

FLORENCE TOWNSHIP SCHOOL DISTRICT

Florence, New Jersey
County of Burlington

**ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

ANNUAL COMPREHENSIVE FINANCIAL REPORT

OF THE

FLORENCE TOWNSHIP SCHOOL DISTRICT

FLORENCE, NEW JERSEY

FOR THE FISCAL YEAR ENDED JUNE 30, 2023

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INTRODUCTORY SECTION

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FLORENCE TOWNSHIP SCHOOL SYSTEM
201 CEDAR STREET
FLORENCE, NEW JERSEY 08518
www.florence.k12.nj.us



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Superintendent of Schools
609-499-4600 Ext. 1000
[Fax] 609-499-9679

Luis Valencia
Business Administrator/Board Secretary
609-499-4600 Ext. 1007
[Fax] 609-499-0129

January 5, 2024

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

Dear Board Members/Citizens:

The Annual Comprehensive Financial Report (ACFR) of the Florence Township School District for the fiscal year ended June 30, 2023, is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Florence Township School District. 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, 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 cash flows, where applicable, thereof, for the year then ended in conformity with accounting principles generally accepted in the United States of America. All disclosures necessary to enable the reader to gain an understanding of the district's financial activities have been included.

GAAP requires that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The MD&A can be found immediately following the report of the independent auditors.

The Annual Comprehensive Financial Report is presented in four sections as follows:

Introductory Section:

Section contains a Letter of Transmittal, Roster of Officials, Consultants and Advisors, and an Organizational Chart.

Financial Section:

Section contains the Independent Auditors’ Report and includes the Management’s Discussion and Analysis, the Basic Financial Statements, Required Supplementary Information (RSI) and Other Supplementary Information.

Statistical Section:

Section contains selected financial trends, revenue and debt capacity, demographic, economic and other operating information, generally presented on a multi-year basis.

Single Audit Section:

The School 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 (Uniform Guidance)* and New Jersey OMB’s Circular 15-08 OMB, “*Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*”. Information related to this Single Audit, including the independent auditor’s report on the internal control and compliance with applicable laws, regulations, contracts and grants, along with findings and questioned costs, if any, are included in the Single Audit Section of this report.

REPORTING ENTITY AND ITS SERVICES

The Florence Township School District is an independent reporting entity within the criteria adopted by the Governmental Accounting Standard Board (GASB) as established by NCGA Statement No. 3. All funds of the School District are included in this report. The School District has no component units.

The School District provides a full range of educational services appropriate to grade levels Preschool through twelfth grade. This includes six full day kindergarten classes. Additionally, the District provided for a full range of services to meet the needs of its disabled population in all grade levels including self-contained classes as well as Resource Center and Inclusion Programs. The School District’s enrollment, as of October 15th, for the current and past nine fiscal years are detailed below:

<u>Fiscal Year</u>	<u>Student Enrollment</u>	<u>Percent Change</u>
2022-2023	1,508	-1.05%
2021-2022	1,524	-5.87%
2020-2021	1,619	3.92%
2019-2020	1,558	1.04%
2018-2019	1,542	-1.72%
2017-2018	1,569	-2.43%
2016-2017	1,608	-9.26%
2015-2016	1,772	-0.73%
2014-2015	1,785	9.71%
2013-2014	1,627	0.99%

ECONOMIC CONDITION AND OUTLOOK

The Florence Township School District continues to balance the needs of the district with the use of local and grant funds. Throughout the 2022-2023 school year, the district balanced the various needs of reopening post-pandemic. We have encountered an increase in costs for health and safety resources, educational/supplemental materials, and work needed to address aging buildings. The district has also encountered a significant increase in special education costs due to the extension of services for special education students and related service needs.

For the 2022-2023 school year, we saw a slight increase in the number of families completing the application. The district continues to encourage families to apply for Free & Reduced lunch programs. A demographic study was conducted in 2017-2018 to identify trends for enrollment. The district anticipated a small growth due to changes in the community and planned housing developments.

MAJOR INITIATIVES

In the 2022-2023 academic year, our primary emphasis was on sustaining a secure and healthy environment amid the ongoing pandemic challenges. In addition to prioritizing the well-being of our students and staff, our district is actively working to address academic setbacks resulting from the pandemic. Our dedicated focus extends to the social and emotional needs of our school community, recognizing the challenges posed by current conditions. Throughout the year, a key priority has been to tailor our instructional approaches to each student's individual circumstances, identifying academic requirements and striving to propel all students to higher levels of achievement. Throughout the year, we organized continuous professional development opportunities and conducted data analysis meetings to further support our commitment to academic excellence.

INTERNAL ACCOUNTING CONTROLS

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

BUDGETARY CONTROLS

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

system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either cancelled or included as re-appropriations of fund balance in the subsequent year.

ACCOUNTING SYSTEM AND REPORTS

The School District’s accounting records reflect generally accepted accounting principles, as promulgated by the Governmental Accounting Standards Board (GASB). The School District’s accounting system is organized on the basis of funds. The funds are explained in “Notes to Financial Statements”, Note 1.

OTHER INFORMATION

INDEPENDENT AUDIT

State statutes require an annual audit by independent certified public accountants. The accounting firm of Holt McNally & Associates, Inc., was appointed by the Board of Education. In addition to meeting the requirements set forth in the State statutes, the audit was also designed to meet the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and New Jersey OMB’s Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. The auditor’s report on the basic financial statements and combining statements and related major fund supporting statements and schedules is included in the financial section of this report. The auditor’s reports related specifically to the single audit are included in the Single Audit section of this report.

ACKNOWLEDGEMENTS

We would like to express our appreciation to the members of the Board of Education 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 accomplished without the efficient and dedicated services of our business office staff.

Respectfully submitted,



Superintendent



School Business Administrator/Board Secretary

Superintendent of Schools

▼ Business Administrator	▼ Educational Facilities Manager	▼ Director Special Services	▼ Principal High School	▼	▼ Principal Riverfront	▼ Principal Roebling	▼ Computer Coordinator
			▼ Assistant Principal	▼ Assistant Principal (HS & RF Shared)	▼ Assistant Principal		
▼	▼	▼	▼	▼	▼	▼	▼
Business Office	Operations & Maintenance	Child Study Team	Classroom Instruction	Athletics	Classroom Instruction	Classroom Instruction	IT Technician
Operations & Maintenance		Speech Services	Library/ Media Services	NCLB/ IDEA B Programs	Library/ Media Services	Library/ Media Services	
Transportation Department		Mentor Services	ESL Services	Student Discipline	ESL Services	ESL Services	
District Security		Non-Public Services	G&T Program		G&T Program	G&T Program	
Attendance Services			Co-Curricular Advisors		Co-Curricular Advisors	Co-Curricular Advisors	
Extended Day Program			Guidance Department		Guidance Department	Guidance Department	
Food Service Management			Cafeteria Monitors		Cafeteria Monitors	Café/ Campus Monitors	

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FLORENCE TOWNSHIP PUBLIC SCHOOL DISTRICT
201 Cedar Street
Florence, New Jersey 08518

ROSTER OF OFFICIALS

JUNE 30, 2023

MEMBERS OF THE BOARD OF EDUCATION	TERM EXPIRES
Christine S. Skinner, President	2024
Anthony Nutter, Vice President	2025
Sheray Norfleet	2025
Toby Popso	2024
Jennifer Papp	2023
Michael Sullivan	2023
Traci Wainwright	2025
Michele Boracci	2024
Christopher Conti	2023

OTHER DISTRICT OFFICIALS

Donna Ambrosius, Superintendent

Mark Leung, Business Administrator

Donald J. Cammus, Treasurer of School Monies

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FLORENCE TOWNSHIP PUBLIC SCHOOL DISTRICT
201 Cedar Street
Florence, New Jersey 08518

Consultants and Advisors

Board Auditor

Holt McNally & Associates, Inc.
618 Stokes Road
Medford, New Jersey 08055

Board Solicitor

Capehart & Scatchard, P.A.
Laurel Corporate Center
8000 Midlantic Drive, Suite 300S
Mt. Laurel, New Jersey 08054

Official Depositories

Citizens Bank
2150 Route 130 North
Burlington, New Jersey 08016

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FINANCIAL SECTION

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HOLT MCNALLY & ASSOCIATES

Certified Public Accountants & Advisors

INDEPENDENT AUDITOR'S REPORT

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

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 Florence School District, County of Burlington, State of New Jersey, as of and for the fiscal year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements as listed in the table of contents.

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

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Governmental Auditing Standards*, issued by the Comptroller General of the United States; and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey. 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 School District, and to meet our 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 provided a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the School District's ability to continue as a going concern for twelve months beyond the financial statement date, including any current 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 opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* and in accordance with accounting principles and practices prescribed by the Office of School Finance, Department of Education, State of New Jersey will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than 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 judgement made by a reasonable user based on the financial statements.

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, and the schedules related to accounting and reporting for pensions and other post-employment benefits, as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial

statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. 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 School District's basic financial statements. The combining and individual fund statements and long-term debt schedules are presented for purposes of additional analysis, as required by the Division of Administration and Finance, Department of Education, State of New Jersey, and are not a required part of the basic financial statements. The accompanying schedules of expenditures of federal awards and state financial assistance, as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid* are also not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements, long-term debt schedules and accompanying schedules of expenditures or federal award and state financial assistance are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

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

Respectfully submitted,

HOLT MCNALLY & ASSOCIATES, INC.
Certified Public Accountants & Advisors

David T. McNally
Certified Public Accountant
Public School Accountant, No. 2616

Medford, New Jersey
January 5, 2024

REQUIRED SUPPLEMENTARY INFORMATION - PART I

Management's Discussion and Analysis

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FLORENCE TOWNSHIP SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2023
(Unaudited)

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

Overview of the Basic Financial Statements

This discussion and analysis is intended to serve as an introduction to the School District's basic financial statements. Comparison to the prior year's activity is provided in this document. The basic financial statements are comprised of three components:

- 1) Government-Wide financial statements, 2) Fund financial statements, and 3) Notes to the basic financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements

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

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

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

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

Fund Financial Statements

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

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

FLORENCE TOWNSHIP SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2023
(Unaudited) (Continued)

Overview of the Basic Financial Statements (continued)

Fund Financial Statements (continued)

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

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

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

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

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

Notes to the Basic Financial Statements

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

Financial Analysis of the School District as a Whole

Recall that the Statement of Net Position provides the perspective of the school district as a whole (governmental and business-type activities). Net position may serve over time as a useful indicator of a government's financial position.

The School District's financial position is the product of several financial transactions including the net results of activities, the acquisition and payment of debt and other long-term liabilities, the acquisition and disposal of capital assets, and the depreciation of capital assets.

FLORENCE TOWNSHIP SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2023
(Unaudited) (Continued)

Financial Analysis of the School District as a Whole (continued)

Table 1 provides a summary of the School Districts net position for the fiscal years 2023 compared to fiscal year 2022.

Table 1
Summary of Net Position

	June 30, <u>2023</u>	June 30, <u>2022</u>	Increase/ <u>(Decrease)</u>	Percentage <u>Change</u>
Current & Other Assets	\$ 7,049,759	\$ 7,155,238	\$ (105,479)	-1.5%
Capital Assets, Net	27,837,095	28,871,584	(1,034,489)	-3.6%
Total Assets	<u>34,886,854</u>	<u>36,026,822</u>	<u>(1,139,968)</u>	-3.2%
Deferred Outflow of Resources	<u>1,043,422</u>	988,106	55,316	5.6%
Current and other Liabilities	3,405,465	1,224,939	2,180,526	178.0%
Noncurrent Liabilities	<u>15,131,976</u>	<u>18,235,929</u>	<u>(3,103,953)</u>	-17.0%
Total Liabilities	<u>18,537,441</u>	<u>19,460,868</u>	<u>(923,427)</u>	-4.7%
Deferred Inflow of Resources	<u>1,362,547</u>	2,639,532	(1,276,985)	-48.4%
Net Position:				
Net Investment in Capital Assets	17,749,608	16,848,627	900,981	5.3%
Restricted	4,549,106	4,350,324	198,782	4.6%
Unrestricted (Deficit)	<u>(6,268,426)</u>	<u>(6,284,423)</u>	15,997	-0.3%
Total Net Position	<u>\$ 16,030,288</u>	<u>\$ 14,914,528</u>	<u>\$ 1,115,760</u>	7.5%

FLORENCE TOWNSHIP SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2023
(Unaudited) (Continued)

Table 2 shows the changes in net position for fiscal year 2023 compared to fiscal year 2022.

Revenues:

Program Revenues:

Charges for Services	\$ 684,046	\$ 232,789	\$ 451,257	193.8%
Operating Grants & Contributions	5,088,754	7,613,195	(2,524,441)	-33.2%

General Revenues:

Property Taxes	20,416,771	19,821,372	595,399	3.0%
Federal & State Aid	11,579,725	11,365,119	214,606	1.9%
Other General Revenues	507,544	266,460	241,084	90.5%

Special Items:

Gain/(Loss) on Capital Asset Adjustment	(181,689)	(22,356)	(159,333)	712.7%
Total Revenues	38,095,151	39,276,579	(1,181,428)	-3.0%

Function/Program Expenditures:

Regular Instruction	9,256,402	9,047,564	208,838	2.3%
Special Education Instruction	4,833,207	4,475,161	358,046	8.0%
Other Instruction	913,249	1,060,324	(147,075)	-13.9%
Tuition	2,069,357	2,030,438	38,919	1.9%
Student & Instruction Related Services	6,000,013	4,971,603	1,028,410	20.7%
General Administrative	687,726	604,368	83,358	13.8%
School Administrative Services	1,273,639	1,255,880	17,759	1.4%
Central Services	595,154	401,239	193,915	48.3%
Administrative Info. Technology	587,992	512,459	75,533	14.7%
Plant Operations & Maintenance	2,702,407	2,744,516	(42,109)	-1.5%
Pupil Transportation	1,858,575	1,263,711	594,864	47.1%
Unallocated Benefits	1,822,904	2,880,510	(1,057,606)	-36.7%
Transfer to Charter Schools	1,598,909	1,652,949	(54,040)	-3.3%
Interest & Other Charges	370,515	263,781	106,734	40.5%
Unallocated Depreciation	1,450,779	1,448,823	1,956	0.1%
Food Service	704,362	913,397	(209,035)	-22.9%
Daycare	254,201	195,092	59,109	30.3%
Total Expenditures	36,979,391	35,721,815	1,257,576	3.5%

Change In Net Position	1,115,760	3,554,764	(2,439,004)	-68.6%
Net Position - Beginning (Restated)	14,914,528	11,359,764	3,554,764	31.3%
Net Position - Ending	\$ 16,030,288	\$ 14,914,528	\$ 1,115,760	7.5%

During the fiscal year 2023, the net position of governmental activities increased by \$838,196 or 5.74%. The assets and deferred outflows of the primary government activities exceeded liabilities and deferred inflows by \$15,447,987, with an unrestricted deficit balance of \$6,668,439. The deficit in unrestricted net position is primarily due to accounting treatment for compensated absences payable, GASB 68 net pension liability, and the last two state aid payments. In addition, state statutes prohibit school districts from maintaining more than 2% of its adopted budget as unassigned fund balance.

**FLORENCE TOWNSHIP SCHOOL DISTRICT
Management’s Discussion and Analysis
For the Fiscal Year Ended June 30, 2023
(Unaudited) (Continued)**

Governmental Activities (continued)

The School District’s governmental activities unrestricted net position had GASB 68 pension not been implemented would have been as follows:

**Table 3
GASB 68 Effect on Unrestricted Net Position**

Unrestricted Net Position (With GASB 68)	\$	(6,668,439)
Add back: PERS Pension Liability		3,458,367
Less: Deferred Outflows related to pensions		(503,472)
Add back: Deferred Inflows related to pensions		<u>1,362,547</u>
Unrestricted Net Position (Without GASB 68)	<u>\$</u>	<u>(2,350,997)</u>

Business-type Activities

During the fiscal year 2023, the net position of business-type activities increased by \$277,564 or 91.08%.

The assets and deferred outflows of the business-type activities were less than liabilities and deferred inflows by \$582,301.

General Fund Budgeting Highlights

Final budgeted revenues were \$30,310,792 which was unchanged from the original budget. The School District’s actual revenues exceeded budgeted revenues by \$245,479.

Final budgeted appropriations were \$32,357,712, which was an increase of \$180,238 from the original budget. The increase is primarily due to prior year reserve for encumbrances, which increases the budget appropriations in the subsequent fiscal year’s budget. Excluding nonbudgeted revenues, the School District’s budget appropriations exceeded actual expenditures by \$1,985,454.

The School District’s general fund balance – budgetary basis (Exhibit C-1) was \$6,528,662 at June 30, 2023, an increase of \$184,013 from the prior year.

FLORENCE TOWNSHIP SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2023
(Unaudited) (Continued)

Governmental Funds

At the end of the current fiscal year, the School District's governmental funds reported a combined ending fund balance of \$5,654,122, a decrease of \$346,859 from the prior year.

General fund - During the current fiscal year, the fund balance of the School District's general fund increased by \$51,730 to \$5,521,407 at June 30, 2023. The net position increased in the prior year by \$617,406. The primary factor(s) affecting the change in fund balance of the general fund compared to the change in fund balance in the prior year is as follows:

- Local revenues increased by \$813,244 or 4.53% from the prior year
- State revenues increased by \$381,847 or 2.23% from the prior year

Special revenue fund – During the current fiscal year, fund balance increased \$2,711. This is the net activity of the Student Activities and Scholarship accounts.

Capital projects fund – During the current fiscal year, fund balance decreased \$401,300. This is due to the completion of the riverfront roof project.

Debt service fund – During the current fiscal year, fund balance remained unchanged at \$1,276.

Proprietary Funds

Food service fund - During the current fiscal year, the net position of the School District's food service fund increased by \$82,093 to \$483,497 at June 30, 2023. The net position increased in the prior year by \$223,321. The primary factor affecting the change in net position of the food service fund compared to the change in net position in the prior year is as follows:

- Decrease in operations due to free meals for all students lapsing in current year.

Extended Day Program - During the current fiscal year, the net position of the School District's Extended Day Program increased by \$195,471 to \$98,804 at June 30, 2023. The net position increased in the prior year by \$34,336. The primary factor affecting the change in net position compared to the prior year change in net position is as follows:

- Extended day program returned to normal operations.

Capital Assets

The School District's capital assets for its governmental and business-type activities as of June 30, 2023, totaled \$27,837,095 (net of accumulated depreciation). This investment in capital assets includes land, construction-in-progress, land improvements, buildings and improvements and equipment. There was a net decrease in the School District's investment in capital assets for the current fiscal year in the amount of \$1,034,489. Table 4 shows fiscal 2023 balances compared to 2022.

FLORENCE TOWNSHIP SCHOOL DISTRICT
Management’s Discussion and Analysis
For the Fiscal Year Ended June 30, 2023
(Unaudited) (Continued)

Capital Assets (continued)

Table 4
Summary of Capital Assets

<u>Capital Asset (Net of Depreciation):</u>	June 30, <u>2023</u>	June 30, <u>2022</u>	Increase/ <u>(Decrease)</u>	Percentage <u>Change</u>
Land	\$ 918,785	\$ 918,785	\$ -	0.0%
Construction in Progress	401,300	-	401,300	100.0%
Land Improvements	214,789	301,632	(86,843)	-28.8%
Building and Improvements	24,983,113	26,156,394	(1,173,281)	-4.5%
Equipment	1,319,108	1,494,773	(175,665)	-11.8%
	<u>\$ 27,837,095</u>	<u>\$ 28,871,584</u>	<u>\$ (1,034,489)</u>	-3.6%

Depreciation expense for the year was \$1,465,331. Additional information on the School District’s capital assets can be found in the notes to the basic financial statements (Note 5) of this report.

Debt Administration

Long-term debt – At the end of the current fiscal year, the School District had total bonded debt outstanding of \$10,430,000 which is a decrease of \$1,920,000 from the prior year.

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

Factors on the School District’s Future

At the time these financial statements were prepared and audited, the Florence Township School District was aware of no existing circumstances that could significantly affect its financial health in the future.

Contacting the School Districts Financial Management

This financial report is designed to provide a general overview of the School District’s finances for all those with an interest in the School District. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the School Business Administrator, Florence Township School District, 201 Cedar Street, Florence, New Jersey 08518-1599.

