u> | <u>605</u> | <u>16,463</u> |
| Total district-wide | <u>\$ 41,637,697</u> | <u>\$ 42,282,367</u> | <u>\$ 44,067,443</u> | <u>\$ 45,435,440</u> | <u>\$ 46,358,283</u> | <u>\$ 47,148,585</u> | <u>\$ 48,877,916</u> | <u>\$ 49,488,417</u> | <u>\$ 51,433,782</u> | <u>\$ 55,108,386</u> |
| Change in Net Position: | | | | | | | | | | |
| Governmental activities | \$ 607,193 | \$ 923,835 | \$ (9,728,382) | \$ 10,651,944 | \$ 246,792 | \$ 1,375,853 | \$ 1,655,266 | \$ 3,513,301 | \$ 4,914,450 | \$ 4,110,934 |
| Business-type activities | 85,278 | 103,300 | 129,542 | 163,730 | 58,600 | 143,090 | (86,844) | (230,252) | 469,104 | 53,718 |
| Total district-wide | <u>\$ 692,471</u> | <u>\$ 1,027,135</u> | <u>\$ (9,598,840)</u> | <u>\$ 10,815,674</u> | <u>\$ 305,392</u> | <u>\$ 1,518,943</u> | <u>\$ 1,568,422</u> | <u>\$ 3,283,049</u> | <u>\$ 5,383,554</u> | <u>\$ 4,164,652</u> |

Cinnaminson Township School District
Fund Balances, Governmental Funds,
Last Ten 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 for: | | | | | | | | | | |
| Encumbrances | \$ 76,357 | \$ 84,291 | \$ 91,342 | \$ 115,516 | \$ 127,893 | \$ 158,642 | \$ 93,540 | \$ 92,593 | \$ 490,830 | \$ 1,083,453 |
| Capital reserve | 855,544 | 1,233,534 | 1,244,332 | 1,420,024 | 1,665,298 | 2,427,536 | 2,952,987 | 2,797,140 | 3,618,856 | 4,248,663 |
| Maintenance reserve | 818,557 | 1,122,255 | 1,362,256 | 1,537,231 | 1,657,519 | 1,969,158 | 2,332,736 | 2,554,484 | 2,560,464 | 2,535,876 |
| Emergency reserve | 194,922 | 194,922 | - | - | - | - | - | - | - | - |
| Unemployment compensation | - | 7,493 | - | - | - | - | - | 483,490 | 483,867 | 489,904 |
| Excess surplus | 1,467,318 | 1,992,060 | 2,704,700 | 2,122,726 | 3,069,743 | 2,610,794 | 2,214,038 | 3,248,651 | 3,223,447 | 4,084,870 |
| Excess surplus - designated for subsequent year's expenditures | 1,952,549 | 1,467,318 | 1,992,060 | 2,704,700 | 2,122,726 | 3,069,743 | 2,610,794 | 2,214,038 | 3,248,651 | 3,223,447 |
| Unreserved | | | | | | | | | | |
| Undesignated | 201,633 | (12,950) | 3,481 | 168,606 | 194,924 | 223,543 | 173,301 | 2,036,027 | 1,368,621 | 544,770 |
| Designated for subsequent year's expenditures | 182,574 | 331,635 | 103,982 | 85,367 | 267,967 | - | 1,204,629 | 313,289 | 588,534 | 1,386,178 |
| Total general fund | <u>\$ 5,749,454</u> | <u>\$ 6,420,558</u> | <u>\$ 7,502,153</u> | <u>\$ 8,154,170</u> | <u>\$ 9,106,070</u> | <u>\$ 10,459,416</u> | <u>\$ 11,582,025</u> | <u>\$ 13,739,712</u> | <u>\$ 15,583,270</u> | <u>\$ 17,597,161</u> |
| All Other Governmental Funds | | | | | | | | | | |
| Reserved: | | | | | | | | | | |
| Encumbrances | \$ - | \$ 34,671,640 | \$ 739,450 | \$ 150,925 | \$ 18,412 | \$ 18,733 | \$ - | \$ - | \$ - | \$ - |
| Unreserved, reported in: | | | | | | | | | | |
| Special revenue fund | - | - | - | - | - | - | - | 440,329 | 529,793 | 504,077 |
| Capital projects fund | - | 1,250,811 | 387,332 | 146,699 | 82,456 | 37,991 | - | - | - | - |
| Debt service fund | 3,213 | 63,225 | 13,066 | 20,458 | 8,896 | 2,260 | 6,769 | 895 | 400 | 750 |
| Total all other governmental funds | <u>\$ 3,213</u> | <u>\$ 35,985,676</u> | <u>\$ 1,139,848</u> | <u>\$ 318,082</u> | <u>\$ 109,764</u> | <u>\$ 58,984</u> | <u>\$ 6,769</u> | <u>\$ 441,224</u> | <u>\$ 530,193</u> | <u>\$ 504,827</u> |

