

**SCHOOL DISTRICT  
OF  
CLINTON TOWNSHIP**

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

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

**Annual Comprehensive  
Financial Report**

**of the**

**Clinton Township School District  
Board of Education**

**Clinton Township, New Jersey**

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

**Prepared by**

**Clinton Township School District  
Board of Education**

**Office of the Business Administrator**

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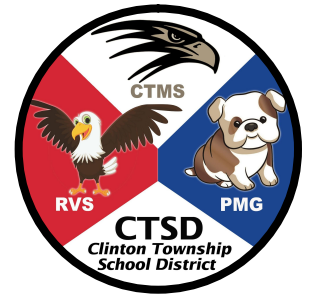
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**INTRODUCTORY SECTION**  
**(UNAUDITED)**

# Clinton Township Board of Education



*“Where Children Come First”*

Melissa Stager, Ed. D.  
Superintendent of Schools

Gretchen Dempsey, Ed. D.  
School Business Administrator/Board Secretary

January 5, 2024

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

Dear Board Members:

The Annual Comprehensive Financial Report (the “ACFR”) of the Clinton Township School District (the “District”) for the fiscal year ended June 30, 2023, is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Board of Education (the “Board”). To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the basic financial statements and results of operations of the District. All disclosures necessary to enable the reader to gain an understanding of the District’s financial activities have been included.

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

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

The District provides a full range of educational services appropriate to grade levels Pre-K through 8. The District completed the 2022-2023 fiscal year with an average daily enrollment of 1,170 students.

- 2.) **ECONOMIC CONDITIONS AND OUTLOOK:**

From the Congressional Budget Office (CBO)

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CBO projects a federal budget deficit of \$1.4 trillion for 2023. (Deficits and spending have been adjusted to exclude the effects of shifts that occur in the timing of certain payments when October 1 falls on a weekend.) In the agency's projections, deficits generally increase over the coming years; the shortfall in 2033 is \$2.7 trillion. The deficit amounts to 5.3 percent of gross domestic product (GDP) in 2023, swells to 6.1 percent of GDP in 2024 and 2025, and then declines in the two years that follow. After 2027, deficits increase again, reaching 6.9 percent of GDP in 2033—a level exceeded only five times since 1946 (see Chapter 1). In CBO's projections, outlays and revenues measured as a percentage of GDP equal or exceed their 50-year averages through 2033. Outlays increase from 23.7 percent of GDP in 2023 (a high level by historical standards) to 24.9 percent in 2033, largely because of rising interest costs and greater spending on programs that provide benefits to elderly people. Revenues amount to 18.3 percent of GDP in 2023. They then decline over the next two years before increasing after 2025, when certain provisions of the 2017 tax act expire. Revenues are roughly stable after 2027; they total 18.1 percent of GDP in 2033. Debt held by the public is projected to rise in relation to the size of the economy each year, reaching 118 percent of GDP by 2033—which would be the highest level ever recorded. Debt would continue to grow beyond 2033 if current laws generally remained unchanged.

CBO's projection of the deficit for 2023 is now \$0.4 trillion more than it was in May 2022; the projection of the cumulative deficit over the 2023-2032 period is now \$3.1 trillion (or about 20 percent) more, largely because of newly enacted legislation and changes in CBO's economic forecast, including higher projected inflation and interest rates.

To combat high inflation, the Federal Reserve sharply increased the target range for the federal funds rate in 2022. In CBO's projections, inflation gradually slows in 2023 as pressures ease from factors that, since mid-2020, have caused demand to grow more rapidly than supply. Output stagnates and unemployment rises in 2023, partially as a result of tighter monetary policy. After that, inflation slowly returns to the Federal Reserve's long-run goal of 2 percent, and output grows at a more robust pace as interest rates decrease.

The agency projects much weaker growth of real GDP for 2023 than it did last May, stronger growth during the 2024-2026 period, and similar rates of growth over the remainder of the projection period. CBO now projects higher inflation for 2023 and 2024 than it did last May, mainly for two reasons: Recent data suggest that inflation has been more persistent across many sectors of the economy than CBO anticipated, and supply-side disruptions have remained greater than the agency previously forecast. CBO now expects both short- and long-term interest rates to be higher, on average, over the next five years than forecast last May, mostly because of higher projected inflation.

CBO's projections reflect economic developments as of December 6, 2022; the agency's initial assessments of full-year discretionary funding for the federal government for fiscal year 2023 (which were 4 percent lower in total than CBO's current estimates); and the assumption that current laws governing federal taxes and spending generally remain in place. In those projections, elevated inflation initially persists as shelter (housing) costs and wages continue to rise and as supply disruptions gradually decline.

Inflation, which was slightly lower in 2022 than in 2021 but higher than in any other year since 1981, continues to exceed the Federal Reserve's long-run goal of 2 percent through 2023 and 2024 before nearing that rate by 2026. As measured by the price index for personal consumption expenditures (PCE), inflation is 3.3 percent in 2023, reflecting the lagged effects of higher home prices on rents as well as tight labor markets. In 2024, inflation falls to 2.4 percent as labor markets soften and increases in rents slow. After 2024, inflation approaches the Federal Reserve's goal of 2 percent, reaching 2.2 percent in 2025 and 2.1 percent in 2026.



Interest rates on Treasury securities rise further in early 2023 and then gradually recede beginning I. Unless this report indicates otherwise, annual growth rates are measured from the fourth quarter of one year to the fourth quarter of the next. in late 2023. To reduce inflationary pressures, the Federal Reserve raises the federal funds rate (the rate that financial institutions charge each other for overnight loans of their monetary reserves) again in early 2023. That rate reaches 5.1 percent by the end of the first quarter of 2023 and remains there through the end of the third quarter of 2023; it averages 4.8 percent during the fourth quarter of 2023. As inflation slows and unemployment rises, the federal funds rate continues to fall, reaching 3.0 percent by the end of 2024. The interest rate on IO-year Treasury notes remains at 3.8 percent after 2023.

Output growth comes to a halt in early 2023 in response to the sharp rise in interest rates during 2022. Real gross domestic product (that is, GDP adjusted to remove the effects of inflation) grows by just 0.1 percent in 2023, restrained by declining home building and inventory investment (see Figure 2-1). As financial conditions gradually ease after 2023, the annual growth rate of real GDP averages 2.4 percent from 2024 to 2027.

Conditions in the labor market deteriorate in 2023. Payroll employment stagnates, and the unemployment rate rises from 3.6 percent in the fourth quarter of 2022 to 5.1 percent at the end of 2023. The unemployment rate then gradually declines to 4.5 percent by the end of 2027 (see Table 2-1). The size of the labor force, which finally regained its pre-pandemic level in the second half of 2022, continues to rise, although at a modest pace.

The Congressional Budget Office estimates that if no new legislation affecting spending and revenues is enacted, the budget deficit for fiscal year 2023 will total \$ 1.4 trillion. That amount is \$0.4 trillion (or 43 percent) larger than the \$1.0 trillion deficit the agency estimated in May 2022, when it last updated its baseline budget projections. I Since then, CBO has increased its estimate of outlays in 2023 by \$0.3 trillion (or 6 percent) and reduced its projection of revenues in 2023 by \$0.1 trillion (or 2 percent).

CBO now projects that if current laws generally remained in place, the cumulative deficit for the 2023- 2032 period would be \$18.8 trillion. That amount is \$3.1 trillion (or 20 percent) more than the \$15.7 trillion the agency projected in May 2022. That change is the net result of a \$4 trillion (or 6 percent) increase in projected outlays and a \$0.9 trillion (or 2 percent) increase in projected revenues over the 2023-2032 period.

In CBO's projections, debt held by the public reaches \$43.5 trillion by the end of 2032 \$3.3 trillion more than the \$40.2 trillion the agency projected in May 2022. Debt is currently projected to reach 115 percent of gross domestic product (GDP) in 2032, up from the 110 percent of GDP that CBO projected in May 2022.

**The following text has been excerpted from New Jersey- State Economic Profile, available on IBISWorld website. At the time of writing, data for 2023 was not yet available.**

In 2022, the state of New Jersey has a population of 9,362,760, having grown an annualized 1.0% over the five years to 2022, which ranks it 7<sup>th</sup> out of all 50 US states by growth rate. New Jersey's gross state product (GSP) in 2022 reached \$569.5b, with growth of 1.2% over the 5 years to 2022. Businesses in New Jersey employed a total of 4,947,099 people in 2022, with average annual employment growth over the past five years of 0.3%. The top three sectors by total employment are Real Estate and Rental and Leasing, Professional, Scientific and Technical Services, Manufacturing, while the unemployment rate across the state in 2022 was 4.0%.

In 2022, New Jersey's GDP reached \$569.5b, representing an increase of 1.2% from 2021. New Jersey's GDP has grown at an annualized rate of 1.4% over the five years to 2022. Moreover, New Jersey's trailing five-year GDP growth ranks it 27th out of all 50 US states. State GDP, or Gross State Product, is a measurement of a state's output, or the sum of value added from all industries in the state. It is a common indicator used to track the health of a state's economy.

The largest industries by revenue in New Jersey are Drug, Cosmetic & Toiletry Wholesaling, Life Insurance & Annuities and Automobile Wholesaling, which generated \$323.0b, \$117.4b and \$38.9b in 2022. The largest companies by employment in New Jersey are Amazon.Com, Inc., Wakefern Food Corporation and RWJ Barnabas Health, which employed 58,000, 40,000 and 37,000 people in 2022.

The Real Estate and Rental and Leasing, Professional, Scientific and Technical Services and Manufacturing sectors contributed the most to New Jersey's GDP in 2022, representing a combined 39.0% of state GDP.

GDP trends by sector are an important indicator of which sectors are contributing the most value-add to the state's economy, in addition to how the state economy is evolving over time.

The Healthcare and Social Assistance, Retail Trade and Professional, Scientific and Technical Services sectors contributed the most to employment in New Jersey in 2022, representing a combined 37.7% of state employment. Employment trends by sector are an important indicator of which sectors are growing or contracting most rapidly relative to the state economy as a whole.

The State of New Jersey employs 4,947,099 people in 2022, which ranks it 9<sup>th</sup> out of all 50 US states. Employment in New Jersey has grown at an annualized rate of 1.8% over the five years to 2022, underperforming the national average of 3.7%. Major sectors by employment in New Jersey include Healthcare and Social Assistance, Retail Trade and Professional, Scientific and Technical Services, which employed 740,652, 542,091 and 490,364 people in 2022, respectively.

New Jersey's unemployment rate is 4.0% in 2022, which ranks it 35th out of 50 states. New Jersey's unemployment rate has trended downwards at a rate of -2.4% over the five years to 2022, underperforming the US economy as a whole.

Employment trends indicate the degree of tightness or slack in labor markets, in addition to the overall strength of an economy. Faster employment growth typically indicates a strong and growing economy, while lower unemployment tends to imply tightness in labor markets.

Per capita disposable income, also known as disposable personal income (DPI), is the amount of money that the average person in an economy has available for spending and saving after accounting for income taxes. New Jersey's DPI in 2022 was \$63.0k, compared to the US average of \$56.6k, which places it 39th out of all 50 US states.

Disposable income is regarded as a key economic indicator as trends in disposable income are indicative of the level of aggregate demand, the state of labor markets and the financial strength of households.

In New Jersey, non-residential construction was \$5.7b in 2022, which ranks it 13th out of all US states. Residential construction was \$118.6m in 2022, which places New Jersey 20<sup>th</sup> in the United States. The number of buildings permits issued in New Jersey in 2022 was 40,426, representing a 8.2% annualized growth rate between 2017 and 2022.

Trends in the construction sector are important because it creates jobs, income and tax revenue for a state. In addition, construction sector activity impacts other sectors in its supply chain, including manufacturing, wholesaling, warehousing, transportation, and real estate, rental and leasing services. Therefore, construction trends are important indicators of the health of an economy.

3) MAJOR INITIATIVES:

Clinton Township School District, in a move to make data-driven decisions, has created district and building goals for the 2023-2024 school year that build on the goals from the previous school year.

The goals are as follows:

- **Tier One Interventions:** Through the expanded use of tier one interventions, a majority of students will meet overall growth targets in at least one subject area
- **Responsive Classroom:** To increase staff knowledge and use of Responsive Classroom district wide
- **Strategic Plan:** Implement year one of the strategic plan with clear goals and benchmarks and empower targeted stakeholders to create measurable progress

Goal one was a clear focus on instruction using the New Jersey Multi-tiered Systems of Support. NJMTSS sets a framework that helps students find academic success through instruction. When students are not initially finding success with a concept, the classroom teachers can adjust instruction and use time during the day to quickly remediate any misunderstandings. Our professional development time this year is focusing on clearly defining what this looks like for different learners and building the capacity to better assist students before more in-depth interventions are required. We are measuring this growth using our benchmarking system.

Goal two focuses on moving towards a Responsive Classroom model. In the past Clinton Township was considered a Responsive Classroom school district. With increasing social and emotional learning needs, we are renewing our commitment to building a culture and climate of embracing each individual student. We are also asking staff to share data related to how they used Responsive Classroom in their daily classroom routines.

Our third goal is connected to the process we went through last year related to Strategic Planning. Over 30 community members, teachers, administrators, and parents met eight times during the 2022-2023 school year to look at data and define our district goals for the next five years. This year, the district is focusing on year one of the strategic plan, having teachers lead the work while partnering with an administrator. We are keeping the public abreast of our work through an accessible website related specifically to our five-year strategic plan.

This year, we are also looking at our curricular framework, which is related to both our strategic plan and our first district goal. We adopted a new K-5 math program for this school year, and we are looking at our approach to math in grades 6-8. We have joined a pilot with the New Jersey Department of Education to look at OpenSciEd, which is a new Science Curriculum. We are piloting two units this school year and will have a total of four units that we have adopted by the 2024-2025 school year. We are also devising a plan this year to audit our curricular processes in other areas, such as literacy, in an effort to increase overall student performance.

We made an investment in our educational technology and infrastructure this school year. Some switches and cables for our network were no longer able to be updated and were in danger of obsolescence. Therefore, we are focusing on funding infrastructure improvements. In addition to the technology infrastructure investment, we also streamlined device usage so all instructional staff had devices that worked consistently and upgrades to software could be made remotely. This was coupled with updating our projectors in the district using a tiered system. We are looking at upgrading the technology used in the classrooms and hope to pilot new smart displays.

For the 2023-2024 school year, the middle school adopted a new schedule in order to give students more choices, and to create additional intervention time within the school day. We will continue to look at the schedule for the other two buildings to maximize learning time and to decrease coverage needs.

Clinton Township School District is committed to serving all students in an environment that honors every student's individuality while preparing them for a changing, global future. The goals and our additional work are orchestrated to increase student learning, address areas of need, and create a sustainable plan for improvement over time.

4) INTERNAL ACCOUNTING CONTROLS:

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

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

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

5) BUDGETARY CONTROLS:

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

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either canceled or are included as re-appropriations of fund balance in the subsequent year. Those amounts to be re-appropriated are reported as fund balance restrictions, commitments and assignments at 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. These funds are explained in "Notes to the Basic Financial Statements", Note 1.

7) CASH MANAGEMENT:

The investment policy of the District is guided in large part by state statute as detailed in "Notes to the Basic Financial Statements", Note 3. The District has adopted a cash management plan which requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution in New Jersey. The law requires governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act.

8) RISK MANAGEMENT:

The Board carries various forms of insurance, including, but not limited to, general liability, excess liability, automobile liability and comprehensive/collision, hazard and theft insurance on property and contents, and fidelity bonds. Insurance coverage was carried in the amounts as detailed on Exhibit J-20, Insurance Schedule contained in the District's ACFR.

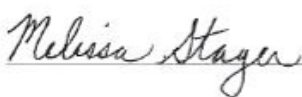
9) OTHER INFORMATION:

Independent Audit – State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Nisivoccia LLP, CPAs, was selected by the Board. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and New Jersey's OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. The Auditors' Report on the basic financial statements and specific required supplementary information are included in the financial section of this report. The Auditors' Reports related specifically to the single audit and *Government Auditing Standards* are included in the single audit section of this report.

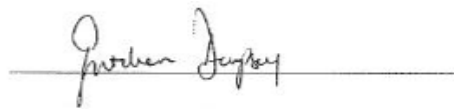
10) ACKNOWLEDGMENTS:

We would like to express our appreciation to the members of the Clinton Township 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,



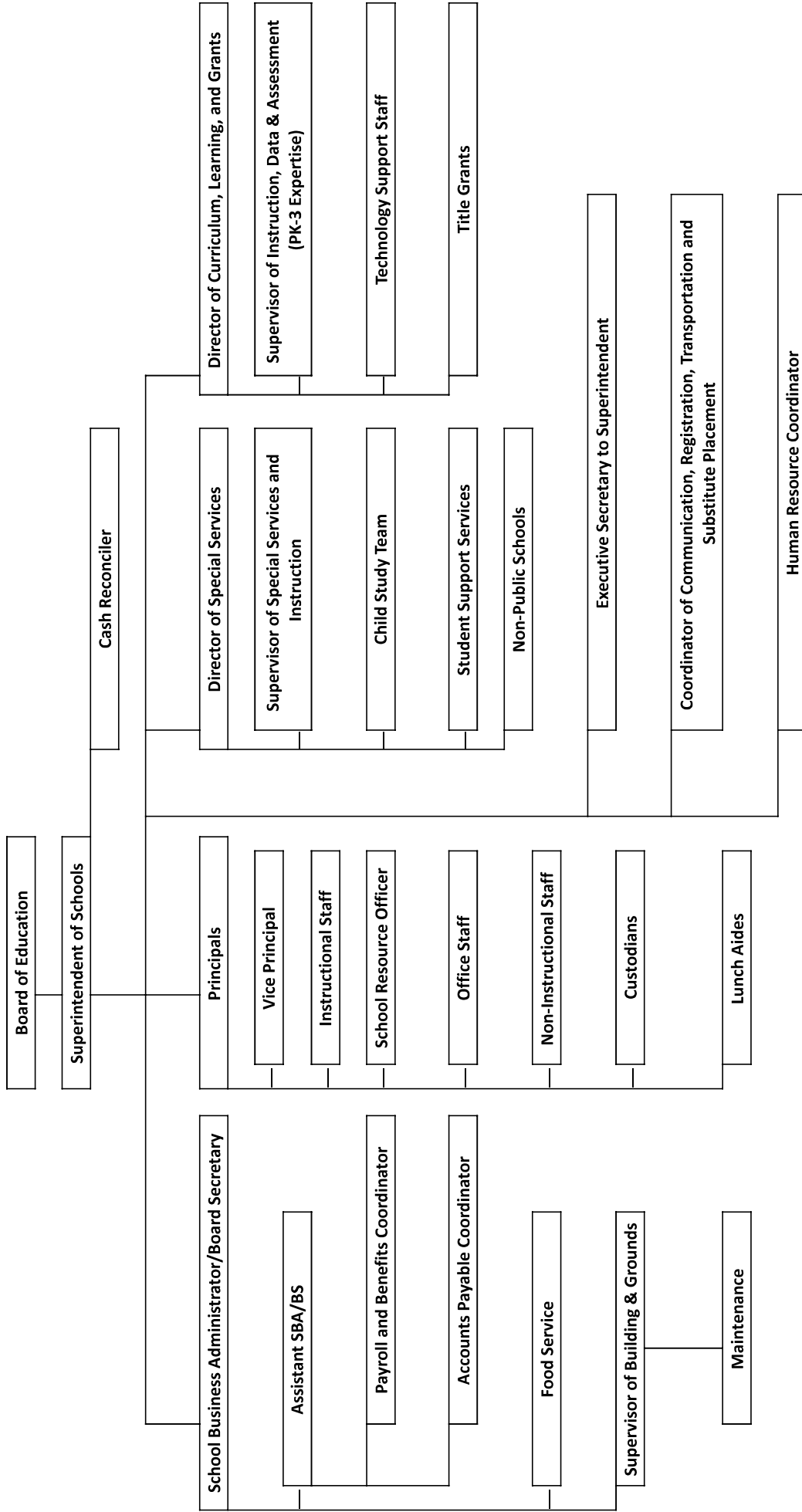
Melissa Stager, Ed. D.  
Superintendent of Schools



Gretchen Dempsey, Ed. D.  
Business Administrator/Board Secretary

# Organization Chart

BOE approved: 1/04/2023



**CLINTON TOWNSHIP SCHOOL DISTRICT  
ROSTER OF OFFICIALS  
JUNE 30, 2023**

<u>Members of the Board of Education</u>		<u>Term Expires</u>
Mrs. Lana Brennan	President	2023
Dr. Catherine Riihimaki	Vice President	2024
Mr. Michael Blumenfeld		2025
Mrs. Stacie-Ann Creighton		2023
Ms. Catherine Mary Emery		2024
Mr. Scott Hornick		2025
Mrs. Jennifer Kaltenbach		2025
Mrs. Alyssa Oliver		2023
Mr. Daniel Rosa		2024

<u>Other Officials</u>	<u>Title</u>
Dr. Melissa Stager	Superintendent of Schools
Dr. Gretchen Dempsey	School Business Administrator/Board Secretary (from 7/1/23)
Mr. Mark Kramer	Interim School Business Administrator/Board Secretary (7/1/22 - 6/30/23)

**CLINTON TOWNSHIP SCHOOL DISTRICT**  
**Consultants and Advisors**

**Audit Firm**

Nisivoccia LLP CPAs  
Mount Arlington Corporate Center  
200 Valley Road, Suite 300  
Mount Arlington, NJ 07856-1320

and

Lawrence Business Park  
11 Lawrence Road  
Newton, NJ 07860

and

1140 Route 22 East, Suite 203  
Bridgewater, NJ 08807

**Attorney**

Porzio, Bromberg, & Newman, P.C.  
100 Southgate Parkway  
P.O. Box 1997  
Morristown, NJ 07962-1997

**Architects**

Parette Somjen Architects  
439 Route 46  
Rockaway, NJ 07866

DRG – Design Resources Group Architects, AIA, Inc.  
Suite 402  
200 Franklin Square Drive  
Somerset, NJ 08873

**Official Depository**

Investors Bank  
101 JFK Parkway  
Short Hills, NJ 07078

**Bond Counsel**

Wilentz, Goldman & Spitzer P.A.  
90 Woodbridge Center Drive, Suite 900  
Woodbridge, NJ 07095

**Financial Advisors**

Phoenix Advisors, LLC  
625 Farnsworth Avenue  
Bordentown, NJ 08505



**FINANCIAL SECTION**

## Independent Auditors' Report

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

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

#### ***Opinions***

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

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

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

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

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

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

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

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

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

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

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

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

***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management’s discussion and analysis, which follows this report, the pension and post-retirement schedules in Exhibits L-1 through L-5 and the related notes, and the budgetary comparison information in Exhibits C-1 through C-3 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, are required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management’s responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying supplementary information schedules and the schedules of expenditures of federal and state awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*; and New Jersey's OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying supplementary information schedules and the schedules of expenditures of federal and state awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

***Other Information***

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

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated January 5, 2024 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering District's internal control over financial reporting and compliance.

Mount Arlington, New Jersey  
January 5, 2024

*Nisivoccia LLP*  
NISIVOCCIA LLP

*Heidi A. Wohlleb*  
Heidi A. Wohlleb  
Licensed Public School Accountant #2140  
Certified Public Accountant

**REQUIRED SUPPLEMENTARY INFORMATION  
MANAGEMENT'S DISCUSSION AND ANALYSIS**

**CLINTON TOWNSHIP SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

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

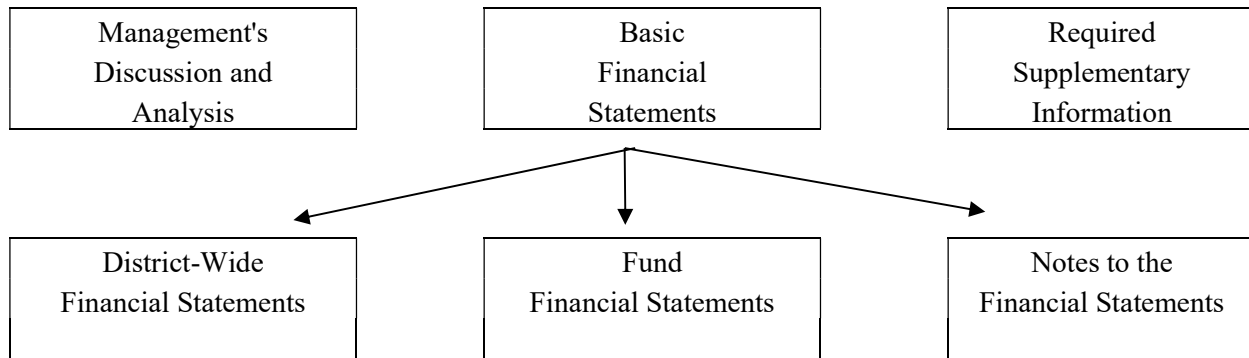
**Overview of the Financial Statements**

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

- The first two statements are *District-wide financial statements* that provide both *short-term* and *long-term* information about the District's *overall* financial status.
- The remaining statements are *fund financial statements* that focus on *individual parts* of the District, reporting the District's operations in *more* detail than the District-wide statements.
- The *governmental funds statements* tell how basic services such as regular and special education were financed in the short-term as well as what remains for future spending.
- *Proprietary funds* statements offer *short- and long-term* financial information about the activities the District operates like a business, such as food service.