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BASIC FINANCIAL STATEMENTS

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A. Government-Wide Financial Statements

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

	<u>GOVERNMENTAL</u> <u>ACTIVITIES</u>	<u>BUSINESS-TYPE</u> <u>ACTIVITIES</u>	<u>TOTAL</u>
ASSETS:			
Cash & Cash Equivalents	\$ 4,177,439	\$ 382,204	\$ 4,559,643
Receivables, Net (Note 4)	1,257,650	22,120	1,279,770
Internal Balances	(19,926)	19,926	-
Inventory	-	6,080	6,080
Restricted Cash & Cash Equivalents	1,204,266	-	1,204,266
Capital Assets, Net (Note 5)			
Non-depreciable	1,320,085	-	1,320,085
Depreciable	26,334,722	182,288	26,517,010
	<hr/>	<hr/>	<hr/>
Total Assets	34,274,236	612,618	34,886,854
DEFERRED OUTFLOWS OF RESOURCES:			
Related to Pensions (Note 8)	503,472	-	503,472
Related to Loss on Debt Refunding	539,950	-	539,950
	<hr/>	<hr/>	<hr/>
Total Deferred Outflow of Resources	1,043,422	-	1,043,422
	<hr/>	<hr/>	<hr/>
Total Assets Deferred Outflow of Resources	35,317,658	612,618	35,930,276
LIABILITIES:			
Accounts Payable	916,028	30,317	946,345
Due to Other Governments	373,793	-	373,793
Unearned Revenue	143	-	143
Accrued Interest	51,320	-	51,320
Noncurrent Liabilities (Note 7):			
Due within one year	2,033,864	-	2,033,864
Due in more than one year	15,131,976	-	15,131,976
	<hr/>	<hr/>	<hr/>
Total Liabilities	18,507,124	30,317	18,537,441
DEFERRED INFLOWS OF RESOURCES:			
Related to Pensions (Note 8)	1,362,547	-	1,362,547
	<hr/>	<hr/>	<hr/>
Total Deferred Inflow of Resources	1,362,547	-	1,362,547
NET POSITION:			
Net Investment in Capital Assets	17,567,320	182,288	17,749,608
Restricted for:			
Capital Projects	1,010,726	-	1,010,726
Maintenance Reserve	59,000	-	59,000
New Jersey Unemployment	144,540	-	144,540
Student Activities	116,166	-	116,166
Scholarships	5,273	-	5,273
Excess Surplus	3,213,401	-	3,213,401
Unrestricted (Deficit)	(6,668,439)	400,013	(6,268,426)
	<hr/>	<hr/>	<hr/>
Total Net Position	\$ 15,447,987	\$ 582,301	\$ 16,030,288

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

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

FUNCTIONS/PROGRAMS	PROGRAM REVENUES			NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION		
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS & CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
Governmental Activities						
Instruction:						
Regular Instruction	\$ 9,256,402	\$ -	\$ -	(9,256,402)	\$ -	(9,256,402)
Special Education Instruction	4,833,207	-	1,153,505	(3,679,702)	-	(3,679,702)
Other Instruction	913,249	-	-	(913,249)	-	(913,249)
Support Services:						
Tuition	2,069,357	-	-	(2,069,357)	-	(2,069,357)
Student & Instruction Related Services	6,000,013	-	1,248,645	(4,751,368)	-	(4,751,368)
General Administrative	687,726	-	-	(687,726)	-	(687,726)
School Administrative Services	1,273,639	-	-	(1,273,639)	-	(1,273,639)
Central Services	595,154	-	-	(595,154)	-	(595,154)
Administrative Info. Technology	587,992	-	-	(587,992)	-	(587,992)
Plant Operations & Maintenance	2,702,407	-	-	(2,702,407)	-	(2,702,407)
Pupil Transportation	1,858,575	-	-	(1,858,575)	-	(1,858,575)
Unallocated Benefits	1,822,904	-	2,157,759	334,855	-	334,855
Transfer to Charter Schools	1,598,909	-	-	(1,598,909)	-	(1,598,909)
Interest & Other Charges	370,515	-	-	(370,515)	-	(370,515)
Unallocated Depreciation	1,450,779	-	-	(1,450,779)	-	(1,450,779)
Total Governmental Activities	36,020,828	-	4,559,909	(31,460,919)	-	(31,460,919)
Business-Type Activities:						
Food Service	704,362	254,374	528,845	-	78,857	78,857
Extended Day Program	254,201	429,672	-	-	175,471	175,471
Total Business-Type Activities	958,563	684,046	528,845	-	254,328	254,328
Total Primary Government	\$ 36,979,391	\$ 684,046	\$ 5,088,754	(31,460,919)	254,328	(31,206,591)
General Revenues:						
Taxes:						
Property Taxes, Levied for General Purposes				18,339,955	-	18,339,955
Property Taxes, Levied for Debt Service				2,076,816	-	2,076,816
Federal & State Aid Not Restricted				11,579,725	-	11,579,725
Tuition Charges				102,358	-	102,358
Miscellaneous				401,950	3,236	405,186
Special Items:						
Gain/(Loss) on Capital Asset Adjustment				(181,689)	-	(181,689)
Contribution to Extended Day Care				(20,000)	20,000	-
Total General Revenues				32,299,115	23,236	32,322,351
Change In Net Position				838,196	277,564	1,115,760
Net Position - Beginning				14,609,791	304,737	14,914,528
Net Position - Ending				\$ 15,447,987	\$ 582,301	\$ 16,030,288

B. Fund Financial Statements

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**FLORENCE TOWNSHIP SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2023**

	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	DEBT SERVICE FUND	TOTAL GOVERNMENTAL FUNDS
ASSETS:					
Cash & Cash Equivalents	\$ 3,986,812	\$ 179,351	\$ 10,000	\$ 1,276	\$ 4,177,439
Receivables, Net:					
Interfund Receivable	486,479	-	-	-	486,479
Due from Other Governments:					
State	570,533	33,337	-	-	603,870
Federal	-	584,252	-	-	584,252
Other Receivables	44,278	25,250	-	-	69,528
Restricted Cash & Cash Equivalents	1,204,266	-	-	-	1,204,266
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total Assets	\$ 6,292,368	\$ 822,190	\$ 10,000	\$ 1,276	\$ 7,125,834
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
LIABILITIES & FUND BALANCES					
Liabilities:					
Accounts Payable	\$ -	\$ 164,993	\$ -	\$ -	\$ 164,993
Payroll Payable	751,035	-	-	-	751,035
Due to Other Governments	-	49,136	-	-	49,136
Interfund Payable	19,926	486,479	-	-	506,405
Unearned Revenue	-	143	-	-	143
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total Liabilities	770,961	700,751	-	-	1,471,712
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Fund Balances:					
Restricted for:					
Capital Reserve	1,000,726	-	-	-	1,000,726
Maintenance Reserve	59,000	-	-	-	59,000
Excess Surplus - Current year	1,900,735	-	-	-	1,900,735
Excess Surplus - Prior Year - Designated for Subsequent Year's Expenditures	1,312,666	-	-	-	1,312,666
Capital Projects	-	-	10,000	-	10,000
Debt Service	-	-	-	1,276	1,276
Student Activities	-	116,166	-	-	116,166
Scholarships	-	5,273	-	-	5,273
New Jersey Unemployment Trust	144,540	-	-	-	144,540
Assigned to:					
Designated for Subsequent Year's Expenditures	1,362,970	-	-	-	1,362,970
Other Purposes	112,500	-	-	-	112,500
Unassigned					
General Fund	(371,730)	-	-	-	(371,730)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total Fund Balances	5,521,407	121,439	10,000	1,276	5,654,122
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total Liabilities & Fund Balances	\$ 6,292,368	\$ 822,190	\$ 10,000	\$ 1,276	
	<hr/>	<hr/>	<hr/>	<hr/>	

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$59,405,427 and the accumulated depreciation is \$31,750,620.	27,654,807
Deferred outflows and inflows of resources related to pensions and deferred charges or credits on debt refunding are applicable to future reporting periods and therefore are not reported in the funds.	
Deferred Outflows related to pensions	503,472
Deferred Inflows related to pensions	(1,362,547)
Deferred Outflow related to the loss on bond refunding of debt	539,950
Accrued interest on long-term debt is not due and payable in the current period and therefore is not reported as a liability in the funds.	(51,320)
Accrued pension contributions for the June 30, 2023 plan year are not paid with current economic resources and are therefore not reported as a liability in the funds, but are included in accounts payable in the government-wide statement of net position.	(324,657)
Long-term liabilities, including net pension liability and bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds.	(17,165,840)
Net Position of Governmental Activities	<u>\$ 15,447,987</u>

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

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

	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	DEBT SERVICE FUND	TOTAL GOVERNMENTAL FUNDS
Revenues:					
Local Sources:					
Local Tax Levy	\$ 18,339,955	\$ -	\$ -	\$ 2,076,816	\$ 20,416,771
Tuition Charges	102,358	-	-	-	102,358
Miscellaneous	401,950	286,568	-	-	688,518
Total Local Sources	18,844,263	286,568	-	2,076,816	21,207,647
State Sources	17,439,041	28,483	-	-	17,467,524
Federal Sources	74,605	2,087,099	-	-	2,161,704
Total Revenues	36,357,909	2,402,150	-	2,076,816	40,836,875
Expenditures:					
Instruction:					
Regular Instruction	9,256,402	-	-	-	9,256,402
Special Education Instruction	3,719,702	1,113,505	-	-	4,833,207
Other Instruction	913,249	-	-	-	913,249
Support Services:					
Tuition	2,069,357	-	-	-	2,069,357
Student & Instruction Related Services	4,754,079	1,245,934	-	-	6,000,013
General Administrative	687,726	-	-	-	687,726
School Administrative Services	1,273,639	-	-	-	1,273,639
Central Services	595,154	-	-	-	595,154
Administrative Info. Technology	587,992	-	-	-	587,992
Plant Operations & Maintenance	2,607,246	-	-	-	2,607,246
Pupil Transportation	1,858,575	-	-	-	1,858,575
Unallocated Benefits	1,056	-	-	-	1,056
On Behalf TPAF Pension and Social Security Contributions	5,933,921	-	-	-	5,933,921
Transfer to Charter Schools	1,598,909	-	-	-	1,598,909
Capital Outlay	192,562	40,000	401,300	-	633,862
Debt Service:					
Principal	118,658	-	-	1,920,000	2,038,658
Interest & Other Charges	117,952	-	-	156,816	274,768
Total Expenditures	36,286,179	2,399,439	401,300	2,076,816	41,163,734
Excess/(Deficiency) of Revenues over Expenditures	71,730	2,711	(401,300)	-	(326,859)
Other Financing Sources (Uses):					
Transfers out	(20,000)	-	-	-	(20,000)
Total Other Financing Sources (Uses)	(20,000)	-	-	-	(20,000)
Net changes in fund balances	51,730	2,711	(401,300)	-	(346,859)
Fund Balance, July 1	5,469,677	118,728	411,300	1,276	6,000,981
Fund Balance, June 30	\$ 5,521,407	\$ 121,439	\$ 10,000	\$ 1,276	\$ 5,654,122

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

**FLORENCE 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 Changes in Fund Balances - Governmental Funds (B-2)		\$ (346,859)
Amounts reported for governmental activities in the statement of activities (A-2) are different because		
Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the period.		
Depreciation Expense	\$ (1,450,779)	
Disposal and Adjustments to Capital Assets	(181,689)	
Capital Outlays	<u>538,701</u>	(1,093,767)
Governmental funds report School District pension contributions as expenditures. However in the statement of activities, the cost of pension benefits earned is reported as pension expense. This is the amount by which pension benefits earned exceeded the School District's pension contributions in the current period.		
		978,775
Repayment of long-term debt principal and loan payable agreements are an expenditure in the governmental funds but the repayment reduces long-term liabilities in the statement of net position and is not reported in the statement of activities.		
		2,030,755
Governmental funds report the effect of premiums, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. The net effect of these transactions is as follows:		
Amortization of loss on Bond Refunding		(95,285)
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. The accrued interest is an addition in the reconciliation (+).		
		7,441
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 reduction in the reconciliation (-); when the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+).		
		<u>(642,864)</u>
Change in Net Position of Governmental Activities		<u>\$ 838,196</u>

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

**FLORENCE TOWNSHIP SCHOOL DISTRICT
PROPRIETARY FUNDS
STATEMENT OF NET POSITION
JUNE 30, 2023**

ASSETS	BUSINESS-TYPE ACTIVITIES ENTERPRISE FUNDS		
	<u>EXTENDED DAY PROGRAM</u>	<u>FOOD SERVICE</u>	<u>TOTAL</u>
Current Assets:			
Cash & Cash Equivalents	\$ 98,804	\$ 283,400	\$ 382,204
Accounts Receivable:			
State	-	790	790
Federal	-	21,330	21,330
Interfund Receivable	-	19,926	19,926
Inventories	-	6,080	6,080
Total Current Assets	<u>98,804</u>	<u>331,526</u>	<u>430,330</u>
Noncurrent Assets:			
Capital Assets:			
Equipment	-	596,163	596,163
Less: Accumulated Depreciation	-	(413,875)	(413,875)
Total Capital Assets	<u>-</u>	<u>182,288</u>	<u>182,288</u>
Total Assets	<u>98,804</u>	<u>513,814</u>	<u>612,618</u>
LIABILITIES			
Accounts Payable	<u>-</u>	<u>30,317</u>	<u>30,317</u>
Total Liabilities	<u>-</u>	<u>30,317</u>	<u>30,317</u>
NET POSITION			
Net Investment in Capital Assets	-	182,288	182,288
Unrestricted	<u>98,804</u>	<u>301,209</u>	<u>400,013</u>
Total Net Position	<u>\$ 98,804</u>	<u>\$ 483,497</u>	<u>\$ 582,301</u>

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

**FLORENCE TOWNSHIP SCHOOL DISTRICT
PROPRIETARY FUNDS
STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	BUSINESS-TYPE ACTIVITIES ENTERPRISE FUNDS		
	EXTENDED		
	DAY PROGRAM	FOOD SERVICE	TOTAL
Operating Revenues:			
Local Sources:			
Daily Sales - Reimbursable Programs	\$ -	\$ 187,799	\$ 187,799
Daily Sales - Nonreimbursable Programs	-	66,422	66,422
Miscellaneous	950	153	1,103
Tuition	428,722	-	428,722
Total Operating Revenue	429,672	254,374	684,046
Operating Expenses:			
Salaries & Wages	191,663	298,166	489,829
Employee Benefits	29,183	42,723	71,906
Miscellaneous Expenses	24,135	9,693	33,828
Supplies and Materials	9,220	30,405	39,625
Cost of Sales - Reimbursable	-	282,254	282,254
Cost of Sales - Nonreimbursable	-	26,569	26,569
Depreciation	-	14,552	14,552
Total Operating Expenses	254,201	704,362	958,563
Operating Income/(Loss)	175,471	(449,988)	(274,517)
Nonoperating Revenues (Expenses):			
State Sources:			
State School Lunch Program	-	6,536	6,536
State School Lunch Program - Red	-	4,927	4,927
State School Breakfast Program - Red	-	1,412	1,412
Federal Sources:			
National School Lunch Program	-	278,025	278,025
National School Breakfast Program	-	73,600	73,600
Supply Chain Assistance Grant	-	82,146	82,146
Food Distribution Program	-	82,199	82,199
Interest	-	3,236	3,236
Total Nonoperating Revenues/(Expenses)	-	532,081	532,081
Other Financing Sources/(Uses):			
Transfer from General Fund	20,000	-	20,000
Total Other Financing Sources/(Uses):	20,000	-	20,000
Change in Net Position	195,471	82,093	277,564
Net Position - Beginning	(96,667)	401,404	304,737
Total Net Position - Ending	\$ 98,804	\$ 483,497	\$ 582,301

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

**FLORENCE TOWNSHIP SCHOOL DISTRICT
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	BUSINESS-TYPE ACTIVITIES ENTERPRISE FUNDS		
	EXTENDED DAY	FOOD	TOTAL
	<u>PROGRAM</u>	<u>SERVICE</u>	
Cash Flows From Operating Activities:			
Receipts from Customers	\$ 370,767	\$ 254,374	\$ 625,141
Payments to Employees	(191,663)	(298,166)	(489,829)
Payments for Employee Benefits	(29,183)	(42,723)	(71,906)
Payments to Suppliers	(34,175)	(234,170)	(268,345)
Net Cash Provided/(Used) by Operating Activities	<u>115,746</u>	<u>(320,685)</u>	<u>(204,939)</u>
Cash Flows From Noncapital Financing Activities:			
State Sources	-	13,339	13,339
Federal Sources	-	486,195	486,195
Net Cash Provided/(Used) by Noncapital Financing Activities	<u>-</u>	<u>499,534</u>	<u>499,534</u>
Cash Flows From Capital & Related Financing Activities:			
Purchases of Capital Assets	-	(73,830)	(73,830)
Net Cash Provided/(Used) by Capital & Related Financing Activities	<u>-</u>	<u>(73,830)</u>	<u>(73,830)</u>
Cash Flows From Investing Activities:			
Interest & Dividends	-	3,236	3,236
Net Cash Provided/(Used) by Investing Activities	<u>-</u>	<u>3,236</u>	<u>3,236</u>
Net Increase/(Decrease) in Cash & Cash Equivalents	115,746	108,255	224,001
Balances - Beginning of Year	(16,942)	175,145	158,203
Balances - End of Year	<u>\$ 98,804</u>	<u>\$ 283,400</u>	<u>\$ 382,204</u>

Reconciliation of Operating Income/(Loss) to Net Cash Provided/(Used) by Operating Activities:

Operating Income/(Loss)	\$ 195,471	\$ (449,988)	\$ (254,517)
Adjustments to Reconcile Operating Income/(Loss) to Net Cash Provided/(Used) by Operating Activities:			
Depreciation & Net Amortization	-	14,552	14,552
Food Distribution Program	-	82,199	82,199
(Decrease)/Increase in Accounts Payable	(820)	30,317	29,497
(Increase)/Decrease in Inventories	-	2,235	2,235
Total Adjustments	<u>(79,725)</u>	<u>129,303</u>	<u>49,578</u>
Net Cash Provided/(Used) by Operating Activities	<u>\$ 115,746</u>	<u>\$ (320,685)</u>	<u>\$ (204,939)</u>

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

FLORENCE TOWNSHIP SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2023

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**FLORENCE TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023**

Note 1. Summary of Significant Accounting Policies

The financial statements of the Board of Education of Florence Township School District (the “District”) have been prepared in conformity with generally accepted accounting principles (GAAP) as prescribed by the Governmental Accounting Standards Board (GASB). The following is a summary of more significant accounting policies.

Reporting Entity

The Florence Township School District (hereafter referred to as the “District”) is a Type II district located in the County of Burlington, State of New Jersey. As a Type II district, the District functions independently through a Board of Education. The Board is comprised of nine members elected to three-year terms. These terms are staggered so that three members’ terms expire each year. The purpose of the District is to educate students in grades kindergarten through twelfth at its three schools. The District has an approximate enrollment at June 30, 2023 of 1,508 students.

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

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

There were no additional entities required to be included in the reporting entity under the criteria as described above. Furthermore, the District is not includable in any other reporting entity on the basis of such criteria.

Component Units

GASB Statement No.14, *The Financial Reporting Entity*, provides guidance that all entities associated with a primary government are potential component units and should be evaluated for inclusion in the financial reporting entity. A primary government is financially accountable not only for the organizations that make up its legal entity but also for legally separate organizations that meet the criteria established by GASB Statement No. 14, as amended by GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units*, GASB Statement No. 61, *The Financial Reporting Entity: Omnis - an amendment of GASB Statements No. 14 and No. 34*, GASB Statement No. 80, *Blending Requirements for certain component units – and Amendment of GASB Statement No. 14* and GASB Statement No. 90, *Majority Equity Interests – An amendment of GASB Statements No. 14 and No. 61*. The District had no component units as of or for the year ended June 30, 2023.

Government-Wide Financial Statements

The District’s Government-Wide Financial Statements include a Statement of Net Position and a Statement of Activities. These statements present summaries of Governmental and Business-Type Activities for the District accompanied by a total column.

These statements are presented on an “economic resources” measurement focus and the accrual basis of accounting. Accordingly, all of the District’s assets, deferred outflows of resources, liabilities, and

**FLORENCE TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023**

Note 1. Summary of Significant Accounting Policies (continued):

deferred inflows of resources, including capital assets and long-term liabilities, are included in the accompanying Statement of Net Position. The Statement of Activities presents changes in net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred, regardless of the timing of related cash flows. The types of transactions reported as program revenues for the District are reported in three categories: 1) charges for services, 2) operating grants and contributions, and 3) capital grants and contributions.

Certain eliminations have been made to interfund activities, payables, and receivables. All internal balances in the Statement of Net Position have been eliminated except those representing balances between the governmental activities and the business-type activities, which are presented as internal balances and eliminated in the total primary government column. In the Statement of Activities, internal service fund transactions have been eliminated; however, those transactions between governmental and business-type activities have not been eliminated.

Governmental Fund Financial Statements

Governmental fund financial statements include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances for all major governmental funds and non-major funds aggregated. An accompanying schedule (Exhibit B-3) is presented to reconcile and explain the differences in fund balances and changes in fund balances as presented in these statements to the net position and changes in net position presented in the Government-Wide financial statements. The District has presented all major funds that met those qualifications.

All governmental funds are accounted for on a spending or “current financial resources” measurement focus and the modified accrual basis of accounting. Accordingly, only current assets and current liabilities are included on the Balance Sheets. (The District’s deferred outflows of resources and deferred inflows of resources are noncurrent.) The Statement of Revenues, Expenditures and Changes in Fund Balances present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. Accordingly, revenues are recorded when received in cash, except that revenues subject to accrual (generally 60 days after year-end) are recognized when due. The primary revenue sources, which have been treated as susceptible to accrual by the District, are property tax and intergovernmental revenues and other taxes. Expenditures are recorded in the accounting period in which the related fund liability is incurred.

Proprietary Fund Financial Statements

Proprietary fund financial statements include a Statement of Net Position, a Statement of Revenues, Expenses and Changes in Fund Net Position, and a Statement of Cash Flows for each major proprietary fund and for the non-major funds aggregated. A column representing internal service funds is also presented in these statements. However, internal service funds balances and activities have been combined with the governmental activities in the Government-Wide financial statements.