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

EXHIBIT J-4

| | Fiscal Year Ending June 30, | | | | | | | | | |
|--|------------------------------------|-----------------------|------------------------|---------------------|-------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| | <u>2014</u> | <u>2015</u> | <u>2016</u> | <u>2017</u> | <u>2018</u> | <u>2019</u> | <u>2020</u> | <u>2021</u> | <u>2022</u> | <u>2023</u> |
| Revenues | | | | | | | | | | |
| Tax levy | \$ 30,492,221 | \$ 31,215,482 | \$ 32,731,445 | \$ 34,241,505 | \$ 34,989,194 | \$ 35,635,487 | \$ 36,058,962 | \$ 36,843,156 | \$ 37,239,437 | \$ 37,591,460 |
| Tuition charges | 176,702 | 166,274 | 369,140 | 173,954 | 199,304 | 198,866 | 316,864 | 465,667 | 489,080 | 606,013 |
| Transportation charges | 1,185,061 | 1,263,898 | 1,182,154 | 1,319,598 | 1,291,055 | 1,262,527 | 1,221,705 | 1,075,789 | 1,361,995 | 1,608,531 |
| Interest earnings | 7,777 | 995 | 1,073 | 1,719 | 13,928 | 23,876 | 39,029 | 17,559 | 7,707 | 29,545 |
| Miscellaneous | 212,199 | 244,935 | 364,184 | 248,806 | 351,511 | 252,406 | 214,915 | 466,353 | 117,529 | 210,869 |
| Local sources | - | - | - | - | - | 89,412 | 214,973 | 432,043 | 601,243 | 722,071 |
| State sources | 13,126,777 | 13,525,312 | 14,462,636 | 15,252,496 | 16,210,354 | 17,410,501 | 18,158,666 | 20,879,253 | 25,447,644 | 29,003,079 |
| Federal sources | 753,085 | 809,170 | 845,074 | 776,791 | 911,813 | 885,301 | 973,085 | 1,816,092 | 1,928,710 | 1,410,998 |
| Total revenue | <u>45,953,822</u> | <u>47,226,066</u> | <u>49,955,706</u> | <u>52,014,869</u> | <u>53,967,159</u> | <u>55,758,376</u> | <u>57,198,199</u> | <u>61,995,912</u> | <u>67,193,345</u> | <u>71,182,566</u> |
| Expenditures | | | | | | | | | | |
| Instruction | | | | | | | | | | |
| Regular Instruction | 11,422,501 | 11,876,872 | 11,770,893 | 12,297,518 | 12,905,673 | 13,122,374 | 13,498,580 | 14,312,498 | 15,675,997 | 16,096,780 |
| Special education instruction | 2,826,077 | 3,140,913 | 3,470,172 | 3,616,797 | 3,701,565 | 3,695,721 | 3,798,782 | 4,213,749 | 4,104,583 | 4,927,471 |
| Other instruction | 2,913,515 | 2,891,834 | 3,107,318 | 3,225,899 | 3,282,335 | 3,375,211 | 3,255,311 | 3,214,190 | 3,631,862 | 3,752,279 |
| Support Services: | | | | | | | | | | |
| Tuition | 3,321,908 | 2,499,099 | 2,285,604 | 1,882,993 | 1,273,713 | 1,041,634 | 1,472,679 | 973,467 | 1,319,281 | 1,561,015 |
| Student & instruction related services | 5,086,763 | 5,197,664 | 5,225,208 | 5,277,983 | 5,297,730 | 5,534,420 | 5,681,254 | 6,307,209 | 7,176,310 | 7,287,135 |
| School administrative services | 1,460,267 | 1,496,302 | 1,552,664 | 1,618,073 | 1,874,905 | 1,929,144 | 1,812,537 | 1,851,092 | 1,790,548 | 1,980,315 |
| General and business admin.services | 1,659,560 | 1,673,010 | 1,596,552 | 1,739,843 | 1,712,920 | 1,785,680 | 1,889,735 | 1,820,812 | 1,972,873 | 2,071,741 |
| Plant operations and maintenance | 3,198,265 | 3,467,819 | 3,397,695 | 3,570,625 | 3,656,648 | 3,755,815 | 4,123,599 | 3,921,302 | 4,084,806 | 4,641,435 |
| Pupil transportation | 2,676,356 | 2,561,933 | 2,488,529 | 2,586,600 | 2,613,720 | 2,700,321 | 2,593,067 | 2,397,944 | 2,996,700 | 3,472,853 |
| Employee benefits | 9,747,330 | 10,111,786 | 11,090,735 | 12,190,146 | 13,360,808 | 14,293,906 | 14,365,640 | 16,089,489 | 19,244,134 | 20,113,157 |
| Charter school | - | 21 | 11,466 | 22,932 | 27,550 | - | - | 17,025 | 18,120 | 18,719 |
| Capital outlay | 796,491 | 4,721,251 | 36,250,855 | 1,215,954 | 1,015,535 | 742,641 | 1,447,311 | 2,893,852 | 923,326 | 1,110,645 |
| Debt service: | | | | | | | | | | |
| Principal | 1,260,000 | 1,200,000 | 735,000 | 1,633,000 | 1,685,000 | 1,720,000 | 1,550,000 | 1,615,000 | 1,675,000 | 1,725,000 |
| Interest and other charges | 231,255 | 101,995 | 1,492,258 | 1,306,245 | 1,256,475 | 1,201,950 | 1,149,450 | 1,101,975 | 1,052,625 | 1,001,625 |
| Total expenditures | <u>46,600,288</u> | <u>50,940,499</u> | <u>84,474,949</u> | <u>52,184,608</u> | <u>53,664,577</u> | <u>54,898,817</u> | <u>56,637,945</u> | <u>60,729,604</u> | <u>65,666,165</u> | <u>69,760,170</u> |
| Excess (Deficiency) of revenues over (under) expenditures | <u>\$ (646,466)</u> | <u>\$ (3,714,433)</u> | <u>\$ (34,519,243)</u> | <u>\$ (169,739)</u> | <u>\$ 302,582</u> | <u>\$ 859,559</u> | <u>\$ 560,254</u> | <u>\$ 1,266,308</u> | <u>\$ 1,527,180</u> | <u>\$ 1,422,396</u> |
| Other Financing sources (uses) | | | | | | | | | | |
| Proceeds from borrowing | 3,805,818 | 40,368,000 | - | - | 441,000 | 443,007 | 510,140 | 449,685 | 405,347 | 566,129 |
| Payment to refunding bond escrow | (3,745,701) | - | - | - | - | - | - | - | - | - |
| Capital leases | 446,000 | - | 755,000 | - | - | - | - | - | - | - |
| Transfers in | - | 65,219 | 87,812 | 9,862 | 967 | 718 | 5,451 | - | - | - |
| Transfers out | - | (65,219) | (87,812) | (9,862) | (967) | (718) | (5,451) | - | - | - |
| Total other financing sources (uses) | <u>506,117</u> | <u>40,368,000</u> | <u>755,000</u> | <u>-</u> | <u>441,000</u> | <u>443,007</u> | <u>510,140</u> | <u>449,685</u> | <u>405,347</u> | <u>566,129</u> |
| Net change in fund balances | <u>\$ (140,349)</u> | <u>\$ 36,653,567</u> | <u>\$ (33,764,243)</u> | <u>\$ (169,739)</u> | <u>\$ 743,582</u> | <u>\$ 1,302,566</u> | <u>\$ 1,070,394</u> | <u>\$ 1,715,993</u> | <u>\$ 1,932,527</u> | <u>\$ 1,988,525</u> |
| Debt service as a percentage of noncapital expenditures | 3.26% | 2.82% | 4.62% | 5.77% | 5.59% | 5.40% | 4.89% | 4.70% | 4.21% | 3.97% |

Source: District records

Note: Noncapital expenditures are total expenditures less capital outlay.

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

EXHIBIT J-5

| <u>Fiscal Year Ending June 30,</u> | <u>Interest on Investments</u> | <u>Program Fees</u> | <u>Tuition</u> | <u>Transportation</u> | <u>Prior Year Refunds</u> | <u>Other Refunds</u> | <u>Use of Facilities</u> | <u>Technology Services</u> | <u>Miscellaneous</u> | <u>Total</u> |
|--|------------------------------------|-------------------------|---------------------|-----------------------|-------------------------------|--------------------------|------------------------------|--------------------------------|----------------------|----------------------|
| 2014 | \$ 7,777 | \$ 33,994 | \$ 176,702 | \$ 1,185,061 | \$ 75,086 | \$ 32,883 | \$ 18,150 | \$ 16,803 | \$ 17,527 | \$ 1,563,983 |
| 2015 | 6,098 | 44,440 | 166,274 | 1,263,898 | 22,240 | 18,284 | 25,000 | 22,464 | 15,486 | 1,584,184 |
| 2016 | 6,331 | 49,080 | 369,140 | 1,182,154 | 83,668 | 13,984 | 25,000 | 32,928 | 46,094 | 1,808,379 |
| 2017 | 7,193 | 46,995 | 173,954 | 1,319,598 | 45,595 | 67,879 | 25,000 | 6,000 | 10,540 | 1,702,754 |
| 2018 | 55,966 | 48,586 | 199,304 | 1,291,055 | 151,158 | 35,763 | 25,000 | 6,000 | 17,474 | 1,830,306 |
| 2019 | 37,830 | 51,075 | 198,866 | 1,262,527 | 81,718 | 53,131 | 25,400 | 6,000 | 20,410 | 1,736,957 |
| 2020 | 88,991 | 28,200 | 288,664 | 1,221,705 | 46,129 | 9,256 | 27,675 | 6,000 | 9,860 | 1,726,480 |
| 2021 | 34,277 | - | 465,667 | 1,075,789 | 29,408 | 385,562 | 25,000 | 3,580 | 6,085 | 2,025,368 |
| 2022 | 14,319 | 34,035 | 489,080 | 1,361,995 | 30,826 | 9,264 | 33,792 | 3,000 | - | 1,976,311 |
| 2023 | 142,888 | 20,233 | 606,013 | 1,608,531 | 13,496 | 20,828 | 7,085 | 2,800 | 3,539 | 2,425,413 |
| | <u>\$ 401,670</u> | <u>\$ 356,638</u> | <u>\$ 3,133,664</u> | <u>\$ 12,772,313</u> | <u>\$ 579,324</u> | <u>\$ 646,834</u> | <u>\$ 237,102</u> | <u>\$ 105,575</u> | <u>\$ 147,015</u> | <u>\$ 18,380,135</u> |