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

**Figure A-1  
Organization of Clinton Township School District's Financial Report**



**CLINTON TOWNSHIP SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

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

**Figure A-2**      *Major Features of the District-Wide and Fund Financial Statements*

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

**CLINTON TOWNSHIP SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**District-wide Statements**

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

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

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

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

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

**Fund Financial Statements**

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

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

The District has two kinds of funds:

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



**CLINTON TOWNSHIP SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**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 District-wide and fund financial statements. The notes to the basic financial statements can be found immediately following the fund financial statements.

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

**Figure A-3**

*Net Position.* The District's combined net position increased \$1,306,165. Net position from governmental activities increased \$1,137,552 and net position from business-type activities increased by \$168,613.

**Condensed Statement of Net Position**

	Governmental Activities		Business-Type Activities		Total School District		Total Percentage Change 2022/2023
	Restated				Restated		
	2022/2023	2021/2022	2022/2023	2021/2022	2022/2023	2021/2022	
Current and Other Assets	\$ 8,656,099	\$ 7,582,798	\$ 127,383	\$ 55,268	\$ 8,783,482	\$ 7,638,066	
Capital Assets, Net	46,435,256	46,705,778	207,966	28,911	46,643,222	46,734,689	
Total Assets	<u>55,091,355</u>	<u>54,288,576</u>	<u>335,349</u>	<u>84,179</u>	<u>55,426,704</u>	<u>54,372,755</u>	1.94%
Deferred Outflows of Resources	<u>2,194,046</u>	<u>1,014,557</u>			<u>2,194,046</u>	<u>1,014,557</u>	116.26%
Other Liabilities	2,655,812	967,561	97,081	14,524	2,752,893	982,085	
Long-Term Liabilities	26,134,830	25,512,541			26,134,830	25,512,541	
Total Liabilities	<u>28,790,642</u>	<u>26,480,102</u>	<u>97,081</u>	<u>14,524</u>	<u>28,887,723</u>	<u>26,494,626</u>	9.03%
Deferred Inflows of Resources	<u>1,499,737</u>	<u>2,965,561</u>			<u>1,499,737</u>	<u>2,965,561</u>	-49.43%
Net Position:							
Net Investment in Capital Assets	27,080,033	25,956,852	207,966	28,911	27,287,999	25,985,763	
Restricted	5,764,386	4,228,655			5,764,386	4,228,655	
Unrestricted/(Deficit)	<u>(5,849,397)</u>	<u>(4,328,037)</u>	<u>30,302</u>	<u>40,744</u>	<u>(5,819,095)</u>	<u>(4,287,293)</u>	
Total Net Position	<u>\$ 26,995,022</u>	<u>\$ 25,857,470</u>	<u>\$ 238,268</u>	<u>\$ 69,655</u>	<u>\$ 27,233,290</u>	<u>\$ 25,927,125</u>	5.04%

**CLINTON TOWNSHIP SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

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

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

	Governmental Activities		Business-Type Activities		Total School District		Total Percentage Change
	2022/2023	2021/2022	2022/2023	2021/2022	2022/2023	2021/2022	2022/2023
Revenue:							
Program Revenue:							
Charges for Services	\$ 343,712	\$ 442,368	\$ 410,511	\$ 94,485	\$ 754,223	\$ 536,853	
Grants and Contributions:							
Operating	7,935,992	7,523,918	194,942	545,301	8,130,934	8,069,219	
Capital			146,774		146,774		
General Revenue:							
Property Taxes	27,826,274	27,070,919			27,826,274	27,070,919	
Federal/State Aid and Local Grants not Restricted	186,182	102,039			186,182	102,039	
Other	418,111	182,250	267	74	418,378	182,324	
Total Revenue	<u>36,710,271</u>	<u>35,321,494</u>	<u>752,494</u>	<u>639,860</u>	<u>37,462,765</u>	<u>35,961,354</u>	4.18%
Expenses:							
Instruction	18,179,603	17,197,894			18,179,603	17,197,894	
Pupil and Instruction Services	7,680,611	5,984,386			7,680,611	5,984,386	
Administrative Services	2,486,741	2,602,985			2,486,741	2,602,985	
Maintenance and Operations	3,093,747	2,776,856			3,093,747	2,776,856	
Transportation	1,913,559	1,513,706			1,913,559	1,513,706	
Other	2,188,458	2,076,529	613,881	625,359	2,802,339	2,701,888	
Total Expenses	<u>35,542,719</u>	<u>32,152,356</u>	<u>613,881</u>	<u>625,359</u>	<u>36,156,600</u>	<u>32,777,715</u>	10.31%
Transfers	(30,000)	(30,000)	30,000	30,000			
Other Items				(7,372)		(7,372)	100.00%
Change in Net Position	<u>\$1,137,552</u>	<u>\$3,139,138</u>	<u>\$ 168,613</u>	<u>\$ 37,129</u>	<u>\$1,306,165</u>	<u>\$3,176,267</u>	-58.88%

**CLINTON TOWNSHIP SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**Governmental Activities**

As discussed elsewhere in this commentary, the financial position of the District remains strong. However, maintaining existing programs and the provision of a multitude of special programs/services for disabled pupils places a great demand on the District's resources. As a result, careful management of expenses remains essential for the District to sustain its financial health.

While there were increases and decreases in aid from the State in prior years, this does not allow the District to rely on the State for any substantial increase in state aid so the burden of funding education in the District has continued to fall on local property taxes. Therefore, it is crucial that the District examine its expenses carefully, since any proposed increase to the School District budget will be funded entirely through property taxes.

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

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

	Total Cost of Services		Net Cost of Services	
	2022/2023	2021/2022	2022/2023	2021/2022
Instruction	\$ 18,179,603	\$ 17,197,894	\$ 11,719,748	\$10,766,567
Pupil and Instruction Services	7,680,611	5,984,386	6,837,867	5,400,926
Administrative and Business	2,486,741	2,602,985	2,210,433	2,340,973
Maintenance and Operations	3,093,747	2,776,856	3,093,747	2,776,856
Transportation	1,913,559	1,513,706	1,212,762	824,219
Other	2,188,458	2,076,529	2,188,458	2,076,529
	<u>\$ 35,542,719</u>	<u>\$ 32,152,356</u>	<u>\$ 27,263,015</u>	<u>\$ 24,186,070</u>

**Business-Type Activities**

Net position from the District's business-type activities increased by \$168,613. The increase is primarily due to capital grant revenue under the School and Small Business Noncompliance Plumbing Fixture and Appliance Program of \$146,774 as well as a Board Contribution of \$30,000. (Refer to Figure A-4).

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

The District's financial situation improved in the General Fund in spite of difficult economic times which have had a direct impact upon the District's revenue sources. However, ratables of the municipality remain more or less stable, thus generating concern for the local tax levy in the future. As a result, to maintain a stable financial position, the District must continue to practice sound fiscal management.

**CLINTON TOWNSHIP SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**General Fund Budgetary Highlights**

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

- Changes made within budgetary line items were in school-based needs for programs and increased maintenance, legal and other professional services as well as personnel changes.

**Capital Assets**

**Figure A-6**

**Capital Assets (Net of Depreciation)**

	Governmental Activities		Business-Type Activities		Total School District		Total Percentage 2022/2023
	2022/2023	Restated 2021/2022	2022/2023	2021/2022	2022/2023	Restated 2021/2022	
Sites (Land)	\$ 4,996,634	\$ 4,996,634			\$ 4,996,634	\$ 4,996,634	
Site Improvements	427,970	469,844			427,970	469,844	
Buildings and Building Improvements	40,316,520	40,524,900			40,316,520	40,524,900	
Machinery and Equipment	694,132	714,400	\$ 207,966	\$ 28,911	902,098	743,311	
<b>Total Capital Assets (Net of Depreciation)</b>	<b>\$ 46,435,256</b>	<b>\$ 46,705,778</b>	<b>\$ 207,966</b>	<b>\$ 28,911</b>	<b>\$ 46,643,222</b>	<b>\$46,734,689</b>	<b>-0.20%</b>

The District's overall capital assets decreased due to current year depreciation expense exceeding current year additions.

**Figure A-7**

**Outstanding Long-Term Liabilities**

	Total School District		Total Percentage Change 2022/2023
	2022/2023	2021/2022	
General Obligation Bonds (Financed with Property Taxes)	\$ 19,564,000	\$ 20,999,000	
Unamortized Bond Premiums	165,926	265,445	
Net Pension Liability	5,227,557	3,273,133	
Financed Purchases Payable	261,209	84,737	
Compensated Absences Payable	916,138	890,226	
	<b>\$ 26,134,830</b>	<b>\$ 25,512,541</b>	<b>2.44%</b>

The current year maturities of the serial bonds payable was \$1,435,000. The net pension liability increased \$1,954,424. Compensated absences increased \$25,912. Current year maturities of the financed purchases payable was \$86,424 and the District entered into a new financed purchases payable in the amount of \$262,896.

**CLINTON TOWNSHIP SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**Factors Bearing on the District's Future Revenue/Expense Changes**

While there were increases and decreases in aid from the State in prior years, this does not allow the District to rely on the State for any substantial increase in state aid and the District does not anticipate a quick improvement in the State's financial condition and, consequently, does not anticipate the State will be contributing its legally mandated share of the District's operating expenditures at any point in the near future.

Increasing State regulations and State-mandated submissions and reporting requirements will have a negative impact on the ability of the existing administration to comply with all State directives while maintaining the day to day operations of the schools.

**Contacting the District's Financial Management**

This financial report is designed to provide the District's citizens, taxpayers and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Board of Education Office, 128 Cokesbury Rd. Lebanon, NJ 08833.

**BASIC FINANCIAL STATEMENTS**

**DISTRICT-WIDE FINANCIAL STATEMENTS**

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

	Governmental Activities	Business-type Activities	Total
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 1,464,805	\$ 14,976	\$ 1,479,781
Receivables from Federal Government	135,945	153,307	289,252
Receivables from State Government	1,228,018	378	1,228,396
Receivables from Other Government	18,765		18,765
Other Receivables		1,190	1,190
Internal Balances	59,938	(59,938)	
Inventory		17,470	17,470
Restricted Cash and Cash Equivalents	5,748,628		5,748,628
Capital Assets, Net:			
Sites (Land) and Construction in Progress	4,996,634		4,996,634
Depreciable Site Improvements, Buildings and Building Improvements and Machinery and Equipment	41,438,622	207,966	41,646,588
Total Assets	<u>55,091,355</u>	<u>335,349</u>	<u>55,426,704</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred Amount on Refunding	274,463		274,463
Deferred Outflows Related to Pensions	1,919,583		1,919,583
Total Deferred Outflows of Resources	<u>2,194,046</u>		<u>2,194,046</u>
<b>LIABILITIES</b>			
Bond Anticipation Notes Payable	1,536,321		1,536,321
Accrued Interest Payable	207,694		207,694
Payable to Federal Government	210		210
Payable to State Government	22,826		22,826
Accounts Payable	852,706	61,440	914,146
Unearned Revenue	36,055	35,641	71,696
Noncurrent Liabilities:			
Due Within One Year	1,633,417		1,633,417
Due Beyond One Year	24,501,413		24,501,413
Total Liabilities	<u>28,790,642</u>	<u>97,081</u>	<u>28,887,723</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred Inflows Related to Pensions	1,499,737		1,499,737
Total Deferred Inflows of Resources	<u>1,499,737</u>		<u>1,499,737</u>
<b>NET POSITION</b>			
Net Investment in Capital Assets	27,080,033	207,966	27,287,999
Restricted for:			
Capital Projects	4,803,482		4,803,482
Maintenance Reserve	700,000		700,000
Unemployment Compensation	123,071		123,071
Student Activities	122,075		122,075
Debt Service	15,758		15,758
Unrestricted/(Deficit)	(5,849,397)	30,302	(5,819,095)
Total Net Position	<u>\$ 26,995,022</u>	<u>\$ 238,268</u>	<u>\$ 27,233,290</u>

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



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

Functions/Programs	Program Revenues			Net (Expenses)/Revenues and Changes in Net Position			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
<b>Governmental Activities:</b>							
<b>Instruction:</b>							
Regular	\$ 14,108,654	\$ 222,132	\$ 2,703,365		\$ (11,183,157)		\$ (11,183,157)
Special Education	2,581,414		3,289,213		707,799		707,799
Other Special Instruction	1,368,060		245,145		(1,122,915)		(1,122,915)
School Sponsored Instruction	121,475				(121,475)		(121,475)
<b>Support services:</b>							
Tuition	290,967				(290,967)		(290,967)
Student & Instruction Related Services	7,389,644	121,580	721,164		(6,546,900)		(6,546,900)
General Administrative Services	750,460		69,894		(680,566)		(680,566)
School Administrative Services	890,397		87,572		(802,825)		(802,825)
Central Services	775,498		118,842		(656,656)		(656,656)
Administrative Information Technology	70,386				(70,386)		(70,386)
Plant Operations and Maintenance	3,093,747				(3,093,747)		(3,093,747)
Pupil Transportation	1,913,559		700,797		(1,212,762)		(1,212,762)
Unallocated Depreciation	1,630,825				(1,630,825)		(1,630,825)
Capital Outlay	136,010				(136,010)		(136,010)
Interest on Long-Term Debt	421,623				(421,623)		(421,623)
<b>Total Governmental Activities</b>	<b>35,542,719</b>	<b>343,712</b>	<b>7,935,992</b>		<b>(27,263,015)</b>		<b>(27,263,015)</b>
<b>Business-Type Activities:</b>							
Food Service	613,881	410,511	194,942	146,774		\$ 138,346	\$ 138,346
<b>Total Business-Type Activities</b>	<b>613,881</b>	<b>410,511</b>	<b>194,942</b>	<b>146,774</b>		<b>138,346</b>	<b>138,346</b>
<b>Total Primary Government</b>	<b>\$ 36,156,600</b>	<b>\$ 754,223</b>	<b>\$ 8,130,934</b>	<b>\$ 146,774</b>	<b>\$ (27,263,015)</b>	<b>\$ 138,346</b>	<b>\$ (27,124,669)</b>

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

	Net (Expenses)/Revenues and Changes in Net Position		
	Governmental Activities	Business-type Activities	Total
General Revenues and Transfers:			
Taxes:			
Property Taxes, Levied for General Purposes, Net	\$ 26,069,480	\$	26,069,480
Taxes Levied for Debt Service	1,756,794		1,756,794
Federal and State Aid Not Restricted	186,182		186,182
Investment Earnings		\$ 267	267
Miscellaneous Income	418,111		418,111
Transfers	(30,000)	30,000	
	28,400,567	30,267	28,430,834
Total General Revenues and Transfers			
Change in Net Position	1,137,552	168,613	1,306,165
Net Position - Beginning	25,857,470	69,655	25,927,125
Net Position - Ending	\$ 26,995,022	\$ 238,268	\$ 27,233,290

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

**FUND FINANCIAL STATEMENTS**

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

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
<b>ASSETS</b>					
Cash and Cash Equivalents	\$ 1,441,095		\$ 7,952	\$ 15,758	\$ 1,464,805
Interfund Receivable	108,345				108,345
Receivables from Federal Government		\$ 135,945			135,945
Receivables from State Government	1,225,000	3,018			1,228,018
Other Receivables	4,803	13,962			18,765
Restricted Cash and Cash Equivalents	5,626,553	122,075			5,748,628
<b>Total Assets</b>	<b>\$ 8,405,796</b>	<b>\$ 275,000</b>	<b>\$ 7,952</b>	<b>\$ 15,758</b>	<b>\$ 8,704,506</b>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>Liabilities:</b>					
Bond Anticipation Notes Payable			\$ 1,536,321		\$ 1,536,321
Interfund Payable		\$ 48,086	321		48,407
Payable to Federal Government		210			210
Payable to State Government		22,826			22,826
Accounts Payable	\$ 307,513	54,148			361,661
Unearned Revenue	8,400	27,655			36,055
<b>Total Liabilities</b>	<b>315,913</b>	<b>152,925</b>	<b>1,536,642</b>		<b>2,005,480</b>
<b>Fund Balances:</b>					
<b>Restricted:</b>					
Capital Reserve Account	4,803,482				4,803,482
Maintenance Reserve	700,000				700,000
Unemployment Compensation	123,071				123,071
Student Activities		122,075			122,075
Debt Service Fund				\$ 15,758	15,758
<b>Assigned:</b>					
Year End Encumbrances	246,549				246,549
For Subsequent Year's Expenditures	1,519,926				1,519,926
Unassigned/(Deficit)	696,855		(1,528,690)		(831,835)
<b>Total Fund Balances/(Deficit)</b>	<b>8,089,883</b>	<b>122,075</b>	<b>(1,528,690)</b>	<b>15,758</b>	<b>6,699,026</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 8,405,796</b>	<b>\$ 275,000</b>	<b>\$ 7,952</b>	<b>\$ 15,758</b>	<b>\$ 8,704,506</b>

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

Amounts Reported for *Governmental Activities* in the Statement of Net Position (A-1) are Different Because:

Total Fund Balances from Prior Page	\$ 6,699,026
Capital Assets Used in Governmental Activities are not Financial Resources and Therefore are not Reported in the Funds.	46,435,256
Interest on long term debt is not accrued in government funds, but rather is recognized as expenditure when due.	(207,694)
The Deferred Amount on Refunding is not Reported as an Expenditure in the Governmental Funds in the Year of the Expenditure.	274,463
Long-Term Liabilities, Including Bonds Payable, are not due and payable in the current period and therefore is not reported as a liability in the Funds.	(20,907,273)
The Net Pension Liability for PERS is not Due and Payable in the Current Period and is not Reported in the Governmental Funds.	(5,227,557)
Certain Amounts Related to the Net Pension Liability are Deferred and Amortized in the Statement of Activities and are not Reported in the Governmental Funds:	
Deferred Outflows	1,428,538
Deferred Inflows	<u>(1,499,737)</u>
Net Position of Governmental Activities	<u><u>\$ 26,995,022</u></u>

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

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

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
<b>REVENUES</b>					
Local Sources:					
Local Tax Levy	\$ 26,069,480			\$ 1,756,794	\$ 27,826,274
Tuition from Individuals	74,200				74,200
Tuition from Other LEAs	147,932				147,932
Rents and Royalties	120,773				120,773
Miscellaneous Revenue	297,338	\$ 116,304			413,642
Total - Local Sources	26,709,723	116,304		1,756,794	28,582,821
State Sources	9,644,721	249,756			9,894,477
Federal Sources	77,778	749,705			827,483
Total Revenues	36,432,222	1,115,765		1,756,794	39,304,781
<b>EXPENDITURES</b>					
Current:					
Regular Instruction	8,839,971	588,212			9,428,183
Special Education Instruction	1,399,853	418,930			1,818,783
Other Special Instruction	878,812				878,812
School Sponsored Instruction	87,163				87,163
Support Services and Undistributed Costs:					
Tuition	290,967				290,967
Student & Instruction Related Services	5,144,180	121,580			5,265,760
General Administrative Services	612,669				612,669
School Administrative Services	579,795				579,795
Central Services	541,208				541,208
Administrative Information Technology	60,868				60,868
Plant Operations and Maintenance	2,611,999				2,611,999

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

	<u>General</u> <u>Fund</u>	<u>Special</u> <u>Revenue</u> <u>Fund</u>	<u>Capital</u> <u>Projects</u> <u>Fund</u>	<u>Debt</u> <u>Service</u> <u>Fund</u>	<u>Total</u> <u>Governmental</u> <u>Funds</u>
<b>EXPENDITURES</b>					
Current:					
Pupil Transportation	\$ 1,902,238				\$ 1,902,238
Unallocated Benefits	12,321,471				12,321,471
Transfer to Charter Schools					
Capital Outlay	471,467		\$ 1,331,224		1,802,691
Special Schools					
Debt Service:				\$ 1,435,000	1,435,000
Principal				467,262	467,262
Interest and Other Charges					
Total Expenditures	<u>35,742,661</u>	<u>\$ 1,128,722</u>	<u>1,331,224</u>	<u>1,902,262</u>	<u>40,104,869</u>
Excess/(Deficit) of Revenues Over/(Under) Expenditures	689,561	(12,957)	(1,331,224)	(145,468)	(800,088)
<b>OTHER FINANCING SOURCES/(USES):</b>					
Financed Purchases (non-budgeted)	262,896				262,896
Transfers Out	<u>(30,000)</u>				<u>(30,000)</u>
Total Other Financing Sources/(Uses)	<u>232,896</u>				<u>232,896</u>
Net Change in Fund Balances	922,457	(12,957)	(1,331,224)	(145,468)	(567,192)
Fund Balance/(Deficit) - July 1	<u>7,167,426</u>	<u>135,032</u>	<u>(197,466)</u>	<u>161,226</u>	<u>7,266,218</u>
Fund Balance/(Deficit) - June 30	<u>\$ 8,089,883</u>	<u>\$ 122,075</u>	<u>\$ (1,528,690)</u>	<u>\$ 15,758</u>	<u>\$ 6,699,026</u>

CLINTON 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) \$ (567,192)

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

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

Depreciation expense	\$ (1,674,307)
Capital Outlays	1,403,785

(270,522)

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 (+).

(25,912)

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

(262,896)

Repayment of financed purchases is an expenditure in the Government Funds, but the repayment reduces Long-Term Liabilities in the Statement of Net Position and is not reported in the Statement of Activities.

86,424

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

6,468



CLINTON 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

<p>The governmental funds report the effect of bond premiums when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. (+)</p>	<p>\$ 99,519</p>
<p>Repayment of bonds is an expenditure in the governmental funds, but the repayment reduces the long-term liabilities in the statement of net position and is not reported in the statement of activities. (+)</p>	<p>1,435,000</p>
<p>The governmental funds report the effect of deferred amount on a bond refunding relative to an advance refunding when debt is first issued whereas these amounts are deferred and amortized in the statement of activities. (-)</p>	<p>(60,348)</p>
<p>The net pension liability reported in the statement of activities does not require the use of current financial resources and is not reported as an expenditure in the Governmental Funds:</p>	
<p style="padding-left: 20px;">Change in Net Pension Liability</p>	<p>(1,954,424)</p>
<p style="padding-left: 20px;">Change in Deferred Outflows</p>	<p>1,185,611</p>
<p style="padding-left: 20px;">Change in Deferred Inflows</p>	<p><u>1,465,824</u></p>
<p>Change in Net Position of Governmental Activities (A-2)</p>	<p><u>\$ 1,137,552</u></p>

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

CLINTON TOWNSHIP SCHOOL DISTRICT  
STATEMENT OF NET POSITION  
PROPRIETARY FUND  
JUNE 30, 2023

	Business-Type Activities - Enterprise Fund Food Service
<b>ASSETS:</b>	
Current Assets:	
Cash and Cash Equivalents	\$ 14,976
Intergovernmental Receivable:	
Federal	153,307
State	378
Accounts Receivable - Other	1,190
Inventory	17,470
	187,321
Total Current Assets	187,321
Non-Current Assets:	
Capital Assets	501,940
Less: Accumulated Depreciation	(293,974)
	207,966
Total Non-Current Assets	207,966
Total Assets	395,287
<b>LIABILITIES:</b>	
Current Liabilities:	
Interfund Payable - General Fund	59,938
Accounts Payable - Vendors	61,440
Unearned Revenue - Donated Commodities	7,354
Unearned Revenue - Supply Chain Assistance	15,808
Unearned Revenue - Prepaid Sales	12,479
	157,019
Total Current Liabilities	157,019
Total Liabilities	157,019
<b>NET POSITION:</b>	
Investment in Capital Assets	207,966
Unrestricted	30,302
	238,268
Total Net Position	\$ 238,268

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

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

	Business-Type Activities - Enterprise Fund
	Food Service
Operating Revenue:	
Charges for Services:	
Daily Sales - Reimbursable Programs	\$ 237,510
Daily Sales - Nonreimbursable Programs	171,990
Special Events	1,011
Total Operating Revenue	410,511
Operating Expenses:	
Cost of Sales - Reimbursable Programs	192,296
Cost of Sales - Nonreimbursable Programs	90,493
Salaries, Benefits & Payroll Taxes	231,481
Supplies, Insurance & Other Costs	18,770
Management Fee	20,250
Other Expenses	37,578
Depreciation Expense	23,013
Total Operating Expenses	613,881
Operating Loss	(203,370)
Non-Operating Revenue:	
Federal Sources:	
National School Lunch Program	92,860
Supply Chain Assistance Funding	52,244
Food Distribution Program	44,491
School and Small Business Noncompliance Plumbing Fixture and Appliance Program	146,774
State Sources:	
State School Lunch Program	5,347
Local Sources:	
Interest Income	267
Total Non-Operating Revenue	341,983
Change in Net Position Before Transfer	138,613
Transfer - General Fund	30,000
Change in Net Position	168,613
Net Position - Beginning of Year	69,655
Net Position - End of Year	\$ 238,268

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

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

	Business-Type Activities - Enterprise Fund Food Service
Cash Flows from Operating Activities:	
Receipts from Customers	\$ 409,930
Payments to Food Service Vendor	(464,506)
Payments to Employees	(8,400)
Payments to Suppliers for Goods and Services	(49,534)
	(112,510)
Net Cash (Used for) Operating Activities	
Cash Flows from Capital and Related Financing Activities:	
Purchases of Capital Assets	(163,714)
	(163,714)
Net Cash (Used for) Capital and Related Financing Activities	
Cash Flows from Noncapital Financing Activities:	
State Subsidy Reimbursements	5,997
Federal Subsidy Reimbursements	199,307
Transfer from General Fund:	
Board Contribution	30,000
	235,304
Net Cash Provided by Noncapital Financing Activities	
Cash Flows from Investing Activities:	
Interest on Investments	267
	267
Net Cash Provided by Investing Activities	
Net Decrease in Cash and Cash Equivalents	(40,653)
Cash and Cash Equivalents, July 1	55,629
Cash and Cash Equivalents, June 30	\$ 14,976
Reconciliation of Operating Loss to	
Net Cash (Used for) Operating Activities:	
Operating Loss	\$ (203,370)
Adjustment to Reconcile Operating Loss to Net	
Cash Used for Operating Activities:	
Depreciation	23,013
Food Distribution Program	44,491
Changes in Assets and Liabilities:	
(Increase) in Inventory	(3,864)
(Increase) in Other Accounts Receivable	(1,176)
Increase in Accounts Payable	23,086
Increase in Unearned Revenue - Prepaid Sales	594
Increase in Unearned Revenue - Donated Commodities	4,716
	(112,510)
Net Cash (Used for) Operating Activities	

Noncash Investing, Capital and Financing Activities:

The Food Service Enterprise Fund received U.S.D.A. Commodities through the Food Distribution Program valued at \$49,207 and utilized U.S.D.A. Commodities valued at \$44,491.