Proprietary funds are accounted for using the “economic resources” measurement focus and the accrual basis of accounting. Accordingly, all assets, deferred outflows of resources, liabilities (whether current or noncurrent), and deferred inflows of resources are included on the Statement of Net Position. The Statement of Revenues, Expenses and Changes in Fund Net Position presents increases (revenues) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recognized

**FLORENCE TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023**

Note 1. Summary of Significant Accounting Policies (continued):

in the period in which they are earned while expenses are recognized in the period in which the liability is incurred, regardless of the timing of related cash flows.

Operating revenues in the proprietary funds are those revenues that are generated from the primary operations of the fund. All other revenues are reported as non-operating revenues. Operating expenses are those expenses that are essential to the primary operations of the fund. All other expenses are reported as non-operating expenses.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year in which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

While government-wide and fund financial statements are presented separately, they are interrelated. The governmental activities column of the government wide statements incorporates data from governmental funds and internal service funds, while business-type activities incorporate data from the District's enterprise funds. Separate financial statements are provided for governmental funds and proprietary funds.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal year-end. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. General capital assets acquisitions are reported as expenditures in the governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Property taxes, charges for services, licenses, and interest on notes receivable associated with the current fiscal period are all considered to be susceptible to accrual and accordingly have been recognized as revenues of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). All other revenue items are considered to be measurable and available when cash is received.

**FLORENCE TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023**

Note 1. Summary of Significant Accounting Policies (continued):

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Food Service Fund and the Extended Day Care program are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, employee salaries and benefits, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses. When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.

Internal service funds are used to account for those operations which provide benefits to other funds, departments, or agencies of the primary government and its component unit. Although internal service funds are reported as a proprietary fund in the fund financial statements, it is incorporated into governmental activities in the government-wide financial statements. The District does not maintain any internal service funds.

The District reports the following major governmental funds:

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

As required by the New Jersey Department of Education the District includes budgeted capital outlay in this fund. Generally accepted accounting principles as they pertain to governmental entities state that General Fund resources may be used to directly finance capital outlays for long-lived improvements as long as the resources in such cases are derived exclusively from unrestricted revenues.

Resources for budgeted capital outlay purposes are normally derived from State of New Jersey Aid, interest earnings and appropriated fund balance. Expenditures are those that result in the acquisition of or additions to capital assets for land, existing buildings, improvements of grounds, construction of buildings, additions to or remodeling of buildings and the purchase of built-in equipment. These resources can be transferred from and to Current Expense by board resolution.

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

Capital Projects Fund - The capital projects fund is used to account for all financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds).

Debt Service Fund - The debt service fund is used to account for the accumulation of resources for, and the payment of principal and interest on bonds issued to finance major property acquisition, construction and improvement programs.

**FLORENCE TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023**

Note 1. Summary of Significant Accounting Policies (continued):

The District reports the following major proprietary funds:

Food Service Fund – This fund accounts for the revenues and expenses pertaining to the District’s cafeteria operations.

Extended Day Program – This fund accounts for the revenues and expenses pertaining to the District’s extended day care program.

During the course of operations, the District has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental funds and internal service funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column. Similarly, balances between the funds included in business-type activities (i.e., the enterprise funds) are eliminated so that only the net amount is included as internal balances in the business-type activities column.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as internal balances in the business-type activities column.

Budgets/Budgetary Control

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue and debt service funds. The budgets are submitted to the county office. In accordance with P.L.2011 c.202, which became effective January 17, 2012, the District eliminated the April annual voter referendum on budgets which met the statutory tax levy cap limitations and the board of education members are elected at the November general election. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6A:23-2-2(f)1. Transfers of appropriations may be made by School Board resolution at any time during the fiscal year in accordance with N.J.A.C. 6A:23-2-11. 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 legally mandated revenue recognition of the last state aid payment for budgetary purposes only and the special revenue fund as noted below. Encumbrance accounting is also employed as an extension of formal budgetary integration in the governmental fund types. Unencumbered appropriations lapse at fiscal year-end.

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

**FLORENCE TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023**

Note 1. Summary of Significant Accounting Policies (continued):

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

Exhibit C-3 presents a reconciliation of the general fund revenues and special revenue fund revenues and expenditures from the budgetary basis of accounts as presented in the General Fund Budgetary Comparison Schedules and the Special Revenue Fund Budgetary Comparison Schedule to the GAAP basis of accounting as presented in the Statement of Revenues, Expenditures and Changes in Fund Balance – Governmental Funds. Note that the District does not report encumbrances outstanding at fiscal year-end as expenditures in the general fund since the general fund budget follows modified accrual basis with the exception of the revenue recognition policy for the last state aid payments.

Encumbrances

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

Open encumbrances in the special revenue fund for which the District has received advances are reflected in the balance sheet as a reduction of the accounts receivables or 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.

Cash and Cash Equivalents

Cash and Cash equivalents include petty cash, change funds, cash in banks and all highly liquid investments with a maturity of three months or less at the time of purchase and are stated at cost plus accrued interest. U.S. Treasury and agency obligations and certificates of deposit with maturities of one year or less when purchased are stated at cost.

New Jersey School Districts are limited as to the types of investments and types of financial institutions they may invest in. *N.J.S.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 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 public 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 at least equal to five percent of the average daily balance of collected public funds, to secure the deposits of Governmental Units. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the full amount of their deposits to the Governmental Units.

**FLORENCE TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023**

Note 1. Summary of Significant Accounting Policies (continued):

Tuition Payable/Receivable

Tuition rates for the fiscal year end June 30, 2023 were established by the receiving district based on estimated costs. The charges are subject to adjustment when the final costs have been determined.

Inventories

Inventories are valued at cost, using the first-in/first-out (FIFO) method. The costs of inventories are recorded as expenditures when consumed rather than when purchased.

Interfund Receivables/Payables

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. The amounts are eliminated in the governmental and business-type activities, which are presented as Internal Balances. Balances with fiduciary funds are not considered Internal Balances; therefore those balances are reported on the Statement of Net Position.

Capital Assets

Capital assets are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Purchased or constructed assets are recorded at actual cost or estimated historical cost if actual cost is unavailable. Donated capital assets are recorded at estimated fair value at the date of donation. The District has established a threshold of \$2,000 for capitalization of depreciable assets.

Major outlays for capital assets and improvements are capitalized as projects are constructed. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Capital assets of the District are depreciated or amortized using the straight-line method over the following estimated lives:

Equipment & Vehicles	3 – 20 Years
Buildings	30 – 50 Years
Improvements	10 – 50 Years
Software	5 – 7 Years

Compensated Absences

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

**FLORENCE TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023**

Note 1. Summary of Significant Accounting Policies (continued):

The entire compensated absences liability is reported on the government-wide financial statements and proprietary fund financial statements. Compensated absences liability is not recorded in the governmental funds. Instead expenditures are recognized in the governmental funds as payments come due each period, for example, as a result of resignations or retirements.

Unearned Revenue

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

Accrued Liabilities and Long-Term Obligations

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

Accounting Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumption that affect certain reported amounts reported in the financial statements and accompanying note disclosures. Actual results could differ from those estimates.

Interfund Activity

Transfers between governmental and business-type activities on the government-wide statements are reported in the same manner as general revenues. Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after non-operating revenues/expenses in proprietary funds. Reimbursements from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements. As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements.

Fund Balance

In accordance with Government Accounting Standards Board 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, the District classifies governmental fund balances as follows:

- **Non-spendable** – This classification includes amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact. Non-spendable items are not expected to be converted to cash or are not expected to be converted to cash within the next year.

**FLORENCE TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023**

Note 1. Summary of Significant Accounting Policies (continued):

- Restricted – This classification includes amounts for which constraints have been placed on the use of the resources either externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.
- Committed – This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Board of Education. These amounts cannot be used for any other purpose unless the Board of Education removes or changes the specified use by taking the same type of action (resolution) that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements. The School Board did not have any committed resources as of June 30, 2023.
- Assigned – This classification includes amounts that are constrained by The District’s intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the Board of Education or through the Board of Education delegating this responsibility to the business administrator through the budgetary process. This classification also includes the remaining positive fund balance for all governmental funds except for the General Fund.
- Unassigned – This classification includes the residual fund balance for the General Fund. The Unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of Assigned fund balance amounts.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, it is the District’s policy to consider restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, it is the District’s policy to consider amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Board has provided otherwise in its commitment or assignment actions.

Net Position

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

- Net Investment in Capital Assets – This components represents capital assets, net of accumulated depreciation, net of outstanding balances of borrowings used for acquisition, construction, or improvement of those assets.
- Restricted – Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.
- Unrestricted – Net position is reported as unrestricted when it does not meet the criteria of the other two components of net position.

**FLORENCE TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023**

Note 1. Summary of Significant Accounting Policies (continued):

Bond Premiums, Discounts and Issuance Costs

In the government-wide financial statements and in the proprietary fund financial statements, bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed when bonds are issued.

In governmental fund financial statements, bond premiums and discounts, as well as debt issuance costs are recognized in the current period. The face amount of the debt is reported as other financing sources. Premiums received on debt issuance are also reported as other financing sources. Issuance costs, whether or not withheld from the actual debt proceeds, are reported as debt service expenditures.

Deferred Loss on Refunding Debt

Deferred loss on refunding debt arising from the issuance of the refunding bonds is recorded as deferred outflows of resources. It is amortized in a systematic and rational manner over the shorter of the duration of the related debt or the new debt issues as a component of interest expense.

Deferred Outflows and Deferred Inflows of Resources

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

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

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 pension plan's fiduciary net position and additions to/deductions from the plan's fiduciary net position have been determined on the same basis as they are reported by the plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Impact of Recently Issued Accounting Principles

Adopted Accounting Pronouncements

The following GASB Statements became effective for the fiscal year ended June 30, 2023:

Statement No. 96, *Subscription-Based Information Technology Arrangements*. Statement No. 96 establishes a single approach to accounting and financial reporting for subscription-based information technology arrangements for government end users. Statement No. 96 is effective for reporting periods beginning after June 15, 2022. The District has evaluated the effects of GASB Statement No. 96 and has

**FLORENCE TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023**

Note 1. Summary of Significant Accounting Policies (continued):

determined the provisions of this Statement do not need to be applied due to the immaterial effect on the government-wide financial statements.

Recently Issued Accounting Pronouncements

The GASB has issued the following Statements which will become effective in future years as shown below:

Statement No. 101, *Compensated Absences*. Statement No. 101 aligns the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. Statement No. 101 is effective for reporting periods beginning after December 15, 2023. Management has not yet determined the potential impact on the District’s financial statements.

Note 2. Cash Deposits and Investments

Cash Deposits

Custodial Credit Risk – Custodial credit risk is the risk that, in the event of a bank failure, the Board’s deposits may not be recovered. Although the District does not have a formal policy regarding custodial credit risk, NJSA 17:9-41 et seq. requires that the governmental units shall deposit public funds in public depositories protected from loss under the provisions of GUDPA. Under the Act, the first \$250,000 of governmental deposits in each insured depository is protected by FDIC. Public fund owned by the District in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds such as salary withholdings and student activity may pass to the District relative to the happening of a future condition. Such funds are shown as Uninsured and Uncollateralized in the schedule below. As of June 30, 2023, the District’s bank balance of \$6,460,406 was exposed to custodial credit risk as follows:

Insured under FDIC and GUDPA	\$	5,399,163
Uninsured and Uncollateralized		1,061,243
		\$ 6,460,406

Investments

The District has no investments at June 30, 2023.

Note 3. Reserve Accounts

A. Capital Reserve

A capital reserve account was established by the District by inclusion of \$1,000 on June 30, 2001 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.

**FLORENCE TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023**

Note 3. Reserve Accounts (continued):

Funds placed in the capital reserve account are restricted to capital projects in the district’s approved Long Range Facilities Plan (LRFP). Upon submission of the LRFP to the department, a district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes or by transfer by board resolution at year-end (June 1 to June 30) 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

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	\$	503,550
Increased by:		
Interest Earnings		4,014
Deposits approved by Board		493,198
Ending Balance, June 30, 2023	\$	1,000,762

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

B. Maintenance Reserve

Florence Township School District established a Maintenance Reserve Account for the accumulation of Funds for use as maintenance expenditures in subsequent fiscal years. The maintenance reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

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

Beginning Balance, July 1, 2022	\$	-
Increased by:		
Deposits approved by Board		59,000
Ending Balance, June 30, 2023	\$	59,000

**FLORENCE TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023**

Note 4. Accounts Receivable

Accounts receivable at June 30, 2023 consisted of accounts and intergovernmental grants. All state and federal receivables are considered collectible in full due to the stable condition of state programs and the current fiscal year guarantee of federal funds. Accounts receivable as of fiscal year end for The District's individual major and fiduciary funds, in the aggregate, are as follows:

Description	Governmental Funds			Proprietary Funds	
	General Fund	Special Revenue Fund	Total Governmental Activities	Food Service Fund	Total Business-Type Activities
Federal Awards	\$ -	\$ 584,252	\$ 584,252	\$ 21,330	\$ 21,330
State Awards	570,533	33,337	603,870	790	790
Other	44,278	25,250	69,528	-	-
Total	\$ 614,811	\$ 642,839	\$ 1,257,650	\$ 22,120	\$ 22,120

Note 5. Capital Assets

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

	Balance July 1, <u>2022</u>	<u>Additions</u>	Retirements, Transfers and Adjustments	Balance June 30, <u>2023</u>
Governmental Activities:				
Capital assets not being depreciated:				
Land	\$ 918,785	\$ -	\$ -	\$ 918,785
Construction in Progress	-	401,300	-	401,300
Total Capital Assets not being depreciated	918,785	401,300	-	1,320,085
Capital Assets being depreciated:				
Land Improvements	2,332,061	-	-	2,332,061
Buildings and Improvements	48,725,756	10,749	-	48,736,505
Equipment	7,111,134	126,652	(221,010)	7,016,776
Total Capital Assets being depreciated	58,168,951	137,401	(221,010)	58,085,342
Less: Accumulated Depreciation:				
Land Improvements	(2,030,429)	(86,843)	-	(2,117,272)
Buildings and Improvements	(22,569,362)	(1,184,030)	-	(23,753,392)
Equipment	(5,739,371)	(179,906)	39,321	(5,879,956)
Total Accumulated Depreciation	(30,339,162)	(1,450,779)	39,321	(31,750,620)
Total Capital Assets being depreciated, net	27,829,789	(1,313,378)	(181,689)	26,334,722
Total Governmental Activities Capital Assets, net	\$ 28,748,574	\$ (912,078)	\$ (181,689)	\$ 27,654,807

**FLORENCE TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023**

Note 5. Capital Assets (continued)

	Balance July 1, <u>2022</u>	<u>Additions</u>	<u>Retirements and Transfers</u>	Balance June 30, <u>2023</u>
Business-Type Activities:				
Equipment	\$ 522,333	\$ 73,830	\$ -	\$ 596,163
	<u>522,333</u>	<u>73,830</u>	<u>-</u>	<u>596,163</u>
Less: Accumulated Depreciation:				
Equipment	(399,323)	(14,552)	-	(413,875)
	<u>(399,323)</u>	<u>(14,552)</u>	<u>-</u>	<u>(413,875)</u>
Total Business-Type Activities Capital Assets, net	<u>\$ 123,010</u>	<u>\$ 59,278</u>	<u>\$ -</u>	<u>\$ 182,288</u>

Note 6. Interfund Receivables, Payables and Transfers

Individual fund receivables/payables balances at June 30, 2023 are as follows:

<u>Fund</u>	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
General Fund	\$ 486,479	\$ 19,926
Special Revenue Fund	-	486,479
Food Service Fund	<u>19,926</u>	<u>-</u>
	<u>\$ 506,405</u>	<u>\$ 506,405</u>

The interfund receivables and payables above predominately resulted from payment made by certain funds on behalf of other funds. All interfund balances are expected to be repaid within one year.

Interfund transfers during the fiscal year were as follows:

<u>Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$ -	\$ 20,000
EDP Fund	<u>20,000</u>	<u>-</u>
	<u>\$ 20,000</u>	<u>\$ 20,000</u>

**FLORENCE TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023**

Note 7. Long-Term Obligations

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

	<u>Balance</u> <u>July 1, 2022</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>June 30, 2023</u>	<u>Balance</u> <u>Due Within</u> <u>One Year</u>
Governmental Activities:					
General Obligation Bonds	\$ 12,350,000	\$ -	\$ 1,920,000	\$ 10,430,000	\$ 1,865,000
Financed Purchases	309,468	-	110,755	198,713	168,864
Compensated Absences	2,435,896	642,864	-	3,078,760	-
Net Pension Liability	3,045,229	413,138	-	3,458,367	-
	<u>\$ 18,140,593</u>	<u>\$ 1,056,002</u>	<u>\$ 2,030,755</u>	<u>\$ 17,165,840</u>	<u>\$ 2,033,864</u>

For governmental activities, the bonds payable are liquidated from the District's debt service fund. Compensated absences, financed purchases and net pension liability are liquidated by the general fund.

A. Bonds Payable:

The voters of the municipality through referendums authorize bonds in accordance with State Law. All bonds are retired in serial installments within the statutory period of usefulness. Bonds issued by the District are general obligation bonds. At June 30, 2023, bonds payable consisted of the following issue:

<u>Purpose</u>	<u>Interest</u> <u>Rate</u>	<u>Maturity</u> <u>Date</u>	<u>Amount</u> <u>Issued</u>	<u>Amount</u> <u>Outstanding</u>
2020 Refunding Bonds	0.76% - 1.77%	3/1/2029	\$ 12,685,000	<u>\$ 10,430,000</u>
				<u>\$ 10,430,000</u>

Principal and Interest due on the outstanding bonds is as follows:

<u>Fiscal Year Ending</u> <u>June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	1,865,000	142,224	2,007,224
2025	1,810,000	124,880	1,934,880
2026	1,760,000	105,332	1,865,332
2027	1,710,000	82,276	1,792,276
2028	1,670,000	57,310	1,727,310
2029	1,615,000	28,585	1,643,585
	<u>\$ 10,430,000</u>	<u>\$ 540,606</u>	<u>\$ 10,970,606</u>

**FLORENCE TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023**

Note 7. Long-Term Obligations (continued)

Bonds Authorized But Not Issued:

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

B. Financed Purchases

On August 24, 2018, the District entered into an agreement in the amount of \$176,116 for one 54-passenger school bus and one 25-passenger/lift school bus. The financed purchase was issued at an interest rate of 4.064% and matured on September 1, 2023.

On August 1, 2019, the District entered into an agreement in the amount of \$171,350 for one 54-passenger school bus and one 29-passenger/lift school bus. The financed purchase was issued at an interest rate of 2.711% and matures on August 1, 2023.

On September 14, 2020, the District entered into an agreement in the amount of \$101,400 for one 54-passenger school bus. The financed purchase was issued at an interest rate of 3.32% and matures on September 30, 2024.

On September 15, 2021, the District entered into an agreement in the amount of \$177,320 for one 54-passenger school bus and one 29-passenger school bus. The financed purchase was issued at an interest rate of 2.95% and matures on September 30, 2025.

Fiscal Year Ending <u>June 30,</u>		
2024	\$	118,743
2025		53,889
2026		<u>33,137</u>
Total Minimum Financed Purchases		205,769
Less: Amount Representing Interest		<u>(7,056)</u>
Present Value of Minimum Financed Purchases		<u>\$ 198,713</u>

**FLORENCE TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023**

Note 8. Pension Plans

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 PERS, please refer to Division's annual financial statements, which can be found at www.state.nj.us/treasury/pensions/annual-reports.shtml.

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:

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

Service retirement benefits of 1/55th of final average salary for each year of service credit is available to tiers 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to tier 4 members upon reaching age 62 and tier 5 members upon reaching age 65. Early retirement benefits are available to tiers 1 and 2 members before reaching age 60, tiers 3 and 4 before age 62 with 25 or more years of service credit 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. 15A* and requires contributions by active members and contributing employers. 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 the noncontributory group insurance benefits is based on actual claims paid. For fiscal year 2022, the State's pension contribution was more than the actuarial determined amount.

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.

**FLORENCE TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023**

Note 8. Pension Plans (continued)

A. Public Employees' Retirement System (PERS) (continued)

Pension Liability, Pension Expense and Deferred Outflows/Inflows of Resources - At June 30, 2023, the School District reported a liability of \$3,458,367 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2022. The total pension liability used to calculate the net pension liability was determined using update procedures to roll forward the total pension liability from an actuarial valuation as of July 1, 2021, to the measurement date of June 30, 2022. The School District's proportion of the net pension liability was based on the School District's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2022. The School District's proportion measured as of June 30, 2022, was 0.022916%, which was a decrease of 0.00278% from its proportion measured as of June 30, 2021.