Source: District records

Cinnaminson Township 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 | Public Utilities a | Net Valuation Taxable | Tax-Exempt Property | Total Direct School Tax Rate b | Estimated Actual (County Equalized) Value |
|----------------------------|-----------------|------------------|------------|------------|----------------|---------------|---------------|----------------------|--------------------|-----------------------|---------------------|--------------------------------|---|
| 2014 | R \$ 14,956,000 | \$ 1,322,157,500 | \$ 999,500 | \$ 107,600 | \$ 146,036,500 | \$ 87,468,100 | \$ 16,876,800 | \$ 1,588,602,000 | \$ 2,765,241 | \$ 1,591,367,241 | \$ 144,628,700 | \$ 1.961 | \$ 1,736,176,256 |
| 2015 | 16,383,100 | 1,324,813,300 | 721,900 | 103,000 | 145,010,300 | 86,052,500 | 19,289,500 | 1,592,373,600 | 2,593,872 | 1,594,967,472 | 143,746,800 | 2.052 | 1,753,305,792 |
| 2016 | 14,131,900 | 1,338,267,300 | 721,900 | 103,000 | 144,414,500 | 86,175,800 | 19,289,500 | 1,603,103,900 | 2,447,128 | 1,605,551,028 | 143,746,800 | 2.133 | 1,801,221,799 |
| 2017 | 14,473,600 | 1,339,755,800 | 721,900 | 103,000 | 140,694,800 | 86,175,800 | 19,289,500 | 1,601,214,400 | 2,466,783 | 1,603,681,183 | 146,214,000 | 2.182 | 1,807,811,735 |
| 2018 | 17,540,700 | 1,341,522,400 | 721,900 | 103,000 | 138,622,800 | 84,009,000 | 19,289,500 | 1,601,809,300 | 2,498,392 | 1,604,307,692 | 145,657,100 | 2.221 | 1,799,874,629 |
| 2019 | 17,060,000 | 1,339,373,400 | 721,900 | 97,900 | 141,692,300 | 80,413,100 | 24,697,800 | 1,604,056,400 | 90 | 1,604,056,490 | 145,657,100 | 2.247 | 1,774,848,888 |
| 2020 | 16,881,000 | 1,341,814,500 | 764,600 | 96,400 | 144,647,900 | 81,107,000 | 24,697,800 | 1,610,009,200 | 89 | 1,610,009,289 | 139,109,700 | 2.288 | 1,820,092,659 |
| 2021 | 11,794,800 | 1,351,784,400 | 577,700 | 93,800 | 139,152,400 | 81,107,000 | 27,672,800 | 1,612,182,900 | 86 | 1,612,182,986 | 155,052,700 | 2.309 | 1,874,846,207 |
| 2022 | 11,365,200 | 1,362,108,000 | 577,700 | 93,800 | 136,561,300 | 83,406,000 | 27,672,800 | 1,621,784,800 | 81 | 1,621,784,881 | 157,929,100 | 2.318 | 2,003,561,051 |
| 2023 | 11,559,800 | 1,372,767,300 | 598,300 | 96,400 | 138,556,000 | 82,859,500 | 27,672,800 | 1,634,110,100 | 71 | 1,634,110,171 | 159,612,100 | 2.342 | C |

Source: Municipal Tax Assessor

Note:

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

R Revaluation

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

b Tax rates are per \$100.

c Information not available.

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

EXHIBIT J-7

| Fiscal Year Ended June 30, | Cinnaminson School District Direct Rate | | | Overlapping Rates | | | | Total Direct and Overlapping Tax Rate |
|----------------------------|---|---------------------------------|--------------|-------------------------|----------------------|---------------|-------------------|---------------------------------------|
| | Basic Rate | General Obligation Debt Service | Total Direct | Township of Cinnaminson | Municipal Open Space | Fire District | Burlington County | |
| 2014 | R \$ 1.900 | \$ 0.061 | \$ 1.961 | \$ 0.585 | \$ 0.016 | \$ 0.172 | \$ 0.413 | \$ 3.147 |
| 2015 | 1.956 | 0.096 | 2.052 | 0.607 | 0.017 | 0.175 | 0.454 | 3.305 |
| 2016 | 1.996 | 0.137 | 2.133 | 0.627 | 0.017 | 0.181 | 0.455 | 3.413 |
| 2017 | 2.045 | 0.137 | 2.182 | 0.616 | 0.017 | 0.188 | 0.458 | 3.461 |
| 2018 | 2.085 | 0.136 | 2.221 | 0.616 | 0.017 | 0.194 | 0.449 | 3.497 |
| 2019 | 2.121 | 0.126 | 2.247 | 0.616 | 0.017 | 0.201 | 0.441 | 3.522 |
| 2020 | 2.162 | 0.126 | 2.288 | 0.616 | 0.017 | 0.205 | 0.446 | 3.572 |
| 2021 | 2.183 | 0.126 | 2.309 | 0.616 | 0.017 | 0.209 | 0.456 | 3.607 |
| 2022 | 2.192 | 0.126 | 2.318 | 0.616 | 0.017 | 0.219 | 0.466 | 3.636 |
| 2023 | 2.217 | 0.125 | 2.342 | 0.616 | 0.017 | 0.240 | 0.502 | 3.717 |

Source: 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

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.

R Reassessment.

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

EXHIBIT J-8

| Taxpayer | 2023 | | Taxpayer | 2014 | |
|-------------------------------------|------------------------|--|-------------------------------------|------------------------|--|
| | Taxable Assessed Value | % of Total District Net Assessed Value | | Taxable Assessed Value | % of Total District Net Assessed Value |
| National Keystone Property | \$ 20,000,000 | 1.22% | National Keystone Property | \$ 23,302,300 | 1.46% |
| Camelot at Cinnaminson Harbour, LLC | 19,157,900 | 1.17% | Camelot at Cinnaminson Harbour, LLC | 16,745,200 | 1.05% |
| CSH Siena, LLC | 10,793,000 | 0.66% | Whitesell Enterprises et al | 7,618,600 | 0.48% |
| New Plan Cinnaminson Urban Removal | 6,104,300 | 0.37% | Progida, LLC | 6,246,900 | 0.39% |
| Progida | 5,500,000 | 0.34% | New Plan Cinnaminson Urban Renewal | 6,095,400 | 0.38% |
| 1 Sea Box Drive, LLC | 5,413,700 | 0.33% | 1 Sea Box Drive, LLC | 5,272,300 | 0.33% |
| Main Line Shopping Center | 5,053,600 | 0.31% | Main Line Shopping Center, LLC | 5,053,600 | 0.32% |
| Riverton Country Club | 4,768,300 | 0.29% | Kimco Corp | 4,750,000 | 0.30% |
| Global Cinnaminson | 4,530,600 | 0.28% | 10,000 Midlantic Drive Assoc. LLC | 4,709,100 | 0.30% |
| 202 RT 130 LLC | 4,429,700 | 0.27% | Hoeganaes Spircorp. | 4,588,000 | 0.29% |
| Total | \$ 85,751,100 | 5.25% | Total | \$ 84,381,400 | 5.30% |

Source: Municipal Tax Assessor

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

EXHIBIT J-9

| Fiscal Year Ended June 30, | Taxes Levied for the Calendar Year | Collected within the Fiscal Year of the Levy ^a | | Collections in Subsequent Years |
|----------------------------------|--|--|-----------------------|---------------------------------------|
| | | Amount | Percentage of Levy | |
| 2014 | \$ 30,492,221 | \$ 30,492,221 | 100.00% | - |
| 2015 | 31,215,482 | 31,215,482 | 100.00% | - |
| 2016 | 32,731,445 | 32,731,445 | 100.00% | - |
| 2017 | 34,241,505 | 34,241,505 | 100.00% | - |
| 2018 | 34,989,194 | 34,989,194 | 100.00% | - |
| 2019 | 35,635,487 | 35,635,487 | 100.00% | - |
| 2020 | 36,058,962 | 36,058,962 | 100.00% | - |
| 2021 | 36,843,156 | 36,843,156 | 100.00% | - |
| 2022 | 37,239,437 | 37,239,437 | 100.00% | - |
| 2023 | 37,591,460 | 37,591,460 | 100.00% | - |

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

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

Cinnaminson Township School District
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
(dollars in thousands, except per capita)

EXHIBIT J-10

| Fiscal Year Ended June 30, | <u>Governmental Activities</u> | | | Percentage of Personal Income ^a | Per Capita ^b |
|-------------------------------------|--------------------------------|----------------------------------|----------------|--|-------------------------|
| | General Obligation Bonds | Financed Purchases/ Leases | Total District | | |
| 2014 | \$ 4,065,000 | \$ 661,772 | \$ 4,726,772 | 0.53% | 286 |
| 2015 | 42,913,000 | 689,118 | 43,602,118 | 4.71% | 2,635 |
| 2016 | 42,178,000 | 1,112,004 | 43,290,004 | 4.57% | 2,632 |
| 2017 | 40,545,000 | 750,855 | 41,295,855 | 4.25% | 2,518 |
| 2018 | 38,860,000 | 790,716 | 39,650,716 | 3.96% | 2,424 |
| 2019 | 37,140,000 | 839,520 | 37,979,520 | 3.65% | 2,322 |
| 2020 | 35,590,000 | 931,701 | 36,521,701 | 3.28% | 2,200 |
| 2021 | 33,975,000 | 930,395 | 34,905,395 | 2.92% | 2,029 |
| 2022 | 32,300,000 | 871,711 | 33,171,711 | c | 1,910 |
| 2023 | 30,575,000 | 957,124 | 31,532,124 | c | c |