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

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity:

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

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

B. Basis of Presentation:

District-Wide Financial Statements:

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

The statement of activities presents a comparison between direct expenses and program revenue for business-type activities and for each function of the District's governmental activities. Direct expenses are those that are specifically associated with and are clearly identifiable to a particular function. Indirect expenses are allocated to the functions using an appropriate allocation method or association with the specific function. Indirect expenses include health benefits, employer's share of payroll taxes, compensated absences and tuition reimbursements. Program revenue includes (a) charges paid by the recipients of goods or services offered by the programs, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenue that is not classified as program revenue, including all taxes, is presented as general revenue.

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

(Continued)

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

B. Basis of Presentation: (Cont'd)

District-Wide Financial Statements: (Cont'd)

The comparison of direct expenses with program revenues identifies the extent to which each government function or business segment is self-financing or draws from the general revenues of the District.

Fund Financial Statements:

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

The District reports the following governmental funds:

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

As required by the NJDOE, the District includes budgeted capital outlay in this fund. GAAP, as it pertains to governmental entities, states that general fund resources may be used to directly finance capital outlays for long-lived improvements as long as the resources in such cases are derived exclusively from unrestricted revenue. Resources for budgeted capital outlay purposes are normally derived from State of New Jersey Aid, district taxes and appropriated fund balance. Expenditures are those that result in the acquisition of or additions to fixed assets for land, existing buildings, improvements of grounds, construction of buildings, additions to or remodeling of buildings and the purchase of built-in equipment. These resources can be transferred from and to current expense by board resolution.

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

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

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

(Continued)

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

B. Basis of Presentation: (Cont'd)

The District reports the following governmental funds: (Cont'd)

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

The District reports the following proprietary fund:

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

C. Measurement Focus and Basis of Accounting

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

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

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

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

(Continued)

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

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

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

D. Budgets/Budgetary Control:

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

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

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

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



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

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

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

	<u>General Fund</u>	<u>Special Revenue Fund</u>
Sources/Inflows of Resources:		
Actual Amounts (Budgetary Basis) "Revenue" from the Budgetary Comparison Schedule	\$ 36,447,122	\$ 1,143,163
Difference - Budgetary to GAAP:		
Grant Accounting Budgetary Basis Differs from GAAP in that the Budgetary Basis Recognizes Encumbrances as Expenditures and Revenue While the GAAP Basis Does Not.		
Prior Year Encumbrances		11,522
Current Year Encumbrances		(38,920)
Current Year State Aid Payments Recognized for Budgetary Purposes , not Recognized for GAAP Statements	(187,031)	
Prior Year State Aid Payments Recognized for GAAP Statements, not Recognized for Budgetary Purposes	<u>172,131</u>	
Total Revenues as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	<u>\$ 36,432,222</u>	<u>\$ 1,115,765</u>
	<u>General Fund</u>	<u>Special Revenue Fund</u>
Uses/Outflows of Resources:		
Actual Amounts (Budgetary Basis) "Total Outflows" from the Budgetary Comparison Schedule	\$ 35,742,661	\$ 1,156,120
Differences - Budgetary to GAAP:		
Grant Accounting Budgetary Basis Differs from GAAP in that the Budgetary Basis Recognizes Encumbrances as Expenditures and Revenue While the GAAP Basis Does Not		
Prior Year Encumbrances		11,522
Current Year Encumbrances		(38,920)
Total Expenditures as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	<u>\$ 35,742,661</u>	<u>\$ 1,128,722</u>

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

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

E. Cash and Cash Equivalents and Investments:

Cash and cash equivalents include petty cash, change funds, amount in deposits and short-term investments with original maturities of three months or less.

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

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

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

F. Interfund Transactions:

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

On fund financial statements, short-term interfund loans are classified as interfund receivables/payables. These amounts are eliminated in the statement of net position, except for amounts due between governmental and business-type activities, which are presented as internal balances.

G. Allowance for Uncollectible Accounts:

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

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

(Continued)

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

H. Encumbrances:

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

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

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

I. Short-term Interfund Receivables/Payables:

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

J. Inventories and Prepaid Expenses:

Inventories and prepaid expenses, which benefit future periods, other than those recorded in the enterprise fund, are recorded as an expenditure during the year of purchase.

Enterprise fund inventories are valued at cost, which approximates market, using the first-in, first-out (FIFO) method. Prepaid expenses in the enterprise fund represent payments made to vendors for services that will benefit periods beyond June 30, 2023.

K. Capital Assets:

During the year ended June 30, 1994, the District established a formal system of accounting for its capital assets. Capital assets acquired or constructed subsequent to June 30, 1994, are recorded at historical cost, including ancillary charges necessary to place the asset into service. Capital assets acquired or constructed prior to the establishment of the formal system are valued at cost based on historical records or through estimation procedures performed by an independent appraisal company. Land has been recorded at estimated historical cost. Donated capital assets are valued at acquisition value. The cost of normal maintenance and repairs is not capitalized. The District does not possess any infrastructure. Capital assets have been reviewed for impairment.

The capitalization threshold (the dollar value above which asset acquisitions are added to the capital asset accounts) is \$2,000. The depreciation method is straight-line. The estimated useful lives of capital assets reported in the district-wide statements and proprietary funds are as follows:

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

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

K. Capital Assets: (Cont'd)

	<u>Estimated Useful Life</u>
Buildings and Building Improvements	40 years
Site Improvements	15 to 30 years
Machinery and Equipment	5 to 20 years
Computer and Related Technology	5 years
Vehicles	8 years

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

L. Lease Assets

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

M. Subscription Assets

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

N. Long Term Liabilities:

In the District-wide and enterprise fund statements of net position, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or enterprise funds. Bond premium and discounts, are reported as deferred charges and amortized over the term of the related debt using the straight-line method of amortization. In the fund financial statements the face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses.

O. Accrued Salaries and Wages:

The District does not allow employees who provide services over the ten-month academic year the option to have their salaries evenly distributed during the entire twelve-month year; therefore there are no accrued salaries and wages as of June 30, 2023.

P. Compensated Absences:

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

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

(Continued)

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

P. Compensated Absences: (Cont'd)

District employees are granted varying amounts of vacation and sick leave in accordance with the District's personnel policy. Upon termination, employees are paid for accrued vacation. The District's policy permits employees to accumulate unused sick leave and carry forward the full amount to subsequent years. Upon retirement, employees shall be paid by the District for the unused sick leave in accordance with the District's agreements with the various employee unions. Additionally, the District has established a sick bank in cooperation with the employee's union where employees can participate in the bank on a voluntary basis by donating sick days to the sick bank.

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

Q. Lease Payable

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

R. Subscription Payable

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

S. Unearned Revenue:

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

T. Fund Balance Appropriated:

General Fund: Of the \$8,089,883 General Fund fund balance at June 30, 2023, \$246,549 is assigned for encumbrances; \$1,519,926 is assigned and has been anticipated as revenue for the fiscal year ended June 30, 2024; \$4,803,482 is restricted in the capital reserve account; \$700,000 has been restricted in the maintenance reserve account; \$123,071 is restricted for unemployment compensation; and \$696,855 is unassigned fund balance, which is \$187,031 less than the calculated maximum unassigned fund balance, on a GAAP basis, due to the final two state aid payments, which are not recognized until the fiscal year ended June 30, 2024.

Special Revenue Fund: The Special Revenue Fund fund balance at June 30, 2023 is \$122,075 and is restricted for student activities.

Capital Projects Fund: There is a (\$1,528,690) deficit in Capital Projects Fund unassigned fund balance at June 30, 2023.

Debt Service Fund: The \$15,758 Debt Service Fund fund balance at June 30, 2023 is restricted and has been appropriated and included as anticipated revenue for the fiscal year ended June 30, 2024.

Calculation of Excess Surplus: In accordance with N.J.S.A. 18A:7F-7, as amended by P.L. 2004, C.73 (S1701), the designation for Restricted Fund Balance-Excess Surplus is a required calculation pursuant to the

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

(Continued)

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

T. Fund Balance Appropriated: (Cont'd)

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 year's budget. The District had no excess surplus at June 30, 2023.

The District's unassigned fund balance in the General Fund is less on a GAAP basis than the budgetary basis by \$187,031, as reported in the fund statements (modified accrual basis). P.L. 2003, C.97 provides that in the event a state school aid payment is not made until the following school budget year, districts must record this state aid payment as revenue, for budget purposes only, in the current school budget year. The bill provides legal authority for school districts to recognize this revenue in the current budget year. For intergovernmental transactions, GASB requires that recognition (revenue, expenditure, asset, liability) should be in symmetry, i.e., if one government recognizes an asset, the other government recognizes a liability. Since the State is recording the last two state aid payments in the subsequent fiscal year, the school district cannot recognize these state aid payments on the GAAP financial statements until the year the State records the payable. The excess surplus calculation is calculated using the fund balance reported on the Budgetary Comparison Schedule, including the last two state aid payments and not the fund balance reported on the fund statement which excludes the last two state aid payments.

U. Deficit Net Position/Fund Balance:

The District has a deficit in unrestricted net position of \$5,683,874 in its governmental activities, which is primarily a result of accrued interest payable, compensated absences payable, net pension liability and the pension related deferred inflows and outflows net of fund balance assigned for subsequent year's expenditures and encumbrances as well as unassigned fund balance. The deficit does not indicate that the District is facing financial difficulties and is a permitted practice under generally accepted accounting principles.

The District also has a deficit in unassigned fund balance of \$1,528,690 in the Capital Projects Fund which is funded in the fiscal year ended June 30, 2024 budget.

V. Net Position:

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

A deferred outflow of resources is a consumption of net position by the District that is applicable to a future reporting period. A deferred inflow of resources is an acquisition of net position by the District that is applicable to a future reporting period. The District had deferred outflows of resources at June 30, 2023 related to pensions as well as for the deferred amount on the refunding of debt.

The District had deferred inflows of resources related to pensions.

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

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

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

(Continued)

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

V. Net Position: (Cont'd)

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

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

W. Fund Balance Restrictions, Commitments and Assignments:

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

Fund balance restrictions have been established for a capital reserve, a maintenance reserve, student activities, unemployment compensation and the debt service fund.

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

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

X. Revenue - Exchange and Nonexchange Transactions:

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

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

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

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

X. Revenue - Exchange and Nonexchange Transactions: (Cont'd)

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

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

Y. Operating Revenue and Expenses:

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

Z. Management Estimates:

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

AA. Pensions

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

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

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

NOTE 3. CASH AND CASH EQUIVALENTS AND INVESTMENTS

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

The Board classifies certificates of deposit which have original maturity dates of more than three months but less than twelve months from the date of purchase, as investments.

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



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

(Continued)

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

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

Credit Risk – The Board limits its investments to those authorized in its cash management plan which are those permitted under state statute as detailed in the section of this note on investments.

Custodial Credit Risk- The District does not have a policy with respect to custodial credit risk. However, the District ensures that District funds are only deposited in financial institutions in which NJ school districts are permitted to invest their funds.

Deposits:

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

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

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

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

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

Investments:

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

- (1) Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America;
- (2) Government money market mutual funds;
- (3) Any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligation bears a fixed rate of interest not dependent on any index or other external factor;
- (4) Bonds or other obligations of the school district or bonds or other obligations of the local unit or units within which the school district is located.

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

(Continued)

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

Investments: (Cont'd)

- (5) Bonds or other obligations, having a maturity date not more than 397 days from the date of purchase, issued by New Jersey school districts, municipalities, counties, and entities subject to the "Local Authorities Fiscal Control Law", P.L. 1983, c.313 (C.40A:5A-1 et seq.). Other bonds or obligations having a maturity date not more than 397 days from the date of purchase may be approved by the Division of Investment in the Department of the Treasury for investment by local units;
- (6) Local government investment pools;
- (7) Deposits with the State of New Jersey Cash Management Fund established pursuant to section 1 of P.L. 1977, c.281 (C.52:18A-90.4); or
- (8) Agreements for the repurchase of fully collateralized securities if:
  - (a) the underlying securities are permitted investments pursuant to paragraphs (1) and (3) of this subsection a. or are bonds or other obligations, having a maturity date of not more than 397 days from the date of purchase, issued by New Jersey school districts, municipalities, counties, and entities subject to the requirements of the "Local Authorities Fiscal Control Law," P.L. 1983, c. 313 (C.40A:5A-1 et seq.). ;
  - (b) the custody of collateral is transferred to a third party;
  - (c) the maturity of the agreement is not more than 30 days;
  - (d) the underlying securities are purchased through a public depository as defined in section 1 of P.L. 1970, c.236 (C.17:9-41); and
  - (e) a master repurchase agreement providing for the custody and security of collateral is executed; or
- (9) Deposit of funds in accordance with the following conditions:
  - (a) The funds are initially invested through a public depository as defined in section 1 of P.L. 1970, c. 236 (C.17:9-41) designated by the school district;
  - (b) The designated public depository arranges for the deposit of the funds in deposit accounts in one or more federally insured banks, savings banks or savings and loan associations or credit unions for the account of the school district;
  - (c) 100 percent of the principal and accrued interest of each deposit is insured by the Federal Deposit Insurance Corporation or the National Credit Union Share Insurance Fund;
  - (d) The designated public depository acts as custodian for the school district with respect to these deposits; and
  - (e) On the same date that the school district's funds are deposited pursuant to subparagraph (b) of this paragraph, the designated public depository receives an amount of deposits from customers of other financial institutions, wherever located, equal to the amounts of funds initially invested by the school district through the designated public depository.

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

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

Cash and Cash Equivalents	Restricted Cash and Cash Equivalents				Total	
	Capital Reserve	Maintenance Reserve	Unemployment Compensation	Student Activities		
Checking and Savings Accounts	\$ 1,479,781	\$ 4,803,482	\$ 700,000	\$ 123,071	\$ 122,075	\$ 7,228,409

The carrying amount of the Board's cash and cash equivalents at June 30, 2023, was \$7,228,409 and the bank balance was \$8,714,347. During the period ended June 30, 2023, the District did not hold any investments.

NOTE 4. CAPITAL RESERVE ACCOUNT

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

Funds placed in the capital reserve account are restricted to capital projects in the District's approved Long Range Facilities Plan (LRFP). Upon submission of the LRFP to the State Department of Education, a District may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes or by transfer by board resolution at year end of any unanticipated revenue or unexpended line item appropriation amounts, or both. A district may also appropriate additional amounts when the express approval of the voters has been obtained either by a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to N.J.S.A. 19:60-2. Pursuant to N.J.A.C. 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:

Beginning Balance, July 1, 2022		\$ 3,154,285
Increased by:		
Unexpended Funds Returned	\$ 167,000	
Transferred by Board Resolution June 2023	1,649,197	
		1,816,197
		4,970,482
Decreased by :		
Budgeted Withdrawal		(167,000)
Ending Balance, June 30, 2023		\$ 4,803,482

The June 30, 2023 LRFP balance of local support costs of uncompleted capital projects exceeds the June 30, 2023 capital reserve account balance. The withdrawal w12 for use in DOE approved facilities projects, consistent with the District's LRFP.

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

(Continued)

NOTE 5. CAPITAL ASSETS

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

	<u>Restated</u> <u>Beginning</u> <u>Balance</u>	<u>Increases</u>	<u>Adjustments/</u> <u>Decreases</u>	<u>Ending</u> <u>Balance</u>
Governmental Activities:				
Capital Assets not Being Depreciated:				
Sites (Land)	\$ 4,996,634			\$ 4,996,634
Total Capital Assets Not Being Depreciated	<u>4,996,634</u>			<u>4,996,634</u>
Capital Assets Being Depreciated:				
Site Improvements	1,618,087			1,618,087
Buildings and Building Improvements	67,298,695	1,329,712		68,628,407
Machinery and Equipment	2,341,526	74,073		2,415,599
Total Capital Assets Being Depreciated	<u>71,258,308</u>	<u>1,403,785</u>		<u>72,662,093</u>
Governmental Activities Capital Assets	<u>76,254,942</u>	<u>1,403,785</u>		<u>77,658,727</u>
Less Accumulated Depreciation for:				
Site Improvements	(1,148,243)	(93,044)		(1,241,287)
Buildings and Building Improvements	(26,773,795)	(1,538,092)		(28,311,887)
Machinery and Equipment	(1,627,126)	(43,171)		(1,670,297)
	<u>(29,549,164)</u>	<u>(1,674,307)</u>		<u>(31,223,471)</u>
Governmental Activities Capital Assets, Net of Accumulated Depreciation	<u>\$ 46,705,778</u>	<u>\$ (270,522)</u>	<u>\$ -0-</u>	<u>\$ 46,435,256</u>
Business-Type Activities:				
Capital Assets Being Depreciated:				
Machinery and Equipment	\$ 299,872	\$ 202,068		\$ 501,940
Less Accumulated Depreciation	<u>(270,961)</u>	<u>(23,013)</u>		<u>(293,974)</u>
Business-Type Activities Capital Assets, Net of Accumulated Depreciation	<u>\$ 28,911</u>	<u>\$ 179,055</u>	<u>\$ -0-</u>	<u>\$ 207,966</u>

Depreciation expense was charged to governmental functions as follows:

Plant Operations and Maintenance	\$ 42,361
Pupil Transportation	1,121
Unallocated	<u>1,630,825</u>
	<u>\$ 1,674,307</u>

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

(Continued)

NOTE 6: TRANSFERS TO CAPITAL OUTLAY

During the year ended June 30, 2023, the District transferred \$85,921 to the capital outlay accounts for equipment which did not require County Superintendent approval. The District also transferred \$11,550 to the capital outlay accounts for facilities acquisition and construction services which did require approval from the County Superintendent.

NOTE 7. LONG-TERM LIABILITIES

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

	<u>Balance</u> <u>6/30/2022</u>	<u>Issued</u>	<u>Retired</u>	<u>Balance</u> <u>6/30/2023</u>
Serial Bonds Payable	\$ 20,999,000		\$ 1,435,000	\$ 19,564,000
Unamortized Bond Premiums	265,445		99,519	165,926
Financed Purchases Payable	84,737	\$ 262,896	86,424	261,209
Net Pension Liability	3,273,133	1,954,424		5,227,557
Compensated Absences Payable	890,226	25,912		916,138
	<u>\$ 25,512,541</u>	<u>\$ 2,243,232</u>	<u>\$ 1,620,943</u>	<u>\$ 26,134,830</u>

A. Bonds Payable:

Bonds are authorized in accordance with State law by the voters of the municipality through referendums. All bonds are retired in serial installments within the statutory period of usefulness. Bonds issued by the Board are general obligation bonds. The current portion of bonds at June 30, 2023 is \$1,450,000 and the long-term portion is \$18,114,000. The Debt Service Fund will be used to liquidate bonds payable.

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

<u>Purpose</u>	<u>Final Maturity</u>	<u>Interest Rate</u>	<u>Amount</u>
2015 Refunding Bonds	1/15/2034	3.000%-4.000%	\$ 8,385,000
2020 Refunding Bonds	1/15/2024	0.897%	919,000
2021 Refunding Bonds	1/15/2030	1.350%	10,260,000
			<u>\$ 19,564,000</u>

The District issued \$10,409,000 of refunding bonds on October 19, 2021 to refund \$10,155,000 of its 2012 refunding bonds which had been issued with interest rates of 3.000%-4.125%. The 2021 refunding bonds were issued with an interest rate of 1.350%. The net present value savings over the life of the new refunding bonds will be \$1,245,174.

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

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

A. Bonds Payable: (Cont'd)

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

<u>Fiscal Year Ending</u> <u>June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 1,450,000	\$ 453,147	\$ 1,903,147
2025	1,585,000	437,240	2,022,240
2026	1,614,000	415,348	2,029,348
2027	1,646,000	393,008	2,039,008
2028	1,678,000	370,153	2,048,153
Thereafter:			
2029-2033	9,456,000	1,372,836	10,828,836
2034	2,135,000	85,400	2,220,400
	<u>\$ 19,564,000</u>	<u>\$ 3,527,132</u>	<u>\$ 23,091,132</u>

B. Unamortized Bond Issuance Premium

The unamortized bond issuance premium of the governmental fund types is recorded in the noncurrent liabilities. The current portion of the unamortized bond issuance premium balance of the governmental funds is \$99,519 and is separated from the long-term portion of \$66,407.

C. Bonds Authorized But Not Issued:

As of June 30, 2023, the Board had bonds and notes authorized but not issued of \$1,536,321.

D. Financed Purchases Payable:

The District has one financed purchase agreement for copiers. The financed purchase agreement is for a term of five years. The District has two financed purchase agreements totaling \$362,926 of which \$101,717 has been liquidated as of June 30, 2023. The table on the following page is a schedule of the future minimum financed purchase payments under this financed purchase agreement, and the present value of the net minimum lease payments at June 30, 2023.

<u>Fiscal Year</u>	<u>Amount</u>
2024	\$ 89,537
2025	89,537
2026	89,537
2027	3,694
Total Minimum Financed Purchases Payments	272,305
Less: Amount Representing Interest	<u>(11,096)</u>
Present Value of Net Minimum Financed Purchases Payments	<u>\$ 261,209</u>

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

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

D. Financed Purchases Payable: (Cont'd)

The current portion of the financed purchases payable at June 30, 2022 is \$83,898 and the long-term portion is \$177,311. The General Fund will be used to liquidate the financed purchases payable.

E. Compensated Absences:

The liability for compensated absences of the governmental fund types is recorded in current and long-term portions. The long-term portion of compensated absences is \$916,138.

The General Fund will be used to liquidate the compensated absences payable.

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

F. Net Pension Liability:

The Public Employees' Retirement System's (PERS) net pension liability of the governmental fund types is recorded in current and long-term portions and will be liquidated by the General Fund. The current portion of the net pension liability at June 30, 2023 is \$-0- and the long-term portion is \$5,227,557. See Note 9 for further information on the PERS.

NOTE 8. MAINTENANCE RESERVE ACCOUNT

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

Pursuant to N.J.A.C. 6A:26A-4.2 funds may be deposited into the maintenance reserve account at any time by board resolution to meet the required maintenance of the district by transferring unassigned general fund balance or by transferring excess, unassigned general fund balance that is anticipated to be deposited during the current year in the advertised recapitulation of balances of the subsequent year's budget that is certified for taxes. Funds may be withdrawn from the maintenance reserve account and appropriated into the required maintenance account lines at budget time or any time during the year by board resolution for use on required maintenance activities by school facility as reported in the comprehensive maintenance plan. Funds withdrawn from the maintenance reserve account are restricted to required maintenance appropriations and may not be transferred to any other line-item account. In any year that maintenance reserve account funds are withdrawn, unexpended required maintenance appropriations, up to the amount of maintenance reserve account funds withdrawn, shall be restored to the maintenance reserve account at year-end. At no time, shall the maintenance reserve account have a balance that exceeds four percent of the replacement cost of the current year of the district's school facilities. If the account exceeds this maximum amount at June 30, the excess shall be restricted and designated in the subsequent year's budget. The maintenance reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

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

NOTE 8. MAINTENANCE RESERVE ACCOUNT (Cont'd)

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

Beginning Balance, July 1, 2022	\$	672,838
Increased by:		
Transfer by Board Resolution June 2023		200,000
		872,838
Decreased by:		
Budgeted Withdrawal		(172,838)
		(172,838)
Ending Balance, June 30, 2023	\$	700,000

NOTE 9. PENSION PLANS

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

A. Public Employees’ Retirement System (PERS)

Plan Description

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

Benefits Provided

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

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



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NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

(Continued)

NOTE 9. PENSION PLANS

A. Public Employees' Retirement System (PERS)

Benefits Provided (Cont'd)

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

Contributions

The contribution policy for PERS is set by N.J.S.A. 43:15A and requires contributions by active members and contributing members. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount, which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid.

The local employers' contribution amounts are based on an actuarially determined rate which includes the normal cost and unfunded accrued liability. Chapter 19, P.L. 2009 provided an option for local employers of PERS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in State fiscal year 2009. Such employers will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded liability of those retirement systems, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual payments over a period of 15 years, beginning with the payments due in the fiscal year ended June 30, 2012 and will be adjusted by the rate of return on the actuarial value of assets. District contributions to PERS amounted to \$436,819 for fiscal year 2023. During the fiscal year ended June 30, 2022, the State of New Jersey contributed \$10,999 to the PERS for normal pension benefits on behalf of the District.

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

Special Funding Situation

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

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

(Continued)

NOTE 9. PENSION PLANS (Cont'd)

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

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

At June 30, 2023, the District reported a liability of \$5,227,557 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2021 which was rolled forward to June 30, 2022. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At June 30, 2022, the District's proportion was 0.0346%, which was an increase of 0.007% from its proportion measured as of June 30, 2021.