For the year ended June 30, 2023, the School District recognized full accrual pension expense/(benefit) of \$(689,792) in the government-wide financial statements. This pension expense was based on the pension plans June 30, 2022 measurement date. At June 30, 2023 the School District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between Expected and Actual Experience	\$ 24,961	\$ 22,012
Changes of Assumptions	10,715	517,854
Net Difference between Projected and Actual Earnings on Pension Plan Investments	143,139	-
Changes in Proportion and Differences between District Contributions and Proportionate Share of Contributions	-	822,681
School District Contributions Subsequent to Measurement Date	324,657	-
	\$ 503,472	\$ 1,362,547

\$324,657 reported as deferred outflows of resources resulting from school district contributions subsequent to the measurement date is based on the amount payable to the State due April 1, 2024 and will be recognized as a reduction of the net pension liability in the year ended June 30, 2024. The other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

**FLORENCE TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023**

Note 8. Pension Plans (continued)

A. Public Employees' Retirement System (PERS) (continued)

<u>Year Ending</u> <u>Dec 31,</u>	<u>Amount</u>
2023	\$ (972,604)
2024	(495,509)
2025	(241,650)
2026	527,189
2027	(1,158)
	<u><u>\$ (1,183,732)</u></u>

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

	<u>Deferred</u> <u>Outflow of</u> <u>Resources</u>	<u>Deferred</u> <u>Inflow of</u> <u>Resources</u>
Differences between Expected and Actual Experience		
Year of Pension Plan Deferral:		
June 30, 2017	5.48	-
June 30, 2018	-	5.63
June 30, 2019	5.21	-
June 30, 2020	-	5.16
June 30, 2021	5.13	-
Changes of Assumptions		
Year of Pension Plan Deferral:		
June 30, 2017	-	5.48
June 30, 2018	-	5.63
June 30, 2019	-	5.21
June 30, 2020	-	5.16
June 30, 2021	5.13	-
June 30, 2022		5.04
Net Difference between Projected and Actual Earnings on Pension Plan Investments		
Year of Pension Plan Deferral:		
June 30, 2017	5.00	-
June 30, 2018	5.00	-
June 30, 2019	5.00	-
June 30, 2020	-	5.00
June 30, 2021	5.00	-
June 30, 2022	5.00	
Changes in Proportion and Differences between Contributions and Proportionate Share of Contributions		
Year of Pension Plan Deferral:		
June 30, 2017	5.48	5.48
June 30, 2018	5.63	5.63
June 30, 2019	5.21	5.21
June 30, 2020	5.16	5.16
June 30, 2021	5.13	5.13
June 30, 2022	5.04	5.04

**FLORENCE TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023**

Note 8. Pension Plans (continued)

A. Public Employees' Retirement System (PERS) (continued)

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

Inflation	
Price	2.75%
Wage	3.25%
Salary Increases:	
Through 2027	2.85 - 6.55% Based on Years of Service
Thereafter	2.75 - 6.55% Based on Years of Service
Investment Rate of Return	7.00%
Mortality Rate Table	
PERS	Pub-2010 General Classification Headcount weighted mortality with fully generational mortality improvement projections from the central year using Scale MP-2021
Period of Actuarial Experience	
Study upon which Actuarial Assumptions were Based	July 1, 2018 - June 30, 2021

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

The actuarial assumptions used in the July 1, 2021 valuation were based on the results of an actuarial experience study for the period July 1, 2018 to June 30, 2021. It is likely that future experience will not exactly conform to these assumptions. To the extent that actual experience deviates from these assumptions, the emerging liabilities may be higher or lower than anticipated. The more the experience deviates, the larger the impact on future financial statements.

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

**FLORENCE TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023**

Note 8. Pension Plans (continued)

A. Public Employees' Retirement System (PERS) (continued)

<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%	8.37%
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%
	100.00%	

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

Sensitivity of the School District's proportionate share of the Net Pension Liability to Changes in the Discount Rate - The following presents the School District's proportionate share of the net pension liability as of June 30, 2023, calculated using the discount rate of 7.00% as well as what the School District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	1% Decrease <u>(6.00%)</u>	Current Discount Rate <u>(7.00%)</u>	1% Increase <u>(8.00%)</u>
District's Proportionate Share of the Net Pension Liability	\$ 4,480,616	\$ 3,458,367	\$ 2,642,606

**FLORENCE TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023**

Note 8. Pension Plans (continued)

A. Public Employees' Retirement System (PERS) (continued)

Additional Information - The following is a summary of the collective balances of the local group at June 30, 2023 and 2022:

Balances at June 30, 2023 and June 30, 2022

	<u>6/30/2023</u>	<u>6/30/2022</u>
Actuarial valuation date (including roll forward)	June 30, 2022	June 30, 2021
Collective Deferred Outflows of Resources	\$ 1,660,772,008	\$ 1,164,738,169
Collective Deferred Inflows of Resources	3,236,303,935	8,339,123,762
Collective Net Pension Liability	15,219,184,920	11,972,782,878
District's portion of the Plan's total Net Pension Liability	0.022916%	0.025706%

Special Funding Situation – Under N.J.S.A. 43:15A-15, local participating employers are responsible for their own contributions based on actuarially determined amounts, except where legislation was passed that legally obligated the State if certain circumstances occurred. The legislation, which legally obligates the State, are Chapter 366, P.L. 2001 and Chapter 133, P.L. 2001. The amounts contributed on behalf of the local participating employers under the legislation is considered to be 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 under the legislation 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 related to the legislation. 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 collective net pension liability that is associated with the local participating employer. In addition, each local participating employer must recognize pension expense associated with the employers 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.

The State's proportionate share of the PERS net pension liability associated with the special funding situation is \$-0- as of June 30, 2023. The State's proportionate share of the contribution associated with the special funding situation was \$7,277 as of June 30, 2023. These are based on measurements as of June 30, 2022.

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. TPAF is administered by the State of New Jersey, Division of Pensions and Benefits (the Division). For additional information about TPAF, please refer to Division's Annual Comprehensive Financial Report (ACFR) which can be found at www.state.nj.us/treasury/pensions/annrprts.shtml.

**FLORENCE TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023**

Note 8. Pension Plans (continued)

B. Teachers' Pension and Annuity Fund (TPAF) (continued)

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

The following represents the membership tiers for TPAF:

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

Service retirement benefits of 1/55th of final average salary for each year of service credit is available to tiers 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to tier 4 members upon reaching age 62 and tier 5 members upon reaching age 65. Early retirement benefits are available to tiers 1 and 2 members before reaching age 60, tiers 3 and 4 before age 62 with 25 or more years of service credit, and tier 5 before age 65 with 30 or more years of service credit. Benefits are reduced by a fraction of a percent for each month that a member retires prior to the retirement age for his/her respective tier. Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for 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 employers. 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. For fiscal year 2022, the State's pension contribution was more than the actuarial determined amount.

As mentioned previously, 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, the School District is considered to be in a special funding situation as defined by GASB Statement No. 68 and the State is treated as a nonemployer contributing entity. Since the School District does not contribute directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to report in the financial statements of the local participating employers.

Pension Liability and Pension Expense - The State's proportionate share of the TPAF net pension liability, attributable to the School District as of June 30, 2023 was \$49,988,563. The School District's proportionate share was \$-0-.

**FLORENCE TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023**

Note 8. Pension Plans (continued)

B. Teachers' Pension and Annuity Fund (TPAF) (continued)

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 State's proportionate share of the net pension liability associated with the School District was based on projection of the State's long-term contributions to the pension plan associated with the School District relative to the projected contributions by the State associated with all participating school districts, actuarially determined. At June 30, 2022, the State proportionate share of the TPAF net pension liability attributable to the School District was 0.09688%, which was a decrease of 0.00004% from its proportion measured as of June 30, 2021.

For the fiscal year ended June 30, 2023, the School District recognized \$1,345,332 in on-behalf pension expense and revenue in the government-wide financial statements, for the State of New Jersey on-behalf TPAF pension contributions. This pension expense and revenue was based on the pension plans June 30, 2022 measurement date.

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 99.6% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability mortality rates were based on the Pub-2010 Non-Safety Disabled Retiree mortality table with a 106.3% adjustment for males and 100.3% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2021.

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

**FLORENCE TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023**

Note 8. Pension Plans (continued)

B. Teachers' Pension and Annuity Fund (TPAF) (continued)

Long-Term Expected Rate of Return - In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2022) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in TPAF's target asset allocation as of June 30, 2021 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%	8.37%
Emerging Markets Equity	5.50%	10.33%
Private Equity	13.00%	11.80%
Real Estate	8.00%	11.19%
Real Assets	3.00%	7.60%
High Yield	4.00%	4.95%
Private Credit	8.00%	8.10%
Investment Grade Credit	7.00%	3.38%
Cash Equivalents	4.00%	1.75%
U.S. Treasuries	4.00%	1.75%
Risk Mitigation Strategies	3.00%	4.91%
	<u>100.00%</u>	

Discount Rate - The discount rate used to measure the 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 plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments in determining the total pension liability.

Sensitivity of the School District's proportionate share of the Net Pension Liability to Changes in the Discount Rate – As previously mentioned, TPAF has a special funding situation where the State pays 100% of the School District's annual required contribution. The following represents the State's proportionate share of the net pension liability, attributable to the School District calculated using the discount rate of 7.00% as well as what the State's proportionate share of the net pension liability,

**FLORENCE TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023**

Note 8. Pension Plans (continued)

B. Teachers' Pension and Annuity Fund (TPAF) (continued)

attributable to the School District's 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:

	1% Decrease <u>(6.00%)</u>	Current Discount Rate <u>(7.00%)</u>	1% Increase <u>(8.00%)</u>
School District's Proportionate Share of the Net Pension Liability	\$ -	\$ -	\$ -
State of New Jersey's Proportionate Share of Net Pension Liability associated with the School District	<u>58,612,652</u>	<u>49,988,563</u>	<u>42,723,851</u>
	<u>\$ 58,612,652</u>	<u>\$ 49,988,563</u>	<u>\$ 42,723,851</u>

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

Additional Information – The following is a summary of the collective balances of the local group at June 30, 2023 and 2022:

Balances at June 30, 2023 and June 30, 2022

	<u>6/30/2023</u>	<u>6/30/2022</u>
Actuarial valuation date (including roll forward)	June 30, 2022	June 30, 2021
Collective Deferred Outflows of Resources	\$ 5,004,259,312	\$ 6,373,530,834
Collective Deferred Inflows of Resources	19,682,774,794	27,363,797,906
Collective Net Pension Liability	51,676,587,303	48,165,991,182
District's portion of the Plan's total Net Pension Liability	0.09689%	0.09693%

FLORENCE TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023

Note 9. Other Post-Retirement Benefits

General Information about the OPEB Plan

The State of New Jersey reports a liability as a result of its statutory requirements to pay other postemployment (health) benefits for State Health Benefit Local Education Retired 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 Benefit Local Education Retired Employees Plan provides medical, prescription drug, and Medicare Part B reimbursement to retirees and their covered dependents of local education employers.

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

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 local education employers.

Basis of Presentation

The Schedule presents the State of New Jersey's obligation under NJSA 52:14-17.32f. The Schedule does not purport to be a complete presentation of the financial position or changes in financial position of the State Health Benefit Local Education Retired Employees Plan or the State of New Jersey. The accompanying Schedule was prepared in accordance with U.S. generally accepted accounting principles.

Such preparation requires management of the State of New Jersey to make a number of estimates and assumptions relating to the reported amounts. Due to the inherent nature of these estimates, actual results could differ from those estimates.

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. 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.

**FLORENCE TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023**

Note 9. Other Post-Retirement Benefits (continued)

Total Nonemployer OPEB Liability: \$ 50,646,462,966

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

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

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

OPEB Obligation and OPEB Expense - The State’s proportionate share of the total Other Post Employment Benefits Obligations, attributable to the School District as of June 30, 2022 was \$56,607,570. The School District’s proportionate share was \$0.

The OPEB Obligation was measured as of June 30, 2022, and the total OPEB Obligation used to calculate the OPEB Obligation was determined by an actuarial valuation as of July 1, 2021, which was rolled forward to June 30, 2022. The State’s proportionate share of the OPEB Obligation associated with the District was based on projection of the State’s long-term contributions to the OPEB plan associated with the District relative to the projected contributions by the State associated with all participating school districts, actuarially determined. At June 30, 2022, the State proportionate share of the OPEB Obligation attributable to the School District was 0.11177%, which was a decrease of 0.003751% from its proportion measured as of June 30, 2021.

For the fiscal year ended June 30, 2023, the State of New Jersey recognized an OPEB expense in the amount of \$811,021 for the State’s proportionate share of the OPEB expense attributable to the School District. This OPEB expense was based on the OPEB plans June 30, 2022 measurement date.

Health Care Trend Assumptions

For pre-Medicare medical benefits, the trend rate is initially 5.65% 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, increased to 13.44% in fiscal year 2026 and decreased to 4.50% in fiscal year 2033. For HMO the trend is initially -3.54% in fiscal year 2023, increased 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 decreased to a 4.50% long-term trend rate after eight years. For the Medicare Part B reimbursement, the trend rate is 5.00%.

**FLORENCE TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023**

Note 9. Other Post-Retirement Benefits (continued)

Discount Rate

The discount rate for June 30, 2022 was 3.54%. This represents the municipal bond return rate as chosen by the Division. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. As the long-term rate of return is less than the municipal bond rate, it is not considered in the calculation of the discount rate, rather the discount rate is set at the municipal bond rate.

Sensitivity of Total Nonemployer OPEB Liability to changes in discount rate

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

	June 30, 2022		
	At 1% Decrease (2.54%)	At Discount Rate (3.54%)	At 1% Increase (4.54%)
State of New Jersey's Proportionate Share of Total OPEB Obligations Associated with the School District	\$ 66,536,244	\$ 56,607,570	\$ 48,650,234
State of New Jersey's Total Non- employer Liability	\$ 59,529,589,697	\$ 50,646,462,966	\$ 43,527,080,995

Sensitivity of Total Nonemployer OPEB Liability to changes in the healthcare trend rate

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

	June 30, 2022		
	1% Decrease	Healthcare Cost Trend Rate *	1% Increase
State of New Jersey's Proportionate Share of Total OPEB Obligations Associated with the School District	\$ 46,789,617	\$ 56,607,570	\$ 69,504,048
State of New Jersey's Total Nonemployer OPEB Liability	\$ 41,862,397,291	\$ 50,646,462,966	\$ 62,184,866,635

* See Healthcare Cost Trend Assumptions for details of rates.

**FLORENCE TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023**

Note 9. Other Post-Retirement Benefits (continued)

Additional Information

Collective balances of the Local Group at June 30, 2022 are as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Change in Proportion Differences between Expected & Actual Experience	\$ -	\$ -
Change in Assumptions	9,042,402,619	(15,462,950,679)
Contributions Made in Fiscal Year Year Ending 2020 After June 30, 2019 Measurement Date **	TBD	-
	\$ 17,808,023,196	\$ (32,700,239,909)

** Employer Contributions made after June 30, 2022 are reported as a deferred outflow of resources, but are not amortized in expense.

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,		
2023	\$	(2,517,151,602)
2024		(2,517,151,602)
2025		(2,517,151,602)
2026		(2,175,449,761)
2027		(1,243,951,140)
Thereafter		(3,921,361,006)
	\$	(14,892,216,713)

Plan Membership

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

	June 30, 2021
Active Plan Members	213,148
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	151,669
	364,817

**FLORENCE TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023**

Note 9. Other Post-Retirement Benefits (continued)

Changes in the Total OPEB Liability

The change in the State's Total OPEB liability for the fiscal year ended June 30, 2023 (measurement date June 30, 2022) is as follows:

Total OPEB Liability

Service Cost	\$ 2,770,618,025
Interest Cost	1,342,187,139
Difference Between Expected & Actual Experience	1,399,200,736
Change in Benefit Terms	-
Changes of Assumptions	(13,586,368,097)
Contributions: Member	42,650,252
Gross Benefit Payments	<u>(1,329,476,059)</u>
Net Change in Total OPEB Liability	(9,361,188,004)
Total OPEB Liability (Beginning)	<u>60,007,650,970</u>
Total OPEB Liability (Ending)	<u>\$ 50,646,462,966</u>
Total Covered Employee Payroll	\$ 14,753,355,408
Net OPEB Liability as a Percentage of Payroll	343%

Note 10. On-Behalf Payments for Fringe Benefits and Salaries

As previously mentioned, the School District receives on-behalf payments from the State of New Jersey for normal costs and post-retirement medical costs related to the Teachers' Pension and Annuity Fund (TPAF) pension plan. The School District is not legally responsible for these contributions. The on-behalf payments are recorded as revenues and expenditures in the government-wide and general fund financial statements. For the fiscal year ended June 30, 2023, the on-behalf payments for post-retirement medical costs, normal costs, long-term disability and reimbursed social security were \$1,043,698, \$3,973,002, \$1,406 and \$915,815, respectively.

Note 11. Risk Management

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

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

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 The District contributions, reimbursements to the State for benefits paid and the ending balance of The District's trust fund for the current and previous two years:

**FLORENCE TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023**

Note 11. Risk Management (continued)

<u>Fiscal Year</u>	<u>Employee Contributions</u>	<u>Interest Earnings</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2022-2023	\$ 10,816	\$ 540	\$ 4,214	\$ 144,540
2021-2022	1,504	88	3,920	137,398
2020-2021	25,544	1,129	6,362	139,726

Joint Insurance Pool – The District participates in the School Alliance Insurance Fund and, public entity risk pool. The Fund provides its members with the following coverage’s:

Property – Blanket Building & Grounds	General & Automobile Liability
Boiler & Machinery	Workers’ Compensation
School Board Legal Liability	Crime Coverage

Note 12. Contingencies

State and Federal Grantor Agencies - The District participates in numerous state and federal grant programs, which are governed by various rules and regulations of the grantor agencies; therefore, to the extent that the District has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectability of any related receivable at June 30, 2023 may be impaired. In the opinion of the District, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provisions have been recorded in the accompanying combined financial statements for such contingencies.

Pending Litigation – The District is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, it is the opinion of the Districts’ attorney that resolution of these matters will not have a material adverse effect on the financial condition of the District.

Note 13. Deferred Compensation

The District offers its employees a choice of the following deferred compensation plans created in accordance with Internal Revenue Code Section 403(b) and 457(b). The plans, which are administered by the entities listed below, permits participants to defer a portion of their salary until future years. Amounts deferred under the plans are not available to employees until termination, retirement, death or unforeseeable emergency. The plan administrators are as follows:

Thomas Seely, Inc.
Lincoln Investment Planning
Siracusa Benefits Program
VALIC and Equitable Life

**FLORENCE TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023**

Note 14. Compensated Absences

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

District employees are granted varying amount of vacation and sick leave in accordance with the District's personnel policies. The District 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 Districts' agreements with the various employee unions.

The liability for vested compensated absences of the governmental fund types is recorded in the statement of net position under governmental activities. The current portion of the compensated absence balance is not considered material to the applicable funds total liabilities, and is therefore not shown separately from the long-term liability balance of compensated absences.

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, the liability for compensated absences reported on the government-wide and on the proprietary fund Statement of Net Position was \$3,078,760 and \$0, respectively.

Note 15. Tax Abatements

As defined by the Governmental Accounting Standards Board (GASB) Statement No. 77, a tax abatement is an agreement between a government and an individual or entity in which the government promises to forgo tax revenues and the individual or entity promises to subsequently take a specific action that contributes to economic development or otherwise benefits the government or its citizens. School districts are not authorized by New Jersey statute to enter into tax abatement agreements. However, the county or municipality in which the school district is situated may have entered into tax abatement agreements, and that potential must be disclosed in these financial statements. If the county or municipality entered into tax abatement agreements, those agreements will not directly affect the school district's local tax revenue because N.J.S.A. 54:4-75 and N.J.S.A. 54:4-76 require that amounts so forgiven must effectively be recouped from other taxpayers and remitted to the school district.

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

Note 16. Commitments

The District has contractual commitments at June 30, 2023 to various vendors, which are recorded in the general fund as assigned to other purposes in the amount of \$112,500.

**FLORENCE TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023**

Note 17. Calculation of Excess Surplus

The designation for Restricted Fund Balance – Excess Surplus is a required calculation pursuant to N.J.S.A.18A:7F-7. New Jersey school districts are required to reserve General Fund fund balance at the fiscal year-end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2023 was \$1,900,735.

Note 18. Fund Balance

General Fund – Of the \$5,521,407 General Fund fund balance at June 30, 2023, \$1,000,762 has been reserved in the Capital Reserve Account; \$59,000 has been reserved in the Maintenance Reserve Account; \$144,540 has been reserved in New Jersey Unemployment Trust; \$1,900,735 is restricted for current year excess surplus; \$1,312,666 is restricted for prior year excess surplus – designated for subsequent year's expenditures; \$1,362,970 is assigned for subsequent year's expenditures; \$112,500 is assigned for other purposes and \$(371,730) is unassigned.

Special Revenue Fund – Of the \$121,439 Special Revenue Fund fund balance at June 30, 2023, \$116,166 is restricted for Student Activities and \$5,273 is restricted for Scholarships.

Capital Projects Fund – Of the \$10,000 Capital Projects Fund fund balance at June 30, 2023, \$10,000 is restricted for Capital Projects.

Debt Service Fund – Of the \$1,276 Debt Service Fund fund balance at June 30, 2023, \$1,276 is restricted for future debt service payments.

Note 19. Deficit in Net Position

Unrestricted Net Position – The District's governmental activities had a deficit in unrestricted net position in the amount of \$(6,668,439). The primary causes of the deficit are The District not recognizing the receivable for the last two state aid payments and the recording of the net pension liability for the Public Employees' Retirement System (PERS) as of June 30, 2023. This deficit in unrestricted net position for governmental activities does not indicate that The District is facing financial difficulties.

Note 20. Subsequent Events

Management has reviewed and evaluated all events and transactions that occurred between June 30, 2023 and January 5, 2024, the date that the financial statements were available for issuance, for possible disclosure and recognition in the financial statements, and no items have come to the attention of the District that would require disclosure.