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

- a Based on Per Capita Income for Burlington County.
- b Based on School District Population as of July 1.
- c Not available

Cinnaminson Township School District
Ratios of Net General Bonded Debt Outstanding
Last Ten Fiscal Years
(dollars in thousands, except per capita)

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 | \$ 4,065,000 | \$ - | \$ 4,065,000 | 0.26% | 246 |
| 2015 | 42,913,000 | - | 42,913,000 | 2.69% | 2,594 |
| 2016 | 42,178,000 | - | 42,178,000 | 2.63% | 2,564 |
| 2017 | 40,545,000 | - | 40,545,000 | 2.53% | 2,472 |
| 2018 | 38,860,000 | - | 38,860,000 | 2.42% | 2,375 |
| 2019 | 37,140,000 | - | 37,140,000 | 2.32% | 2,270 |
| 2020 | 35,590,000 | - | 35,590,000 | 2.21% | 2,144 |
| 2021 | 33,975,000 | - | 33,975,000 | 2.11% | 1,974 |
| 2022 | 32,300,000 | - | 32,300,000 | 1.99% | 1,860 |
| 2023 | 30,575,000 | - | 30,575,000 | 1.87% | c |

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

a See Exhibit J-6 for property tax data.

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

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

| <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: | | | |
| Township of Cinnaminson | \$ 16,752,346 | 100.00% | \$ 16,752,346 |
| Burlington County General Obligation Debt | 161,356,421 | 3.800% | <u>6,131,544</u> |
| Subtotal, overlapping debt | | | 22,883,890 |
| Cinnaminson Township School District Direct Debt | | | <u>30,575,000</u> |
| Total direct and overlapping debt | | | <u><u>\$ 53,458,890</u></u> |

Sources: Assessed value data used to estimate applicable percentages provided by the Burlington County Board of Taxation.

Note: Debt outstanding data provided by each governmental unit. 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 Cinnaminson. 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.

Cinnaminson Township School District
Legal Debt Margin Information,
Last Ten Fiscal Years
(dollars in thousands)

Legal Debt Margin Calculation for Fiscal Year 2023

| | | |
|---|---------------------------|-------------------------|
| | Equalized valuation basis | |
| | 2020 | 1,862,789,772 |
| | 2021 | 1,982,029,629 |
| | 2022 | <u>2,270,771,213</u> |
| | [A] | \$ 6,115,590,614 |
| Average equalized valuation of taxable property | [A/3] | \$ 2,038,530,205 |
| Debt limit (4% of average equalized valuation) | [B] | 81,541,208 |
| Net bonded school debt | [C] | <u>30,575,000</u> |
| Legal debt margin | [B-C] | <u>\$ 50,966,208</u> |

| | Fiscal Year | | | | | | | | | |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 |
| Debt limit | \$ 71,598,361 | \$ 69,380,814 | \$ 69,744,720 | \$ 70,772,114 | \$ 71,417,470 | \$ 71,237,960 | \$ 71,322,324 | \$ 72,392,934 | \$ 75,316,686 | \$ 81,541,208 |
| Total net debt applicable to limit | <u>4,065,000</u> | <u>42,913,000</u> | <u>42,178,000</u> | <u>40,545,000</u> | <u>38,860,000</u> | <u>37,140,000</u> | <u>35,590,000</u> | <u>33,975,000</u> | <u>32,300,000</u> | <u>30,575,000</u> |
| Legal debt margin | <u>\$ 67,533,361</u> | <u>\$ 26,467,814</u> | <u>\$ 27,566,720</u> | <u>\$ 30,227,114</u> | <u>\$ 32,557,470</u> | <u>\$ 34,097,960</u> | <u>\$ 35,732,324</u> | <u>\$ 38,417,934</u> | <u>\$ 43,016,686</u> | <u>\$ 50,966,208</u> |
| Total net debt applicable to the limit as a percentage of debt limit | 5.68% | 61.85% | 60.47% | 57.29% | 54.41% | 52.14% | 49.90% | 46.93% | 42.89% | 37.50% |

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

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

**Cinnaminson Township 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 | 16,551 | \$ 886,670,172 | \$ 53,572 | 5.5% |
| 2015 | 16,545 | 925,279,125 | 55,925 | 4.4% |
| 2016 | 16,449 | 947,182,767 | 57,583 | 3.8% |
| 2017 | 16,400 | 972,044,400 | 59,271 | 3.5% |
| 2018 | 16,359 | 1,000,189,260 | 61,140 | 3.4% |
| 2019 | 16,359 | 1,039,254,552 | 63,528 | 2.6% |
| 2020 | 16,602 | 1,114,890,708 | 67,154 | 7.3% |
| 2021 | 17,207 | 1,195,817,672 | 69,496 | 4.8% |
| 2022 | 17,368 | e | e | 2.9% |
| 2023 | e | e | e | e |

Source:

- ^a Population information provided by the NJ Dept of Labor and Workforce Development
- ^b Personal income for Cinnaminson Township.
- ^c Per Capita for Burlington County.
- ^d Unemployment data provided by the NJ Dept of Labor and Workforce Development
- ^e Not available.

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

EXHIBIT J-16

| Function/Program | Fiscal Year Ending June 30, | | | | | | | | | |
|--|------------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 |
| Instruction | | | | | | | | | | |
| Regular | 182.5 | 177.7 | 175.0 | 185.9 | 185.7 | 189.7 | 193.0 | 199.3 | 187.7 | 205.5 |
| Special education | 42.9 | 42.1 | 42.9 | 51.9 | 51.6 | 48.6 | 63.5 | 65.6 | 58.7 | 63.1 |
| Other special education | 30.3 | 45.0 | 46.2 | 51.7 | 54.3 | 53.2 | 51.3 | 56.6 | 55.0 | 54.5 |
| Vocational | | | | | | | | | | |
| Other instruction | | | 3.1 | 3.1 | 2.9 | 3.1 | 3.1 | 3.1 | 2.5 | 3.1 |
| Nonpublic school programs | | | | | | | | | | |
| Adult/continuing education programs | | | | | | | | | | |
| Support Services: | | | | | | | | | | |
| Student & instruction related services | 30.7 | 31.8 | 31.8 | 31.0 | 30.3 | 30.3 | 35.3 | 30.5 | 39.1 | 32.5 |
| School administrative services | 20.8 | 21.0 | 21.0 | 23.6 | 21.9 | 24.1 | 23.1 | 23.7 | 18.4 | 24.5 |
| General administrative services | 3.1 | 3.1 | 3.1 | 3.1 | 3.1 | 3.1 | 3.1 | 3.1 | 4.0 | 3.1 |
| Plant operations and maintenance | 28.4 | 28.5 | 28.5 | 28.2 | 27.6 | 27.4 | 27.4 | 32.3 | 33.3 | 33.3 |
| Pupil transportation | 55.5 | 55.5 | 58.5 | 58.5 | 58.5 | 58.5 | 58.5 | 79.0 | 58.0 | 78.0 |
| Business and other support services | 12.4 | 12.4 | 13.4 | 13.4 | 13.1 | 12.7 | 13.7 | 13.9 | 13.1 | 13.1 |
| Special Schools | | | | | | | | | | |
| Food Service | | | | | | | | | | |
| Child Care | 16.0 | 16.0 | 13.0 | 16.0 | 16.0 | 16.0 | 16.0 | 16.0 | 16.0 | 16.0 |
| Total | 422.6 | 433.1 | 436.5 | 466.4 | 465.0 | 466.7 | 488.0 | 523.1 | 485.8 | 526.7 |