For the fiscal year ended June 30, 2023, the District recognized an actual pension benefit of \$257,950 related to the District's proportionate share of the net pension liability. Additionally, for the fiscal year ended June 30, 2022, the State recognized pension expense on behalf of the District in the amount of \$10,999 and the District recognized pension expense and revenue for that same amount in the fiscal year ended June 30, 2023 financial statements.

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

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

CLINTON TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
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(Continued)

NOTE 9. PENSION PLANS (Cont'd)

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

	Year of Deferral	Amortization Period in Years	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in Assumptions	2018	5.63		\$ (125,660)
	2019	5.21		(157,033)
	2020	5.16		(461,762)
	2021	5.13		(38,317)
	2022	5.04	\$ 16,197	
				<u>16,197</u>
Difference Between Expected and Actual Experience	2018	5.63		(4,785)
	2019	5.21	12,004	
	2020	5.16	25,726	
	2021	5.13		(12,881)
	2022	5.04		(15,607)
				<u>37,730</u>
Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	2019	5.00	5,172	
	2020	5.00	155,399	
	2021	5.00	(969,278)	
	2022	5.00	1,025,071	
				<u>216,364</u>
Changes in Proportion	2018	5.63	11,307	
	2019	5.21		(24,688)
	2020	5.16	78,160	
	2021	5.13		(659,004)
	2022	5.04	1,068,780	
				<u>1,158,247</u>
District Contribution Subsequent to the Measurement Date	2022	1.00	491,045	
			<u>\$ 1,919,583</u>	<u>\$ (1,499,737)</u>

CLINTON TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
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(Continued)

NOTE 9. PENSION PLANS (Cont'd)

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

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

Fiscal Year Ending June 30,	Total
2023	\$ (448,414)
2024	(228,452)
2025	(111,412)
2026	243,058
2027	(534)
	\$ (545,754)

Actuarial Assumptions

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

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

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

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

CLINTON TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
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(Continued)

NOTE 9. PENSION PLANS (Cont'd)

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

Long Term Expected Rate of Return

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Equity	27.00%	8.12%
Non-U.S. Developed Markets Equity	13.50%	8.38%
Emerging Markets Equity	5.50%	10.33%
Private Equity	13.00%	11.80%
Real Assets	8.00%	11.19%
Real Estate	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 Management Strategies	3.00%	4.91%

Discount Rate

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

CLINTON TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
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(Continued)

NOTE 9. PENSION PLANS (Cont'd)

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

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

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

	June 30, 2022		
	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
District's proportionate share of the Net Pension Liability	\$ 6,715,879	\$ 5,227,557	\$ 3,960,934

Pension Plan Fiduciary Net Position

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

B. Teachers' Pension and Annuity Fund (TPAF)

Plan Description

The State of New Jersey, Teachers' Pension and Annuity Fund (TPAF), is a cost-sharing multiple-employer defined benefit pension plan with a special funding situation, by which the State of New Jersey (the State) is responsible to fund 100% of the employer contributions, excluding any local employer early retirement incentive (ERI) contributions. The TPAF is administered by the State of New Jersey Division of Pensions and Benefits (the Division).

For additional information about the TPAF, please refer to the Division's annual financial statements which can be found at [www.state.nj.us/treasury/pensions/annual-reports.shtml](http://www.state.nj.us/treasury/pensions/annual-reports.shtml).

Benefits Provided

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

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

NOTE 9. PENSION PLANS (Cont'd)

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

Benefits Provided (Cont'd)

The following represents the membership tiers for TPAF:

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

Service retirement benefits of 1/55<sup>th</sup> of final average salary for each year of service credit is available to Tiers 1 and 2 members upon reaching age 60 and to Tier 3 members upon reaching age 62. Service retirement benefits of 1/60<sup>th</sup> of final average salary for each year of service credit is available to Tier 4 members upon reaching age 62 and to Tier 5 members upon reaching age 65. Early retirement benefits are available to Tiers 1 and 2 members before reaching age 60, to Tiers 3 and 4 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 members retires prior to the retirement age for his/her respective tier. Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for the respective tier.

Contributions

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

Special Funding Situation

The employer contributions for local participating employers are legally required to be funded by the State in accordance with N.J.S.A. 18:66-33. Therefore, these local participating employers are considered to be in a special funding situation as defined by GASB Statement No. 68 and the State is treated as a nonemployer contributing entity. Since the local participating employers do not contribute directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to report in the financial statements of the local participating employers. However, the notes to the financial statements of the local participating employers must disclose the portion of the nonemployer contributing entities' total proportionate share of the net pension liability that is associated with the local participating employer. In addition, each local participating employer must recognize pension expense associated with the employer as well as revenue in an amount equal to the nonemployer contributing entities' total proportionate share of the collective pension expense associated with the local participating employer. During the fiscal year ended 2023, the State of New Jersey contributed \$4,361,772 to the TPAF for normal pension benefits on behalf of the District, which is more than the contractually required contribution of \$1,307,189.

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

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

NOTE 9. PENSION PLANS (Cont'd)

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

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

At June 30, 2023, the State's proportionate share of the net pension liability associated with the District was \$48,571,281. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2021 which was rolled forward to June 30, 2022. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At June 30, 2022, the District's proportion was 0.0941%, which was a decrease of 0.0046% from its proportion measured as of June 30, 2021.

District's Proportionate Share of the Net Pension Liability	\$ -0-
State's Proportionate Share of the Net Pension Liability Associated with the District	48,571,281
Total	<u>\$ 48,571,281</u>

For the fiscal year ended June 30, 2022, the State recognized pension expense on behalf of the District in the amount of \$1,307,189 and the District recognized pension expense and revenue for that same amount in the fiscal year ended June 30, 2023 financial statements.



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

(Continued)

NOTE 9. PENSION PLANS (Cont'd)

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

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

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

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

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

NOTE 9. PENSION PLANS (Cont'd)

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

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

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

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

Actuarial Assumptions

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

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

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

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

(Continued)

NOTE 9. PENSION PLANS (Cont'd)

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

Actuarial Assumptions (Cont'd)

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

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

Discount Rate – TPAF

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

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

NOTE 9. PENSION PLANS (Cont'd)

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

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

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

	June 30, 2022		
	At 1%	At Current	At 1%
	Decrease (6.00%)	Discount Rate (7.00%)	Increase (8.00%)
State's Proportionate Share of the Net			
Pension Liability Associated with the District	\$ 56,950,859	\$ 48,571,281	\$ 41,512,539
<u>Pension Plan Fiduciary Net Position - TPAF</u>			

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

C. Defined Contribution Retirement Program (DCRP)

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

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

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

For DCRP, the District recognized pension expense of \$17,256 for the fiscal year ended June 30, 2023. Employee contributions to DCRP amounted to \$49,761 for the fiscal year ended June 30, 2023.

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

(Continued)

NOTE 10. RISK MANAGEMENT

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

Property and Liability Insurance

The Clinton Township School District is a member of the New Jersey Schools Insurance Group (the “Group”). The Group provides general liability, property, automobile coverage and workers’ compensation for its members. A complete schedule of insurance coverage can be found in the Statistical Section of this Annual Comprehensive Financial Report. The Group is a risk-sharing public entity risk pool that is an insured and self-administered group of school boards established for the purpose of providing low-cost insurance for their respective members in order to keep local property taxes to a minimum. Each member appoints an official to represent their respective entity for the purpose of creating a governing body from which officers for the Group are elected.

As a member of the Group, the District could be subject to supplemental assessments in the event of deficiencies. If the assets of the Group were to be exhausted, members would become responsible for their respective shares of the Group’s liabilities. The Group can declare and distribute dividends to members upon approval of the State of New Jersey Department of Banking and Insurance. These distributions are divided among the members in the same ratio as their individual assessment related to the total assessment of the membership body.

Selected, summarized financial information for the Group as of June 30, 2023 is as follows:

	<u>New Jersey Schools Insurance Group</u>
Total Assets	\$ 429,049,188
Net Position	<u>\$ 201,308,725</u>
Total Revenue	<u>\$ 160,069,780</u>
Total Expenses	<u>\$ 141,165,428</u>
Change in Net Position	<u>\$ 18,904,352</u>
Member Dividends	<u>\$ 2,599,938</u>

Financial statements for the Group are available at the Executive Director’s Office:

New Jersey Schools Insurance Group  
6000 Midlantic Drive  
Suite 300 North  
Mount Laurel, NJ 08054  
(609) 386-6060

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

NOTE 10. RISK MANAGEMENT (Cont'd)

Health Benefits

The District is also a member of the Schools Health Insurance Fund (the "HIF"). The HIF provides its members with Health Benefit coverage. The HIF is a risk-sharing pool that is both an insured and self-administered group of school districts established for the purpose of providing low-cost insurance coverage for their members in order to keep local property taxes at a minimum. Each member appoints an official to represent their respective district for the purpose of creating a governing body from which officers for the HIF are elected.

As a member of HIF, the District could be subject to supplemental assessments in the event of deficiencies. If the assets of HIF were to be exhausted, members would become responsible for their respective shares of the HIF's liabilities.

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

The June 30, 2023 audit report is not available as of the date of this report. Selected summarized financial information for HIF as of June 30, 2022 is as follows:

	Schools Health Insurance Fund
Total Assets	\$ 177,555,942
Net Position	\$ 119,187,031
Total Revenue	\$ 432,454,946
Total Expenses	\$ 426,163,433
Change in Net Position	\$ 3,438,809
Members Dividends	\$ 2,852,704

Financial Statements for HIF are available at PERMA's Executive Director's Office:

PERMA Risk Management Services  
9 Campus Drive  
Suite 216  
Parsippany, NJ 07054

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

NOTE 10. RISK MANAGEMENT (Cont'd)

New Jersey Unemployment Compensation Insurance

The District has elected to fund its New Jersey Unemployment Compensation Insurance under the “Benefit Reimbursement Method”. Under this plan, the District is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The District is billed quarterly for amounts due to the State. The following is a summary of District contributions, interest earned, employee contributions, reimbursements to the State for benefits paid and the ending balance of the District’s Unemployment Compensation Restricted Fund Balance in the General Fund for the current and previous two years.

<u>Fiscal Year</u>	<u>District Contributions</u>	<u>Interest Earned</u>	<u>Employee Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2022-2023	\$ -0-	\$ 1,168	\$ 20,431	\$ 3,802	\$ 123,071
2021-2022	-0-	-0-	29,335	-0-	105,274
2020-2021	-0-	101	29,116	3,435	75,939

NOTE 11. DEFERRED COMPENSATION

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

Lincoln National	AXA Equitable
VALIC	Legend Group

NOTE 12. INTERFUND RECEIVABLES AND PAYABLES

As of June 30, 2023 there were interfund receivables and payables as follows:

<u>Fund</u>	<u>Receivable</u>	<u>Payable</u>
General Fund	\$ 108,345	
Special Revenue Fund		\$ 48,086
Capital Projects Fund		321
Proprietary Fund - Food Service Fund		59,938
	<u>\$ 108,345</u>	<u>\$ 108,345</u>

The General Fund is owed \$59,938 from the Food Service Fund due to a prior year interfund that was not liquidated by year end. The General Fund is owed \$48,086 from the Special Revenue Fund for a cash deficit due to a timing lag between request and receipt of federal grant reimbursements. The General Fund is owed \$321 from the Capital Projects Fund for interest earned in the fiscal year ending June 30, 2023.

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

NOTE 13. ECONOMIC DEPENDENCY

The Board of Education receives a substantial amount of its support from federal and state governments. A significant reduction in the level of support, if this were to occur, may have an effect on the Board of Education's programs and activities.

NOTE 14. COMMITMENTS AND CONTINGENCIES

Litigation

The Board is periodically involved in claims or lawsuits arising in the normal course of business. There are a number of pending lawsuits. The cases are in discovery and it cannot be determined at this point what the ultimate outcome of these lawsuits may be. However, there is a possible exposure to the District between \$1,200,000 and \$24,000,000. The District is still in the process of investigating whether there is insurance coverage to offset that exposure though currently no insurance coverage has been identified.

Grant Programs

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

Encumbrances

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

<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Total Governmental Funds</u>
\$ 246,549	\$ 38,920	\$ 285,469

On the District's Governmental Funds Balance Sheet as of June 30, 2023, \$-0- is assigned for year-end encumbrances in the Special Revenue Fund, which is \$38,920 less than the actual year-end encumbrances on a budgetary basis. Encumbrances are not recognized on a GAAP basis and are reflected as either a reduction in grants receivable or an increase in unearned revenue.



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

NOTE 15. TAX CALENDAR

Property taxes are levied by the District’s constituent municipality as of January 1 on property values assessed as of the previous calendar year. The tax levy is divided into two billings. The first billing is an estimate of the current year's levy based on the prior year's taxes. The second billing reflects adjustments to the current year's actual levy. The final tax bill is usually mailed on or before June 14th, along with the first half estimated tax bills for the subsequent year. The first half estimated taxes are divided into two due dates, February 1 and May 1. The final tax bills are also divided into two due dates, August 1 and September 12. A ten-day grace period is usually granted before the taxes are considered delinquent and there is an imposition of interest charges.

A penalty may be assessed for any unpaid taxes in excess of \$10,000 at December 31 of the current year. Unpaid taxes of the current and prior year may be placed in lien at a tax sale held after December 10.

Taxes are collected by the constituent municipality and are remitted to the school district on a predetermined mutually agreed-upon schedule.

NOTE 16. ACCOUNTS PAYABLE

Accounts payable recorded in the District’s Governmental Fund and Governmental Activities as of June 30, 2023 consisted of the following:

	<u>Governmental Funds</u>			District Contribution Subsequent to		<u>Business-Type Activities</u>
	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Total Governmental Funds</u>	<u>Measurement Date</u>	<u>Total Governmental Activities</u>	<u>Proprietary Funds</u>
Vendors	\$275,740	\$ 54,148	\$ 329,888		\$ 329,888	\$ 61,440
Payroll Deductions and Withholdings	31,773		31,773		31,773	
Due to:						
State of New Jersey				\$ 491,045	491,045	
	<u>\$307,513</u>	<u>\$ 54,148</u>	<u>\$ 361,661</u>	<u>\$ 491,045</u>	<u>\$ 852,706</u>	<u>\$ 61,440</u>

NOTE 17. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

State Health Benefit Program Fund – Local Education Employees Plan (including Prescription Drug Program Fund)

General Information about the OPEB Plan

Plan Description and Benefits Provided

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

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

NOTE 17. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Cont'd)

State Health Benefit Program Fund – Local Education Employees Plan (including Prescription Drug Program Fund) (Cont'd)

Plan Description and Benefits Provided (Cont'd)

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

The employer contributions for the participating local education employers are legally required to be funded by the State of New Jersey in accordance with N.J.S.A. 52:14-17.32f. According to N.J.S.A. 52:14-17.32f, the State provides employer-paid coverage to employees who retire from a board of education or county college with 25 years or more of service credit in, or retires on a disability pension from, one or more of the following plans: the Teachers' Pension and Annuity Fund (TPAF), the Public Employees' Retirement System (PERS), the Police and Firemen Retirement System (PFRS), or the Alternate Benefit Program (ABP).

Pursuant to Chapter 78, P.L. 2011, future retirees eligible for postretirement medical coverage who have less than 20 years of creditable service on June 28, 2011 will be required to pay a percentage of the cost of their health care coverage in retirement provided they retire with 25 years or more of pension service credit. The percentage of the premium for which the retiree will be responsible will be determined based on the retiree's annual retirement benefit and level of coverage.

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

For additional information about the State Health Benefit Local Education Retired Education Plan, please refer to the Division's annual financial statements which can be found at <https://www.state.nj.us/treasury/pensions/gasb-notices-opeb.shtml>.

Employees Covered by Benefit Terms

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

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

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

NOTE 17. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONT'D)

State Health Benefit Program Fund – Local Education Employees Plan (including Prescription Drug Program Fund) (Cont'd)

Total Nonemployer OPEB Liability

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

Actuarial Assumptions and Other Inputs

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

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

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

Mortality Rates

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

Health Care Trend Assumptions

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

CLINTON TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
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(Continued)

NOTE 17. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONT'D)

State Health Benefit Program Fund – Local Education Employees Plan (including Prescription Drug Program Fund) (Cont'd)

Discount Rate

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

Changes in the State's Proportionate Share of the Total OPEB Liability Associated with the District

	Total OPEB Liability
Balance at June 30, 2021	\$ 62,492,843
Changes for Year:	
Service Cost	2,846,889
Interest on the Total OPEB Liability	1,415,540
Changes of Assumptions	(14,328,886)
Differences between Expected and Actual Experience	2,345,143
Gross Benefit Payments by the State	(1,402,134)
Contributions from Members	44,981
Net Changes	(9,078,467)
Balance at June 30, 2022	\$ 53,414,376

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

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

	June 30, 2022		
	At 1% Decrease (2.54%)	At Discount Rate (3.54%)	At 1% Increase (4.54%)
Total OPEB Liability Attributable to the District	\$ 62,782,980	\$ 53,414,376	\$ 45,905,908

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

NOTE 17. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Cont'd)

State Health Benefit Program Fund – Local Education Employees Plan (including Prescription Drug Program Fund) (Cont'd)

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

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

	June 30, 2022		
	1% Decrease	Healthcare Cost Trend Rate	1% Increase
Total OPEB Liability Attributable to the District	\$ 44,150,247	\$ 53,414,376	\$ 65,583,373

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

For the fiscal year ended June 30, 2023, the District recognized OPEB expense of \$1,621,797 as determined by the State of New Jersey Division of Pensions and Benefits. This expense and the related offsetting revenue are for benefits provided by the State through a defined benefit OPEB plan that meets the criteria in GASB Codification Section P50, in which there is a special funding situation.

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

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

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

NOTE 17. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Cont'd)

State Health Benefit Program Fund – Local Education Employees Plan (including Prescription Drug Program Fund) (Cont'd)

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

	Deferral Year	Period in Years	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of Assumptions	2017	9.54		\$ 2,773,332
	2018	9.51		2,646,547
	2019	9.29	\$ 373,652	
	2020	9.24	8,822,101	
	2021	9.24	48,923	
	2022	9.13		12,759,457
			<u>9,244,676</u>	<u>18,179,336</u>
Differences between Expected and Actual Experience	2018	9.51		2,501,811
	2019	9.29		4,397,910
	2020	9.24	8,222,544	
	2021	9.24		9,408,305
	2022	9.13	1,314,041	
				<u>9,536,585</u>
Changes in Proportion	N/A	N/A	<u>1,368,131</u>	<u>1,294,110</u>
			<u>\$ 20,149,392</u>	<u>\$ 35,781,473</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Fiscal Year Ending June 30,	Total
2023	\$ (2,654,718)
2024	(2,654,718)
2025	(2,654,718)
2026	(2,294,342)
2027	(1,311,935)
Thereafter	<u>(4,135,671)</u>
	<u>\$ (15,706,102)</u>

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

NOTE 18. PRIOR PERIOD ADJUSTMENT

The District made an adjustment to their capital assets to correct the amount of Construction in Progress reported in the Governmental Activities financial statements as of June 30, 2022 as that amount had been included in the amount for buildings and building improvements as well in error as of June 30, 2022.

	Balance 6/30/22 as Previously Reported	Retroactive Adjustments	Balance 6/30/22 as Restated
Governmental Activities:			
Assets:			
Capital Assets, Net:			
Sites (Land) and Construction in Progress	\$ 5,194,100	\$ (197,466)	\$ 4,996,634
Total Assets	54,486,042	(197,466)	54,288,576
Net Position:			
Net Investment in Capital Assets	26,154,318	(197,466)	25,956,852
Total Net Position	26,054,936	(197,466)	25,857,470

NOTE 19. BOND ANTICIPATION NOTES

The District issued \$1,536,321 of Bond Anticipation Notes on July 7, 2022 which mature on July 6, 2023 at an interest rate of 3.46%. The Bond Anticipation Notes were permanently funded in the fiscal year ended June 30, 2024 budget.

**REQUIRED SUPPLEMENTARY INFORMATION**



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

	Fiscal Year Ending June 30,								
	2015	2016	2017	2018	2019	2020	2021	2022	2023
District's proportion of the net pension liability	0.0355776482%	0.0343432683%	0.3016899020%	0.0317734413%	0.0322220204%	0.0317526731%	0.0325818495%	0.0276295378%	0.0346393628%
District's proportionate share of the net pension liability	\$ 6,661,109	\$ 7,709,376	\$ 8,935,190	\$ 7,396,349	\$ 6,344,355	\$ 5,721,350	\$ 5,313,248	\$ 3,273,133	\$ 5,227,557
District's covered employee payroll	\$ 2,009,431	\$ 2,049,620	\$ 2,096,944	\$ 2,247,236	\$ 2,303,417	\$ 2,212,101	\$ 1,987,587	\$ 2,414,596	\$ 2,647,462
District's proportionate share of the net pension liability as a percentage of its covered employee payroll	331.49%	376.14%	426.11%	329.13%	275.43%	258.64%	267.32%	135.56%	197.46%
Plan fiduciary net position as a percentage of the total pension liability	52.08%	47.93%	40.14%	48.10%	53.60%	56.27%	58.32%	70.33%	46.41%

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

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

	Fiscal Year Ending June 30,								
	2015	2016	2017	2018	2019	2020	2021	2022	2023
Contractually required contribution	\$ 260,969	\$ 293,297	\$ 295,260	\$ 310,309	\$ 327,307	\$ 310,860	\$ 356,429	\$ 356,429	\$ 436,819
Contributions in relation to the contractually required contribution	(260,969)	(293,297)	(295,260)	(310,309)	(327,307)	(310,860)	(356,429)	(356,429)	(436,819)
Contribution deficiency/(excess)	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-
District's covered employee payroll	\$ 2,049,620	\$ 2,096,944	\$ 2,247,236	\$ 2,303,417	\$ 2,212,101	\$ 1,987,587	\$ 2,414,596	\$ 2,647,462	\$ 2,828,665
Contributions as a percentage of covered employee payroll	12.73%	13.99%	13.14%	13.47%	14.80%	15.64%	14.76%	13.46%	15.44%

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

CLINTON TOWNSHIP SCHOOL DISTRICT  
 REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES  
 SCHEDULE OF STATES PROPORTIONATE SHARE OF THE  
 NET PENSION LIABILITY ASSOCIATED WITH THE DISTRICT  
TEACHERS' PENSION AND ANNUITY FUND  
LAST NINE FISCAL YEARS

	Fiscal Year Ending June 30,								
	2015	2016	2017	2018	2019	2020	2021	2022	2023
State's proportion of the net pension liability attributable to the District	0.1198850273%	0.1173919781%	0.1198666811%	0.1111367677%	0.1085637724%	0.1115444201%	0.1068741288%	0.0987956560%	0.0941405766%
State's proportionate share of the net pension liability attributable to the District	\$ 64,074,645	\$ 74,196,743	\$ 94,294,763	\$ 74,932,416	\$ 69,065,943	\$ 68,455,863	\$ 70,375,328	\$ 47,496,198	\$ 48,571,281
District's covered employee payroll	\$ 11,141,989	\$ 11,364,829	\$ 11,001,425	\$ 12,978,597	\$ 11,130,435	\$ 10,893,711	\$ 10,266,658	\$ 11,799,631	\$ 12,028,161
State's proportionate share of the net pension liability attributable to the District as a percentage of the District's covered employee payroll	575.07%	652.86%	857.11%	577.35%	620.51%	628.40%	685.47%	402.52%	403.81%
Plan fiduciary net position as a percentage of the total pension liability	33.64%	28.71%	22.33%	25.41%	26.49%	26.95%	24.60%	35.52%	32.29%

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

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

	Fiscal Year Ending June 30,									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	
Contractually required contribution	\$ 3,447,817	\$ 4,530,379	\$ 7,084,939	\$ 5,190,938	\$ 4,026,303	\$ 4,037,710	\$ 4,376,238	\$ 1,117,606	\$ 1,307,189	
Contributions in relation to the contractually required contribution	(934,664)	(959,700)	(1,250,070)	(1,598,761)	(2,193,809)	(2,344,160)	(2,871,903)	(3,875,444)	(4,361,772)	
Contribution deficiency/(excess)	\$ 2,513,153	\$ 3,570,679	\$ 5,834,869	\$ 3,592,177	\$ 1,832,494	\$ 1,693,550	\$ 1,504,335	\$ (2,757,838)	\$ (3,054,583)	
District's covered employee payroll	\$ 11,364,829	\$ 11,001,425	\$ 12,978,597	\$ 11,130,435	\$ 10,893,711	\$ 10,266,658	\$ 11,799,631	\$ 12,028,161	\$ 12,633,420	
Contributions as a percentage of covered employee payroll	8.22%	8.72%	9.63%	14.36%	20.14%	22.83%	24.34%	32.22%	34.53%	

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

CLINTON TOWNSHIP SCHOOL DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES  
SCHEDULE OF CHANGES IN THE STATE'S PROPORTIONATE SHARE OF THE TOTAL OPEB LIABILITY  
ASSOCIATED WITH THE DISTRICT AND RELATED RATIOS  
LAST SIX FISCAL YEARS

	Fiscal Year Ending June 30,					
	2017	2018	2019	2020	2021	2022
Service Cost	\$ 2,631,266	\$ 2,185,430	\$ 1,887,516	\$ 1,956,168	\$ 3,422,218	\$ 2,846,889
Interest	1,793,132	2,079,368	1,942,148	1,613,672	1,621,130	1,415,540
Changes of Benefit Terms					(66,516)	
Changes of Assumptions	(7,551,238)	(4,949,484)	667,103	12,943,698	(12,170,151)	(14,328,886)
Differences between Expected and Actual Experience		(5,618,087)	(7,379,552)	10,801,024	61,654	2,345,143
Member Contributions	48,208	45,245	40,713	37,391	41,444	44,981
Gross Benefit Payments	(1,309,213)	(1,309,099)	(1,373,437)	(1,233,615)	(1,276,997)	(1,402,134)
Net Change in Total OPEB Liability	(4,387,845)	(7,566,627)	(4,215,509)	26,118,338	(8,367,218)	(9,078,467)
Total OPEB Liability - Beginning	60,911,704	56,523,859	48,957,232	44,741,723	70,860,061	62,492,843
Total OPEB Liability - Ending	<u>\$ 56,523,859</u>	<u>\$ 48,957,232</u>	<u>\$ 44,741,723</u>	<u>\$ 70,860,061</u>	<u>\$ 62,492,843</u>	<u>\$ 53,414,376</u>
District's Covered Employee Payroll *	\$ 13,414,449	\$ 13,098,369	\$ 13,317,270	\$ 13,105,812	\$ 12,254,245	\$ 14,214,227
Total OPEB Liability as a Percentage of Covered Employee Payroll	421%	374%	336%	541%	510%	376%

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

Note: This schedule does not contain ten years of information as GASB No. 75 was implemented during the fiscal year ended June 30, 2018.