REQUIRED SUPPLEMENTARY INFORMATION - PART II

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C. Budgetary Comparison Schedules

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

	ACCOUNT NUMBERS	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
Revenues:						
Local Sources:						
Local Tax Levy	10-1210	\$ 18,339,955	\$ -	\$ 18,339,955	\$ 18,339,955	\$ -
Tuition from Individuals	10-1310	60,000	-	60,000	58,100	(1,900)
Tuition from LEA's Within State	10-1320	20,000	-	20,000	44,258	24,258
Interest Earned on Capital Reserve Funds	10-xxxx	300	-	300	4,014	3,714
Unrestricted Miscellaneous Revenues	10-xxxx	248,701	-	248,701	397,936	149,235
Total Local Sources		18,668,956	-	18,668,956	18,844,263	175,307
State Sources:						
Categorical Special Education Aid	10-3132	1,150,328	-	1,150,328	1,150,328	-
Homeless Aid	10-3170	49,000	-	49,000	73,722	24,722
Equalization Aid	10-3176	9,631,078	-	9,631,078	9,631,078	-
Categorical Security Aid	10-3177	110,028	-	110,028	110,028	-
Categorical Transportation Aid	10-3121	262,668	-	262,668	262,668	-
Extraordinary Aid	10-3131	393,894	-	393,894	381,499	(12,395)
Nonpublic Transportation Aid	10-3190	-	-	-	28,080	28,080
Nonbudgeted:						
On-Behalf TPAF Pension Contributions		-	-	-	3,973,002	3,973,002
On-Behalf TPAF Post Retirement Medical Contributions		-	-	-	1,043,698	1,043,698
On-Behalf TPAF Disability Insurance Contributions		-	-	-	1,406	1,406
Reimbursed TPAF Social Security Contributions		-	-	-	915,815	915,815
Total State Sources		11,596,996	-	11,596,996	17,571,324	5,974,328
Federal Sources:						
Special Education Medicaid Initiative (SEMI)	10-4200	44,840	-	44,840	44,685	(155)
FFCRA/SEMI	10-4210	-	-	-	29,920	29,920
Total Federal Sources		44,840	-	44,840	74,605	29,765
Total Revenues		\$ 30,310,792	\$ -	\$ 30,310,792	\$ 36,490,192	\$ 6,179,400
Expenditures:						
Current Expense:						
Instruction - Regular Programs:						
Salaries of Teachers:						
Kindergarten	11-110-100-101	\$ 326,498	\$ (18,514)	\$ 307,984	\$ 307,184	\$ 800
Grades 1 - 5	11-120-100-101	2,461,312	(53,159)	2,408,153	2,389,204	18,949
Grades 6 - 8	11-130-100-101	1,876,449	(159,905)	1,716,544	1,670,303	46,241
Grades 9 - 12	11-140-100-101	2,396,157	(21,598)	2,374,559	2,324,845	49,714
Regular Programs - Home Instruction:						
Salaries of Teachers	11-150-100-101	42,000	7,290	49,290	48,492	798
Purchased Professional/Educational Services	11-150-100-320	22,500	(7,290)	15,210	3,898	11,312
Regular Programs - Undistributed Instruction:						
Purchased Professional/Educational Services	11-190-100-320	107,557	2,849	110,406	64,110	46,296
Purchased Technical Services	11-190-100-340	330,000	17,806	347,806	313,822	33,984
Other Purchased Services (400-500 series)	11-190-100-500	89,692	50,657	140,349	110,314	30,035
General Supplies	11-190-100-610	123,350	43,300	166,650	161,412	5,238
Textbooks	11-190-100-640	152,969	39,919	192,888	147,488	45,400
Other Objects	11-190-100-800	-	50	50	50	-
Total Regular Programs		7,928,484	(98,595)	7,829,889	7,541,122	288,767
Special Education:						
Multiple Disabilities:						
Salaries of Teachers	11-212-100-101	406,366	12,574	418,940	417,535	1,405
Other Salaries for Instruction	11-212-100-106	27,723	(6,778)	20,945	146	20,799
General Supplies	11-212-100-610	2,850	(45)	2,805	1,753	1,052
Total Learning and/or Language Disabilities		436,939	5,751	442,690	419,434	23,256
Resource Room/ Resource Center:						
Salaries of Teachers	11-213-100-101	1,710,534	(46,433)	1,664,101	1,580,593	83,508
Other Salaries for Instruction	11-213-100-106	80,544	-	80,544	80,544	-
General Supplies	11-213-100-610	2,250	-	2,250	1,434	816
Total Resource Room		1,793,328	(46,433)	1,746,895	1,662,571	84,324

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

	ACCOUNT NUMBERS	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
Autism:						
Salaries of Teachers	11-214-100-101	201,780	55,157	256,937	233,141	23,796
Other Salaries for Instruction	11-214-100-106	1,000	81	1,081	1,081	-
General Supplies	11-214-100-610	1,500	(271)	1,229	1,229	-
Total Autism		204,280	54,967	259,247	235,451	23,796
Preschool Disabilities - Part-Time:						
Salaries of Teachers	11-215-100-101	60,937	-	60,937	45,316	15,621
Total Preschool Disabilities - Part-Time		60,937	-	60,937	45,316	15,621
Preschool Disabilities - Full-Time:						
Salaries of Teachers	11-216-100-101	155,635	900	156,535	156,535	-
Other Salaries for Instruction	11-216-100-106	25,873	222	26,095	26,095	-
General Supplies	11-216-100-610	1,500	-	1,500	1,499	1
Total Preschool Disabilities - Full-Time		183,008	1,122	184,130	184,129	1
Total Special Education		2,678,492	15,407	2,693,899	2,546,901	146,998
Other Instruction:						
Basic Skills/Remedial:						
Salaries of Teachers	11-230-100-101	301,985	(165,590)	136,395	105,246	31,149
General Supplies	11-230-100-610	1,000	(25)	975	906	69
Total Basic Skills/Remedial		302,985	(165,615)	137,370	106,152	31,218
Bilingual Education - Instruction:						
Salaries of Teachers	11-240-100-100	132,120	-	132,120	132,120	-
Purchased Technical Services	11-240-100-340	50	-	50	-	50
Other Purchased Services	11-240-100-500	2,000	-	2,000	69	1,931
General Supplies	11-240-100-610	500	-	500	-	500
Total Bilingual Education - Instruction		134,670	-	134,670	132,189	2,481
School Sponsored Cocurricular Activities:						
Salaries	11-401-100-100	103,389	12,982	116,371	96,606	19,765
Other Purchased Services	11-401-100-500	150	-	150	-	150
Supplies & Materials	11-401-100-610	3,450	(956)	2,494	1,754	740
Other Objects	11-401-100-800	1,335	-	1,335	730	605
Total School Sponsored Cocurricular Activities		108,324	12,026	120,350	99,090	21,260
School Sponsored Athletics:						
Salaries	11-402-100-100	389,000	9,418	398,418	360,647	37,771
Unused Vacation Payment to Terminated/Retired Staff	11-402-100-199	5,000	(4,053)	947	-	947
Purchased Services (300-500 series)	11-402-100-500	66,105	1,561	67,666	62,786	4,880
Supplies & Materials	11-402-100-600	57,840	19,237	77,077	66,439	10,638
Other Objects	11-402-100-800	1,425	500	1,925	1,892	33
Total School Sponsored Athletics		519,370	26,663	546,033	491,764	54,269
Total Other Instruction		1,065,349	(126,926)	938,423	829,195	109,228
Total - Instruction		11,672,325	(210,114)	11,462,211	10,917,218	544,993
Undistributed Expenditures:						
Tuition:						
Tuition Other LEA's - In State - Regular	11-000-100-561	87,026	(52,647)	34,379	23,182	11,197
Tuition Other LEA's - In State - Special Education	11-000-100-562	100,000	19,988	119,988	111,541	8,447
Tuition to County Voc. School Dist-Regular	11-000-100-563	211,415	(15,400)	196,015	170,906	25,109
Tuition to County Voc. School Dist-Special	11-000-100-564	39,457	-	39,457	29,080	10,377
Tuition to CSSD & Reg. Day Schools	11-000-100-565	867,078	(155,419)	711,659	625,472	86,187
Tuition to Private Schools for the Handicapped - In State	11-000-100-566	564,603	555,716	1,120,319	964,204	156,115
Tuition - State Facilities	11-000-100-568	161,080	-	161,080	144,972	16,108
Total Tuition		2,030,659	352,238	2,382,897	2,069,357	313,540

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

	ACCOUNT NUMBERS	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
Student & Instruction Related Services:						
Attendance & Social Work Services:						
Salaries	11-000-211-100	5,400	(470)	4,930	98	4,832
Other Purchased Services	11-000-211-500	1,000	-	1,000	-	1,000
Total Attendance & Social Work Services		6,400	(470)	5,930	98	5,832
Health Services:						
Salaries	11-000-213-100	276,256	25,541	301,797	285,200	16,597
Purchased Professional & Technical Services	11-000-213-300	521,184	93,309	614,493	387,259	227,234
Supplies and Materials	11-000-213-610	6,100	3,350	9,450	8,507	943
Total Health Services		803,540	122,200	925,740	680,966	244,774
Other Support Services - Students - Related Services:						
Salaries	11-000-216-100	318,233	1,890	320,123	320,123	-
Purchased Professional & Educational Services	11-000-216-320	809,890	237,489	1,047,379	987,114	60,265
Supplies & Materials	11-000-216-610	1,000	(90)	910	682	228
Other Objects	11-000-216-800	450	-	450	-	450
Total Other Services - Students - Related Services		1,129,573	239,289	1,368,862	1,307,919	60,943
Other Support Services - Students - Extra Services:						
Salaries	11-000-217-100	80,219	-	80,219	80,219	-
Purchased Professional & Educational Services	11-000-217-320	580,000	(76,135)	503,865	489,940	13,925
Total Other Services - Students - Extra Services		660,219	(76,135)	584,084	570,159	13,925
Other Support Services - Students - Guidance						
Salaries of Other Professional Staff	11-000-218-104	510,363	-	510,363	509,975	388
Salaries of Secretarial and Clerical Assistants	11-000-218-105	54,981	-	54,981	54,981	-
Other Purchased Professional & Technical Services	11-000-218-390	4,600	4,619	9,219	9,196	23
Supplies & Materials	11-000-218-600	5,725	-	5,725	5,120	605
Total Other Support Services - Students - Guidance		575,669	4,619	580,288	579,272	1,016
Other Support Services - Students - Child Study Team:						
Salaries of Other Professional Staff	11-000-219-104	542,467	250	542,717	542,717	-
Salaries of Secretarial & Clerical Assistants	11-000-219-105	54,981	66	55,047	55,047	-
Other Salaries	11-000-219-110	8,691	(1,563)	7,128	7,128	-
Purchased Professional & Educational Services	11-000-219-320	-	6,993	6,993	6,993	-
Other Purchased Prof. & Technical Services	11-000-219-390	70,800	17,371	88,171	70,886	17,285
Other Purchased Services	11-000-219-500	17,722	-	17,722	17,722	-
Supplies & Materials	11-000-219-600	6,000	1,267	7,267	7,267	-
Other objects	11-000-219-800	1,000	(151)	849	849	-
Total Other Support Services - Students - Child Study Team		701,661	24,233	725,894	708,609	17,285
Improvement of Instructional Staff						
Salaries of Supervisors of Instruction	11-000-221-102	100,755	-	100,755	100,755	-
Other Salaries	11-000-221-110	22,000	4,238	26,238	17,413	8,825
Other Purchased Professional & Technical Services	11-000-221-390	5,000	-	5,000	3,664	1,336
Total Instructional Staff Training		127,755	4,238	131,993	121,832	10,161
Educational Media Services/School Library:						
Salaries	11-000-222-100	73,710	-	73,710	73,710	-
Supplies and Materials	11-000-222-610	9,722	2,257	11,979	10,836	1,143
Total Educational Media Services/School Library		83,432	2,257	85,689	84,546	1,143
Instructional Staff Training:						
Other Salaries	11-000-223-110	4,750	225	4,975	4,666	309
Other Purchased Professional & Technical Services	11-000-223-390	2,000	-	2,000	-	2,000
Other Objects	11-000-223-600	500	-	500	272	228
Total Instructional Staff Training		7,250	225	7,475	4,938	2,537
Total Student & Instruction Related Services		4,095,499	320,456	4,415,955	4,058,339	357,616

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

	ACCOUNT NUMBERS	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
Support Services General Administration:						
Salaries	11-000-230-100	276,035	906	276,941	276,941	-
Legal Services	11-000-230-331	57,000	95,870	152,870	130,330	22,540
Audit Fees	11-000-230-332	34,600	2,000	36,600	36,600	-
Architectural/Engineering Services	11-000-230-334	78,000	16,500	94,500	25,557	68,943
Purchased Technical Services	11-000-230-340	33,276	13,105	46,381	39,914	6,467
Communications/Telephone	11-000-230-530	85,420	1,397	86,817	86,699	118
BOE Other Purchased Services	11-000-230-585	2,550	(289)	2,261	1,233	1,028
Miscellaneous Purchased Services	11-000-230-590	11,823	(2,856)	8,967	8,917	50
General Supplies	11-000-230-610	5,100	2,537	7,637	7,620	17
Miscellaneous Expenditures	11-000-230-890	33,856	(29,206)	4,650	(7,384)	12,034
BOE Membership Dues & Fees	11-000-230-895	11,500	(115)	11,385	11,140	245
Total Support Services General Administration		629,160	99,849	729,009	617,567	111,442
Support Services School Administration:						
Salaries of Principals & Assistant Principals	11-000-240-103	779,061	(1,595)	777,466	773,310	4,156
Salaries of Secretarial & Clerical Assistants	11-000-240-105	248,319	(4,264)	244,055	241,360	2,695
Unused Vacation Payment to Terminated/Retired Staff	11-000-240-199	4,000	-	4,000	-	4,000
Purchased Professional Technical Services	11-000-240-300	3,550	(100)	3,450	1,838	1,612
Supplies and Materials	11-000-240-600	11,800	(478)	11,322	11,091	231
Other Objects	11-000-240-800	6,585	10,104	16,689	16,687	2
Total Support Services School Administration		1,053,315	3,667	1,056,982	1,044,286	12,696
Central Services:						
Salaries	11-000-251-100	305,392	11,858	317,250	317,250	-
Salaries - Earned Vacation Pay	11-000-251-199	11,990	5,000	16,990	16,359	631
Purchased Professional Technical Services	11-000-251-300	-	1,500	1,500	1,500	-
Purchased Technical Services	11-000-251-340	107,763	19,932	127,695	126,998	697
Miscellaneous Purchased Services	11-000-251-592	6,303	(862)	5,441	4,813	628
Supplies and Materials	11-000-251-600	8,700	6,911	15,611	15,611	-
Miscellaneous Expenditures	11-000-251-800	1,500	295	1,795	1,770	25
Total Central Services		441,648	44,634	486,282	484,301	1,981
Administrative Information Technology:						
Salaries	11-000-252-100	156,667	2,260	158,927	158,488	439
Purchased Technical Services	11-000-252-340	229,628	17,101	246,729	245,112	1,617
Miscellaneous Purchased Services	11-000-252-592	-	740	740	739	1
Supplies and Materials	11-000-252-600	92,606	30,891	123,497	123,497	-
Other Objects	11-000-252-800	450	-	450	450	-
Total Administrative Information Technology		479,351	50,992	530,343	528,286	2,057
Required Maintenance for School Facilities:						
Salaries	11-000-261-100	433,377	(833)	432,544	432,543	1
Cleaning, Repair & Maintenance Services	11-000-261-420	325,092	85,734	410,826	335,652	75,174
General Supplies	11-000-261-610	92,000	(23,445)	68,555	67,449	1,106
Other Objects	11-000-261-800	9,900	(1,491)	8,409	8,402	7
Total Required Maintenance for School Facilities		860,369	59,965	920,334	844,046	76,288
Custodial Services:						
Salaries	11-000-262-100	212,471	3,888	216,359	213,644	2,715
Cleaning, Repair & Maintenance Services	11-000-262-420	154,760	(72,631)	82,129	76,887	5,242
Insurance	11-000-262-520	226,000	(21,621)	204,379	181,072	23,307
General Supplies	11-000-262-610	49,000	6,889	55,889	55,774	115
Energy (Natural Gas)	11-000-262-621	204,330	28,431	232,761	224,487	8,274
Energy (Electricity)	11-000-262-622	545,700	(129,063)	416,637	392,240	24,397
Total Custodial Services		1,392,261	(184,107)	1,208,154	1,144,104	64,050
Care and Upkeep of Grounds:						
Purchased Property Services	11-000-263-400	50,821	(13,056)	37,765	23,365	14,400
General Supplies	11-000-263-610	29,400	8,800	38,200	34,915	3,285
Total Care and Upkeep of Grounds:		80,221	(4,256)	75,965	58,280	17,685
Security:						
Salaries	11-000-266-100	90,716	-	90,716	90,716	-
Other Purchased Professional Services	11-000-266-330	153,895	112,585	266,480	235,762	30,718
General Supplies	11-000-266-610	2,000	11,317	13,317	12,789	528
Other Objects	11-000-266-800	450	-	450	450	-
Total Security		247,061	123,902	370,963	339,717	31,246
Total Operation & Maintenance of Plant Services		2,579,912	(4,496)	2,575,416	2,386,147	189,269

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

	ACCOUNT NUMBERS	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
Student Transportation Services:						
Salaries - Non Instruction	11-000-270-107	159,903	(86,871)	73,032	72,858	174
Salaries - Pupil Transport. - (Between Home & School) - Regular	11-000-270-160	354,791	(50,378)	304,413	284,156	20,257
Salaries - Pupil Transport. - (Between Home & School) - Special	11-000-270-161	203,595	(94,380)	109,215	109,049	166
Salaries - Pupil Transport. - (Other than Between Home & School)	11-000-270-162	16,820	4,145	20,965	19,565	1,400
Other Purchased Professional & Technical Services	11-000-270-390	25,300	11,312	36,612	35,046	1,566
Cleaning, Repair & Maintenance Services	11-000-270-420	182,760	(31,834)	150,926	129,983	20,943
Lease Purchase Payments - School Buses	11-000-270-443	118,696	-	118,696	118,658	38
Contracted Services - (Aid in Lieu of Payments)	11-000-270-503	75,000	28,130	103,130	102,200	930
Contracted Services - Vendors	11-000-270-511	-	1,040	1,040	1,040	-
Contracted Services (Special Education Students) - Joint Agreement	11-000-270-513	153,000	156,225	309,225	276,733	32,492
Miscellaneous Purchased Services - Transportation	11-000-270-593	41,500	-	41,500	36,748	4,752
General Supplies	11-000-270-610	14,379	1	14,380	5,448	8,932
Transportation Supplies	11-000-270-615	113,500	-	113,500	45,631	67,869
Other Objects	11-000-270-890	4,500	-	4,500	2,050	2,450
Total Student Transportation Services		1,463,744	(62,610)	1,401,134	1,239,165	161,969
Allocated Benefits						
Regular Programs - Instruction						
Workmen's Compensation	11-1XX-100-260	107,610	-	107,610	107,610	-
Health Benefits	11-1XX-100-270	1,187,445	(88,615)	1,098,830	1,098,067	763
Tuition Reimbursement	11-1XX-100-280	29,000	25,607	54,607	54,046	561
Other Employee Benefits	11-1XX-100-290	363,064	50,589	413,653	406,571	7,082
Unused Sick Payment to Terminated Staff	11-1XX-100-299	36,577	12,409	48,986	48,986	-
Total Regular Programs - Instruction		1,723,696	(10)	1,723,686	1,715,280	8,406
Special Programs - Instruction						
Social Security Contributions	11-2XX-100-220	26,388	-	26,388	186	26,202
Other Retirement - Regular	11-2XX-100-241	29,111	-	29,111	26,938	2,173
Workmen's Compensation	11-2XX-100-260	40,433	-	40,433	10,821	29,612
Health Benefits	11-2XX-100-270	987,566	1,000	988,566	988,566	-
Other Employee Benefits	11-2XX-100-290	118,182	31,705	149,887	130,324	19,563
Unused Sick Payment to Terminated Staff	11-2XX-100-299	19,914	-	19,914	15,966	3,948
Total Special Programs - Instruction		1,221,594	32,705	1,254,299	1,172,801	81,498
Special Programs - Instruction						
Social Security Contributions	11-4XX-100-220	56,625	-	56,625	39,564	17,061
Other Retirement - Regular	11-4XX-100-241	30,000	(30,000)	-	-	-
Workmen's Compensation	11-4XX-100-260	2,516	-	2,516	-	2,516
Health Benefits	11-4XX-100-270	13,918	-	13,918	13,914	4
Other Employee Benefits	11-4XX-100-290	12,788	12,788	25,576	25,576	-
Unused Sick Payment to Terminated Staff	11-4XX-100-299	5,000	-	5,000	5,000	-
Total Special Programs - Instruction		120,847	(17,212)	103,635	84,054	19,581
Student & Instruction Related Services:						
Attendance/Social Work Services						
Social Security Contributions	11-000-211-220	621	-	621	-	621
Other Retirement Regular	11-000-211-241	810	-	810	810	-
Workmen's Compensation	11-000-211-260	250	-	250	250	-
Total Attendance/Social Work Services		1,681	-	1,681	1,060	621