Source: District Personnel Records

Cinnaminson Township 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 |
|-------------|------------|-------------------------------------|----------------|-------------------|-----------------------------|---------------------|---------------|--------------------|---|---|--------------------------------------|-------------------------------|
| | | | | | | Elementary | Middle School | Senior High School | | | | |
| 2014 | 2,354 | \$ 44,312,542 | \$ 18,824 | 3.53% | 225 | 1:12 | 1:10 | 1:12 | 2,363.1 | 2,258.8 | 0.12% | 95.59% |
| 2015 | 2,412 | 44,917,253 | 18,622 | -1.07% | 220 | 1:12 | 1:10 | 1:12 | 2,412.6 | 2,300.6 | 0.12% | 95.36% |
| 2016 | 2,441 | 45,996,836 | 18,843 | 1.19% | 218 | 1:13 | 1:10 | 1:12 | 2,439.1 | 2,321.9 | 1.10% | 95.19% |
| 2017 | 2,475 | 48,029,409 | 19,406 | 2.99% | 238 | 1:13 | 1:10 | 1:12 | 2,474.5 | 2,364.7 | 1.45% | 95.56% |
| 2018 | 2,484 | 49,707,467 | 20,011 | 3.12% | 237 | 1:13 | 1:10 | 1:12 | 2,493.4 | 2,370.4 | 0.76% | 95.07% |
| 2019 | 2,559 | 51,234,226 | 20,021 | 0.05% | 238 | 1:13 | 1:10 | 1:12 | 2,554.4 | 2,442.3 | 2.45% | 95.61% |
| 2020 | 2,650 | 52,491,184 | 19,808 | -1.00% | 257 | 1:13 | 1:10 | 1:12 | 2,686.8 | 2,586.0 | 5.18% | 96.25% |
| 2021 | 2,679 | 55,118,777 | 20,574 | 3.87% | 265 | 1:13 | 1:10 | 1:12 | 2,719.6 | 2,620.3 | 1.22% | 96.35% |
| 2022 | 2,714 | 62,015,214 | 22,850 | 11.06% | 247 | 1:13 | 1:10 | 1:12 | 2,733.8 | 2,583.4 | 0.52% | 94.50% |
| 2023 | 2,839 | 65,922,900 | 23,220 | 1.62% | 268 | 1:13 | 1:10 | 1:12 | 2,839.7 | 2,689.6 | 3.87% | 94.71% |

Sources: District records

Note: Enrollment based on annual October district count.

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

**Cinnaminson Township School District
School Building Information
Last Ten Fiscal Years**

EXHIBIT J-18

| | Fiscal Year Ending June 30, | | | | | | | | | |
|------------------------------------|-----------------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 |
| District Building | | | | | | | | | | |
| <u>Elementary</u> | | | | | | | | | | |
| New Albany Elementary (1966) | | | | | | | | | | |
| Square Feet | 47,966 | 47,966 | 47,966 | 47,966 | 55,253 | 55,253 | 55,253 | 55,253 | 55,253 | 55,253 |
| Capacity (students) | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 |
| Enrollment | 531 | 524 | 549 | 558 | 553 | 574 | 581 | 596 | 586 | 629 |
| Rush Elementary (1962) | | | | | | | | | | |
| Square Feet | 50,248 | 50,248 | 50,248 | 50,248 | 56,019 | 56,019 | 56,019 | 56,019 | 56,019 | 56,019 |
| Capacity (students) | 600 | 600 | 600 | 600 | 600 | 600 | 600 | 600 | 600 | 600 |
| Enrollment | 535 | 503 | 536 | 543 | 574 | 591 | 610 | 587 | 623 | 599 |
| Middle School (1968) | | | | | | | | | | |
| Square Feet | 118,434 | 118,434 | 118,434 | 118,434 | 112,701 | 112,701 | 112,701 | 112,701 | 112,701 | 112,701 |
| Capacity (students) | 704 | 704 | 704 | 704 | 704 | 704 | 704 | 704 | 704 | 704 |
| Enrollment | 579 | 554 | 579 | 583 | 560 | 593 | 646 | 634 | 655 | 688 |
| High School (1961) | | | | | | | | | | |
| Square Feet | 148,668 | 148,668 | 148,668 | 148,668 | 194,921 | 194,921 | 194,921 | 194,921 | 194,921 | 194,921 |
| Capacity (students) | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 |
| Enrollment | 718 | 719 | 775 | 790 | 807 | 796 | 850 | 803 | 825 | 880 |
| Memorial School | | | | | | | | | | |
| Square Feet | | | | | | | | | | 10,000 |
| Capacity (students) | | | | | | | | | | 100 |
| Enrollment | | | | | | | | | | 43 |
| <u>Other</u> | | | | | | | | | | |
| Central Administration (1959) | | | | | | | | | | |
| Square Feet | 27,965 | 27,965 | 27,965 | 27,965 | 29,757 | 29,757 | 29,757 | 29,757 | 29,757 | 19,757 |
| Number of Schools at June 30, 2023 | | | | | | | | | | |
| Elementary = 3 | | | | | | | | | | |
| Middle School = 1 | | | | | | | | | | |
| Senior High School = 1 | | | | | | | | | | |
| Other = 1 | | | | | | | | | | |

Source: District Facilities Office

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

Cinnaminson Township School District
 Schedule of Required Maintenance
 Last Ten Years

EXHIBIT J-19

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

| | Fiscal Year Ending June 30, | | | | | | | | | | Total |
|----------------------------------|-----------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|---------------------|
| | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | |
| * School Facilities | | | | | | | | | | | |
| Cinnaminson School District | | | | | | | | | | | |
| New Albany Elementary | \$ 48,783 | \$ 45,064 | \$ 49,852 | \$ 43,615 | \$ 183,075 | \$ 112,161 | \$ 152,637 | \$ 85,879 | \$ 57,617 | \$ 77,055 | \$ 855,738 |
| Rush Intermediate | 55,656 | 52,921 | 54,007 | 42,841 | 50,422 | 62,330 | 99,604 | 94,478 | 58,416 | 83,476 | 654,151 |
| Middle School | 108,082 | 112,661 | 124,632 | 83,877 | 177,139 | 101,413 | 123,902 | 91,357 | 117,523 | 192,637 | 1,233,223 |
| High School | 199,436 | 273,096 | 157,867 | 391,010 | 159,760 | 156,800 | 132,623 | 126,593 | 203,261 | 244,007 | 2,044,453 |
| Memorial School - Administration | 50,099 | 41,128 | 29,081 | 46,538 | 52,319 | 45,078 | 32,506 | 68,842 | 31,030 | 44,950 | 441,571 |
| Total School Facilities | <u>\$ 462,056</u> | <u>\$ 524,870</u> | <u>\$ 415,439</u> | <u>\$ 607,881</u> | <u>\$ 622,715</u> | <u>\$ 477,782</u> | <u>\$ 541,272</u> | <u>\$ 467,149</u> | <u>\$ 467,847</u> | <u>\$ 642,125</u> | <u>\$ 5,229,136</u> |

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

Source: District records

**Cinnaminson Township School District
Insurance Schedule
June 30, 2023**

EXHIBIT J-20

| | <u>Coverage</u> | <u>Member Retention</u> |
|--|-----------------|-----------------------------|
| School Package Policy - School Alliance Insurance Fund | | |
| Property - Blanket Buildings and Contents | \$ 500,000,000 | \$ 2,500 |
| General and Auto Liability | 25,000,000 | 1,000 |
| Boiler and Machinery | 100,000,000 | 2,500 |
| Cyber Liability | 2,000,000 | 10,000 |
| Pollution Liability | 1,000,000 | 10,000 |
| Blanket Dishonesty Bond | 100,000/500,000 | 1,000 |
| Money and Securities | 50,000 | 1,000 |
| School Board Legal Liability | 15,000,000 | |
| Workers Compensation (1) | Statutory | |
| Excess Liability (1) | 5,000,000 | |
| Storage Tank Liability (1) | 1,000,000 | |
| Student Accident (2) | 1,000,000 | |
| Surety Bonds (3) | | |
| Treasurer | 350,000 | |
| Board Secretary | 300,000 | |

- (1) School Alliance Insurance Fund.
- (2) Risk Placement Services.
- (3) Selective Insurance Company.