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

A. PUBLIC EMPLOYEES' RETIREMENT SYSTEM

Benefit Changes

There were none.

Changes of Actuarial Assumptions

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

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

B. TEACHERS' PENSION AND ANNUITY FUND

Benefit Changes

There were none.

Changes of Actuarial Assumptions

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

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

C. STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES OPEB PLAN

Benefit Changes

There were none.

Changes of Actuarial Assumptions

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

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

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

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

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

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

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

Changes of Actuarial Assumptions (Cont'd)

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

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

For pre-Medicare medical benefits, the trend rate is initially 5.65% and decreases to a 4.5% long term trend rate after seven years. For post-65 medical benefits, the actual fully-insured Medicare Advantage trend rates for fiscal years 2022 through 2023 are reflected. For PPO the trend is initially 5.74% in fiscal year 2024, increasing to 12.93% in fiscal year 2025 and decreasing to 15.23% in fiscal year 2025 and decreasing to 4.5% after 11 years. For HMO the trend is initially 6.01% in fiscal year 2024, increasing to 15.23% in fiscal year 2025 and decreasing to 4.5% after 11 years. For prescription drug benefits, the initial trend rate is 6.75% and decreases to a 4.5% long term rate after seven years.

**BUDGETARY COMPARISON SCHEDULES**



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

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Revenues from Local Sources:					
Local Tax Levy	\$ 26,069,480		\$ 26,069,480	\$ 26,069,480	
Tuition From Individuals	49,000		49,000	74,200	\$ 25,200
Tuition From Other LEAs Within the State	76,728		76,728	147,932	71,204
Rents and Royalties	25,000		25,000	120,773	95,773
Unrestricted Miscellaneous Revenues	49,000		49,000	279,541	230,541
Other Restricted Miscellaneous Revenues				17,797	17,797
Total Revenues from Local Sources	26,269,208		26,269,208	26,709,723	440,515
Revenues from State Sources:					
Categorical Transportation Aid	676,952		676,952	676,952	
Extraordinary Aid	875,328		875,328	1,152,335	277,007
Categorical Special Education Aid	1,200,968		1,200,968	1,200,968	
Categorical Security Aid	102,324		102,324	102,324	
Nonpublic Transportation Aid				27,144	27,144
Lead Testing Reimbursement				6,905	6,905
TPAF Post Retirement Contributions (Non-Budgeted)				1,161,724	1,161,724
TPAF Pension Contributions (Non-Budgeted)				4,361,772	4,361,772
TPAF Non-Contributory Insurance (Non-Budgeted)				60,515	60,515
TPAF Long-Term Disability Insurance (Non-Budgeted)				1,763	1,763
Reimbursed TPAF Social Security Contributions				907,219	907,219
Total Revenues from State Sources	2,855,572		2,855,572	9,659,621	6,804,049
Revenues from Federal Sources:					
FEMA Reimbursements				77,778	77,778
Total Revenues from Federal Sources				77,778	77,778
TOTAL REVENUE	29,124,780		29,124,780	36,447,122	7,322,342

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

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>GENERAL CURRENT EXPENSE</b>					
Regular Programs - Instruction:					
Preschool - Salaries of Teachers	\$ 148,920	\$ 1,010	\$ 149,930	\$ 149,188	\$ 742
Kindergarten - Salaries of Teachers	602,895	151,325	754,220	733,240	20,980
Grades 1-5 - Salaries of Teachers	4,377,034	(250,847)	4,126,187	4,098,091	28,096
Grades 6-8 - Salaries of Teachers	3,303,020	(161,659)	3,141,361	3,095,881	45,480
Regular Programs - Home Instruction:					
Salaries of Teachers	15,000	(2,431)	12,569	5,747	6,822
Purchased Professional-Educational Services	6,548	32,289	38,837	9,184	29,653
Regular Programs - Undistributed Instruction:					
Other Salaries for Instruction	119,225	(29,098)	90,127	83,505	6,622
Purchased Professional-Educational Services	6,000	350	6,350	315	6,035
Purchased Technical Services	36,552	60,000	96,552	78,578	17,974
Other Purchased Services (400-500 series)	312,817	5,802	318,619	282,613	36,006
General Supplies	245,287	94,373	339,660	300,762	38,898
Other Objects	5,620		5,620	2,867	2,753
<b>Total Regular Programs - Instruction</b>	<b>9,178,918</b>	<b>(98,886)</b>	<b>9,080,032</b>	<b>8,839,971</b>	<b>240,061</b>
Special Education - Instruction:					
Learning and/or Language Disabilities - Mild to Moderate:					
Salaries of Teachers	73,185	65,035	138,220	137,896	324
Other Salaries for Instruction	43,638	(39,598)	4,040	3,340	700
General Supplies	1,050		1,050	247	803
Textbooks	400	(400)			
<b>Total Learning and/or Language Disabilities - Mild to Moderate</b>	<b>118,273</b>	<b>25,037</b>	<b>143,310</b>	<b>141,483</b>	<b>1,827</b>

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

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Multiple Disabilities:					
Salaries of Teachers	\$ 136,820	\$ 183,679	\$ 320,499	\$ 234,614	\$ 85,885
Other Salaries for Instruction	37,355	(36,335)	1,020	1,020	
Other Purchased Services (400-500 series)	1,200	(600)	600		600
General Supplies	2,300	(583)	1,717	846	871
Textbooks	250		250		250
Total Multiple Disabilities	177,925	146,161	324,086	236,480	87,606
Resource Room/Resource Center:					
Salaries of Teachers	834,708	(2,012)	832,696	745,694	87,002
Other Salaries for Instruction	17,000	6,427	23,427	21,567	1,860
Other Purchased Services (400-500 series)	3,600	(85)	3,515	124	3,391
General Supplies	9,700	2,403	12,103	6,167	5,936
Textbooks	400		400		400
Other Objects	120		120		120
Total Resource Room/Resource Center	865,528	6,733	872,261	773,552	98,709
Autism:					
Salaries of Teachers	210,211	(59,643)	150,568	148,459	2,109
Other Salaries for Instruction	100,108	(92,043)	8,065	7,715	350
Other Purchased Services (400-500 series)		1,667	1,667		1,667
General Supplies	3,950		3,950	1,687	2,263
Total Autism	314,269	(150,019)	164,250	157,861	6,389

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

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Preschool Disabilities - Full-Time:					
Salaries of Teachers	\$ 123,279	\$ 11,667	\$ 134,946	\$ 85,108	\$ 49,838
Other Salaries for Instruction	136,255	(135,575)	680	680	
Total Preschool Disabilities - Full-Time	259,534	(123,908)	135,626	85,788	49,838
Home Instruction:					
Salaries of Teachers	4,500	2,431	6,931	4,689	2,242
Total Home Instruction	4,500	2,431	6,931	4,689	2,242
TOTAL SPECIAL EDUCATION - INSTRUCTION	1,740,029	(93,565)	1,646,464	1,399,853	246,611
Basic Skills/Remedial - Instruction:					
Salaries of Teachers	1,033,998	(117,082)	916,916	875,483	41,433
General Supplies	6,691		6,691	3,329	3,362
Total Basic Skills/Remedial - Instruction	1,040,689	(117,082)	923,607	878,812	44,795
School-Spon. Coccuricular & Extracurricular Actvts. - Inst.:					
Salaries	45,807	5,584	51,391	27,889	23,502
Purchased Services (300-500 series)	720	1,800	2,520	1,951	569
Supplies and Materials	2,400	(1,800)	600	58	542
Total School-Spon. Coccuricular & Extracurricular Actvts. - Inst.	48,927	5,584	54,511	29,898	24,613
School-Sponsored Athletics - Instruction:					
Salaries	71,730	17,110	88,840	57,265	31,575
Purchased Services (300-500 series)	16,690		16,690		16,690
Supplies and Materials	5,980		5,980		5,980
Other Objects	570		570		570
Total School-Sponsored Athletics - Instruction	94,970	17,110	112,080	57,265	54,815

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

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
	\$	\$	\$	\$	\$
<b>TOTAL INSTRUCTION</b>	<b>12,103,533</b>	<b>(286,839)</b>	<b>11,816,694</b>	<b>11,205,799</b>	<b>610,895</b>
Undistributed Expenditures - Instruction:					
Tuition to Priv. Sch. for the Handicap. W/I State	503,753	6,281	510,034	282,648	227,386
Tuition - Other	8,319	8,319	8,319	8,319	
Total Undistributed Expenditures - Instruction	503,753	14,600	518,353	290,967	227,386
Undistributed Expend. - Attend. & Social Work:					
Salaries	82,069	79,835	161,904	155,776	6,128
Other Purchased Services (400-500 series)	1,395	1,395	1,395	1,384	11
Supplies and Materials	9,985	(1,782)	8,203	2,698	5,505
Total Undist. Expend. - Attendance and Social Work	93,449	78,053	171,502	159,858	11,644
Undistributed Expenditures - Health Services:					
Salaries	376,935	(4,726)	372,209	314,942	57,267
Purchased Professional and Technical Services	4,398	15,188	19,586	3,910	15,676
Other Purchased Services (400-500 series)	4,585	7,641	12,226	10,693	1,533
Supplies and Materials	23,400	12,000	35,400	29,556	5,844
Total Undist. Expenditures - Health Services	409,318	30,103	439,421	359,101	80,320
Undist. Expend. - Speech, OT, PT, Related Svcs:					
Salaries	432,505	3,328	435,833	427,593	8,240
Purchased Professional - Educational Services	637,570	60,000	697,570	561,056	136,514
Supplies and Materials	7,050	(973)	6,077	1,124	4,953
Total Undist. Expend. - Speech, OT, PT, Related Svcs	1,077,125	62,355	1,139,480	989,773	149,707

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

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist. Expend. - Other Supp. Serv. Students - Extra. Serv.:					
Salaries	\$ 587,910	\$ 497,602	\$ 1,085,512	\$ 963,491	\$ 122,021
Purchased Professional - Educational Services	54,000	33,771	87,771	86,682	1,089
Supplies and Materials		1,685	1,685	1,685	
Total Undist. Expend. - Other Supp. Srvs. Students - Extra. Serv.	641,910	533,058	1,174,968	1,051,858	123,110
Undist. Expend. - Guidance:					
Salaries of Other Professional Staff	416,925	1,182	418,107	418,107	
Salaries of Secretarial and Clerical Assistants	5,476	2,600	8,076	7,794	282
Other Purchased Services (400-500 series)	5,173		5,173	3,120	2,053
Supplies and Materials	1,500		1,500	715	785
Total Undist. Expend. - Guidance	429,074	3,782	432,856	429,736	3,120
Undist. Expend. - Child Study Team:					
Salaries of Other Professional Staff	909,445	(20,253)	889,192	874,072	15,120
Salaries of Secretarial and Clerical Assistants	90,200	3,500	93,700	88,850	4,850
Unused Vacation Payment to Terminated/Retired Staff	8,000	(45)	7,955	7,955	
Purchased Professional - Educational Services	20,090	10,168	30,258	25,360	4,898
Other Purchased Services (400-500 series)	38,590	(1,418)	37,172	30,389	6,783
Supplies and Materials	7,709	157	7,866	7,450	416
Other Objects	4,925	(3,500)	1,425	1,045	380
Total Undist. Expend. - Child Study Team	1,078,959	(11,391)	1,067,568	1,035,121	32,447
Undist. Expend. - Improv. of Inst. Serv.:					
Salaries of Supervisors of Instruction	264,512	4,488	269,000	236,830	32,170
Salaries of Other Professional Staff	279,890	(23,199)	256,691	234,371	22,320
Salaries of Secretarial and Clerical Assistants	27,540	3,400	30,940	26,931	4,009
Unused Vacation Payment to Terminated/Retired Staff		18,000	18,000	8,546	9,454

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

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist. Expend.-Improv. of Inst. Serv.: (Cont'd)					
Purchased Professional - Educational Services					
Other Purchased Services (400-500 series)	\$ 6,325	\$ 28,516	\$ 28,516	\$ 11,500	\$ 17,016
Supplies and Materials	1,000	1,484	6,325	1,765	4,560
Other Objects	3,980	800	2,484	1,770	714
Total Undist. Expend.-Improv. of Inst. Serv.	583,247	33,489	616,736	4,761	19
Undist. Expend.-Edu. Media Serv./Sch. Library:					
Salaries	301,371	223,179	524,550	435,619	88,931
Salaries of Technology Coordinators		14,842	14,842	14,102	740
Purchased Professional and Technical Services		20,000	20,000	15,862	4,138
Other Purchased Services (400-500 series)	15,415	(1,510)	13,905	6,905	7,000
Supplies and Materials	17,178	10	17,188	10,371	6,817
Total Undist Expend-Edu. Media Serv./Sch. Library	333,964	256,521	590,485	482,859	107,626
Undist.Expend.-Instructional Staff Training Services:					
Salaries of Supervisors of Instruction	45,116	52,856	97,972	87,508	10,464
Salaries of Other Professional Staff		5,572	5,572	2,400	3,172
Salaries of Secretarial and Clerical Assistants	10,020	2,600	12,620	12,532	88
Purchased Professional - Educational Service	2,997		2,997	670	2,327
Other Purchased Services (400-500 series)	20,000		20,000	5,480	14,520
Supplies and Materials	6,000	(1,100)	4,900	810	4,090
Total Undist.Expend.-Instructional Staff Training Services	84,133	59,928	144,061	109,400	34,661

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

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist. Expend.-Support Serv.-Gen. Admin.:					
Salaries	\$ 252,475	\$ 5,978	\$ 258,453	\$ 249,612	\$ 8,841
Salaries-Governance Staff (BOE Direct Reports only)	6,000		6,000		6,000
Legal Services	140,000	(890)	139,110	89,316	49,794
Audit Fees	73,500	(997)	72,503	31,500	41,003
Architectural/Engineering Services	8,000	42,500	50,500	9,500	41,000
Other Purchased Professional Services	22,100	36,637	58,737	35,604	23,133
Purchased Technical Services		7,000	7,000	4,126	2,874
Communications / Telephone	105,362	(15,286)	90,076	81,790	8,286
BOE Other Purchased Services	19,986	156	20,142	14,716	5,426
Other Purch. Serv. (400-500 series other than 530 & 585)	74,550	1,787	76,337	66,536	9,801
General Supplies	2,725	1,056	3,781	2,716	1,065
BOE In-house training/ Meeting Supplies	6,737	(2,632)	4,105	4,105	
Miscellaneous Expenditures	9,500	5,713	15,213	11,005	4,208
BOE Membership Dues and Fees	12,500	(34)	12,466	12,143	323
Total Undist. Expend.-Support Serv.-Gen. Admin.	733,435	80,988	814,423	612,669	201,754
Undist. Expend.-Support Serv.-School Admin.:					
Salaries of Principals/Assistant Principals/Prog Director	348,936	(877)	348,059	312,743	35,316
Salaries of Secretarial and Clerical Assistants	308,902	(76,182)	232,720	218,605	14,115
Unused Vacation Payment to Terminated/Retired Staff	17,500	8,500	26,000	17,961	8,039
Other Purchased Services (400-500 series)	26,355		26,355	21,124	5,231
Supplies and Materials	14,225		14,225	5,283	8,942
Other Objects	13,160		13,160	4,079	9,081
Total Undist. Expend.-Support Serv.-School Adm.	729,078	(68,559)	660,519	579,795	80,724



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

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist. Expend. - Central Services:					
Salaries	\$ 452,897		\$ 452,897	\$ 424,417	\$ 28,480
Purchased Professional Services	6,000	\$ (3,000)	3,000		3,000
Purchased Technical Services	70,350	31,060	101,410	91,976	9,434
Miscellaneous Purchased Services (400-500 series other than 594)	7,885	4,427	12,312	8,770	3,542
Supplies and Materials	9,803	5,083	14,886	14,885	1
Interest on Bond Anticipation Notes (BANs)	22,734	(22,675)	59		59
Other Objects	2,800	(570)	2,230	1,160	1,070
Total Undist. Expend. - Central Services	572,469	14,325	586,794	541,208	45,586
Undist. Expend. - Admin. Info. Technology:					
Salaries	23,447	200	23,647	23,622	25
Purchased Technical Services	4,500	17,034	21,534	20,366	1,168
Other Purchased Services (400-500 series)	9,380		9,380	2,778	6,602
Supplies and Materials	3,000	14,225	17,225	14,102	3,123
Total Undist. Expend. - Admin. Info. Technology	40,327	31,459	71,786	60,868	10,918
Undist. Expend.-Required Maintenance for School Facilities:					
Salaries	296,213	349	296,562	287,800	8,762
Cleaning, Repair, and Maintenance Services	340,931	129,932	470,863	319,793	151,070
Lead Testing of Drinking Water	2,940	(200)	2,740		2,740
General Supplies	173,412	(81,066)	92,346	87,418	4,928
Other Objects	375		375	375	
Total Undist. Expend.- Required Maint. for School Facilities	813,871	49,015	862,886	695,386	167,500

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

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist. Expend.-Custodial Services:					
Salaries	\$ 767,931	\$ 19,236	\$ 787,167	\$ 758,932	\$ 28,235
Salaries of Non-Instructional Aides	135,375	(2,019)	133,356	114,613	18,743
Purchased Professional and Technical Services	10,500		10,500	2,150	8,350
Cleaning, Repair, and Maintenance Services	64,375	(19,850)	44,525	34,488	10,037
Other Purchased Property Services	29,500		29,500	28,593	907
Insurance	185,400		185,400	180,008	5,392
General Supplies	56,790	(8,400)	48,390	48,282	108
Energy (Natural Gas)	307,404		307,404	259,837	47,567
Energy (Electricity)	415,000		415,000	326,521	88,479
Energy (Gasoline)	7,500		7,500	4,941	2,559
Other Objects	1,500	(724)	776		776
Total Undist. Expend.-Custodial Services	1,981,275	(11,757)	1,969,518	1,758,365	211,153
Care and Upkeep of Grounds:					
Salaries	25,438	75	25,513	22,438	3,075
Purchased Professional and Technical Services	12,500	(12,200)	300		300
Cleaning, Repair, and Maintenance Services	79,384	30,223	109,607	95,349	14,258
General Supplies	27,900	(12,950)	14,950	12,465	2,485
Total Care And Upkeep Of Grounds	145,222	5,148	150,370	130,252	20,118
Security:					
Purchased Professional and Technical Services	3,250	2,800	6,050	2,543	3,507
Cleaning, Repair, and Maintenance Services	7,500		7,500	4,846	2,654
General Supplies	5,100	17,582	22,682	20,607	2,075
Total Security	15,850	20,382	36,232	27,996	8,236
Total Undist. Expend.-Oper. And Maint. Of Plant Serv.	2,956,218	62,788	3,019,006	2,611,999	407,007

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

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist. Expend.-Student Transportation Serv.:					
Salaries of Non-Instructional Aides	\$ 6,500	\$ (6,481)	\$ 19	\$ 19	
Sal. for Pupil Trans. (Bet. Home and Sch)-Reg.	21,400	(225)	21,175	19,968	\$ 1,207
Sal. for Pupil Trans. (Bet. Home and Sch)-Spl. Ed.	7,135	1,056	8,191	8,110	81
Management Fee - ESC&CTSA Transportation Program	1,000		1,000		1,000
Other Purchased Professional and Technical Services	29,000	2,000	31,000	30,000	1,000
Contract. Serv. - Aid in Lieu of Payments-Nonpublic Studts	83,000	(3,100)	79,900	72,540	7,360
Contr Serv.-Aid in Lieu of Payments-Choice Stud.	6,000		6,000	2,044	3,956
Contract. Serv.(Oth. than Bet. Home & Sch.)-Vend.	26,600	9,507	36,107	34,633	1,474
Contract. Serv.(Spl. Ed. Students)-Vendors	30,000		30,000		30,000
Contract. Serv.(Reg. Students)-ESCs & CTSA	1,270,160	145,448	1,415,608	1,414,771	837
Contract. Serv.(Spl. Ed. Students)-ESCs & CTSA	319,870	3,000	322,870	319,870	3,000
Misc. Purchased Serv. - Transportation	720		720	283	437
General Supplies	300		300		300
<b>Total Undist. Expend.-Student Trans. Serv.</b>	<b>1,801,685</b>	<b>151,205</b>	<b>1,952,890</b>	<b>1,902,238</b>	<b>50,652</b>
<b>UNALLOCATED BENEFITS</b>					
Social Security Contributions	395,000		395,000	358,119	36,881
Other Retirement Contributions - PERS	398,000	38,819	436,819	436,819	
Other Retirement Contributions - Regular	20,000		20,000	17,256	2,744
Unemployment Compensation	15,000	(587)	14,413	9,428	4,985
Workers Compensation	160,000	(23,232)	136,768	136,768	
Health Benefits	4,853,809	(35,572)	4,818,237	4,740,301	77,936
Tuition Reimbursement	97,665	3,072	100,737	70,259	30,478
Other Employee Benefits	40,500	(3,000)	37,500	18,980	18,520

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

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
UNALLOCATED BENEFITS (Cont'd)					
Unused Sick Payment to Terminated/Retired Staff	\$ 25,000	\$ 16,000	\$ 41,000	\$ 40,548	\$ 452
TOTAL UNALLOCATED BENEFITS	<u>6,004,974</u>	<u>(4,500)</u>	<u>6,000,474</u>	<u>5,828,478</u>	<u>171,996</u>
ON-BEHALF CONTRIBUTIONS (NON-BUDGETED)					
TPAF Post Retirement Contributions (Non-Budgeted)				1,161,724	(1,161,724)
TPAF Pension Contributions (Non-Budgeted)				4,361,772	(4,361,772)
TPAF Non-Contributory Insurance (Non-Budgeted)				60,515	(60,515)
TPAF Long-Term Disability Insurance (Non-Budgeted)				1,763	(1,763)
Reimbursed TPAF Social Security Contributions				907,219	(907,219)
TOTAL ON-BEHALF CONTRIBUTIONS (NON-BUDGETED)				<u>6,492,993</u>	<u>(6,492,993)</u>
TOTAL PERSONAL SERVICES - EMPLOYEE BENEFITS	<u>6,004,974</u>	<u>(4,500)</u>	<u>6,000,474</u>	<u>12,321,471</u>	<u>(6,320,997)</u>
TOTAL UNDISTRIBUTED EXPENDITURES	<u>18,073,118</u>	<u>1,328,204</u>	<u>19,401,322</u>	<u>24,065,395</u>	<u>(4,664,073)</u>
TOTAL GENERAL CURRENT EXPENSE	<u>30,176,651</u>	<u>1,041,365</u>	<u>31,218,016</u>	<u>35,271,194</u>	<u>(4,053,178)</u>
CAPITAL OUTLAY					
Equipment					
Grades 6-8		78,419	78,419	33,938	44,481
Undistributed:					
Undist.Expand.-Support Serv. - Students - Reg.		4,500	4,500	4,244	256
Undistributed Expenditures - Admin. Info. Tech.		2,966	2,966	2,966	
Undist. Expend. - Required Maint for School Fac.	4,200	36	4,236	4,236	
Undist. Expend. - Care and Upkeep of Grounds	62,628		62,628	62,628	
Total Equipment	<u>66,828</u>	<u>85,921</u>	<u>152,749</u>	<u>108,012</u>	<u>44,737</u>

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

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Facilities Acquisition and Construction Serv.:					
Legal Services	\$ 4,000		\$ 4,000		\$ 4,000
Architectural/Engineering Services	15,000	\$ 11,550	26,550	\$ 11,550	15,000
Construction Services	150,000		150,000		150,000
Assessment for Debt Service on SDA Funding	89,009		89,009	89,009	
Total Facilities Acquisition and Const. Serv.	<u>258,009</u>	<u>11,550</u>	<u>269,559</u>	<u>100,559</u>	<u>169,000</u>
Assets Acquired Under Financed Purchases (Non-Budgeted):					
Regular Programs - Equipment				262,896	(262,896)
Total Assets Acquired Under Financed Purchases (Non-Budgeted)				<u>262,896</u>	<u>(262,896)</u>
TOTAL CAPITAL OUTLAY	<u>324,837</u>	<u>97,471</u>	<u>422,308</u>	<u>471,467</u>	<u>(49,159)</u>
TOTAL EXPENDITURES	<u>30,501,488</u>	<u>1,138,836</u>	<u>31,640,324</u>	<u>35,742,661</u>	<u>(4,102,337)</u>
Excess/(Deficit) of Revenues Over/(Under) Expenditures	(1,376,708)	(1,138,836)	(2,515,544)	704,461	3,220,005
Other Financing Sources/(Uses):					
Financed Purchases (Non-budgeted)				262,896	262,896
Transfers to Cover Deficit (Enterprise Fund)	(30,000)		(30,000)	(30,000)	
Total Other Financing Sources/(Uses)	<u>(30,000)</u>		<u>(30,000)</u>	<u>232,896</u>	<u>262,896</u>
Excess/(Deficit) of Revenues and Other Financing Sources Over/(Under) Expenditures and Other Financing Uses	(1,406,708)	(1,138,836)	(2,545,544)	937,357	3,482,901