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

	ACCOUNT NUMBERS	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
Health Services						
Workmen's Compensation	11-000-213-260	3,678	-	3,678	3,678	-
Health Benefits	11-000-213-270	95,715	-	95,715	95,715	-
Total Health Services		99,393	-	99,393	99,393	-
Other Support Services - Students - Related Services						
Workmen's Compensation	11-000-216-260	4,347	-	4,347	4,347	-
Health Benefits	11-000-216-270	95,482	-	95,482	95,482	-
Other Employee Benefits	11-000-216-290	25,576	(13,144)	12,432	12,432	-
Total Other Support Services - Students - Related Services		125,405	(13,144)	112,261	112,261	-
Other Support Services - Students - Extra Services						
Social Security Contributions	11-000-217-220	9,225	-	9,225	9,225	-
Other Retirement Regular	11-000-217-241	12,033	-	12,033	12,033	-
Workmen's Compensation	11-000-217-260	1,096	-	1,096	1,096	-
Health Benefits	11-000-217-270	50,600	-	50,600	50,600	-
Other Employee Benefits	11-000-217-290	25,576	(12,788)	12,788	12,788	-
Total Other Support Services - Students - Extra Services		98,530	(12,788)	85,742	85,742	-
Other Support Services - Students - Guidance						
Social Security Contributions	11-000-218-220	10,247	-	10,247	10,247	-
Other Retirement - Regular	11-000-218-241	8,247	-	8,247	8,247	-
Workmen's Compensation	11-000-218-260	7,716	-	7,716	7,716	-
Health Benefits	11-000-218-270	157,461	(962)	156,499	156,499	-
Other Employee Benefits	11-000-218-29X	12,788	(12,788)	-	-	-
Total Other Support Services - Students - Guidance		196,459	(13,750)	182,709	182,709	-
Other Support Services - Students - Child Study Team						
Social Security Contributions	11-000-219-220	6,323	-	6,323	6,323	-
Other Retirement - Regular	11-000-219-241	8,247	-	8,247	8,247	-
Workmen's Compensation	11-000-219-260	8,155	-	8,155	8,155	-
Health Benefits	11-000-219-270	158,679	-	158,679	158,679	-
Other Employee Benefits	11-000-219-290	12,788	3,566	16,354	16,354	-
Total Other Support Services - Students - Child Study Team		194,192	3,566	197,758	197,758	-
Improvement of Instruction Services						
Workmen's Compensation	11-000-221-260	1,375	-	1,375	1,375	-
Health Benefits	11-000-221-270	14,365	-	14,365	14,365	-
Total Improvement of Instruction Services		15,740	-	15,740	15,740	-
Educational Media Services - School Library						
Workmen's Compensation	11-000-222-260	1,006	(506)	500	-	500
Health Benefits	11-000-222-270	13,918	(12,841)	1,077	1,077	-
Total Educational Media Services - School Library		14,924	(13,347)	1,577	1,077	500
Total Student & Instruction Related Services		746,324	(49,463)	696,861	695,740	1,121
Support Services - General Administration						
Social Security Contributions	11-000-230-220	10,372	-	10,372	10,372	-
Other Retirement - Regular	11-000-230-241	13,553	-	13,553	13,553	-
Workmen's Compensation	11-000-230-260	3,632	-	3,632	3,632	-
Health Benefits	11-000-230-270	42,874	(272)	42,602	42,602	-
Total Support Services - General Administration		70,431	(272)	70,159	70,159	-
Support Services - School Administration						
Social Security Contributions	11-000-240-220	33,993	-	33,993	33,993	-
Other Retirement - Regular	11-000-240-241	30,102	-	30,102	30,102	-
Workmen's Compensation	11-000-240-260	13,977	-	13,977	13,977	-
Health Benefits	11-000-240-270	217,699	(125,615)	92,084	92,084	-
Other Employee Benefits	11-000-240-290	55,022	-	55,022	53,251	1,771
Unused Sick Payment to Terminated Staff	11-000-240-299	10,000	-	10,000	5,946	4,054
Total Support Services - School Administration		360,793	(125,615)	235,178	229,353	5,825

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

	ACCOUNT NUMBERS	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
Central Services						
Social Security Contributions	11-000-251-220	26,651	-	26,651	26,651	-
Other Retirement - Regular	11-000-251-241	25,759	-	25,759	25,759	-
Workmen's Compensation	11-000-251-260	4,167	-	4,167	4,167	-
Health Benefits	11-000-251-270	107,798	(62,524)	45,274	45,274	-
Other Employee Benefits	11-000-251-290	425	4,577	5,002	4,002	1,000
Unused Sick Payment to Terminated/Retired Staff	11-000-251-299	5,000	-	5,000	5,000	-
Total Central Services		169,800	(57,947)	111,853	110,853	1,000
Undist. Expend. - Support Serv. - Administration Information Serv.						
Social Security Contributions	11-000-252-220	17,304	-	17,304	17,304	-
Other Retirement - Regular	11-000-252-241	12,902	(225)	12,677	12,677	-
Workmen's Compensation	11-000-252-260	2,054	-	2,054	2,054	-
Health Benefits	11-000-252-270	14,883	-	14,883	14,883	-
Other Employee Benefits	11-000-252-290	14,313	(425)	13,888	12,788	1,100
Total Undist. Expend. - Support Serv. - Administration Info Serv.		61,456	(650)	60,806	59,706	1,100
Operation and Maintenance of Plant Services						
Social Security Contributions	11-000-261-220	48,401	-	48,401	48,401	-
Other Retirement - Regular	11-000-261-241	32,610	-	32,610	32,610	-
Workmen's Compensation	11-000-261-260	5,745	-	5,745	5,745	-
Health Benefits	11-000-261-270	131,925	-	131,925	131,925	-
Other Employee Benefits	11-000-261-290	3,300	(870)	2,430	2,418	12
Total Operation and Maintenance of Plant Services		221,981	(870)	221,111	221,099	12
Custodial Services						
Social Security Contributions	11-000-262-220	24,814	-	24,814	19,632	5,182
Other Retirement - Regular	11-000-262-241	33,612	-	33,612	33,612	-
Workmen's Compensation	11-000-262-260	3,745	-	3,745	3,745	-
Health Benefits	11-000-262-270	64,450	-	64,450	64,450	-
Other Employee Benefits	11-000-262-290	26,476	-	26,476	26,423	53
Total Custodial Services		153,097	-	153,097	147,862	5,235
Security						
Social Security Contributions	11-000-266-220	10,432	-	10,432	10,432	-
Other Retirement - Regular	11-000-266-241	13,607	-	13,607	13,607	-
Workmen's Compensation	11-000-266-260	1,238	-	1,238	1,238	-
Other Employee Benefits	11-000-266-290	25,576	-	25,576	25,576	-
Total Custodial Services		50,853	-	50,853	50,853	-
Student Transportation Services						
Social Security Contributions	11-000-270-220	71,371	-	71,371	71,371	-
Other Retirement - Regular	11-000-270-241	70,789	-	70,789	70,789	-
Workmen's Compensation	11-000-270-260	8,474	-	8,474	8,474	-
Health Benefits	11-000-270-270	418,358	(99,801)	318,557	318,557	-
Other Employee Benefits	11-000-270-290	43,364	23,658	67,022	65,993	1,029
Unused Sick Payment to Terminated Staff	11-000-270-299	4,170	-	4,170	4,169	1
Total Student Transportation Services		616,526	(76,143)	540,383	539,353	1,030
Total Allocated Benefits		5,517,398	(295,477)	5,221,921	5,097,113	124,808
Unallocated Benefits - Employee Benefits:						
Group Insurance	11-000-291-210	-	1,056	1,056	1,056	-
Unemployment Compensation	11-000-291-250	61,701	(54,193)	7,508	-	7,508
Total Unallocated Benefits - Employee Benefits		61,701	(53,137)	8,564	1,056	7,508
Transfers to Cover Deficit (Enterprise Fund)		100,000	-	100,000	20,000	80,000
Nonbudgeted:						
On-Behalf TPAF Pension Contributions		-	-	-	3,973,002	(3,973,002)
On-Behalf TPAF Post Retirement Medical Contributions		-	-	-	1,043,698	(1,043,698)
On-Behalf TPAF Disability Insurance Contributions		-	-	-	1,406	(1,406)
Reimbursed TPAF Social Security Contributions		-	-	-	915,815	(915,815)
Total Nonbudgeted		-	-	-	5,933,921	(5,933,921)
Total Undistributed Expenditures		18,452,387	456,116	18,908,503	23,479,538	(4,571,035)
Transfer to Charter Schools	10-000-100-56X	1,858,658	(184,077)	1,674,581	1,598,909	75,672
Total Expenditures - Current Expense		31,983,370	61,925	32,045,295	35,995,665	(3,950,370)

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

	ACCOUNT NUMBERS	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
Capital Outlay:						
Equipment:						
Instructional Equipment- Grades 1-5	12-120-100-730	-	10,177	10,177	9,853	324
Instructional Equipment- Grades 6-8	12-130-100-730	-	12,595	12,595	12,595	-
Instructional Equipment- Grades 9-12	12-140-100-730	-	11,198	11,198	11,157	41
Administration	12-000-240-730	-	12,768	12,768	12,768	-
Information Technology	12-000-252-730	-	3,399	3,399	3,399	-
Building	12-000-261-730	-	41,454	41,454	39,916	1,538
Student Transportation Services	12-000-270-733	75,852	(3,312)	72,540	72,540	-
Total Equipment		75,852	88,279	164,131	162,228	1,903
Facilities Acquisition & Construction Services:						
Construction Services	12-000-400-450	-	30,334	30,334	30,334	-
Assessment of Debt Service on SDA Funding	12-000-400-896	117,952	-	117,952	117,952	-
Total Facilities Acquisition & Construction Services		117,952	30,334	148,286	148,286	-
Interest Deposit to Capital Reserve	10-604	300	(300)	-	-	-
Total Capital Outlay		194,104	118,313	312,417	310,514	1,903
Total Expenditures		32,177,474	180,238	32,357,712	36,306,179	(3,948,467)
Excess/(Deficiency) of Revenues Over/(Under) Expenditures		(1,866,682)	(180,238)	(2,046,920)	184,013	2,230,933
Excess/(Deficiency) of Revenues Over/(Under) Expenditures After Other Financing Sources/(Uses)		(1,866,682)	(180,238)	(2,046,920)	184,013	2,230,933
Fund Balances, July 1		6,344,649	-	6,344,649	6,344,649	-
Fund Balances, June 30		\$ 4,477,967	\$ (180,238)	\$ 4,297,729	\$ 6,528,662	\$ 2,230,933
Encumbrances			\$ 180,238			
Total			\$ 180,238			

RECAPITULATION OF FUND BALANCE:

Restricted Fund Balance:		
Capital Reserve		\$ 1,000,726
Maintenance Reserve		59,000
Excess Surplus		1,900,735
Reserved Excess Surplus Designated for Subsequent Year's Expenditures		1,312,666
New Jersey Unemployment Trust		144,540
Assigned Fund Balance:		
Surplus Designated for Subsequent Year's Expenditures		1,362,970
Year-end Encumbrances		112,500
Unassigned Fund Balance		635,525
Subtotal		6,528,662
Reconciliation to Governmental Funds Statements (GAAP):		
Last Two State Aid Payments Not Recognized on GAAP Basis		(1,007,255)
Fund Balance per Governmental Funds (GAAP)		\$ 5,521,407

**FLORENCE TOWNSHIP SCHOOL DISTRICT
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

REVENUES	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
Local Sources	\$ 27,502	\$ 156,562	\$ 184,064	\$ 286,568	\$ 102,504
State Sources	109,320	(3,993)	105,327	56,191	(49,136)
Federal Sources	902,495	2,813,729	3,716,224	2,087,099	(1,629,125)
Total Revenues	1,039,317	2,966,298	4,005,615	2,429,858	(1,575,757)
EXPENDITURES:					
Instruction:					
Salaries	262,690	487,310	750,000	340,467	409,533
Purchased Professional & Educational Services	109,320	110,680	220,000	113,805	106,195
Purchased Professional & Technical Services	-	10,000	10,000	863	9,137
Tuition	429,785	220,215	650,000	473,695	176,305
Other Purchased Services	26,493	113,507	140,000	37,345	102,655
General Supplies	66,082	103,918	170,000	156,865	13,135
Miscellaneous	35,578	14,422	50,000	18,173	31,827
Total Instruction	929,948	1,060,052	1,990,000	1,141,213	848,787
Support Services:					
Personal Services - Employee Benefits	-	525,000	525,000	238,605	286,395
Purchased Professional & Technical Services	55,583	944,417	1,000,000	692,689	307,311
Purchased Professional Services	20,655	4,960	25,615	8,562	17,053
Other Purchased Services	5,629	194,371	200,000	68,832	131,168
General Supplies	27,502	197,498	225,000	20,225	204,775
Student Activities	-	-	-	216,121	(216,121)
Scholarship	-	-	-	900	(900)
Total Support Services	109,369	1,866,246	1,975,615	1,245,934	729,681
Facilities Acquisition & Construction Services:					
Construction Services	-	40,000	40,000	40,000	-
Total Facilities Acquisition & Construction Services	-	40,000	40,000	40,000	-
Total Expenditures	1,039,317	2,966,298	4,005,615	2,427,147	1,578,468
Total Outflows	1,039,317	2,966,298	4,005,615	2,427,147	1,578,468
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures & Other Financing Sources/(Uses)	-	-	-	2,711	2,711
Fund Balance, July 1	118,728	-	118,728	118,728	-
Fund Balance, June 30	\$ 118,728	\$ -	\$ 118,728	\$ 121,439	\$ 2,711
Recapitulation:					
Restricted:					
Scholarships				\$ 5,273	
Student Activities				116,166	
Total Fund Balance				\$ 121,439	

**FLORENCE TOWNSHIP SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION - PART II
BUDGETARY COMPARISON SCHEDULE
NOTE TO RSI - PART II
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<u>GENERAL FUND</u>	<u>SPECIAL REVENUE FUND</u>
Sources/Inflows of Resources:		
Actual Amounts (Budgetary Basis) "Revenue"		
From the Budgetary Comparison Schedule (C-Series)	\$ 36,490,192	\$ 2,429,858
Difference - Budget to GAAP:		
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes.	874,972	-
State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year.	(1,007,255)	-
Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for <i>budgetary</i> purposes, but in the year the supplies are received for <i>financial reporting</i> purposes.		
Current Year	-	(36,895)
Prior Year	-	9,187
Total Revenues as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds. (B-2)	\$ 36,357,909	\$ 2,402,150
Uses/outflows of resources:		
Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule	\$ 36,306,179	\$ 2,427,147
Differences - budget to GAAP		
Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for <i>budgetary</i> purposes, but in the year the supplies are received for <i>financial reporting</i> purposes.	-	(27,708)
Total Expenditures as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds (B-2)	\$ 36,306,179	\$ 2,399,439

REQUIRED SUPPLEMENTARY INFORMATION - PART III

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L. Schedules Related to Accounting and Reporting for Pensions (GASB 68)

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FLORENCE TOWNSHIP SCHOOL DISTRICT
 SCHEDULE OF THE SCHOOL DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
 PUBLIC EMPLOYEES' RETIREMENT SYSTEM (PERS)
 LAST TEN FISCAL YEARS*

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
School District's proportion of the net pension liability	0.02292%	0.02571%	0.02719%	0.02847%	0.00029%	0.00314%	0.03648%	0.03822%	0.03782%	0.03968%
School District's proportionate share of the net pension liability	\$ 3,458,367	\$ 3,045,229	\$ 4,434,531	\$ 5,130,080	\$ 5,641,974	\$ 7,309,683	\$ 10,805,326	\$ 8,580,029	\$ 7,081,833	\$ 7,583,695
School District's covered payroll	1,838,708	1,908,745	1,918,412	1,969,130	2,051,361	2,217,516	2,597,869	2,646,666	2,618,784	2,579,352
School District's proportionate share of the net pension liability as a percentage of its covered payroll	188.09%	159.54%	231.16%	260.53%	275.04%	329.63%	415.93%	324.18%	270.42%	294.02%
Plan fiduciary net position as a percentage of the total pension liability	62.91%	70.33%	58.31%	56.27%	53.60%	48.10%	40.14%	47.93%	52.08%	48.72%

*The amounts presented for each fiscal year were determined as of the previous fiscal year end (the measurement date)

FLORENCE TOWNSHIP SCHOOL DISTRICT
 SCHEDULE OF SCHOOL DISTRICT CONTRIBUTIONS
 PUBLIC EMPLOYEES' RETIREMENT SYSTEM (PERS)
 LAST TEN FISCAL YEARS

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
School District's contractually required contribution	\$ 288,984	\$ 301,044	\$ 297,482	\$ 276,941	\$ 285,022	\$ 290,898	\$ 324,113	\$ 328,605	\$ 311,822	\$ 298,983
Contributions in relation to the contractually required contribution	(288,984)	(301,044)	(297,482)	(276,941)	(285,022)	(290,898)	(324,113)	(328,605)	(311,822)	(298,983)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
School District's covered payroll	\$ 1,908,745	\$ 1,918,412	\$ 1,775,859	\$ 1,969,130	\$ 1,969,130	\$ 2,051,361	\$ 2,217,516	\$ 2,597,869	\$ 2,646,666	\$ 2,618,784
Contributions as a percentage of covered payroll	15.14%	15.69%	16.75%	14.06%	14.47%	14.18%	14.62%	12.65%	11.78%	11.42%

FLORENCE TOWNSHIP SCHOOL DISTRICT
 SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
 TEACHERS' PENSION AND ANNUITY FUND (TPAF)
 LAST TEN FISCAL YEARS*

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
School District's proportion of the net pension liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School District's proportionate share of the net pension liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's proportionate share of the net pension liability associated with the School District	49,988,563	46,598,800	64,294,179	59,209,516	64,155,985	67,954,593	78,826,344	61,087,012	54,178,933	55,586,266
School District's covered payroll	\$ 49,988,563	\$ 46,598,800	\$ 64,294,179	\$ 59,209,516	\$ 64,155,985	\$ 67,954,593	\$ 78,826,344	\$ 61,087,012	\$ 54,178,933	\$ 55,586,266
School District's proportionate share of the net pension liability as a percentage of its covered payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the total pension liability	32.29%	35.52%	24.60%	26.95%	26.49%	25.41%	22.33%	28.71%	33.64%	33.76%

*The amounts presented for each fiscal year were determined as of the previous fiscal year end (the measurement date).

**FLORENCE TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
TEACHERS' PENSION AND ANNUITY FUND (TPAF)
LAST TEN FISCAL YEARS**

This schedule is not applicable. There is a special funding situation where the State of New Jersey pays 100% of the required contributions associated with the School District.

**SCHEDULES RELATED TO ACCOUNTING AND REPORTING FOR OTHER POST EMPLOYMENT
BENEFITS (GASB 75)**

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FLORENCE TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS
STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES PLAN (OPEB)
LAST SIX FISCAL YEARS*

	2023	2022	2021	2020	2019	2018
District's Total OPEB Liability						
Service Cost	\$ 2,703,315	\$ 3,139,508	\$ 1,744,216	\$ 1,703,683	\$ 1,965,180	\$ 2,374,784
Interest Cost	1,500,163	1,798,368	1,727,638	2,136,356	2,342,208	2,032,750
Differences between Expected and Actual Experiences	(297,297)	(13,390,325)	14,219,184	(9,054,687)	(6,628,554)	-
Changes of Assumptions	(15,185,489)	68,395	14,445,172	719,838	(6,221,043)	(8,483,441)
Contributions: Member	47,670	45,975	41,728	43,931	50,100	54,715
Gross Benefit Payments	(1,485,956)	(1,416,610)	(1,376,715)	(1,482,010)	(1,449,597)	(1,485,925)
Net Change in Total OPEB Liability	(12,717,594)	(9,754,689)	30,801,223	(5,932,889)	(9,941,706)	(5,507,117)
District's Total OPEB Liability (Beginning)	69,325,164	79,079,853	48,278,630	54,211,519	64,153,225	69,660,342
District's Total OPEB Liability (Ending)	\$ 56,607,570	\$ 69,325,164	\$ 79,079,853	\$ 48,278,630	\$ 54,211,519	\$ 64,153,225
District's Covered Employee Payroll**	\$ 14,451,314	\$ 13,034,975	\$ 12,999,566	\$ 12,948,848	\$ 12,282,995	\$ 12,122,226
District's Net OPEB Liability as a Percentage of Payroll	392%	532%	608%	373%	441%	529%

*Note - The amounts presented for each fiscal year were determined as of the previous fiscal year end (the measurement date)

**This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

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NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PART III

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**FLORENCE TOWNSHIP SCHOOL DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PART III
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Teachers Pension and Annuity Fund (TPAF)

Changes in Benefit Terms - None.

Changes in Assumptions - None.

Public Employees' Retirement System (PERS)

Changes in Benefit Terms - None.

Changes in Assumptions - None.

State Health Benefit Local Education Retired Employees Plan (OPEB)

Changes in Benefit Terms - None.

Changes in Assumptions - The discount rate changed from 2.16% as of June 30, 2021, to 3.54% as of June 30, 2022.