Source: District records

Single Audit Section

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

INDEPENDENT AUDITOR'S REPORT

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

I have audited, in accordance with the auditing standards generally accepted in the United States of America, the standards applicable to financial statement audits contained in the *Government Auditing Standards*, issued by the Comptroller General of the United States, and the audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Cinnaminson Township School District (the "School District"), in the County of Burlington, 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 School District's basic financial statements, and have issued my report thereon dated November 21, 2023.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

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

INVERSO & STEWART, LLC
Certified Public Accountants



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

Marlton, New Jersey
November 21, 2023

INVERSO & STEWART, LLC
Certified Public Accountants

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

INDEPENDENT AUDITOR'S REPORT

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

Report on Compliance for Each Major Federal and State Program

Opinion on Each Major Federal and State Program

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

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

Basis for Opinion on Each Major Federal and State Program

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control over Compliance

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

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

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

Purpose of this Report

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

INVERSO & STEWART, LLC
Certified Public Accountants



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

Marlton, New Jersey
November 21, 2023

CINNAMINSON TOWNSHIP SCHOOL DISTRICT
Schedule of Expenditures of Federal Awards
for the Fiscal Year ended June 30, 2023

| Federal Grantor/Pass-Through Grantor/ Program Title | Assistance Listing Number | Federal FAIN Number | Grant or State Project Number | Program or Award Amount | Grant Period | Balance at June 30, 2022 | | Carryover (Walkover) Amount | Cash Received | Budgetary Expenditures | Repayment of Prior Years' Balance | Adjustment | Balance at June 30, 2023 | | |
|--|---------------------------------|---------------------------|----------------------------------|-------------------------------|-------------------|--|-------------------|-----------------------------------|------------------|---------------------------|---|------------|--------------------------|---------------------|-------------------|
| | | | | | | Deferred Revenue (Accts. Receivable) | Due to Grantor | | | | | | (Accounts Receivable) | Unearned Revenue | Due to Grantor |
| U.S. Department of Health & Human Services | | | | | | | | | | | | | | | |
| Passed-through State Department of Education: | | | | | | | | | | | | | | | |
| <u>General Fund:</u> | | | | | | | | | | | | | | | |
| Medical Assistance Program (SEMI) | 93.778 | 2205NJ5MAP | N/A | \$ 37,748 | 7/1/22 - 6/30/23 | \$ - | \$ - | \$ - | \$ 57,564 | \$ (57,564) | \$ - | \$ - | \$ - | \$ - | \$ - |
| FFCRA/SEMI | 93.778 | | N/A | 7,078 | 1/1/21 - 12/31/21 | - | - | - | 7,078 | (7,078) | - | - | - | - | - |
| Total General Fund | | | | | | - | - | - | 64,642 | (64,642) | - | - | - | - | - |
| Passed-through State Department of Education: | | | | | | | | | | | | | | | |
| <u>Special Revenue Fund:</u> | | | | | | | | | | | | | | | |
| <u>Every Student Succeeds Act</u> | | | | | | | | | | | | | | | |
| Title I - Current Year | 84.010 | S010A220030 | ESSA-0840-23 | 1,507,767 | 7/1/22 - 9/30/23 | | | | 91,971 | (105,695) | | | (13,724) | | |
| Title I - Prior Year | 84.010 | S010A210030 | ESSA-0840-22 | 241,653 | 7/1/21 - 9/30/22 | (5,114) | | | 67,141 | (62,027) | | | - | | |
| Title II - A - Current Year | 84.367A | S367A220029 | ESSA-0840-23 | 43,137 | 7/1/22 - 9/30/23 | | | | 10,731 | (15,192) | | | (4,461) | | |
| Title II - A - Prior Year | 84.367 | S367A210029 | ESSA-0840-22 | 45,460 | 7/1/21 - 9/30/22 | | | | 9,429 | (9,429) | | | - | | |
| Title III - Current Year | 84.365 | S365A220030 | ESSA-0840-23 | 22,696 | 7/1/22 - 9/30/23 | | | | 8,083 | (9,482) | | | (1,399) | | |
| Title III - Prior Year | 84.365 | S365A210030 | ESSA-0840-22 | 18,448 | 7/1/21 - 9/30/22 | (1,354) | | | 1,625 | (271) | | | - | | |
| Title III Immigrant- Current Year | 84.365 | S365A220030 | ESSA-0840-23 | 5,883 | 7/1/22 - 9/30/23 | | | | 1,476 | (1,694) | | | (218) | | |
| Title III Immigrant- Prior Year | 84.365 | S365A210030 | ESSA-0840-22 | 3,569 | 7/1/21 - 9/30/22 | (253) | | | 253 | | | | - | | |
| Title IV - Current Year | 84.424A | S424A220031 | ESSA-0840-23 | 23,354 | 7/1/22 - 9/30/23 | | | | 6,151 | (8,307) | | | (2,156) | | |
| Title IV - Prior Year | 84.424 | S424A210031 | ESSA-0840-22 | 19,037 | 7/1/21 - 9/30/22 | (412) | | | 2,337 | (1,925) | | | - | | |
| <u>Individuals With Disabilities Act (I.D.E.A.)</u> | | | | | | | | | | | | | | | |
| Part B - Basic Current Year | 84.027A | H027A220100 | IDEA-0840-23 | 713,112 | 7/1/22 - 9/30/23 | | | | 596,403 | (661,762) | | | (65,359) | | |
| Part B - Basic Prior Year | 84.027A | H027A210100 | IDEA-0840-22 | 682,832 | 7/1/21 - 9/30/22 | (50,472) | | | 50,472 | | | | - | | |
| Part B - ARP Basic Current Year | 84.027X | H027X210100 | IDEA-0840-22 | 134,195 | 7/1/21 - 9/30/22 | (13,207) | | | 37,974 | (32,854) | | | (8,087) | | |
| Part B - Preschool Current Year | 84.173A | H173A220114 | IDEA-0840-23 | 29,331 | 7/1/22 - 9/30/23 | | | | 15,199 | (28,690) | | | (13,491) | | |
| Part B - Preschool Prior Year | 84.173A | H173A210114 | IDEA-0840-22 | 21,909 | 7/1/21 - 9/30/22 | (5,039) | | | 11,799 | (6,760) | | | - | | |
| Coronavirus Response and Relief Supplemental Act: | | | | | | | | | | | | | | | |
| CRRSA - ESSER II | 84.425D | S425D200027 | N/A | 597,689 | 3/13/20 - 9/30/23 | | | | | | | | - | | |
| CRRSA - Learning Acceleration | 84.425D | S425D200027 | N/A | 38,356 | 3/13/20 - 9/30/23 | | | | 302 | (302) | | | - | | |
| CRRSA - Mental Health | 84.425D | S425D200027 | N/A | 45,000 | 3/13/20 - 9/30/23 | (731) | | | 731 | (20,924) | | | (20,924) | | |
| American Rescue Plan: | | | | | | | | | | | | | | | |
| ARP - ESSER III | 84.425U | S425U200027 | N/A | 1,343,268 | 3/13/20 - 9/30/24 | (13,740) | | | 37,520 | (41,907) | | | (18,127) | | |
| ARP - Accelerated Learning | 84.425U | S425U200027 | N/A | 228,102 | 3/13/20 - 9/30/24 | (1,750) | | | 77,578 | (117,751) | | | (41,923) | | |
| ARP - Summer Learning | 84.425U | S425U200027 | N/A | 40,000 | 3/13/20 - 9/30/24 | | | | 22,749 | (24,489) | | | (1,740) | | |
| ARP - NJTSS Mental Health | 84.425U | S425U200027 | N/A | 45,000 | 3/13/20 - 9/30/24 | (9,060) | | | 27,263 | (23,374) | | | (5,171) | | |
| ARP - Homeless Children and Youth | 84.425U | S425U200027 | N/A | 22,619 | 3/13/20 - 9/30/24 | | | | | (3,117) | | | (3,117) | | |
| U.S. Department of Treasury | | | | | | | | | | | | | | | |
| Passed-through State Department of Education: | | | | | | | | | | | | | | | |
| Additional or Compensatory Special Ed. (ACSERS) | 21.027 | SLFRFDOE1SES | N/A | 170,404 | 7/1/22 - 6/30/23 | | | | 80,360 | (170,404) | | | (90,044) | | |
| Additional or Compensatory Special Ed. (ACSERS) | 21.027 | SLFRFDOE1SES | N/A | 146,428 | 7/1/22 - 6/30/22 | (146,428) | | | 146,428 | | | | - | | |
| Total Special Revenue Fund | | | | | | (247,560) | - | - | 1,303,975 | (1,346,356) | - | - | (289,941) | - | - |
| U.S. Department of Agriculture | | | | | | | | | | | | | | | |
| Passed-through State Department of Education: | | | | | | | | | | | | | | | |
| <u>Enterprise Fund:</u> | | | | | | | | | | | | | | | |
| Food Distribution Program | 10.555 | 231NJ304N1099 | N/A | 89,767 | 10/1/22 - 9/30/23 | | | | 89,767 | (89,767) | | | | | |
| National School Lunch Program | 10.555 | 231NJ304N1099 | N/A | 264,919 | 10/1/22 - 9/30/23 | | | | 250,825 | (264,919) | | | (14,094) | | |
| National School Lunch Program | 10.555 | 221NJ304N1099 | N/A | 1,236,329 | 7/1/21 - 6/30/22 | (85,971) | | | 85,971 | | | | - | | |
| Supply Chain Assistance | 10.555 | 221NJ344N8903 | N/A | 56,368 | 1/1/22 - 9/30/23 | | | | 56,368 | (56,368) | | | | | |
| Supply Chain Assistance | 10.555 | 221NJ344N8903 | N/A | 51,549 | 1/1/22 - 9/30/23 | | | | 51,549 | (51,549) | | | | | |
| Supply Chain Assistance | 10.649 | 231NJ344N8903 | N/A | 25,996 | 10/1/22 - 9/30/24 | | | | 25,996 | (25,996) | | | | | |
| Total Enterprise Fund | | | | | | (85,971) | - | - | 560,476 | (488,599) | - | - | (14,094) | - | - |
| Total Federal Awards | | | | | | \$ (333,531) | \$ - | \$ - | \$ 1,929,093 | \$ (1,899,597) | \$ - | \$ - | \$ (304,035) | \$ - | \$ - |