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

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Fund Balance, July 1	\$ 7,339,557		\$ 7,339,557	\$ 7,339,557	
Fund Balance, June 30	\$ 5,932,849	\$ (1,138,836)	\$ 4,794,013	\$ 8,276,914	\$ 3,482,901
<u>Recapitulation:</u>					
Restricted Fund Balance:				\$ 4,803,482	
Capital Reserve				700,000	
Maintenance Reserve				123,071	
Unemployment Compensation				246,549	
Assigned Fund Balance:				1,519,926	
Year End Encumbrances				883,886	
Designated for Subsequent Year's Expenditures				8,276,914	
Unassigned Fund Balance				(187,031)	
Reconciliation to Governmental Funds Statement (GAAP):					
Last State Aid Payments not Recognized on GAAP basis				\$ 8,089,883	
Fund Balance per Governmental Funds (GAAP)				\$ 8,089,883	

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

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>REVENUES:</b>					
Local Sources	\$ 26,000	\$ 122,261	\$ 148,261	\$ 116,304	\$ (31,957)
State Sources	181,300	121,302	302,602	278,275	(24,327)
Federal Sources	432,591	458,112	890,703	748,584	(142,119)
<b>Total Revenues</b>	<b>\$ 639,891</b>	<b>\$ 701,675</b>	<b>\$ 1,341,566</b>	<b>\$ 1,143,163</b>	<b>\$ (198,403)</b>
<b>EXPENDITURES:</b>					
<b>Instruction</b>					
Salaries of Teachers		\$ 42,000	\$ 42,000	\$ 35,276	\$ 6,724
Purchased Professional/Technical Services	\$ 70,000	220,175	290,175	235,713	54,462
Other Purchased Services (400-500 Series)	75,000	(69,128)	5,872		5,872
Tuition	189,000	143,319	332,319	332,319	
Supplies and Materials	75,000	32,887	107,887	75,328	32,559
General Supplies	5,891	6,667	12,558	12,558	
Textbooks	10,000	9,734	19,734	19,734	
<b>Total Instruction</b>	<b>424,891</b>	<b>385,654</b>	<b>810,545</b>	<b>710,928</b>	<b>99,617</b>
<b>Support Services:</b>					
Salaries - Support		2,500	2,500	608	1,892
Purchased Professional/Technical Services	150,000	99,158	249,158	184,520	64,638
Other Purchased Services (400-500 Series)	50,000	29,986	79,986	76,951	3,035
Travel		553	553	238	315
Supplies and Materials	15,000	62,244	77,244	61,295	15,949
Student Activities		121,580	121,580	121,580	
<b>Total Support Services</b>	<b>215,000</b>	<b>316,021</b>	<b>531,021</b>	<b>445,192</b>	<b>85,829</b>
<b>Total Expenditures</b>	<b>\$ 639,891</b>	<b>\$ 701,675</b>	<b>\$ 1,341,566</b>	<b>\$ 1,156,120</b>	<b>\$ 185,446</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>\$ -0-</b>	<b>\$ -0-</b>	<b>\$ -0-</b>	<b>\$ (12,957)</b>	<b>\$ (12,957)</b>

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

Note A - 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 Schedule	\$ 36,447,122	\$ 1,143,163
Difference - Budgetary to GAAP:		
Grant Accounting Budgetary Basis Differs from GAAP in that the Budgetary Basis Recognizes Encumbrances as Expenditures and Revenue While the GAAP Basis Does Not		
Prior Year Encumbrances		11,522
Current Year Encumbrances		(38,920)
Current Year State Aid Payments Recognized for Budgetary Purposes, not Recognized for GAAP Statements	(187,031)	
Prior Year State Aid Payments Recognized for GAAP Statements, not Recognized for Budgetary Purposes	172,131	
Total Revenues as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds.	\$ 36,432,222	\$ 1,115,765
Uses/Outflows of Resources:		
Actual Amounts (Budgetary Basis) "Total Outflows" from the Budgetary Comparison Schedule	\$ 35,742,661	\$ 1,156,120
Differences - Budgetary to GAAP		
Grant Accounting Budgetary Basis Differs from GAAP in that the Budgetary Basis Recognizes Encumbrances as Expenditures and Revenue While the GAAP Basis Does Not		
Prior Year Encumbrances		11,522
Current Year Encumbrances		(38,920)
Total Expenditures as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	\$ 35,742,661	\$ 1,128,722



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

Budgets/Budgetary Control:

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

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

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

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

**SCHOOL LEVEL SCHEDULES  
(NOT APPLICABLE)**

**SPECIAL REVENUE FUND**

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

	IDEA Part B			
	Basic	Preschool	ARP Basic	ARP Preschool
<b>REVENUE:</b>				
Local Sources				
State Sources				
Federal Sources	\$ 389,899	\$ 15,115	\$ 9,110	\$ 5,197
<b>Total Revenue</b>	<u>389,899</u>	<u>15,115</u>	<u>9,110</u>	<u>5,197</u>
<b>EXPENDITURES:</b>				
Instruction:				
Salaries of Teachers	57,580		9,110	
Purchased Professional/Technical Services		6,553		
Tuition	332,319			
Supplies and Materials		6,562		5,197
General Supplies				
Textbooks				
<b>Total Instruction</b>	<u>389,899</u>	<u>13,115</u>	<u>9,110</u>	<u>5,197</u>
Support Services:				
Salaries - Support				
Purchased Professional/Technical Services				
Other Purchased Services (400-500 Series)		2,000		
Travel				
Supplies and Materials				
Student Activities				
<b>Total Support Services</b>		<u>2,000</u>		
<b>Total Expenditures</b>	<u>\$ 389,899</u>	<u>\$ 15,115</u>	<u>\$ 9,110</u>	<u>\$ 5,197</u>

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

	Emergent and Capital Maintenance Needs	Title I	Elementary and Secondary Education Act Title II	Title III	Title IV
REVENUE:					
Local Sources					
State Sources	\$ 27,389				\$ 9,504
Federal Sources		\$ 39,380	\$ 17,523	\$ 426	
Total Revenue	<u>27,389</u>	<u>39,380</u>	<u>17,523</u>	<u>426</u>	<u>9,504</u>
EXPENDITURES:					
Instruction:					
Salaries of Teachers					3,000
Purchased Professional/Technical Services					
Tuition					
Supplies and Materials		11,997	6,068	426	6,504
General Supplies					
Textbooks					
Total Instruction		<u>11,997</u>	<u>6,068</u>	<u>426</u>	<u>9,504</u>
Support Services:					
Salaries - Support			608		
Purchased Professional/Technical Services		21,951	4295		
Other Purchased Services (400-500 Series)		5,432	6552		
Travel	27,389				
Supplies and Materials					
Student Activities					
Total Support Services	<u>27,389</u>	<u>27,383</u>	<u>11,455</u>		
Total Expenditures	<u>\$ 27,389</u>	<u>\$ 39,380</u>	<u>\$ 17,523</u>	<u>\$ 426</u>	<u>\$ 9,504</u>

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

	ARP				
	ESSER III	Accelerated Learning	Summer Learning	Beyond the School Day	Student Activities
<b>REVENUE:</b>					
Local Sources					
State Sources					
Federal Sources	\$ 74,069	\$ 71,166	\$ 32,600	\$ 5,064	\$ 108,623
Total Revenue	<u>74,069</u>	<u>71,166</u>	<u>32,600</u>	<u>5,064</u>	<u>108,623</u>
<b>EXPENDITURES:</b>					
Instruction:					
Salaries of Teachers		2,331	30,000	2,945	
Purchased Professional/Technical Services		26,123	2,600		
Tuition					
Supplies and Materials	12,069	1,756		2,119	
General Supplies					
Textbooks					
Total Instruction	<u>12,069</u>	<u>30,210</u>	<u>32,600</u>	<u>5,064</u>	
Support Services:					
Salaries - Support					
Purchased Professional/Technical Services	62,000	40,956			
Other Purchased Services (400-500 Series)					
Travel					
Supplies and Materials					
Student Activities					121,580
Total Support Services	<u>62,000</u>	<u>40,956</u>			<u>121,580</u>
Total Expenditures	<u>\$ 74,069</u>	<u>\$ 71,166</u>	<u>\$ 32,600</u>	<u>\$ 5,064</u>	<u>\$ 121,580</u>

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

	Nonpublic			
	Chapter 193	Chapter 192	Chapter 192	Chapter 192
	Examination and Classification	Corrective Speech	Supplementary Instruction	Compensatory Education
	Textbooks			
REVENUE:				
Local Sources				
State Sources	\$ 43,794	\$ 12,090	\$ 16,416	\$ 46,352
Federal Sources				
Total Revenue	43,794	12,090	16,416	46,352
EXPENDITURES:				
Instruction:				
Salaries of Teachers				
Purchased Professional/Technical Services	43,794	12,090	16,416	46,352
Tuition				
Supplies and Materials				
General Supplies				
Textbooks				19,734
Total Instruction	43,794	12,090	16,416	46,352
Support Services:				
Salaries - Support				
Purchased Professional/Technical Services				
Other Purchased Services (400-500 Series)				
Travel				
Supplies and Materials				
Student Activities				
Total Support Services				
Total Expenditures	\$ 43,794	\$ 12,090	\$ 16,416	\$ 46,352
				\$ 19,734

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

	Nursing	Nonpublic Security	Technology Initiative	Climate Change Grant	Various Local Grants
<b>REVENUE:</b>					
Local Sources					
State Sources	\$ 33,488	\$ 61,295	\$ 12,558	\$ 5,159	\$ 7,681
Federal Sources					
<b>Total Revenue</b>	<b>33,488</b>	<b>61,295</b>	<b>12,558</b>	<b>5,159</b>	<b>7,681</b>
<b>EXPENDITURES:</b>					
Instruction:					
Salaries of Teachers					
Purchased Professional/Technical Services					
Tuition					
Supplies and Materials				4,921	7,681
General Supplies			12,558		
Textbooks					
<b>Total Instruction</b>			<b>12,558</b>	<b>4,921</b>	<b>7,681</b>
Support Services:					
Salaries - Support	33,488				
Purchased Professional/Technical Services					
Other Purchased Services (400-500 Series)					
Travel				238	
Supplies and Materials		61,295			
Student Activities					
<b>Total Support Services</b>	<b>33,488</b>	<b>61,295</b>		<b>238</b>	
<b>Total Expenditures</b>	<b>\$ 33,488</b>	<b>\$ 61,295</b>	<b>\$ 12,558</b>	<b>\$ 5,159</b>	<b>\$ 7,681</b>



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

	C.R.R.S.A.			
	ESSER II	Learning Acceleration	Mental Health	Totals
<b>REVENUE:</b>				
Local Sources				\$ 116,304
State Sources	39,363	\$ 18,338	\$ 21,830	278,275
Federal Sources				748,584
<b>Total Revenue</b>	<u>39,363</u>	<u>18,338</u>	<u>21,830</u>	<u>1,143,163</u>
<b>EXPENDITURES:</b>				
Instruction:				
Salaries of Teachers				35,276
Purchased Professional/Technical Services		12,095		235,713
Tuition				332,319
Supplies and Materials	3,785	6,243		75,328
General Supplies				12,558
Textbooks				19,734
<b>Total Instruction</b>	<u>3,785</u>	<u>18,338</u>		<u>710,928</u>
Support Services:				
Salaries - Support				608
Purchased Professional/Technical Services			21,830	184,520
Other Purchased Services (400-500 Series)	35,578			76,951
Travel				238
Supplies and Materials				61,295
Student Activities				121,580
<b>Total Support Services</b>	<u>35,578</u>		<u>21,830</u>	<u>445,192</u>
<b>Total Expenditures</b>	<u>\$ 39,363</u>	<u>\$ 18,338</u>	<u>\$ 21,830</u>	<u>\$ 1,156,120</u>

CLINTON TOWNSHIP SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
PRESCHOOL EDUCATION AID SCHEDULE OF EXPENDITURES  
BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOT APPLICABLE

**CAPITAL PROJECTS FUND**

CLINTON TOWNSHIP SCHOOL DISTRICT  
SUMMARY SCHEDULE OF REVENUE, EXPENDITURES  
AND CHANGES IN FUND BALANCE - BUDGETARY BASIS  
CAPITAL PROJECTS FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Expenditures:	
Legal Services	\$ 13,427
Purchased Professional and Technical Services	27,550
Construction Services	1,204,885
Architect/Engineering Fees	<u>85,362</u>
Total Expenditures	<u>1,331,224</u>
Deficit of Revenue Under Expenditures	(1,331,224)
Fund Balance/(Deficit) - Beginning	<u>(197,466)</u>
Fund Balance/(Deficit) - Ending	<u>\$ (1,528,690)</u>

CLINTON TOWNSHIP SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCES, AND PROJECT STATUS  
BUDGETARY BASIS  
2022 REFERENDUM  
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Total</u>	<u>Authorized Cost</u>
Revenue and Other Financing Sources:				
Budget Appropriation				\$ 1,536,321
Total Revenues and Other Financing Sources				1,536,321
Expenditures:				
Legal Services	\$ 5,358	\$ 13,427	\$ 18,785	18,785
Purchased Professional and Technical Services		27,550	27,550	30,543
Construction Services	192,108	1,204,885	1,396,993	1,396,993
Architect/Engineering Fees		85,362	85,362	90,000
Total Expenditures	197,466	1,331,224	1,528,690	1,536,321
Excess/(Deficit) of Revenue and Other Financing Sources Over/(Under) Expenditures	<u>\$ (197,466)</u>	<u>\$ (1,331,224)</u>	<u>\$ (1,528,690)</u>	<u>\$ -0-</u>
<b>Additional Project Information:</b>				
Project Number		N/A		
Grant Date		N/A		
Bonds Authorized	\$ 1,536,321			
Bonds Issued		N/A		
Original Authorized Cost	\$ 1,536,321			
Percentage Completion		100.00%		
Original Target Completion Date		06/30/23		
Revised Target Completion Date		N/A		

CLINTON TOWNSHIP SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SCHEDULE OF BOND ANTICIPATION NOTES PAYABLE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Description	Date of			Interest Rate	Balance June 30, 2023
	Original Issue	Issue	Maturity		
2022 Referendum	07/07/22	07/07/22	07/06/23	3.46%	\$ 1,536,321
					\$ 1,536,321

**PROPRIETARY FUNDS**

CLINTON TOWNSHIP SCHOOL DISTRICT  
FOOD SERVICE ENTERPRISE FUND  
STATEMENT OF NET POSITION  
JUNE 30, 2023

## ASSETS:

## Current Assets:

Cash and Cash Equivalents	\$ 14,976
Intergovernmental Receivable:	
Federal	153,307
State	378
Accounts Receivable - Other	1,190
Inventory	17,470

Total Current Assets	<u>187,321</u>
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## Non-Current Assets:

Capital Assets	501,940
Less: Accumulated Depreciation	<u>(293,974)</u>

Total Non-Current Assets	<u>207,966</u>
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Total Assets	<u>395,287</u>
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## LIABILITIES:

## Current Liabilities:

Interfund Payable - General Fund	59,938
Accounts Payable - Vendors	61,440
Unearned Revenue - Donated Commodities	7,354
Unearned Revenue - Supply Chain Assistance	15,808
Unearned Revenue - Prepaid Sales	<u>12,479</u>

Total Current Liabilities	<u>157,019</u>
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Total Liabilities	<u>157,019</u>
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## NET POSITION:

Investment in Capital Assets	207,966
Unrestricted	<u>30,302</u>

Total Net Position	<u>\$ 238,268</u>
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CLINTON TOWNSHIP SCHOOL DISTRICT  
FOOD SERVICE ENTERPRISE FUND  
STATEMENT OF REVENUE, EXPENSES  
AND CHANGES IN FUND NET POSITION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Operating Revenue:	
Charges for Services:	
Daily Sales - Reimbursable Programs	\$ 237,510
Daily Sales - Nonreimbursable Programs	171,990
Special Events	<u>1,011</u>
Total Operating Revenue	<u>410,511</u>
Operating Expenses:	
Cost of Sales - Reimbursable Programs	192,296
Cost of Sales - Nonreimbursable Programs	90,493
Salaries, Benefits & Payroll Taxes	231,481
Supplies, Insurance & Other Costs	18,770
Management Fee	20,250
Miscellaneous Expenses	37,578
Depreciation Expense	<u>23,013</u>
Total Operating Expenses	<u>613,881</u>
Operating Loss	<u>(203,370)</u>
Non-Operating Revenue:	
Federal Sources:	
National School Lunch Program	92,860
Supply Chain Assistance Funding	52,244
Food Distribution Program	44,491
School and Small Business Noncompliance Plumbing Fixture and Appliance Program	146,774
State Sources:	
State School Lunch Program	5,347
Local Sources:	
Interest Income	<u>267</u>
Total Non-Operating Revenue	<u>341,983</u>
Change in Net Position Before Transfer	138,613
Transfer - General Fund	<u>30,000</u>
Change in Net Position	168,613
Net Position - Beginning of Year	<u>69,655</u>
Net Position - End of Year	<u>\$ 238,268</u>

CLINTON TOWNSHIP SCHOOL DISTRICT  
FOOD SERVICE ENTERPRISE FUND  
STATEMENT OF CASH FLOWS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Cash Flows from Operating Activities:	
Receipts from Customers	\$ 409,930
Payments to Food Service Vendor	(464,506)
Payments to Employees	(8,400)
Payments to Suppliers	(49,534)
	<hr/>
Net Cash (Used for) Operating Activities	(112,510)
Cash Flows from Capital and Related Financing Activities:	
Purchases of Capital Assets	(163,714)
	<hr/>
Net Cash (Used for) Capital and Related Financing Activities	(163,714)
Cash Flows from Noncapital Financing Activities:	
State Subsidy Reimbursements	5,997
Federal Subsidy Reimbursements	199,307
Transfer from General Fund:	
Board Contribution	30,000
	<hr/>
Net Cash Provided by Noncapital Financing Activities	235,304
Cash Flows from Investing Activities:	
Interest on Investments	267
	<hr/>
Net Cash Provided by Investing Activities	267
Net Decrease in Cash and Cash Equivalents	(40,653)
Cash and Cash Equivalents, July 1	55,629
	<hr/>
Cash and Cash Equivalents, June 30	\$ 14,976
	<hr/> <hr/>
Reconciliation of Operating Loss to	
Net Cash (Used for) Operating Activities:	
Operating Loss	\$ (203,370)
Adjustment to Reconcile Operating Loss to Net	
Cash Used for Operating Activities:	
Depreciation	23,013
Food Distribution Program	44,491
Changes in Assets and Liabilities:	
(Increase) in Inventory	(3,864)
(Increase) in Other Accounts Receivable	(1,176)
Increase in Accounts Payable	23,086
Increase in Unearned Revenue - Prepaid Sales	594
Increase in Unearned Revenue - Donated Commodities	4,716
	<hr/>
Net Cash (Used for) Operating Activities	\$ (112,510)
	<hr/> <hr/>

Noncash Investing, Capital and Financing Activities:

The Food Service Enterprise Fund received U.S.D.A. Commodities through the Food Distribution Program valued at \$49,207 and utilized U.S.D.A. Commodities valued at \$44,491.

**FIDUCIARY ACTIVITIES  
(NOT APPLICABLE)**

**LONG-TERM LIABILITIES**

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

Purpose	Date of Issue	Original Issue	Maturities of			Interest Rate	Balance June 30, 2022	Matured	Balance June 30, 2023
			Bonds Outstanding	Date	Amount				
2015 Refunding Bonds	10/28/15	\$ 8,680,000	1/15/2024	\$ 30,000	3.000%	\$ 8,415,000	\$ 30,000	\$ 8,385,000	
	1/15/2025	30,000	3.000%						
	1/15/2026	30,000	3.188%						
	1/15/2027	35,000	3.161%						
	1/15/2028	35,000	3.214%						
	1/15/2029	35,000	3.214%						
	1/15/2030	35,000	3.214%						
	1/15/2031	1,950,000	3.256%						
	1/15/2032	2,005,000	3.375%						
	1/15/2033	2,065,000	4.000%						
1/15/2034	2,135,000	4.000%							
2020 Refunding Bonds	12/03/20	3,441,000	1/15/2024	919,000	0.897%	2,189,000	1,270,000	919,000	
2021 Refunding Bonds	10/19/21	10,409,000	1/15/2024	501,000	1.350%	10,395,000	135,000	10,260,000	
			1/15/2025	1,555,000	1.350%				
			1/15/2026	1,584,000	1.350%				
			1/15/2027	1,611,000	1.350%				
			1/15/2028	1,643,000	1.350%				
			1/15/2029	1,671,000	1.350%				
1/15/2030	1,695,000	1.350%							
						\$ 20,999,000	\$ 1,435,000	\$ 19,564,000	

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

Item	Interest Rate	Original Issue	Balance June 30, 2022	Issued	Matured	Balance June 30, 2023
Copiers	4.11%	\$ 100,030	\$ 84,737		\$ 19,051	\$ 65,686
Personal computers, electronic devices, servers and networking equipment	6.15%	262,896		\$ 262,896	67,373	195,523
			<u>\$ 84,737</u>	<u>\$ 262,896</u>	<u>\$ 86,424</u>	<u>\$ 261,209</u>

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

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>REVENUES:</b>					
Local Sources:					
Local Tax Levy	\$ 1,756,794		\$ 1,756,794	\$ 1,756,794	
Total Revenues	1,756,794		1,756,794	1,756,794	
<b>EXPENDITURES:</b>					
Regular Debt Service:					
Interest	467,262		467,262	467,262	
Redemption of Principal	1,435,000		1,435,000	1,435,000	
Total Regular Debt Service	1,902,262		1,902,262	1,902,262	
Total Expenditures	1,902,262		1,902,262	1,902,262	
Deficit of Revenues Under Expenditures	(145,468)		(145,468)	(145,468)	
Fund Balance, July 1	161,226		161,226	161,226	
Fund Balance, June 30	\$ 15,758	\$ -0-	\$ 15,758	\$ 15,758	\$ -0-
Restricted for Subsequent Year's Expenditures			\$ 15,758	\$ 15,758	

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

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

**Contents**

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

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



CLINTON TOWNSHIP SCHOOL DISTRICT  
NET POSITION BY COMPONENT  
LAST TEN FISCAL YEARS  
(accural basis of accounting)  
UNAUDITED

	June 30,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022*	2023
<b>Governmental Activities:</b>										
Net Investment in Capital Assets	\$ 24,467,555	\$ 24,995,409	\$ 25,463,192	\$ 25,862,605	\$ 25,757,830	\$ 25,645,074	\$ 25,756,531	\$ 25,679,620	\$ 25,956,852	\$ 27,080,033
Restricted	1,999,577	2,473,779	1,604,605	2,040,731	2,797,494	3,113,170	2,983,031	2,826,277	4,228,655	5,764,386
Unrestricted/(Deficit)	(7,316,596)	(6,572,794)	(5,061,778)	(7,925,307)	(8,396,819)	(8,379,427)	(7,684,554)	(5,590,099)	(4,328,037)	(5,849,397)
Total governmental activities net position	\$ 19,150,536	\$ 20,896,394	\$ 22,006,019	\$ 19,978,029	\$ 20,158,505	\$ 20,378,817	\$ 21,055,008	\$ 22,915,798	\$ 25,857,470	\$ 26,995,022
<b>Business-type Activities:</b>										
Investment in Capital Assets	\$ 10,481	\$ 13,481	\$ 11,992	\$ 10,503	\$ 9,014	\$ 7,525	\$ 20,519	\$ 45,922	\$ 28,911	\$ 207,966
Unrestricted/(Deficit)	15,525	13,453	10,658	13,581	1,721	18,586	94	(13,396)	40,744	30,302
Total business-type activities net position	\$ 26,006	\$ 26,934	\$ 22,650	\$ 24,084	\$ 10,735	\$ 26,111	\$ 20,613	\$ 32,526	\$ 69,655	\$ 238,268
<b>District-wide:</b>										
Net Investment in Capital Assets	\$ 24,478,036	\$ 25,008,890	\$ 25,475,184	\$ 25,873,108	\$ 25,766,844	\$ 25,652,599	\$ 25,777,050	\$ 25,725,542	\$ 25,985,763	\$ 27,287,999
Restricted	1,999,577	2,473,779	1,604,605	2,040,731	2,797,494	3,113,170	2,983,031	2,826,277	4,228,655	5,764,386
Unrestricted/(Deficit)	(7,301,071)	(6,559,341)	(5,051,120)	(7,911,726)	(8,395,098)	(8,360,841)	(7,684,460)	(5,603,495)	(4,287,293)	(5,819,095)
Total District Net Position	\$ 19,176,542	\$ 20,923,328	\$ 22,028,669	\$ 20,002,113	\$ 20,169,240	\$ 20,404,928	\$ 21,075,621	\$ 22,948,324	\$ 25,927,125	\$ 27,233,290