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OTHER SUPPLEMENTARY INFORMATION

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E. Special Revenue Fund

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

	TITLE I	TITLE II - PART A	TITLE III	TITLE IV	I.D.E.A. PART B BASIC PRESCHOOL	I.D.E.A. PART B BASIC PRESCHOOL	ARP I.D.E.A. PART B BASIC PRESCHOOL
Revenues:							
Federal Sources	\$ 295,560	\$ 59,408	\$ 8,135	\$ 30,217	\$ 467,444	\$ 30,661	\$ 1,942
Total Revenues	\$ 295,560	\$ 59,408	\$ 8,135	\$ 30,217	\$ 467,444	\$ 30,661	\$ 1,942
Expenditures:							
Instruction:							
Salaries	156,416	-	360	3,215	12,998	-	-
Tuition	-	-	-	-	422,712	-	-
General Supplies	4,548	-	7,775	-	1,132	1,000	1,942
Miscellaneous	974	-	-	17,199	-	-	-
Total Instruction	161,938	-	8,135	20,414	436,842	1,000	1,942
Support Services:							
Employee Benefits	133,622	-	-	382	6,630	-	-
Purchased Professional - Technical Services	-	-	-	-	21,800	27,842	-
Other Purchased Services	-	55,076	-	4,055	-	-	-
General Supplies	-	4,332	-	5,366	2,172	1,819	-
Total Support Services	133,622	59,408	-	9,803	30,602	29,661	-
Total Expenditures	\$ 295,560	\$ 59,408	\$ 8,135	\$ 30,217	\$ 467,444	\$ 30,661	\$ 1,942

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

	ACRS	ESSER II	ESSER II LEARNING ACCELERATION	ESSER II MENTAL HEALTH	ESSER III	ESSER III LEARNING ACCELERATION	ESSER III NITSS	ARP HOMELESS CHILDREN AND YOUTH	SDA EMERGENT NEEDS
Revenues:									
Federal Sources	\$ 50,983	\$ 22,152	\$ 34,041	\$ 15,133	\$ 1,041,267	\$ 4,256	\$ 25,000	\$ 900	\$ -
State Sources	-	-	-	-	-	-	-	-	-
Total Revenues	\$ 50,983	\$ 22,152	\$ 34,041	\$ 15,133	\$ 1,041,267	\$ 4,256	\$ 25,000	\$ 900	\$ 37,345
Expenditures:									
Instruction:									
Salaries	\$ -	\$ 509	\$ 15,633	\$ 2,160	\$ 141,920	\$ 4,256	\$ -	\$ -	\$ -
Purchased Professional - Educational Services	-	-	-	-	88,805	-	25,000	-	-
Tuition	50,983	-	-	-	-	-	-	-	-
Other Purchased Services	-	-	-	-	-	-	-	-	-
General Supplies	-	11,380	18,408	4,973	89,270	-	-	-	37,345
Total Instruction	\$ 50,983	\$ 11,889	\$ 34,041	\$ 7,133	\$ 319,995	\$ 4,256	\$ 25,000	\$ -	\$ 37,345
Support Services:									
Employee Benefits	-	-	-	-	97,071	-	-	900	-
Purchased Professional - Technical Services	-	-	-	-	624,201	-	-	-	-
Purchased Professional Services	-	8,562	-	-	-	-	-	-	-
Other Purchased Services	-	1,701	-	8,000	-	-	-	-	-
Total Support Services	\$ -	\$ 10,263	\$ -	\$ 8,000	\$ 721,272	\$ -	\$ -	\$ 900	\$ -
Total Expenditures	\$ 50,983	\$ 22,152	\$ 34,041	\$ 15,133	\$ 1,041,267	\$ 4,256	\$ 25,000	\$ 900	\$ 37,345

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

	CH. 192 NJ NONPUBLIC AUXILIARY SERVICES		CH. 193 NJ NONPUBLIC HANDICAPPED SERVICES			
	COMPENSATORY EDUCATION	HOME INSTRUCTION	SUPPLEMENTAL INSTRUCTION	EXAMINATION & CLASSIFICATION	CORRECTIVE SPEECH	
Revenues:						
State Sources	\$ 4,151	\$ 642	\$ 3,634	\$ 4,932		\$ 5,487
Total Revenues	<u>\$ 4,151</u>	<u>\$ 642</u>	<u>\$ 3,634</u>	<u>\$ 4,932</u>		<u>\$ 5,487</u>
Expenditures:						
Support Services:						
Purchased Professional - Technical Services	4,151	642	3,634	4,932		5,487
Total Support Services	<u>4,151</u>	<u>642</u>	<u>3,634</u>	<u>4,932</u>		<u>5,487</u>
Total Expenditures	<u>\$ 4,151</u>	<u>\$ 642</u>	<u>\$ 3,634</u>	<u>\$ 4,932</u>		<u>\$ 5,487</u>

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

	SOUTHERN NJ REGIONAL EMPLOYEE WELLNESS GRANT	SPECIAL OLYMPICS	INVESTORS DONATION	FLORENCE TOWNSHIP DONATION	HYUNDAI GRANT	UNIFIED GRANT	NJISG SAFETY GRANT	STUDENT ACTIVITY	SCHOLARSHIP	TOTALS
Revenues:										
Federal Sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,087,099
State Sources	-	-	-	-	-	-	-	-	-	56,191
Local Sources	4,800	1,000	10,000	40,000	2,500	2,000	6,536	219,670	62	286,568
Total Revenues	\$ 4,800	\$ 1,000	\$ 10,000	\$ 40,000	\$ 2,500	\$ 2,000	\$ 6,536	\$ 219,670	\$ 62	\$ 2,429,858
Expenditures:										
Instruction:										
Salaries	\$ -	\$ 1,000	\$ -	\$ -	\$ -	\$ 2,000	\$ -	\$ -	\$ -	\$ 340,467
Purchased Professional - Educational Services	-	-	-	-	-	-	-	-	-	113,805
Purchased Professional - Technical Services	863	-	-	-	-	-	-	-	-	863
Tuition	-	-	-	-	-	-	-	-	-	473,695
Other Purchased Services	-	-	-	-	-	-	-	-	-	37,345
General Supplies	3,937	-	10,000	-	2,500	-	-	-	-	156,865
Miscellaneous	-	-	-	-	-	-	-	-	-	18,173
Total Instruction	\$ 4,800	\$ 1,000	\$ 10,000	\$ -	\$ 2,500	\$ 2,000	\$ -	\$ -	\$ -	\$ 1,141,213
Support Services:										
Employee Benefits	-	-	-	-	-	-	-	-	-	238,605
Purchased Professional - Technical Services	-	-	-	-	-	-	-	-	-	692,689
Purchased Professional Services	-	-	-	-	-	-	-	-	-	8,562
Other Purchased Services	-	-	-	-	-	-	-	-	-	68,832
General Supplies	-	-	-	-	-	-	6,536	-	-	20,225
Scholarships Awarded	-	-	-	-	-	-	-	-	900	900
Student Activities	-	-	-	-	-	-	-	216,121	-	216,121
Total Support Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,536	\$ 216,121	\$ 900	\$ 1,245,934
Facilities Acquisition & Construction Services:										
Construction Services	-	-	-	40,000	-	-	-	-	-	40,000
Total Facilities Acquisition & Construction Services	\$ -	\$ -	\$ -	\$ 40,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 40,000
Total Expenditures	\$ 4,800	\$ 1,000	\$ 10,000	\$ 40,000	\$ 2,500	\$ 2,000	\$ 6,536	\$ 216,121	\$ 900	\$ 2,427,147
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-	-	-	-	3,549	(838)	2,711
Fund Balance, July 1	-	-	-	-	-	-	-	112,617	6,111	118,728
Fund Balance, June 30	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 116,166	\$ 5,273	\$ 121,439

F. Capital Projects Fund

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**FLORENCE TOWNSHIP SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF PROJECT EXPENDITURES
FOR FISCAL YEAR ENDED JUNE 30, 2023**

PROJECT TITLE/ISSUE	ORIGINAL DATE	APPROPRIATIONS	EXPENDITURES TO DATE		UNEXPENDED BALANCE JUNE 30, 2023
			PRIOR YEARS	CURRENT YEAR	
Riverfront Roof Project	11/23/21	\$ 417,000	\$ 5,700	\$ 401,300	\$ 10,000
Total		\$ 417,000	\$ 5,700	\$ 401,300	\$ 10,000

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

Expenditures:	
Construction Services	\$ 401,300
	<u>401,300</u>
Total Expenditures	<u>401,300</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(401,300)</u>
Fund Balance - Beginning	\$ 411,300
Fund Balance - Ending	<u><u>10,000</u></u>

**FLORENCE TOWNSHIP SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, PROJECT BALANCE AND
PROJECT STATUS - BUDGETARY BASIS
RIVERFRONT ROOF PROJECT
FOR FISCAL YEAR ENDED JUNE 30, 2023**

	PRIOR PERIODS	CURRENT YEAR	TOTALS	REVISED AUTHORIZED COST
Expenditures & Other Financing Uses:				
Construction Services	\$ 5,700	\$ 401,300	\$ 407,000	\$ 417,000
Total Expenditures	5,700	401,300	407,000	417,000
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures	(5,700)	(401,300)	(407,000)	(417,000)
Other Financing Sources/(Uses):				
Transfer from Capital Projects	417,000	-	417,000	417,000
Total Other Financing Sources/Uses	417,000	-	417,000	417,000
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures & Other Financing Sources/(Uses)	\$ 411,300	\$ (401,300)	\$ 10,000	\$ -

ADDITIONAL PROJECT INFORMATION

Project Number	N/A
Original Authorized Cost	\$ 417,000
Reduced Authorized Cost	\$ -
Revised Authorized Cost	\$ 417,000
Percentage Increase Over Original Authorized Cost	0.00%
Percentage Completion	98%
Original Target Completion Date	6/30/23
Revised Target Completion Date	6/30/23

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I. Long-Term Debt

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**FLORENCE TOWNSHIP SCHOOL DISTRICT
LONG-TERM DEBT ACCOUNT GROUP
SCHEDULE OF SERIAL BONDS
JUNE 30, 2023**

<u>ISSUE</u>	<u>DATE OF ISSUE</u>	<u>AMOUNT OF ISSUE</u>	<u>ANNUAL MATURITIES</u>		<u>INTEREST RATE</u>	<u>BALANCE JUNE 30, 2022</u>	<u>ISSUED</u>	<u>RETIRED</u>	<u>BALANCE JUNE 30, 2023</u>
			<u>DATE</u>	<u>AMOUNT</u>					
General Obligation Refunding Bonds	10/15/20	\$ 12,685,000	3/1/2024	\$ 1,865,000	0.930%	\$ 12,350,000	\$ -	\$ 1,920,000	\$ 10,430,000
			3/1/2025	1,810,000	1.080%				
			3/1/2026	1,760,000	1.310%				
			3/1/2027	1,710,000	1.460%				
			3/1/2028	1,670,000	1.720%				
			3/1/2029	1,615,000	1.770%				
Total						\$ 12,350,000	\$ -	\$ 1,920,000	\$ 10,430,000

**FLORENCE TOWNSHIP SCHOOL DISTRICT
GENERAL LONG-TERM DEBT ACCOUNT GROUP
SCHEDULE OF OBLIGATIONS UNDER FINANCED PURCHASES
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

<u>Purpose</u>	<u>Date of Loan</u>	<u>Term of Loan</u>	<u>Amount of Original Loan</u>		<u>Interest Rate</u>	<u>Balance June 30, 2022</u>	<u>Issued</u>	<u>Retired</u>	<u>Balance June 30, 2023</u>
			<u>Principal</u>	<u>Interest</u>					
1 54 Passenger School Bus and 1 25 Passenger/Lift School Bus	8/24/2018	5 Years	176,116	15,786	4.064%	53,479	-	26,207	27,272
1 54 Passenger School Bus and 1 29 Passenger School Bus	8/1/2019	5 Years	171,350	9,544	2.711%	70,085	-	34,574	35,511
1 54 Passenger School Bus	9/14/2020	5 Years	101,400	6,607	3.320%	58,340	-	18,815	39,525
1 54 Passenger School Bus & 1 29 Passenger School Bus	9/15/2021	5 Years	177,320	5,229	2.950%	127,564	-	31,159	96,405
						<u>\$ 309,468</u>	<u>\$ -</u>	<u>\$ 110,755</u>	<u>\$ 198,713</u>

**FLORENCE TOWNSHIP SCHOOL DISTRICT
DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<u>ORIGINAL BUDGET</u>	<u>BUDGET TRANSFERS</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>POSITIVE/ (NEGATIVE) FINAL TO ACTUAL</u>
Revenues:					
Local Sources:					
Local Tax Levy	\$ 2,076,816	\$ -	\$ 2,076,816	\$ 2,076,816	\$ -
Total Revenues	<u>2,076,816</u>	<u>-</u>	<u>2,076,816</u>	<u>2,076,816</u>	<u>-</u>
Expenditures:					
Regular Debt Service:					
Interest	156,816	-	156,816	156,816	-
Redemption of Principal	1,920,000	-	1,920,000	1,920,000	-
Total Expenditures	<u>2,076,816</u>	<u>-</u>	<u>2,076,816</u>	<u>2,076,816</u>	<u>-</u>
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, July 1	<u>1,276</u>	<u>-</u>	<u>1,276</u>	<u>1,276</u>	<u>-</u>
Fund Balance, June 30	<u>\$ 1,276</u>	<u>\$ -</u>	<u>\$ 1,276</u>	<u>\$ 1,276</u>	<u>\$ -</u>

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STATISTICAL SECTION (Unaudited)

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Financial Trends Information

Financial trends information is intended to assist the user in understanding and assessing how the School District's financial position has changed over time. Please refer to the following exhibits for a historical view of the School District's financial performance. Note the Exhibits are presented for the last ten fiscal years.

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FLORENCE TOWNSHIP SCHOOL DISTRICT
 NET POSITION BY COMPONENT
 LAST TEN FISCAL YEARS
 (Accrual Basis of Accounting)
 Unaudited

	FISCAL YEAR ENDING JUNE 30,									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Governmental Activities:										
Net Investment in Capital Assets	\$ 17,567,320	\$ 16,725,617	\$ 15,949,925	\$ 15,117,886	\$ 14,659,783	\$ 14,261,078	\$ 13,886,743	\$ 13,846,277	\$ 14,035,431	\$ 12,057,653
Restricted	4,549,106	4,350,324	4,023,553	3,040,240	2,929,790	2,586,840	1,938,022	1,352,626	1,030,393	1,105,990
Unrestricted	(6,668,439)	(6,466,150)	(8,643,674)	(9,755,257)	(11,163,977)	(11,450,088)	(11,545,406)	(11,503,211)	(11,877,606)	(3,536,231)
Total Governmental Activities	\$ 15,447,987	\$ 14,609,791	\$ 11,329,804	\$ 8,402,869	\$ 6,425,596	\$ 5,397,830	\$ 4,279,359	\$ 3,695,692	\$ 3,188,218	\$ 9,627,412
Business-Type Activities:										
Net Investment in Capital Assets	\$ 182,288	\$ 123,010	\$ 72,265	\$ 88,118	\$ 108,696	\$ 129,458	\$ 150,220	\$ 155,184	\$ 81,888	\$ 108,723
Unrestricted	400,013	181,727	(25,185)	(93,520)	13,779	106,367	142,858	151,374	137,876	156,269
Total Business-Type Activities	\$ 582,301	\$ 304,737	\$ 47,080	\$ (5,402)	\$ 122,475	\$ 235,825	\$ 293,078	\$ 306,558	\$ 219,764	\$ 264,992
Government-Wide:										
Net Investment in Capital Assets	\$ 17,749,608	\$ 16,848,627	\$ 16,022,190	\$ 15,206,004	\$ 14,768,479	\$ 14,390,536	\$ 14,036,963	\$ 14,001,461	\$ 14,117,319	\$ 12,166,376
Restricted	4,549,106	4,350,324	4,023,553	3,040,240	2,929,790	2,586,840	1,938,022	1,352,626	1,030,393	1,105,990
Unrestricted	(6,268,426)	(6,284,423)	(8,668,859)	(9,848,777)	(11,150,198)	(11,343,721)	(11,402,548)	(11,351,837)	(11,739,730)	(3,379,962)
Total District Net Position	\$ 16,030,288	\$ 14,914,528	\$ 11,376,884	\$ 8,397,467	\$ 6,548,071	\$ 5,633,655	\$ 4,572,437	\$ 4,002,250	\$ 3,407,982	\$ 9,892,404

**FLORENCE TOWNSHIP SCHOOL DISTRICT
CHANGES IN NET POSITION - (ACCRUAL BASIS OF ACCOUNTING)
LAST TEN FISCAL YEARS**
Unaudited

	FISCAL YEAR ENDING JUNE 30, 2023									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Expenses:										
Governmental Activities										
Instruction:										
Regular	9,256,402	9,047,564	8,509,820	8,261,118	8,411,636	7,912,177	8,133,504	8,841,351	8,030,336	8,972,615
Special Education	4,833,207	4,475,161	4,193,287	4,093,190	3,774,397	4,091,014	3,539,887	2,757,934	2,951,366	2,872,957
Other Instruction	913,249	1,060,324	806,136	1,031,963	972,017	983,643	948,774	1,076,469	1,043,941	1,161,248
Support Services:										
Tuition	2,069,357	2,030,438	2,192,380	2,683,631	2,176,863	1,765,498	1,537,242	1,847,144	1,567,872	1,654,028
Student & Instruction Related Services	6,000,013	4,971,603	4,152,660	4,424,249	3,944,012	3,447,540	3,429,065	3,040,898	3,149,700	2,972,028
General Administration	687,726	604,368	703,175	671,555	574,551	580,432	590,851	584,194	610,755	486,031
School Administrative Services	1,273,639	1,255,880	1,117,107	1,142,711	1,267,796	1,289,900	1,204,123	1,553,289	1,133,673	1,071,002
Central Services	595,154	401,239	508,691	543,759	440,656	497,137	531,675	524,546	519,672	634,069
Administration Information Technology	587,992	512,459	463,564	530,775	569,186	499,553	432,504	149,942	314,225	263,835
Plant Operations & Maintenance	2,702,407	2,744,516	3,519,847	2,894,076	2,819,830	2,702,903	2,883,819	2,950,827	3,245,387	3,290,210
Pupil Transportation	1,858,575	1,263,711	1,173,402	1,188,529	1,333,379	1,532,797	1,644,647	1,746,825	1,811,605	1,654,051
Employee Benefits	1,822,904	2,880,510	6,313,973	3,919,846	6,320,726	9,074,440	3,299,239	7,275,693	4,496,614	1,872,505
Charter Schools	1,598,909	1,652,949	1,459,555	1,369,751	1,363,712	1,280,618	1,357,915	1,377,669	1,434,177	1,347,452
Interest & Other Charges	370,515	263,781	780,141	769,734	828,197	893,985	957,696	994,387	919,198	951,416
Unallocated Depreciation	1,450,779	1,448,823	1,450,622	1,459,564	1,439,141	1,469,917	1,497,377	1,453,950	1,378,568	1,362,042
Amortization of Intangible Assets	-	-	-	-	-	-	-	13,862	-	-
Change in Compensated Absences	-	-	-	-	-	-	-	22,365	-	-
Total Governmental Activities Expenses	36,020,828	34,613,326	37,344,360	34,984,451	36,236,099	38,021,554	31,988,318	36,211,545	32,620,951	30,579,351
Business-Type Activities:										
Food Service	704,362	913,397	283,993	452,593	591,166	634,038	685,063	664,885	686,528	728,263
Extended Day Program	254,201	195,092	25,191	313,151	369,075	327,286	306,549	290,781	292,403	287,094
Total Business-Type Activities Expense	958,563	1,108,489	309,184	765,744	960,241	961,324	991,612	955,666	978,931	1,015,357
Total District Expenses	\$ 36,979,391	\$ 35,721,815	\$ 37,653,544	\$ 35,750,195	\$ 37,196,340	\$ 38,982,878	\$ 32,979,930	\$ 37,167,211	\$ 33,599,882	\$ 31,594,708
Program Revenues:										
Governmental Activities:										
Operating Grants & Contributions	4,559,909	6,475,204	9,072,643	6,616,265	7,513,782	10,092,552	3,868,571	8,053,530	5,598,286	3,124,194
Total Governmental Activities Program Revenues	4,559,909	6,475,204	9,072,643	6,616,265	7,513,782	10,092,552	3,868,571	8,053,530	5,598,286	3,124,194
Business-Type Activities:										
Charges for Services:										
Food Service	254,374	3,361	3,778	172,985	271,474	296,353	321,518	300,829	305,349	340,822
Extended Day Program	429,672	229,428	54,779	199,724	260,187	288,911	292,845	304,200	283,197	313,719
Operating Grants & Contributions	528,845	1,137,991	303,109	265,158	315,230	318,807	347,360	341,659	345,157	334,760
Total Business Type Activities Program Revenues	1,212,891	1,370,780	361,666	637,867	846,891	904,071	961,723	946,688	933,703	989,301
Total District Program Revenues	\$ 5,772,800	\$ 7,845,984	\$ 9,434,309	\$ 7,254,132	\$ 8,360,673	\$ 10,996,623	\$ 4,830,294	\$ 9,000,218	\$ 6,531,989	\$ 4,113,495
Net (Expense)/Revenue:										
Governmental Activities	\$ (31,460,919)	\$ (28,138,122)	\$ (28,271,717)	\$ (28,368,186)	\$ (28,722,317)	\$ (27,929,002)	\$ (28,119,747)	\$ (28,158,015)	\$ (27,022,665)	\$ (27,455,157)
Business-Type Activities	254,328	262,291	52,482	(127,877)	(113,350)	(57,253)	(29,889)	(8,978)	(45,228)	(26,056)
Total Government-Wide Net Expense	\$ (31,206,591)	\$ (27,875,831)	\$ (28,219,235)	\$ (28,496,063)	\$ (28,835,667)	\$ (27,986,255)	\$ (28,149,636)	\$ (28,166,993)	\$ (27,067,893)	\$ (27,481,213)

**FLORENCE TOWNSHIP SCHOOL DISTRICT
CHANGES IN NET POSITION - (ACCRUAL BASIS OF ACCOUNTING)
LAST TEN FISCAL YEARS**
Unaudited