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

CINNAMINSON TOWNSHIP SCHOOL DISTRICT
Schedule of Expenditures of State Financial Assistance
for the Fiscal Year ended June 30, 2023

| State Grantor / Program Title | Grant or State Project Number | Program Award Amount | Grant Period | Balance at June 30, 2022 | | | Cash Received | Budgetary Expenditures | Repayment of Prior Years' Balances | Balance at June 30, 2023 | | |
|---|-------------------------------|----------------------|------------------|--------------------------------------|----------------|-----------------------------|-------------------|------------------------|------------------------------------|--------------------------|------------------|----------------|
| | | | | Unearned Revenue (Accts. Receivable) | Due to Grantor | Carryover (Walkover) Amount | | | | (Accounts Receivable) | Unearned Revenue | Due to Grantor |
| State Department of Education | | | | | | | | | | | | |
| <u>General Fund:</u> | | | | | | | | | | | | |
| Equalization Aid | 23-495-034-5120-078 | \$ 13,485,243 | 7/1/22 - 6/30/23 | \$ - | \$ - | \$ - | \$ 12,177,892 | \$(13,485,243) | \$ - | \$(1,307,351) | \$ - | \$ - |
| Equalization Aid | 22-495-034-5120-078 | 10,322,769 | 7/1/21 - 6/30/22 | (992,215) | | | 992,215 | | | - | | |
| Special Education Categorical Aid | 23-495-034-5120-089 | 1,385,471 | 7/1/22 - 6/30/23 | | | | 1,251,154 | (1,385,471) | | (134,317) | | |
| Special Education Categorical Aid | 22-495-034-5120-089 | 1,385,471 | 7/1/21 - 6/30/22 | (133,170) | | | 133,170 | | | - | | |
| Security Aid | 23-495-034-5120-084 | 57,475 | 7/1/22 - 6/30/23 | | | | 51,903 | (57,475) | | (5,572) | | |
| Security Aid | 22-495-034-5120-084 | 57,475 | 7/1/21 - 6/30/22 | (5,524) | | | 5,524 | | | - | | |
| Transportation Aid | 23-495-034-5120-014 | 483,083 | 7/1/22 - 6/30/23 | | | | 436,250 | (483,083) | | (46,833) | | |
| Transportation Aid | 22-495-034-5120-014 | 483,083 | 7/1/21 - 6/30/22 | (46,434) | | | 46,434 | | | - | | |
| Nonpublic Transportation Aid | 23-495-034-5120-014 | 24,024 | 7/1/22 - 6/30/23 | | | | | (24,024) | | (24,024) | - | - |
| Nonpublic Transportation Aid | 22-495-034-5120-014 | 22,040 | 7/1/21 - 6/30/22 | (20,880) | | | 20,880 | | | - | | |
| Extraordinary Aid | 23-495-034-5120-044 | 1,263,507 | 7/1/22 - 6/30/23 | | | | | (1,263,507) | | (1,263,507) | | |
| Extraordinary Aid | 22-495-034-5120-044 | 1,176,541 | 7/1/21 - 6/30/22 | (1,176,541) | | | 1,176,541 | | | - | | |
| Homeless Tuition Aid | 23-495-034-5120-005 | 19,447 | 7/1/22 - 6/30/23 | | | | | (19,447) | | (19,447) | | |
| Homeless Tuition Aid | 22-495-034-5120-005 | 75,773 | 7/1/21 - 6/30/22 | (75,773) | | | 75,773 | | | - | | |
| Lead Testing for Schools Aid | 23-495-034-520-104 | 7,236 | | | | | 7,236 | (7,236) | | - | | |
| School Security Grant - Alyssa's Law | 20E00395 | 145,514 | 7/1/21 - 6/30/23 | (18,975) | | | 111,820 | (106,414) | | (13,569) | | |
| On Behalf TPAF Pension Contributions | 23-495-034-5094-002 | 7,883,202 | 7/1/22 - 6/30/23 | | | | 7,883,202 | (7,883,202) | | - | | |
| On Behalf TPAF Post Retirement Medical | 23-495-034-5094-001 | 2,070,898 | 7/1/22 - 6/30/23 | | | | 2,070,898 | (2,070,898) | | - | | |
| On Behalf TPAF Pension LTDI | 23-495-034-5094-004 | 2,479 | 7/1/22 - 6/30/23 | | | | 2,479 | (2,479) | | - | | |
| Reimbursed TPAF Social Security Contributions | 23-495-034-5094-003 | 1,707,209 | 7/1/22 - 6/30/23 | | | | 1,707,209 | (1,707,209) | | - | | |
| Reimbursed TPAF Social Security Contributions | 22-495-034-5094-003 | 1,624,164 | 7/1/21 - 6/30/22 | (80,028) | | | 80,028 | | | - | | |
| Total General Fund | | | | (2,549,540) | - | - | 28,230,608 | (28,495,688) | - | (2,814,620) | - | - |
| <u>Special Revenue Fund</u> | | | | | | | | | | | | |
| <u>N.J. Nonpublic Aid:</u> | | | | | | | | | | | | |
| Textbook Aid | 23-100-034-5120-064 | 16,962 | 7/1/21 - 6/30/22 | | | | 16,962 | (16,745) | | | | 217 |
| Textbook Aid | 22-100-034-5120-064 | 15,425 | 7/1/21 - 6/30/22 | | | 1,722 | | | (1,722) | | | - |
| Technology Aid | 22-100-034-5120-373 | 10,794 | 7/1/22 - 6/30/23 | | | | 10,794 | (9,975) | | | | 819 |
| Technology Aid | 22-100-034-5120-373 | 10,794 | 7/1/21 - 6/30/22 | | | 260 | | | (260) | | | - |
| Nursing Aid | 23-100-034-5120-070 | 29,344 | 7/1/22 - 6/30/23 | | | | 29,344 | (29,344) | | | | - |
| Security Aid | 23-100-034-5120-509 | 53,710 | 7/1/22 - 6/30/23 | | | | 53,710 | (27,642) | | | | 26,068 |
| Security Aid | 22-100-034-5120-509 | 45,500 | 7/1/21 - 6/30/22 | | | 15,668 | | | (15,668) | | | - |
| <u>Auxiliary Services:</u> | | | | | | | | | | | | |
| Compensatory Education | 23-100-034-5120-067 | 55,346 | 7/1/22 - 6/30/23 | | | | 55,346 | (35,579) | | | | 19,767 |
| Compensatory Education | 22-100-034-5120-067 | 52,852 | 7/1/21 - 6/30/22 | | | 30,726 | | | (30,726) | | | - |
| ESL | 23-100-034-5120-067 | 2,907 | 7/1/22 - 6/30/23 | | | | 2,907 | (2,806) | | | | 101 |
| <u>Handicapped Services:</u> | | | | | | | | | | | | |
| Examination & Classification | 23-100-034-5120-066 | 16,876 | 7/1/22 - 6/30/23 | | | | 16,876 | (11,563) | | | | 5,313 |
| Examination & Classification | 22-100-034-5120-066 | 18,396 | 7/1/21 - 6/30/22 | | | 5,693 | | | (5,693) | | | - |
| Corrective Speech | 23-100-034-5120-066 | 10,230 | 7/1/22 - 6/30/23 | | | | 10,230 | (10,230) | | | | - |
| SDA Emergent Needs & Capital Maint. | EG-0109-D02 | 62,302 | 7/1/22 - 6/30/23 | | | | 66,419 | | | | | 66,419 |
| SDA Emergent Needs & Capital Maint. | EG-0109-D02 | 62,302 | 7/1/21 - 6/30/22 | 578 | | | | | | | | 578 |
| Total Special Revenue Fund | | | | 578 | 54,069 | - | 262,588 | (143,884) | (54,069) | - | 66,997 | 52,285 |