\* - Restated

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

	Fiscal Year Ending June 30,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Expenses:</b>										
Governmental Activities:										
Instruction:										
Regular	\$ 10,427,487	\$ 11,982,686	\$ 12,405,176	\$ 15,254,518	\$ 13,579,623	\$ 12,546,499	\$ 12,912,325	\$ 14,589,607	\$ 12,961,291	\$ 14,108,654
Special Education	4,493,701	4,767,628	5,046,886	6,289,955	5,246,515	4,943,643	5,399,270	4,040,765	2,679,938	2,581,414
Other Special Instruction	907,843	1,215,570	1,237,448	1,722,812	1,367,327	1,058,798	770,762	1,617,261	1,413,697	1,368,060
School Sponsored Instruction	87,515	92,121	116,205	151,874	119,031	169,584	166,141	66,406	142,968	121,475
Support Services:										
Tuition	873,557	664,972	467,098	557,171	465,117	527,794	418,376	313,378	133,612	290,967
Student & Instruction Related Services	5,733,507	6,322,668	6,845,608	7,331,631	7,145,515	6,643,904	5,377,056	6,108,659	5,850,774	7,389,644
General Administrative Services	1,162,128	1,282,779	1,579,339	1,580,503	752,745	884,629	784,628	579,207	760,423	750,460
School Administrative Services	1,338,075	1,694,187	1,630,779	1,818,026	1,787,713	1,475,990	1,537,284	1,026,774	1,130,134	890,397
Central Services				686,211	42	700,558	904,991	919,269	680,664	775,498
Administrative Information Technology				14,504	42	42		12,219	31,764	70,386
Plant Operations and Maintenance	2,618,431	2,660,530	3,288,189	3,625,818	2,905,434	3,322,367	2,758,378	2,900,714	2,776,856	3,093,747
Pupil Transportation	1,589,009	1,600,577	1,653,698	1,683,011	1,683,092	1,561,878	1,437,625	1,525,990	1,513,706	1,913,559
Capital Outlay				122,345	89,009	89,009	94,020	79,499	89,009	136,010
Special Schools	114,065	99,612	112,316	116,111	50,301	81,401	80,179			
Unallocated Depreciation				1,445,886	1,454,350	1,454,350	1,457,925	1,480,147	1,541,315	1,630,825
Interest on Long-Term Debt	1,358,695	1,325,265	1,146,055	1,198,120	964,061	913,326	859,934	692,441	446,205	421,623
Total Governmental Activities Expenses	30,704,013	33,708,595	35,528,797	41,329,550	38,335,420	36,373,772	34,958,894	35,952,336	32,152,356	35,542,719
Business-type Activities:										
Food Service	428,496	421,896	462,129	506,878	477,741	458,415	366,872	402,749	625,359	613,881
Total Business-type Activities Expenses	428,496	421,896	462,129	506,878	477,741	458,415	366,872	402,749	625,359	613,881
Total District Expenses	31,132,509	34,130,491	35,990,926	41,836,428	38,813,161	36,832,187	35,325,766	36,355,085	32,777,715	36,156,600
Governmental Activities:										
Charges for Services:										
Regular instruction	344,801	384,771	422,951	500,399					43,634	222,132
Special education instruction	89,808	70,279	257,962	169,779					466,622	54,339
Other instruction				8,850						
Tuition	2,787				731,797	497,205	610,046			
Student & instruction related services	47,144	26,097	3,357	30,451				17,271	69,554	121,580
General & business administrative services	5,312									
Plant operations & maintenance	67,589	61,154	46,502	49,444			27,953	26,743	11,550	
Pupil transportation	34,054	32,687	59,619	41,360						
Special schools	7,340	1,582								
Operating Grants and Contributions	837,903	802,768	615,914	634,499	11,475,969	10,102,595	8,968,154	10,425,876	7,523,918	7,955,992
Capital Grants and Contributions	59,895	444,426	(81,648)							
Total Governmental Activities Program Revenues	1,496,633	1,822,182	1,326,239	1,434,782	12,207,766	10,599,800	9,606,153	10,980,146	7,966,286	8,279,704

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

	Fiscal Year Ending June 30,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Business-type Activities:</b>										
Charges for Services:										
Food Service	\$ 353,767	\$ 348,680	\$ 373,016	\$ 389,772	\$ 367,536	\$ 398,729	\$ 265,980	\$ 3,211	\$ 94,485	\$ 410,511
Operating Grants and Contributions	82,423	73,937	84,583	93,234	96,276	74,143	77,176	410,469	545,301	194,942
Capital Grants and Contributions										146,774
Total Business-type Activities Revenues	436,190	422,617	457,599	483,006	463,812	472,872	343,156	413,680	639,786	752,227
Total District Program Revenues	1,932,823	2,244,799	1,783,838	1,917,788	12,671,578	11,072,672	9,949,309	11,393,826	8,606,072	9,031,931
Net (Expense)/Revenue										
Governmental Activities	(29,207,380)	(31,886,413)	(34,202,558)	(39,894,768)	(26,127,654)	(25,773,972)	(25,352,741)	(24,972,190)	(24,186,070)	(27,263,015)
Business-type Activities	7,694	721	(4,530)	(23,872)	(13,929)	14,457	(23,716)	10,931	14,427	138,346
Total District-wide Net (Expense)/Revenue	(29,199,686)	(31,885,692)	(34,207,088)	(39,918,640)	(26,141,583)	(25,759,515)	(25,376,457)	(24,961,259)	(24,171,643)	(27,124,669)
<b>General Revenues and Other Changes in Net Position:</b>										
Governmental Activities:										
Property Taxes Levied for General Purposes, Net	22,530,498	22,580,498	22,918,742	22,813,416	23,145,143	23,492,320	23,492,320	24,238,903	25,031,000	26,069,480
Taxes Levied for Debt Service	2,083,196	2,113,368	2,161,018	2,091,567	1,707,984	2,100,106	2,103,004	2,108,081	2,039,919	1,756,794
Unrestricted Grants and Contributions	5,326,061	8,822,963	10,066,633	12,831,589	1,373,502	454,470	331,106	243,081	102,039	186,182
Investment Earnings	21,145	22,077	24,697	34,577	10,813	8,133	5,258	270		
Miscellaneous Income	92,067	143,365	201,093	120,629	138,705	147,314	170,639	137,618	182,250	418,111
Other Item					200,000			105,027		
Transfers		(50,000)	(60,000)	(25,000)			(3,100)		(30,000)	(30,000)
Total Governmental Activities	30,052,967	33,632,271	35,312,183	37,866,778	26,576,147	26,202,343	26,099,227	26,832,980	27,325,208	28,400,567
Business-type Activities:										
Investment Earnings	183	207	246	306	580	919	635	10	74	267
Other Item								972	(7,372)	
Transfers				25,000			3,100		30,000	30,000
Total Business-type Activities	183	207	246	25,306	580	919	3,735	982	22,702	30,267
Total District-wide	30,053,150	33,632,478	35,312,429	37,892,084	26,576,727	26,203,262	26,102,962	26,833,962	27,347,910	28,430,834
Change in Net Position										
Governmental Activities	845,587	1,745,858	1,109,625	(2,027,990)	448,493	428,371	746,486	1,860,790	3,139,138	1,137,552
Business-type Activities	7,877	928	(4,284)	1,434	(13,349)	15,376	(19,981)	11,913	37,129	168,613
Total District	\$ 853,464	\$ 1,746,786	\$ 1,105,341	\$ (2,026,556)	\$ 435,144	\$ 443,747	\$ 726,505	\$ 1,872,703	\$ 3,176,267	\$ 1,306,165

Source: School District Financial Reports

CLINTON TOWNSHIP SCHOOL DISTRICT  
FUND BALANCES  
GOVERNMENTAL FUNDS  
LAST TEN FISCAL YEARS  
 (modified accrual basis of accounting)  
UNAUDITED

June 30,

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Fund:										
Restricted	\$ 929,792	\$ 2,115,969	\$ 1,328,179	\$ 1,649,007	\$ 2,797,492	\$ 3,113,168	\$ 2,816,630	\$ 2,720,224	\$ 3,932,397	\$ 5,626,553
Committed	366,647	988,770	2,865,632	336,121						
Assigned	200,000	240,000	91,023	241,023	541,517	57,974	562,511	678,123	1,078,420	1,766,475
Unassigned	514,457	382,034	301,053	352,313	311,594	865,276	869,000	2,286,579	2,156,609	696,855
Total General Fund	\$ 2,010,896	\$ 3,726,773	\$ 4,585,887	\$ 2,578,464	\$ 3,650,603	\$ 4,036,418	\$ 4,248,141	\$ 5,684,926	\$ 7,167,426	\$ 8,089,883
All Other Governmental Funds:										
Restricted, Reported in :										
Special Revenue Fund							\$ 116,244	\$ 106,053	\$ 135,032	\$ 122,075
Capital Projects Fund	\$ 1,384,815	\$ 938,670	\$ 74,155							
Debt Service Fund									161,226	15,758
Assigned, Reported in:										
Debt Service Fund			393,163	\$ 391,724						
Unassigned/(Deficit), Reported in:										
Capital Projects Fund									(197,466)	(1,528,690)
Total All Other Governmental Funds	\$ 1,384,815	\$ 938,670	\$ 467,318	\$ 391,724	\$ 2	\$ 2	\$ 116,244	\$ 106,053	\$ 98,792	\$ (1,390,857)
Total All Governmental Funds:										
Restricted	\$ 2,314,607	\$ 3,054,639	\$ 1,402,334	\$ 1,649,007	\$ 2,797,494	\$ 3,113,170	\$ 2,932,874	\$ 2,826,277	\$ 4,228,655	\$ 5,764,386
Committed	366,647	988,770	2,865,632	336,121						
Assigned	200,000	240,000	484,186	632,747	541,517	57,974	562,511	678,123	1,078,420	1,766,475
Unassigned	514,457	382,034	301,053	352,313	311,594	865,276	869,000	2,286,579	1,959,143	(831,835)
Total All Governmental Funds	\$ 3,395,711	\$ 4,665,443	\$ 5,053,205	\$ 2,970,188	\$ 3,650,605	\$ 4,036,420	\$ 4,364,385	\$ 5,790,979	\$ 7,266,218	\$ 6,699,026

Source: School District Financial Reports

CLINTON TOWNSHIP SCHOOL DISTRICT  
CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
LAST TEN FISCAL YEARS  
(modified accrual basis of accounting)  
UNAUDITED

	Fiscal Year Ending June 30,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Revenues</b>										
Tax Levy	\$ 24,613,694	\$ 24,693,866	\$ 25,079,760	\$ 24,904,983	\$ 24,853,127	\$ 25,592,426	\$ 25,595,324	\$ 26,346,984	\$ 27,070,919	\$ 27,826,274
Tuition	434,609	455,050	598,030	670,178	731,797	497,205	610,046	510,256	361,264	222,132
Transportation Fees							27,953	26,743	11,550	
Interest Earnings	21,145	22,077	24,697	34,577	10,813	8,133	5,258	270		
Miscellaneous	110,388	164,644	200,724	105,312	158,275	164,867	174,754	191,027	252,429	534,415
Other Sources			23,904							
State Sources	5,591,182	6,041,014	5,596,406	5,908,334	6,276,296	6,902,380	6,859,648	8,266,935	9,145,810	9,894,477
Federal Sources	584,847	520,420	450,501	424,486	377,054	428,221	388,700	540,197	917,120	827,483
<b>Total Revenues</b>	<b>31,355,865</b>	<b>31,897,071</b>	<b>31,974,022</b>	<b>32,047,870</b>	<b>32,407,362</b>	<b>33,593,232</b>	<b>33,661,683</b>	<b>35,882,412</b>	<b>37,759,092</b>	<b>39,304,781</b>
<b>Expenditures</b>										
<b>Instruction:</b>										
Regular Instruction	6,925,038	6,816,399	6,557,053	7,769,090	7,128,318	7,124,617	7,881,868	8,453,772	9,270,164	9,428,183
Special Education Instruction	2,958,654	2,624,066	2,384,493	3,115,056	2,631,033	2,681,119	3,300,539	2,494,936	2,001,668	1,818,783
Other Special Instruction	580,738	641,572	608,461	806,624	679,873	573,039	428,332	883,163	950,380	878,812
School Sponsored Instruction	61,655	62,836	73,169	87,088	85,937	133,906	121,705	48,820	111,140	87,163
<b>Support Services:</b>										
Tuition	388,568	309,736	467,098	232,942	465,117	527,794	131,321	313,378	133,612	290,967
Student & Instruction Related Services	3,773,373	3,512,926	3,622,803	3,930,422	3,720,880	3,791,712	3,287,503	4,031,079	4,372,850	5,265,760
General Administrative Services	450,982	436,175	500,190	550,585	554,154	688,006	622,620	431,054	641,604	612,669
School Administrative Services	865,515	964,085	837,796	892,689	892,941	768,757	873,712	643,825	775,255	579,795
Central Services	381,322	387,377	394,432	423,227	423,343	415,639	538,612	546,753	496,196	541,208
Administrative Information Technology	22,610	19,668	19,637	33,787	9,533	42		12,219	25,833	60,868
Plant Operations and Maintenance	2,156,672	2,143,445	2,566,089	2,742,089	2,390,713	2,623,776	2,269,235	2,449,987	2,620,067	2,611,999
Pupil Transportation	1,541,955	1,553,746	1,600,622	1,630,780	1,669,406	1,556,505	1,435,063	1,525,775	1,503,689	1,902,238
Unallocated Benefits	4,560,740	4,579,954	4,807,583	4,873,120	8,810,096	9,734,904	9,602,735	10,323,379	10,773,524	12,321,471

CLINTON TOWNSHIP SCHOOL DISTRICT  
CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
LAST TEN FISCAL YEARS  
(modified accrual basis of accounting)  
UNAUDITED

	Fiscal Year Ending June 30,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
On-behalf TPAF pension & Social Security contribution	\$ 2,191,134	\$ 2,457,829	\$ 2,882,586	\$ 3,249,153						
Special Schools	70,411	52,892	56,380	58,997	\$ 50,301	\$ 81,401	\$ 80,179			
Capital Outlay	213,345	62,591	1,296,005	836,380	315,594	406,094	820,589	\$ 294,624	\$ 783,450	\$ 1,802,691
Special Revenue Funds	837,903	802,768	615,914	634,499						
Capital Projects	638,412	906,897	215,464							
Debt Service:										
Principal	880,000	905,000	1,119,267	1,032,344	1,020,000	1,070,000	1,125,000	1,185,000	1,326,000	1,435,000
Interest and Other Charges	1,363,977	1,337,377	1,188,587	1,207,015	1,079,706	1,030,106	978,006	838,081	568,451	467,262
Total Expenditures	30,863,004	30,577,339	31,813,629	34,105,887	31,926,945	33,207,417	33,497,019	34,475,845	36,353,883	40,104,869
Excess (Deficiency) of Revenues Over (Under) Expenditures	492,861	1,319,732	160,393	(2,058,017)	480,417	385,815	164,664	1,406,567	1,405,209	(800,088)
Other Financing Sources (Uses)										
Financed Purchases			175,000						100,030	262,896
Premium on bonds and notes			305,937							
Proceeds from refunding bond issue			8,680,000					3,441,000	10,409,000	
Payment to refunding bond escrow agent			(8,873,568)					(3,400,000)	(10,155,000)	
Bond Issuance Costs								(35,806)	(60,962)	
Deferred Amount on Refunding								(90,194)	(193,038)	
Cancellation of Prior Year Accounts Payable Transferred to Capital Reserve								105,027		
Transfers Out		(50,000)	(60,000)	(25,000)			(3,100)		(30,000)	(30,000)
Total Other Financing Sources (Uses)		(50,000)	227,369	(25,000)	200,000		(3,100)	20,027	70,030	232,896
Net Change in Fund Balances	\$ 492,861	\$ 1,269,732	\$ 387,762	\$ (2,083,017)	\$ 680,417	\$ 385,815	\$ 161,564	\$ 1,426,594	\$ 1,475,239	\$ (567,192)
Debt Service as a Percentage of Noncapital Expenditures	7.3%	7.3%	7.6%	6.7%	6.6%	6.4%	6.4%	5.9%	5.3%	5.0%

Source: School District Financial Reports

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

Fiscal Year Ending June 30,	Tuition	Interest on Investments	Prior Year Refunds	Transportation Fees	Rentals - Use of Facilities	Other	Total
2014	\$ 434,609	\$ 21,145				\$ 62,558	\$ 518,312
2015	455,050	22,077				103,738	580,865
2016	598,030	24,697				201,015	823,742
2017	670,178	34,577	\$ 96			56,887	761,738
2018	731,797	78,357	34,500			36,661	881,315
2019	497,205	105,469				49,978	652,652
2020	610,046	75,640		\$ 27,953	\$ 15,863	84,394	813,896
2021	510,256	16,839	27,024	26,743		94,025	674,887
2022	361,264	7,332	65,811	11,550	26,545	66,804	539,306
2023	222,132	85,247	114,293		120,773	97,798	640,243

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

Year Ended December 31,	Vacant Land	Residential	Farm Regular	Qfarm	Commercial	Industrial	Apartment	Total Assessed Value	Add: Public Utilities <sup>a</sup>	Net Valuation Taxable	Tax-Exempt Property	Total Direct School Tax Rate <sup>b</sup>	Estimated Actual (County Equalized Value)
2013	\$ 14,144,800	#####	\$ 58,510,900	\$ 2,473,500	\$ 197,046,000	\$ 143,348,600	\$ 18,541,900	\$ 2,140,991,400	\$ 5,974,452	\$ 2,146,965,852	\$ 25,649,400	1.150	\$ 2,146,965,852
2014	13,374,700	1,706,616,300	55,811,400	2,393,000	191,683,800	147,099,700	18,541,900	2,135,520,800		2,135,520,800	25,110,900	1.160	2,135,520,800
2015	13,162,200	1,715,936,500	53,221,300	2,408,900	189,838,200	155,426,500	19,142,900	2,149,136,500		2,149,136,500	25,110,900	1.170	2,149,136,500
2016	12,470,100	1,721,744,700	52,845,400	2,387,900	186,955,500	155,319,700	19,342,900	2,151,066,200		2,151,066,200	26,318,600	1.160	2,151,066,200
2017	12,170,800	1,725,515,200	50,999,200	2,660,200	186,206,700	155,262,100	19,342,900	2,152,157,100		2,152,157,100	315,035,303	1.154	2,152,157,100
2018	11,917,800	1,724,916,100	51,555,100	2,779,000	185,252,200	155,282,300	19,347,900	2,151,050,400		2,151,050,400	315,191,403	1.190	2,287,177,599
2019	12,043,000	1,724,647,200	52,150,400	2,463,000	182,066,300	155,223,300	19,347,900	2,147,941,100		2,147,941,100	315,431,503	1.192	2,264,097,865
2020	12,220,500	1,719,687,800	51,959,400	2,280,400	181,697,000	162,716,400	19,347,900	2,149,909,400		2,149,909,400	317,726,903	1.226	2,301,380,924
2021	12,919,600	1,726,272,800	50,343,500	2,203,500	179,886,200	162,716,400	19,347,900	2,153,689,900		2,153,689,900	316,526,503	1.257	2,310,840,165
2022	12,659,500	1,735,240,400	49,369,600	2,235,600	176,026,900	162,716,400	19,347,900	2,157,596,300		2,157,596,300	332,448,103	1.290	2,339,494,818

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

b - Tax rates are per \$100 of assessed value.

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.

Source: Municipal Tax Assessor.



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

Year Ended December 31,	Clinton Township School District Direct Rate			Overlapping Rates			Total Direct and Overlapping Tax Rate
	General		Total Direct	Regional School Rate	Clinton Township	Hunterdon County	
	Basic Rate <sup>a</sup>	Obligation Debt Service <sup>b</sup>					
2013	\$ 1.050	\$ 0.100	\$ 1.150	\$ 0.640	\$ 0.280	\$ 0.370	\$ 2.440
2014	1.060	0.100	1.160	0.660	0.300	0.370	2.490
2015	1.070	0.100	1.170	0.670	0.320	0.390	2.550
2016	1.060	0.100	1.160	0.650	0.340	0.390	2.540
2017	1.055	0.099	1.154	0.653	0.339	0.391	2.537
2018	1.092	0.098	1.190	0.650	0.377	0.400	2.617
2019	1.094	0.098	1.192	0.638	0.425	0.396	2.651
2020	1.127	0.098	1.225	0.633	0.435	0.401	2.694
2021	1.162	0.095	1.257	0.618	0.454	0.403	2.732
2022	1.208	0.081	1.290	0.640	0.471	0.408	2.809

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.

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



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

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected Within the Fiscal Year of the Levy <sup>a</sup>		Collections in Subsequent Years
		Amount	Percentage of Levy	
2014	N/A	N/A	N/A	N/A
2015	N/A	N/A	N/A	N/A
2016	N/A	N/A	N/A	N/A
2017	\$ 24,904,983	\$ 24,904,983	100.00%	\$ -0-
2018	24,853,127	24,853,127	100.00%	-0-
2019	25,592,426	25,592,426	100.00%	-0-
2020	25,595,326	25,595,326	100.00%	-0-
2021	26,346,984	26,346,984	100.00%	-0-
2022	27,070,919	27,070,919	100.00%	-0-
2023	27,826,274	27,826,274	100.00%	-0-

N/A - Not Available

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.

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

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

Fiscal Year Ended June 30,	<u>Governmental Activities</u>			Total District	Percentage of Personal Income <sup>a</sup>	Per Capita <sup>a</sup>
	General Obligation Bonds	Financed Purchase Agreement	Bond Anticipation Notes (BANs)			
2014	\$ 29,375,000		\$ 540,000	\$ 29,915,000	3.00%	\$ 2,252.13
2015	28,470,000			28,470,000	2.75%	2,165.68
2016	27,405,000	\$ 115,733		27,520,733	2.60%	2,108.38
2017	26,430,000	58,389		26,488,389	2.46%	2,057.99
2018	25,410,000			25,410,000	2.32%	1,969.00
2019	24,340,000			24,340,000	2.14%	1,885.80
2020	23,215,000			23,215,000	1.95%	1,793.91
2021	22,071,000			22,071,000	1.80%	1,713.45
2022	20,999,000	84,737		21,083,737	1.54%	1,544.03
2023	19,564,000	261,209		19,825,209	1.48%	1,487.71

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

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

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

Fiscal Year Ended June 30,	General Bonded Debt Outstanding		Net General Bonded Debt Outstanding	Percentage of Actual Taxable Value <sup>a</sup> of Property	Per Capita <sup>b</sup>
	General Obligation Bonds	Deductions			
2014	\$ 29,375,000		\$ 29,375,000	1.368%	\$ 2,211.47
2015	28,470,000		28,470,000	1.333%	2,165.68
2016	27,405,000		27,405,000	1.275%	2,099.52
2017	26,430,000		26,430,000	1.229%	2,053.45
2018	25,410,000		25,410,000	1.181%	1,969.00
2019	24,340,000		24,340,000	1.132%	1,885.80
2020	23,215,000		23,215,000	1.081%	1,793.91
2021	22,071,000		22,071,000	1.027%	1,713.45
2022	20,999,000		20,999,000	0.975%	1,537.82
2023	19,564,000		19,564,000	0.907%	1,468.11

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

b - See Exhibit J-14 for population data. This ratio is calculated using population for the prior calendar year.

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

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

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable <sup>a</sup></u>	<u>Estimated Share of Overlapping Debt</u>
Debt Repaid with Property Taxes:			
Clinton Township	\$ 16,309,019	100.00%	\$ 16,309,019
North Hunterdon Regional High School	22,030,000	27.49%	6,055,452
Hunterdon County General Obligation Debt	90,647,955	10.51%	<u>9,528,946</u>
Subtotal, Overlapping Debt			31,893,417
Clinton Township School District Direct Debt			<u>20,999,000</u>
Total Direct and Overlapping Debt			<u><u>\$ 52,892,417</u></u>

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

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

Sources: Assessed value data used to estimate applicable percentages provided by the Hunterdon County Board of Taxation; debt outstanding data provided by each governmental unit.

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

Legal Debt Margin Calculation for Fiscal Year 2023

	Equalized valuation basis
	2022 \$2,348,921,111
	2021 2,309,817,857
	2020 2,287,142,111
	<u>\$6,945,881,079</u>
	<u>\$2,315,293,693</u>
	Average Equalized Valuation of Taxable Property
	Debt Limit (3% of average equalization value) <sup>a</sup> \$ 69,458,811
	Net Bonded School Debt as of June 30, 2023 19,564,000
	<u>Legal Debt Margin</u> \$ <u>49,894,811</u>

	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Debt Limit	\$ 67,727,114	\$ 66,543,114	\$ 66,545,021	\$ 67,373,771	\$ 67,921,823	\$ 68,267,007	\$ 68,376,166	\$ 68,405,759	\$ 68,778,909	\$ 69,458,811
Total Net Debt Applicable to Limit	29,915,000	28,470,000	27,405,000	26,430,000	25,410,000	24,340,000	23,215,000	22,071,000	20,999,000	19,564,000
Legal Debt Margin	<u>\$ 37,812,114</u>	<u>\$ 38,073,114</u>	<u>\$ 39,140,021</u>	<u>\$ 40,943,771</u>	<u>\$ 42,511,823</u>	<u>\$ 43,927,007</u>	<u>\$ 45,161,166</u>	<u>\$ 46,334,759</u>	<u>\$ 47,779,909</u>	<u>\$ 49,894,811</u>
Total Net Debt Applicable to the Limit	44.17%	42.78%	41.18%	39.23%	37.41%	35.65%	33.95%	32.26%	30.53%	28.17%
As a Percentage of Debt Limit										

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

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

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

Year	Population <sup>a</sup>	Personal Income <sup>b</sup>	Hunterdon County Per Capita Personal Income <sup>c</sup>	Unemployment Rate <sup>d</sup>
2014	13,146	\$ 1,036,719,852	\$ 78,862	4.90%
2015	13,053	1,057,044,993	80,981	4.30%
2016	12,871	1,078,113,573	83,763	4.10%
2017	12,905	1,095,789,360	84,912	3.80%
2018	12,907	1,134,964,138	87,934	3.60%
2019	12,941	1,189,873,186	91,946	3.00%
2020	12,881	1,224,828,528	95,088	7.60%
2021	13,655	1,369,432,640	100,288	4.80%
2022	13,326	1,336,437,888 ***	100,288 **	2.90%
2023	13,326 *	1,336,437,888 ***	100,288 **	N/A

\* - Latest Clinton Township population available (2021) was used for calculation purposes.