(Continued)

CINNAMINSON TOWNSHIP SCHOOL DISTRICT
Schedule of Expenditures of State Financial Assistance
for the Fiscal Year ended June 30, 2023

| State Grantor / Program Title | Grant or State Project Number | Program Award Amount | Grant Period | Balance at June 30, 2022 | | Carryover (Walkover) Amount | Cash Received | Budgetary Expenditures | Repayment of Prior Years' Balances | Balance at June 30, 2023 | | |
|---|-------------------------------|----------------------|------------------|--------------------------------------|------------------|-----------------------------|----------------------|------------------------|------------------------------------|--------------------------|------------------|------------------|
| | | | | Unearned Revenue (Accts. Receivable) | Due to Grantor | | | | | (Accounts Receivable) | Unearned Revenue | Due to Grantor |
| Debt Service Fund | | | | | | | | | | | | |
| Debt Service Aid Type II | 23-100-034-5120-017 | \$ 680,237 | 7/1/22 - 6/30/23 | \$ - | \$ - | \$ - | \$ 680,237 | \$ (680,237) | \$ - | \$ - | \$ - | \$ - |
| State Department of Agriculture | | | | | | | | | | | | |
| Enterprise Fund: | | | | | | | | | | | | |
| State School Lunch Program | 23-100-010-3350-023 | 13,734 | 7/1/22 - 6/30/23 | | | | 13,004 | (13,734) | | (730) | - | - |
| State School Lunch Program | 22-100-010-3350-023 | 29,970 | 7/1/21 - 6/30/22 | (1,979) | | | 1,979 | | | - | | - |
| Total Enterprise Fund | | | | (1,979) | - | - | 14,983 | (13,734) | - | (730) | - | - |
| Total State Financial Assistance | | | | <u>\$ (2,550,941)</u> | <u>\$ 54,069</u> | <u>\$ -</u> | <u>\$ 29,188,416</u> | <u>(29,333,543)</u> | <u>\$ (54,069)</u> | <u>\$ (2,815,350)</u> | <u>\$ 66,997</u> | <u>\$ 52,285</u> |
| Less: State Financial Expenditures Not Subject to Major Program Determination | | | | | | | | | | | | |
| On-Behalf TPAF Pension Contributions: | | | | | | | | | | | | |
| Pension Contributions (non-budgeted) | 23-495-034-5094-002 | 7,883,202 | 7/1/22 - 6/30/23 | | | | | 7,883,202 | | | | |
| Post Retirement Medical (non-budgeted) | 23-495-034-5094-001 | 2,070,898 | 7/1/22 - 6/30/23 | | | | | 2,070,898 | | | | |
| TPAF Pension LTDI (non-budgeted) | 23-495-034-5094-004 | 2,479 | 7/1/22 - 6/30/23 | | | | | 2,479 | | | | |
| Total State Financial Expenditures Subject to Major Program Determination | | | | | | | | <u>\$ (19,376,964)</u> | | | | |

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

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

I. GENERAL

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

2. BASIS OF ACCOUNTING

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

3. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

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

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

The net adjustment to reconcile expenditures from the budgetary basis to the GAAP basis is (\$316,730) in the general fund and \$-0- in the special revenue fund. See Exhibit C-3, Notes to Required Supplementary Information for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds.

| <u>Fund</u> | <u>Federal</u> | <u>State</u> | <u>Total</u> |
|------------------------|---------------------|----------------------|----------------------|
| General | \$ 64,642 | \$ 28,178,958 | \$ 28,243,600 |
| Special Revenue | 1,346,356 | 143,884 | 1,490,240 |
| Debt Service | - | 680,237 | 680,237 |
| Food Service | 488,599 | 13,734 | 502,333 |
| | <u>\$ 1,899,597</u> | <u>\$ 29,016,813</u> | <u>\$ 30,916,410</u> |

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

4. RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

5. OTHER

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

6. MAJOR PROGRAMS

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

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

Section I --Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

1) Material weaknesses identified? yes X no

2) Significant deficiencies identified? yes X none reported

Noncompliance material to basic financial statements noted? yes X no

Federal Awards

Internal Control over major programs:

1) Material weakness(es) identified? yes X no

2) Significant deficiencies identified? yes X none reported

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

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

Identification of major programs:

| <u>AL Number(s)</u> | <u>FAIN Number(s)</u> | <u>Name of Federal Program or Cluster</u> |
|-----------------------------|-----------------------------|---|
| <u>84.027</u> | <u>H027A220100</u> | <u>IDEA Basic</u> |
| <u>84.173</u> | <u>H173A220114</u> | <u>IDEA Preschool</u> |
| <u> </u> | <u> </u> | <u> </u> |
| <u> </u> | <u> </u> | <u> </u> |
| <u> </u> | <u> </u> | <u> </u> |
| <u> </u> | <u> </u> | <u> </u> |
| <u> </u> | <u> </u> | <u> </u> |

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

Auditee qualified as low-risk auditee? X yes no

CINNAMINSON TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Section 1 -- Summary of Auditor's Results (Cont'd)

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

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

Any audit findings disclosed that are required to be reported in accordance with NJOMB Circular Letter 15-08 as applicable? yes X no

Identification of major programs:

| <u>State Grant/Project Number(s)</u> | <u>Name of State Program</u> |
|--------------------------------------|---|
| <u>23-495-034-5120-078</u> | State Aid Public Cluster: <u>Equalization Aid</u> |
| <u>23-495-034-5120-089</u> | <u>Special Education Categorical Aid</u> |
| <u>23-495-034-5120-084</u> | <u>Security Aid</u> |
| <u>23-495-034-5094-003</u> | <u>Reimbursed TPAF Social Security Contributions</u> |
| <u> </u> | <u> </u> |
| <u> </u> | <u> </u> |
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**CINNAMINSON TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Section 2 -- Schedule of Financial Statement Findings

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

No findings and/or questioned costs identified.

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

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

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

FEDERAL AWARDS:

No findings and/or questioned costs identified.

STATE AWARDS:

No findings and/or questioned costs identified.

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

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

FINANCIAL STATEMENT FINDINGS

There were no prior year audit findings.

FEDERAL AWARDS

Finding No. 2022-001

Condition:

The School District's Net Cash Resources exceeded its three month average expenditures.

Current Status:

This condition has been corrected.

STATE AWARDS

There were no prior year audit findings.