\*\* - Latest Hunterdon County per capita personal income available (2020) was used for calculation purposes.

\*\*\*- Latest available population data (2021) and latest Hunterdon County per capita personal income (2020) was used for calculation purposes

N/A - Not Available

Source:

a - Population information provided by the US Department of Census - Population Division.

b - Personal Income information provided by the US Department of Commerce - Bureau of Economic Analysis.

c - Per Capita Personal Income information provided by the US Department of Commerce - Bureau of Economic Analysis.

d - Unemployment data provided by the NJ Department of Labor and Workforce Development.



CLINTON TOWNSHIP SCHOOL DISTRICT  
PRINCIPAL EMPLOYERS - HUNTERDON COUNTY  
CURRENT YEAR AND NINE YEARS AGO  
UNAUDITED

INFORMATION IS NOT AVAILABLE

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

UNAUDITED

<u>Function/Program</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Instruction:										
Regular	107.9	94.0	91.1	88.1	84.0	89.0	84.0	101.5	108.5	104.5
Special Education	85.2	59.5	58.2	53.5	52.0	53.0	41.0	39.9	37.0	28.1
Support Services:										
Student & Instruction Related Services	30.3	55.3	46.0	46.3	46.0	46.0	56.0	49.4	54.0	76.7
General Administrative Services	2.0	2.0	2.0	2.0	2.0	2.0	2.0	3.0	3.0	2.1
School Administrative Services	11.0	13.0	13.5	9.5	9.5	9.5	12.0	10.7	10.0	6.0
Central Services	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.2
Administration Information Technology	1.0	3.0	3.0	2.0	2.0	2.0	2.0	3.0	3.0	0.3
Plant Operations and Maintenance	19.8	32.2	30.0	23.6	23.0	23.0	33.0	24.4	21.3	24.3
<b>Total</b>	<b>262.2</b>	<b>264.0</b>	<b>248.8</b>	<b>230.0</b>	<b>223.5</b>	<b>229.5</b>	<b>235.0</b>	<b>236.9</b>	<b>241.8</b>	<b>247.1</b>

Source: District Personnel Records.

CLINTON TOWNSHIP SCHOOL DISTRICT  
OPERATING STATISTICS  
LAST TEN FISCAL YEARS  
UNAUDITED

Fiscal Year	Enrollment	Operating Expenditures <sup>a</sup>	Cost Per Pupil <sup>d</sup>	Percentage Change	Teaching Staff <sup>b</sup>	Pupil/Teacher Ratio	Average Daily Enrollment (ADE) <sup>c</sup>	Average Daily Attendance (ADA) <sup>c</sup>	% Change in Average Daily Enrollment	Student Attendance Percentage
2014	1,550	* \$ 28,405,682	\$ 18,326	3.91%	157.0	1:10	1,542.7	* 1,481.1	* -5.04%	96.01%
2015	1,471	* 28,272,371	19,220	4.88%	146.0	1:10	1,450.2	* 1,372.3	* -6.00%	94.63%
2016	1,405	* 28,209,770	20,078	4.47%	143.0	1:10	1,402.0	* 1,348.8	* -3.32%	96.21%
2017	1,347	* 31,030,148	23,036	14.73%	141.0	1:10	1,335.6	* 1,282.6	* -4.74%	96.03%
2018	1,208	** 29,511,645	24,430	6.05%	136.0	1:09	1,177.8	** 1,133.8	** -11.81%	96.26%
2019	1,225	** 30,701,217	25,062	2.59%	142.0	1:09	1,219.0	** 1,176.1	** 3.50%	96.48%
2020	1,234	** 30,573,424	24,776	-1.14%	125.0	1:10	1,233.4	** 1,198.9	** 1.18%	97.20%
2021	1,208	** 32,158,140	26,621	7.45%	141.4	1:09	1,203.8	** 1,175.0	** -2.40%	97.61%
2022	1,195	** 33,675,982	28,181	5.86%	145.5	1:08	1,195.7	** 1,123.5	** -0.67%	93.96%
2023	1,171	** 36,399,916	31,084	10.30%	132.6	1:09	1,170.2	** 1,105.4	** -2.13%	94.46%

\* - Includes High School enrollment

\*\* - Does not include High School enrollment

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).

d - Cost per pupil is the sum of operating expenditures divided by enrollment. This cost per pupil may be different from the State's cost per pupil calculations.

Note: Enrollment based on end of year District count.

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

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
<u>District Building</u>					
Spruce Run School (1955)					
Square Feet	54,445	54,445	54,445	54,445	54,445
Capacity (students)	444	444	444	444	444
Enrollment	292	251	263	243	34
Patrick McGaheran School (1988)					
Square Feet	67,623	67,623	67,623	67,623	67,623
Capacity (students)	541	541	541	541	541
Enrollment	288	293	258	242	323
Round Valley School (1965)					
Square Feet	107,806	107,806	107,806	107,806	107,806
Capacity (students)	506	506	506	506	506
Enrollment	539	496	469	462	396
Clinton Township Middle School (2007)					
Square Feet	123,284	123,284	123,284	123,284	123,284
Capacity (students)	640	640	640	640	640
Enrollment	425	413	415	378	455
	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
<u>District Building</u>					
Spruce Run School (1955)					
Square Feet	54,445	54,445	54,445	54,445	54,445
Capacity (students)	444	444	444	444	444
Enrollment	35	39	41		
Patrick McGaheran School (1988)					
Square Feet	67,623	67,623	67,623	67,623	67,623
Capacity (students)	541	541	541	541	541
Enrollment	325	330	331	396	399
Round Valley School (1965)					
Square Feet	107,806	107,806	107,806	107,806	107,806
Capacity (students)	506	506	506	506	506
Enrollment	397	398	378	374	360
Clinton Township Middle School (2007)					
Square Feet	123,284	123,284	123,284	123,284	123,284
Capacity (students)	640	640	640	640	640
Enrollment	468	467	452	425	412

Number of Schools at June 30, 2023

    Elementary = 3

    Middle School = 1

Note: Year of original construction is shown in parentheses. Enrollment is based on the annual October District count.

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

Undistributed Expenditures - Required Maintenance  
For School Facilities - Account #11-000-261-XXX:

<u>School Facilities*</u>	<u>Project # (s)</u>	<u>Fiscal Year Ended June 30,</u>				
		<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Spruce Run School	N/A	\$ 58,124	\$ 93,727	\$137,266	\$134,745	\$128,950
Patrick McGaheran School	N/A	93,727	124,614	185,383	194,152	135,398
Round Valley School	N/A	145,003	153,352	246,232	255,526	212,769
Clinton Township Middle School	N/A	158,257	169,418	313,273	283,730	167,636
Grand Total		<u>\$455,111</u>	<u>\$541,111</u>	<u>\$882,154</u>	<u>\$868,153</u>	<u>\$644,753</u>

<u>School Facilities*</u>	<u>Project # (s)</u>	<u>Fiscal Year Ended June 30,</u>				
		<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Spruce Run School	N/A	\$148,348	\$ 89,468	\$ 97,921	\$128,679	111262
Patrick McGaheran School	N/A	235,331	109,119	119,429	156,943	132123
Round Valley School	N/A	200,304	168,522	190,395	250,200	208616
Clinton Township Middle School	N/A	206,332	188,935	217,702	286,084	243385
Grand Total		<u>\$790,315</u>	<u>\$556,044</u>	<u>\$625,447</u>	<u>\$821,906</u>	<u>\$695,386</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: School District records

CLINTON TOWNSHIP SCHOOL DISTRICT  
INSURANCE SCHEDULE  
JUNE 30, 2023  
UNAUDITED

	<u>Coverage</u>	<u>Deductible</u>
<u>NJ Schools Insurance Group</u>		
School Commercial Package Policy-		
NJ Schools Insurance Group		
Property - Building Blanket and Contents	\$ 500,000,000	\$ 5,000
Electronic Data Processing	500,000,000	1,000
Equipment Breakdown	100,000,000	25,000
Comprehensive General Liability	11,000,000	
Comprehensive Auto Liability	11,000,000	
Crime Coverage	1,000,000	1,000
School Board Legal Liability-		
NJ Schools Insurance Group		
Coverage A	11,000,000	5,000
Coverage B (each claim)	100,000	5,000
Coverage B (each policy period)	300,000	
Public Employees' Faithful Performance-		
NJ Schools Insurance Group		
School Board Secretary/Business Administrator	250,000	
Cyber & Privacy Liability		
NJ Schools Insurance Group		
Each Claim	2,000,000	25,000 or 250,000
Annual Aggregate	2,000,000	
Workers Compensation-		
NJ Schools Insurance Group		
Employer's Liability		
Bodily Injury by Accident- Each Accident	3,000,000	
Bodily Injury by Disease- Each Employee	3,000,000	
Bodily Injury by Disease- Policy Limit	3,000,000	
Environmental Impairment Policy-		
NJ Schools Insurance Group		
Through Steadfast Insurance	1,000,000	50,000
Workers Compensation-		
NJ Schools Insurance Group		
Employer's Liability		
Bodily Injury by Accident- Each Accident	3,000,000	
Bodily Injury by Disease- Each Employee	3,000,000	
Bodily Injury by Disease- Policy Limit	3,000,000	
Catastrophic Policy - National Union Fire Insurance Company		
Maximum for all Accident Medical Benefits	7,500,000	
Maximum Amount - Catastrophic Cash Benefit	500,000	

Source: Clinton Township Board of Education Insurance Broker

**SINGLE AUDIT SECTION**



Mount Arlington, NJ  
 Newton, NJ  
 Bridgewater, NJ  
 973.298.8500  
 nisivoccia.com  
 Independent Member  
 BKR International

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

Independent Auditors' Report

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and the audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey (the "Office"), the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Clinton Township School District, in the County of Hunterdon (the "District") as of and for the fiscal year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated January 5, 2024.

**Report on Internal Control Over Financial Reporting**

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

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

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



The Honorable President and Members  
of the Board of Education  
Clinton Township School District  
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**Report on Compliance and Other Matters**

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

**Purpose of this Report**

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

Mount Arlington, New Jersey  
January 5, 2024

*Nisivoccia LLP*  
NISIVOCCIA LLP

*Heidi A. Wohlleb*  
Heidi A. Wohlleb  
Licensed Public School Accountant #2140  
Certified Public Accountant



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Report on Compliance For Each Major Federal and State Program;  
 Report on Internal Control Over Compliance Required by the Uniform Guidance and NJOMB 15-08

Independent Auditors' Report

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

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

***Opinion on Each Major Federal and State Program***

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

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

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

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

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

***Responsibilities of Management for Compliance***

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

The Honorable President and Members  
of the Board of Education  
Clinton Township School District  
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### ***Auditors' Responsibilities for the Audit of Compliance***

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

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

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

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

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

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal 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.

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

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

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

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

Mount Arlington, New Jersey  
January 5, 2024

*Nisivoccia LLP*  
NISIVOCCIA LLP

*Heidi A. Wohlleb*  
\_\_\_\_\_  
Heidi A. Wohlleb  
Licensed Public School Accountant #2140  
Certified Public Accountant



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

Federal Grantor/Pass Through Grantor/ Program Title/Cluster Title	Assistance Listing Number	Grant or State Project Number	Grant Period		Program or Award Amount	Due to Grantor	Cash Received	Budgetary Expenditures	Cancellation of Prior Year Accounts Payable	Adjustment	Prior Year Encumbrances Canceled	Balance at June 30, 2023		Amount Provided to Subrecipients		
			From	To								Budgetary (Accounts Receivable)	Budgetary Unearned Revenue			
U.S. Department of Agriculture - Passed-through State Department of Agriculture: Enterprise Fund																
Child Nutrition Cluster:																
Food Distribution Program	10-555	N/A	7/1/2022	6/30/2023	\$ 49,207	\$ 49,207	\$ (41,855)					\$ 7,354				
Food Distribution Program	10-555	N/A	7/1/2021	6/30/2023	37,758	\$ 2,638	(2,638)									
COVID 19 - Supply Chain Assistance	10-555	N/A	7/1/2022	6/30/2023	68,052		(52,244)							15,808		
COVID 19 - Seamless Summer Option:																
After School Snack	10-555	N/A	7/1/2021	6/30/2022	4,809	(247)	247									
School Lunch Program	10-555	N/A	7/1/2021	6/30/2022	470,751	(44,681)	44,681									
National School Lunch Program	10-555	N/A	7/1/2022	6/30/2023	92,860		(92,860)				\$ (6,533)					
Total Child Nutrition Cluster						(42,290)	248,514	(189,595)				(6,533)	23,162			
Total U.S. Department of Agriculture						(42,290)	248,514	(189,595)				(6,533)	23,162			
U.S. Department of Homeland Security: Passed through State Department of Law and Public Safety: General Fund:																
COVID-19 - Coronavirus Pandemic	97-036	N/A	1/20/20	05/11/23	77,778		(77,778)									
U.S. Department of the Treasury: Passed through State Department of Community Affairs: Enterprise Fund																
COVID-19: School and Small Business Noncompliant Plumbing Fixture and Appliance Program	21-027	N/A	2/1/23	9/21/23	146,774		(146,774)					(146,774)				
TOTAL FEDERAL AWARDS						\$ (151,895)	\$ 210	\$ 1,039,228	\$ (1,162,731)	\$ 32	\$ 23	\$ 130	\$ (298,375)	\$ 23,162	\$ 210	\$ -0-

N/A - Not Available/Applicable  
\* - Expended in a prior year.

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

State Grantor/Program Title	Grant or State Project Number	Grant Period		Program or Award Amount	Balance at June 30, 2022		Cash Received	Budgetary Expenditures	Repayment of Prior Years' Balances	Balance at June 30, 2023		MEMO Cumulative Total Expenditures
		From	To		Budgetary Revenue/ (Accounts Receivable)	Due to Grantor				GAAP (Accounts Receivable)	Due to Grantor	
State Department of Education:												
General Fund:												
Categorical Special Education Aid	23-495-034-5120-089	7/1/2022	6/30/2023	\$ 1,200,968		\$ 1,087,538	\$ (1,200,968)			\$ (113,430)	\$	1,200,968
Categorical Security Aid	23-495-034-5120-084	7/1/2022	6/30/2023	102,324		92,660	(102,324)			(9,664)		102,324
Categorical Transportation Aid	23-495-034-5120-014	7/1/2022	6/30/2023	676,952		613,015	(676,952)			(63,937)		676,952
Nonpublic School Transportation Costs	23-495-034-5120-014	7/1/2022	6/30/2023	27,144		6,905	(27,144)			(27,144)		27,144
Lead Testing Reimbursement	N/A	7/1/2022	6/30/2023	6,905		6,905	(6,905)					6,905
Extraordinary Special Education Costs Aid	23-495-034-5120-044	7/1/2022	6/30/2023	1,152,335			(1,152,335)			(1,152,335)		1,152,335
Reimbursed TPAF Social Security Contributions	23-495-034-5095-003	7/1/2022	6/30/2023	907,219		861,698	(907,219)			(45,521)		907,219
On-Behalf TPAF Post Retirement Medical Contributions	23-495-034-5094-001	7/1/2022	6/30/2023	1,161,724		1,161,724	(1,161,724)					1,161,724
On-Behalf TPAF Pension Contributions	23-495-034-5094-002	7/1/2022	6/30/2023	4,361,772		4,361,772	(4,361,772)					4,361,772
On-Behalf TPAF Non-Contributory Insurance	23-495-034-5094-004	7/1/2022	6/30/2023	60,515		60,515	(60,515)					60,515
On-Behalf TPAF Long-Term Disability Insurance	23-495-034-5094-004	7/1/2022	6/30/2023	1,763		1,763	(1,763)					1,763
Categorical Special Education Aid	22-495-034-5120-089	7/1/2021	6/30/2022	1,109,963		102,654						1,109,963
Categorical Security Aid	22-495-034-5120-084	7/1/2021	6/30/2022	95,566		8,838						95,566
Categorical Transportation Aid	22-495-034-5120-014	7/1/2021	6/30/2022	655,670		60,639						655,670
Nonpublic School Transportation Costs	22-495-034-5120-014	7/1/2021	6/30/2022	20,880		20,880						20,880
Extraordinary Special Education Costs Aid	22-495-034-5120-044	7/1/2021	6/30/2022	1,291,400		1,291,400						1,291,400
Reimbursed TPAF Social Security Contributions	22-495-034-5095-003	7/1/2021	6/30/2022	863,847		42,959						863,847
Total General Fund State Aid						9,774,960	(9,659,621)			(1,225,000)		13,696,947
New Jersey School Development Authority: Special Revenue Fund						27,389	(27,389)					27,389
Emergent and Capital Maintenance Needs	N/A	7/1/2022	6/30/2023	27,389		27,389						27,389
State Department of Education:												
Special Revenue Fund:												
Climate Awareness Education Grant	23-100-034-5063-359	7/1/2022	6/30/2023	6,660								6,660
Nonpublic Textbook Aid	23-100-034-5120-064	7/1/2022	6/30/2023	19,734		19,734						19,734
Nonpublic Textbook Aid	22-100-034-5120-064	7/1/2021	6/30/2022	15,306		1,454						13,852
Nonpublic Textbook Aid	21-100-034-5120-064	7/1/2020	6/30/2021	14,478					(1,454)			13,024
Nonpublic Compensatory Education	23-100-034-5120-067	7/1/2022	6/30/2023	46,352		46,352						46,352
Nonpublic Compensatory Education	22-100-034-5120-067	7/1/2021	6/30/2022	32,248								32,248
Nonpublic Examination and Classification	23-100-034-5120-066	7/1/2022	6/30/2023	47,206		47,206						47,206
Nonpublic Examination and Classification	22-100-034-5120-066	7/1/2021	6/30/2022	43,980								43,980
Nonpublic Supplementary Instruction	23-100-034-5120-066	7/1/2022	6/30/2023	33,040		33,040						33,040
Nonpublic Supplementary Instruction	22-100-034-5120-066	7/1/2021	6/30/2022	29,984								29,984
Nonpublic Corrective Speech	23-100-034-5120-066	7/1/2022	6/30/2023	14,880		14,880						14,880
Nonpublic Corrective Speech	22-100-034-5120-066	7/1/2021	6/30/2022	21,390								21,390
Nonpublic Technology Initiative	23-100-034-5120-373	7/1/2022	6/30/2023	12,558		12,558						12,558
Nonpublic Technology Initiative	22-100-034-5120-373	7/1/2021	6/30/2022	10,710		209			(209)			10,501
Nonpublic Security Aid	23-100-034-5120-509	7/1/2022	6/30/2023	61,295		61,295						61,295
Nonpublic Security Aid	22-100-034-5120-509	7/1/2021	6/30/2022	44,625		1,749						46,374
Nonpublic Nursing Aid	23-100-034-5120-070	7/1/2022	6/30/2023	33,488		33,488						33,488
Nonpublic Nursing Aid	22-100-034-5120-070	7/1/2021	6/30/2022	28,560		1,511			(1,511)			27,049

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

State Grantor/Program Title	Grant or State Project Number	Grant Period		Program or Award Amount	Balance at June 30, 2022		Due to Grantor	Cash Received	Budgetary Expenditures	Repayment of Prior Years' Balances	Adjustment	Balance at June 30, 2023		MEMO
		From	To		Budgetary Revenue/(Accounts Receivable)	Unearned Revenue/(Accounts Receivable)						Due to Grantor	Budgetary Receivable	
Total Special Revenue Fund					\$ (1,527,370)	\$ 7,507	\$ 300,865	\$ (278,275)	\$ (12,264)	\$ (166)	\$ (3,018)	\$ 22,826	\$ (5,159)	\$ 506,735
Total State Department of Education					\$ (1,527,370)	7,507	10,075,825	(9,937,896)	(12,264)	(166)	(1,228,018)	22,826	(1,417,190)	14,203,682
State Department of Agriculture:														
Enterprise Fund:														
State School Lunch Program	23-100-010-3350-023	7/1/2022	6/30/2023	\$ 5,347	(1,028)		4,969	(5,347)		(378)			(378)	5,347
COVID-19 - Seamless Summer Option	22-100-010-3350-024	7/1/2021	6/30/2022	11,059			1,028							11,059
Total State Department of Agriculture					(1,028)		5,997	(5,347)		(378)			(378)	16,406
Total Enterprise Fund					(1,028)		5,997	(5,347)		(378)			(378)	16,406
Total State Awards Subject to Single Audit Determination					\$ (1,528,398)	\$ 7,507	\$ 10,081,822	\$ (9,943,243)	\$ (12,264)	\$ (166)	\$ (1,228,396)	\$ 22,826	\$ (1,417,568)	\$ 14,220,088

Less: State Awards Not Subject to Single Audit Major Program Determination

On-Behalf TPAF Pension System Contributions:

On-Behalf TPAF Post Retirement Contributions	23-495-034-5094-001	7/1/2022	6/30/2023	1,161,724				1,161,724						
On-Behalf TPAF Pension Contributions	23-495-034-5094-002	7/1/2022	6/30/2023	4,361,772				4,361,772						
On-Behalf TPAF Non-Contributory Insurance	23-495-034-5094-004	7/1/2022	6/30/2023	60,515				60,515						
On-Behalf TPAF Long-Term Disability Insurance	23-495-034-5094-004	7/1/2022	6/30/2023	1,763				1,763						

Subtotal - On-Behalf TPAF Pension System Contributions

Total State Awards Subject to Single Audit Major Program Determination

\$ (4,357,469)

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



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

NOTE 1. BASIS OF PRESENTATION

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

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

NOTE 3. INDIRECT COST RATE

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

NOTE 4. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

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

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is (\$14,900) for the general fund and (\$27,399) for the special revenue fund. See Note 1D for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenue are reported on the Board’s basic financial statements on a GAAP basis as presented on the following page.

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

(Continued)

NOTE 4. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS (Cont'd)

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ 77,778	\$ 9,644,721	\$ 9,722,499
Special Revenue Fund	760,215	249,756	1,009,971
Food Service Enterprise Fund	336,369	5,347	341,716
Total Financial Assistance	<u>\$ 1,174,362</u>	<u>\$ 9,899,824</u>	<u>\$ 11,074,186</u>

NOTE 5. RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

NOTE 6. FEDERAL AND STATE LOANS OUTSTANDING

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

NOTE 7. OTHER

TPAF Social Security contributions represent the amount reimbursed by the State for the employers' share of social security contributions for TPAF members for the fiscal year ended June 30, 2023. Revenue and expenditures reported under the Federal Food Distribution Program represent current year value received and current year distributions, respectively.

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

Summary of Auditors' Results:

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

<u>State:</u>	<u>Assistance Listing/ State Grant Numbers</u>	<u>Grant Period</u>	<u>Award Amount</u>	<u>Budgetary Expenditures</u>
Reimbursed TPAF Social Security Contributions	23-495-034-5095-003	7/1/22 - 6/30/23	\$ 907,219	\$ 907,219
Categorical Special Education Aid	23-495-034-5120-089	7/1/22 - 6/30/23	1,200,968	1,200,968
Categorical Security Aid	23-495-034-5120-084	7/1/22 - 6/30/23	102,324	102,324
 <u>Federal:</u>				
Special Education Cluster:				
I.D.E.A. Basic	84.027	7/1/22 - 9/30/23	419,635	389,899
I.D.E.A. Preschool	84.173	7/1/22 - 9/30/23	21,871	15,115
COVID 19 - ARP - I.D.E.A. Basic	84.027X	7/1/21 - 9/30/23	65,418	9,110
COVID 19 - ARP - I.D.E.A. Preschool	84.173X	7/1/21 - 9/30/23	5,585	5,197
Child Nutrition Cluster:				
Food Distribution Program	10.555	7/1/22 - 6/30/23	49,207	41,853
Food Distribution Program	10.555	7/1/21 - 6/30/23	37,758	2,638
COVID 19 - Supply Chain Assistance	10.555	7/1/22 - 6/30/23	68,052	52,244
National School Lunch Program	10.555	7/1/22 - 6/30/23	92,860	92,860

CLINTON TOWNSHIP SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

Summary of Auditors' Results:

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

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

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

Findings and Questioned Costs for Federal Awards:

- The audit did not disclose any findings or questioned costs for federal awards as defined in 2 CFR 200.516(a) of the Uniform Guidance.

Findings and Questioned Costs for State Awards:

- The audit did not disclose any findings or questioned costs for state awards as defined in 2 CFR 200.516(a) of the Uniform Guidance and New Jersey's OMB Circular 15-08.

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

Status of Prior Year Findings:

The District had no prior year audit findings.