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
FISCAL YEAR ENDING JUNE 30, 2023										
General Revenues & Other Changes in Net Position:										
Governmental Activities:										
Property Taxes Levied for General Purposes, net	\$ 18,339,955	\$ 17,677,530	\$ 17,330,912	\$ 16,991,091	\$ 16,657,933	\$ 16,331,307	\$ 16,011,085	\$ 15,697,142	\$ 15,389,355	\$ 15,065,536
Taxes Levied for Debt Service	2,076,816	2,143,842	2,294,079	2,362,282	2,431,282	2,500,282	2,569,282	2,636,482	2,698,981	2,624,379
Unrestricted Grants & Contributions	11,579,725	11,365,119	10,485,729	10,179,219	10,052,347	9,802,340	9,908,612	9,581,584	9,855,832	9,701,360
Tuition Received	-	-	-	-	-	-	-	-	39,989	20,975
Investment Earnings	102,358	103,519	105,878	373,504	318,025	160,275	107,071	285,101	4,525	6,537
Miscellaneous Income	401,950	162,941	747,412	447,442	303,055	219,765	216,088	-	178,486	311,014
Transfer	(20,000)	-	-	-	-	-	-	-	-	343
Special items	(181,689)	(17,722)	-	(8,079)	(12,559)	33,504	(108,724)	465,180	-	-
Total Governmental Activities	32,299,115	31,435,229	30,964,010	30,345,459	29,750,083	29,047,473	28,703,414	28,665,489	28,167,168	27,730,144
Business-Type Activities:										
Miscellaneous	3,236	-	-	-	-	-	-	-	-	-
Transfers	20,000	-	-	-	-	-	-	-	-	(343)
Special items	-	(4,634)	-	-	-	-	16,409	95,772	-	-
Total Business-Type Activities	23,236	(4,634)	-	-	-	16,409	16,409	95,772	-	(343)
Total Government-Wide	\$ 32,322,351	\$ 31,430,595	\$ 30,964,010	\$ 30,345,459	\$ 29,750,083	\$ 29,047,473	\$ 28,719,823	\$ 28,761,261	\$ 28,167,168	\$ 27,729,801
Change in Net Position:										
Governmental Activities	\$ 838,196	\$ 3,297,107	\$ 2,692,293	\$ 1,977,273	\$ 1,027,766	\$ 1,118,471	\$ 583,667	\$ 507,474	\$ 1,144,503	\$ 274,987
Business-Type Activities	277,564	257,657	52,482	(127,877)	(113,350)	(57,253)	(13,480)	86,794	(45,228)	(26,399)
Total District	\$ 1,115,760	\$ 3,554,764	\$ 2,744,775	\$ 1,849,396	\$ 914,416	\$ 1,061,218	\$ 570,187	\$ 594,268	\$ 1,099,275	\$ 248,588

**FLORENCE TOWNSHIP SCHOOL DISTRICT
FUND BALANCES AND GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)
Unaudited**

	FISCAL YEAR ENDING JUNE 30, 2023									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
General Fund:										
Restricted	\$ 4,417,667	\$ 3,820,296	\$ 3,907,165	\$ 3,040,239	\$ 2,829,789	\$ 2,586,836	\$ 1,938,019	\$ 1,352,624	\$ 1,030,393	\$ 1,105,990
Committed	-	-	-	-	-	-	-	11,887	-	-
Assigned	1,475,470	180,238	319,097	444,270	56,196	257,237	105,324	181,796	443,092	401,936
Unassigned	(371,730)	1,469,143	626,009	-	100,000	(254,833)	(187,040)	(323,940)	(292,815)	(312,167)
Total General Fund	\$ 5,521,407	\$ 5,469,677	\$ 4,852,271	\$ 3,484,509	\$ 2,985,985	\$ 2,589,240	\$ 1,856,303	\$ 1,222,367	\$ 1,180,670	\$ 1,195,759
All Other Governmental Funds:										
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Projects Fund	10,000	-	-	-	-	-	-	-	-	-
Assigned to:										
Debt Service Fund	-	-	-	-	-	-	-	-	-	-
Special Revenue	121,439	118,728	116,388	-	-	-	-	-	-	-
Unassigned:										
Debt Service Fund	1,276	1,276	1,276	1	1	-	3	2	2	2
Total All Other Governmental Funds	\$ 132,715	\$ 120,004	\$ 117,664	\$ 1	\$ 1	\$ -	\$ 3	\$ 2	\$ 2	\$ 2

FLORENCE TOWNSHIP SCHOOL DISTRICT
 CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS,
 LAST TEN FISCAL YEARS
 (Modified Accrual Basis of Accounting)
 Unaudited

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Revenues:										
Tax Levy	\$ 20,416,771	\$ 19,821,372	\$ 19,624,991	\$ 19,353,373	\$ 19,089,215	\$ 18,831,589	\$ 18,580,367	\$ 18,333,624	\$ 18,088,336	\$ 17,689,915
Tuition Charges	102,358	103,519	105,878	373,504	318,025	160,275	107,071	46,316	-	-
Interest Earnings	-	-	-	-	-	-	-	2	4,525	6,537
Miscellaneous	688,518	392,375	843,191	1,214,623	360,878	323,287	298,731	238,783	218,475	332,331
State Sources	17,467,524	17,137,534	15,037,159	14,031,043	13,684,106	13,143,480	12,740,959	12,182,271	11,983,929	11,728,041
Federal Sources	2,161,704	2,056,675	1,674,944	918,144	938,220	970,734	953,581	920,663	1,077,380	1,097,513
Total Revenue	40,836,875	39,611,465	37,286,163	35,890,687	34,390,444	33,429,365	32,680,709	31,721,659	31,372,645	30,854,337
Expenditures:										
Instruction:										
Regular Instruction	9,256,402	9,047,564	8,509,815	8,261,118	8,411,636	7,912,177	8,133,504	8,841,351	8,449,567	8,975,142
Special Education Instruction	4,833,207	4,475,161	4,193,287	4,093,190	3,774,397	4,091,014	3,539,887	2,757,934	2,933,265	2,894,072
Other Instruction	913,249	1,060,324	806,136	1,031,963	972,017	983,643	948,774	1,101,584	1,163,194	1,066,157
Support Services:										
Tuition	2,069,357	2,030,438	2,192,380	2,683,631	2,176,863	1,765,498	1,537,242	1,847,144	1,567,872	1,654,028
Student & Instruction Related	6,000,013	4,971,603	4,152,660	4,424,249	3,944,012	3,447,540	3,429,065	3,040,898	3,307,507	3,069,329
General Administration	687,726	604,368	703,175	671,555	574,551	580,432	590,851	584,194	522,299	512,186
School Administrative Services	1,273,639	1,255,880	1,117,107	1,142,711	1,267,796	1,289,900	1,204,123	1,553,289	1,142,600	1,072,773
Central Services	595,154	401,239	508,691	543,759	440,656	497,137	531,675	524,546	614,741	618,605
Administrative Information Technology	587,992	512,459	463,564	530,775	569,186	499,553	432,504	149,942	310,872	261,165
Plant Operations & Maintenance	2,607,246	2,744,516	3,145,579	2,880,214	2,805,968	2,645,213	2,869,957	2,981,419	3,219,830	3,147,929
Pupil Transportation	1,858,575	1,263,711	1,173,402	1,188,529	1,333,379	1,532,797	1,644,647	1,774,211	1,732,820	1,785,786
Employee Benefits	5,934,977	5,847,626	4,561,010	3,824,705	3,623,264	3,366,097	2,911,358	2,550,962	2,103,805	1,872,505
Charter Schools	1,598,909	1,652,949	1,459,555	1,369,751	1,363,712	1,280,618	1,357,915	1,377,669	1,434,177	1,347,452
Capital Outlay	633,862	457,398	521,540	266,211	176,116	191,133	174,676	396,772	174,848	258,605
Debt Service:										
Principal	2,038,658	2,070,709	1,918,118	1,931,065	1,899,072	1,873,836	1,855,958	1,740,000	1,750,000	1,790,000
Interest & Other Charges	274,768	361,794	710,760	766,597	837,190	907,265	976,024	896,482	948,981	1,006,716
Total Expenditures	41,163,734	38,757,739	36,136,779	35,610,023	34,169,815	32,863,853	32,138,160	32,093,282	31,387,734	31,376,521
Excess (Deficiency) of Revenues Over/(Under) Expenditures	-(326,859)	853,726	1,149,384	280,664	220,629	565,512	542,549	(371,623)	(15,089)	(522,184)
Other Financing Sources/(Uses):										
Proceeds from Borrowing	-	-	-	-	-	-	-	-	-	-
Financed Purchases (non-budgeted)	-	177,320	101,400	217,860	176,116	167,426	91,388	256,120	-	119,631
Transfers in	-	-	-	-	-	-	-	-	-	-
Transfers Out	(20,000)	-	-	-	-	-	-	-	-	-
Total Other Financing Sources/(Uses)	(20,000)	177,320	101,400	217,860	176,116	167,426	91,388	256,120	-	119,631
Net Change in Fund Balances	\$(346,859)	\$ 1,031,046	\$ 1,250,784	\$ 498,524	\$ 496,745	\$ 732,938	\$ 633,937	\$(115,503)	\$(15,089)	\$(402,553)
Debt Service as a Percentage of Noncapital Expenditures	6.05%	6.78%	7.97%	8.26%	8.75%	9.30%	9.72%	9.07%	9.47%	9.87%

Source: District records

Note: Noncapital expenditures are total expenditures less capital outlay.

FLORENCE TOWNSHIP SCHOOL DISTRICT
GENERAL FUND - OTHER LOCAL REVENUE BY SOURCE
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)
Unaudited

FISCAL YEAR ENDING JUNE 30,	INTEREST ON <u>INVESTMENTS</u>	<u>TUITION</u>	<u>ERATE REIMB</u>	<u>ATHLETICS</u>	<u>MISCELLANEOUS</u>	<u>TOTAL</u>
2023	\$ 4,014	\$ 102,358	\$ -	\$ -	\$ 397,936	\$ 504,308
2022	5,039	95,554	35,394	8,248	122,255	464,470
2021	49,088	373,504	28,854	-	328,315	779,761
2020	48,516	318,025	28,854	10,868	214,817	621,080
2019	-	160,275	55,725	11,476	152,564	380,040
2018	-	107,071	40,639	13,194	162,255	323,159
2017	2	46,316	-	-	184,532	230,850
2016	4,525	39,989	-	-	147,488	192,002
2015	6,537	20,975	-	-	311,356	338,868
2014	7,784	67,236	-	-	294,930	369,950

Source: District records

Revenue Capacity Information

Revenue capacity information is intended to assist users in understanding and assessing the factors affecting the School District's ability to generate revenues. Please refer to the following exhibits for a historical view of these factors and how they relate to the School District's ability to generate revenues.

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FLORENCE TOWNSHIP SCHOOL DISTRICT
 ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY,
 LAST TEN FISCAL YEARS
Unaudited

FISCAL YEAR ENDED DECEMBER 31,	VACANT LAND	RESIDENTIAL	FARM REG.	QFARM	COMMERCIAL	INDUSTRIAL	APARTMENT	TOTAL ASSESSED VALUE	LESS: TAX EXEMPT PROPERTY	PUBLIC UTILITIES	NET VALUATION TAXABLE	ESTIMATED ACTUAL COUNTY EQUALIZED VALUE	TOTAL DIRECT SCHOOL TAX RATE
2023	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2022	35,799,600	1,033,648,500	9,987,200	1,027,400	50,666,500	152,454,400	11,394,600	1,294,978,200	-	100	1,294,978,300	1,352,558,090	2
2021	37,092,600	1,027,974,700	9,981,900	1,046,300	50,949,900	135,815,000	11,394,600	1,274,255,000	-	100	1,274,255,100	1,329,691,341	1,547
2020	35,168,400	1,019,102,800	9,958,600	1,077,900	51,331,000	135,842,700	11,394,600	1,263,876,000	-	100	1,263,876,100	1,298,713,220	1,542
2019	28,650,000	1,008,475,400	9,732,600	1,083,800	52,974,800	139,339,900	11,394,600	1,251,653,100	-	100	1,251,653,200	1,270,824,813	1,536
2018	27,327,400	1,008,855,800	9,732,600	1,093,500	52,297,200	140,029,900	11,381,100	1,250,717,500	-	100	1,250,717,600	1,267,367,780	1,516
2017	25,253,700	1,007,111,800	9,900,100	1,156,100	51,904,600	142,517,900	11,429,100	1,249,273,300	-	100	1,249,273,400	1,247,775,969	1,498
2016	26,237,600	1,004,456,300	10,585,600	1,185,600	48,471,900	143,001,800	11,429,100	1,245,367,900	-	2,083,890	1,247,451,790	1,196,012,460	1,479
2015	27,317,300	1,009,500,300	11,140,600	1,267,400	49,907,700	145,153,800	11,429,100	1,255,716,200	-	2,228,341	1,257,944,541	1,165,611,174	1,447
2014	26,229,800	1,022,657,700	10,774,900	1,383,000	50,131,400	146,639,400	11,568,100	1,269,364,300	-	2,174,145	1,271,538,445	1,207,951,318	1,406

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

Reassessment occurs when ordered by the County Board of Taxation

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

b. Tax rates are per \$100

**FLORENCE TOWNSHIP SCHOOL DISTRICT
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS
(Rate per \$100 of Assessed Value)
Unaudited**

FISCAL YEAR ENDED JUNE 30,	SCHOOL DISTRICT DIRECT RATE			OVERLAPPING RATES		TOTAL DIRECT AND OVERLAPPING TAX RATE
	BASIC RATE	GENERAL OBLIGATION DEBT SERVICE	TOTAL DIRECT	TOWNSHIP OF FLORENCE	BURLINGTON COUNTY	
2023	N/A	N/A	N/A	N/A	N/A	N/A
2022	1.427	0.127	1.554	0.469	0.392	2.415
2021	1.420	0.127	1.547	0.439	0.419	2.405
2020	1.415	0.127	1.542	0.439	0.415	2.396
2019	1.409	0.127	1.536	0.439	0.415	2.390
2018	1.383	0.133	1.516	0.439	0.415	2.370
2017	1.360	0.138	1.498	0.439	0.409	2.346
2016	1.335	0.144	1.479	0.439	0.392	2.310
2015	1.231	0.216	1.447	0.439	0.385	2.271
2014	1.197	0.209	1.406	0.448	0.364	2.218

Source: Municipal Tax Collector

FLORENCE TOWNSHIP SCHOOL DISTRICT
 PRINCIPAL PROPERTY TAXPAYERS,
 CURRENT YEAR AND NINE YEARS AGO
Unaudited

		2023			2014		
TAXPAYER	TAXABLE ASSESSED VALUE	RANK	% OF TOTAL DISTRICT NET ASSESSED VALUE	TAXPAYER	TAXABLE ASSESSED VALUE	RANK	% OF TOTAL DISTRICT NET ASSESSED VALUE
Haines Center Florence, LLC	\$ 69,407,000		5.13%	Haines Center Florence, LLC	60,398,600	1	4.75%
Prologis-Exchange, 270 Daniels Way	61,166,000		4.52%	Christmas Tree Shoppes	33,887,000	2	2.67%
IPT Railroad Logistics Center LLC	16,538,500		1.22%	RTL Services, Inc.	10,748,000	3	0.85%
Foxdale Properties, LLC	8,212,000		0.61%	Foxdale Properties	8,212,000	4	0.65%
500 Cedar Land Burlington, LLC	7,700,000		0.57%	Individual Tax Payer	6,750,000	5	0.53%
Hunsberger, Bryan K	6,750,000		0.50%	SPAF Cedar Management Co,	5,754,000	6	0.45%
Dean Dair Fluid, LLC	4,834,700		0.36%	Dean Northeast, LLC	4,941,000	7	0.39%
SPAF Cedar Mgmt, LLC c/o A. Schneider	4,574,000		0.34%	Turnpike Crossing Urban Renewal LLC	3,798,000	8	0.30%
Turnpike Crossing Urban Renewal, LLC	3,798,000		0.28%	DC Fabricators	3,787,500	9	0.30%
DC Fabricators	3,787,500		0.28%	Griffin Pipe Products Company	3,724,000	10	0.29%
Total	\$ 186,767,700		13.81%		\$ 142,000,100		11.17%

Source: Municipal Tax Assessor

**FLORENCE TOWNSHIP SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
*Unaudited***

FISCAL YEAR ENDED <u>JUNE 30.</u>	TAXES LEVIED FOR THE FISCAL <u>YEAR</u>	COLLECTED WITHIN THE FISCAL YEAR OF THE LEVY		COLLECTIONS IN SUBSEQUENT <u>YEARS</u>
		<u>AMOUNT</u>	<u>PERCENTAGE OF LEVY</u>	
2023	\$ 20,416,771	\$ 20,416,771	100%	\$ -
2022	19,821,372	19,821,372	100%	-
2021	19,624,991	19,624,991	100%	-
2020	19,353,373	19,353,373	100%	-
2019	19,089,215	19,089,215	100%	-
2018	18,831,589	18,831,589	100%	-
2017	18,580,367	18,580,367	100%	-
2016	18,333,624	18,333,624	100%	-
2015	18,210,979	18,210,979	100%	-
2014	17,889,126	17,889,126	100%	-

Source: Municipal Audit Reports

Debt Capacity Information

Debt capacity information is intended to assist users in understanding and assessing the School District's debt burden and its ability to issue additional debt. Please refer to the following exhibits for historical view of the School District's outstanding debt and its debt capacity.

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**FLORENCE TOWNSHIP SCHOOL DISTRICT
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
*Unaudited***

FISCAL YEAR ENDED JUNE 30,	GOVERNMENTAL ACTIVITIES			TOTAL DISTRICT	PERSONAL INCOME	PERCENTAGE OF PERSONAL INCOME	POPULATION	PER CAPITA
	GENERAL OBLIGATION BONDS	FINANCED PURCHASES						
2023	\$ 10,430,000	\$ 198,713	\$	10,628,713	887,394,424	1.20%	12,852	827
2022	13,650,000	309,468		13,959,468	837,611,842	1.67%	12,769	1,093
2021	13,650,000	306,712		13,956,712	794,163,528	1.76%	12,473	1,119
2020	15,350,000	386,874		15,736,874	766,389,900	2.05%	12,501	1,259
2019	17,075,000	338,946		17,413,946	746,636,787	2.33%	12,535	1,389
2018	18,800,000	302,242		19,102,242	725,545,800	2.63%	12,597	1,516
2017	20,525,000	250,405		20,775,405	706,164,975	2.94%	12,600	1,649
2016	22,250,000	258,083		22,508,083	675,971,496	3.33%	12,627	1,783
2015	23,990,000	111,941		24,101,941	678,469,860	3.55%	12,618	1,910
2014	25,740,000	200,417		25,940,417	680,060,791	3.81%	12,576	2,063

* Estimated

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

FLORENCE TOWNSHIP SCHOOL DISTRICT
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS
Unaudited

FISCAL YEAR ENDED <u>JUNE 30,</u>	<u>GENERAL BONDED DEBT OUTSTANDING</u>			NET GENERAL BONDED DEBT <u>OUTSTANDING</u>	PERCENTAGE OF ACTUAL TAXABLE VALUE OF <u>PROPERTY</u>	<u>PER CAPITA</u>
	<u>GENERAL OBLIGATION BONDS</u>	<u>DEDUCTIONS</u>				
2023	\$ 10,430,000	\$ -		\$ 10,430,000	N/A	\$ 812
2022	12,350,000	-		12,350,000	0.99%	967
2021	13,650,000	-		13,650,000	1.09%	1,094
2020	15,350,000	-		15,350,000	1.23%	1,228
2019	17,075,000	-		17,075,000	1.37%	1,362
2018	17,075,000	-		17,075,000	1.37%	1,355
2017	18,800,000	-		18,800,000	1.51%	1,492
2016	22,250,000	-		22,250,000	1.78%	1,762
2015	23,990,000	-		23,990,000	1.91%	1,901
2014	25,740,000	-		25,740,000	2.02%	2,047
2013	27,530,000	-		27,530,000	2.26%	2,416

RATIOS OF OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
JUNE 30, 2023
Unaudited

<u>GOVERNMENTAL UNIT</u>	<u>DEBT OUTSTANDING</u>	<u>ESTIMATED PERCENTAGE APPLICABLE</u>	<u>SHARE OF OVERLAPPING DEBT</u>
Debt Repaid With Property Taxes:			
Township of Florence	\$ 22,865,000	100.00%	\$ 22,865,000
Burlington County General Obligation Debt	161,356,421	2.877%	<u>4,642,571</u>
Subtotal, Overlapping Debt			27,507,571
District Direct Debt			<u>10,430,000</u>
Total Direct & Overlapping Debt			<u>\$ 37,937,571</u>

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

**FLORENCE TOWNSHIP SCHOOL DISTRICT
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
(Dollars in Thousands)
Unaudited**

	FISCAL YEAR									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Debt Limit	\$ 52,337,399	\$ 51,985,350	\$ 51,154,369	\$ 50,609,503	\$ 49,642,676	\$ 48,561,995	\$ 47,202,551	\$ 46,406,178	\$ 46,369,415	\$ 47,490,919
Total Net Debt Applicable to Limit	10,430,000	12,350,000	13,650,000	15,350,000	17,075,000	18,800,000	20,525,000	22,250,000	23,990,000	25,740,000
Legal Debt Margin	\$ 41,907,399	\$ 39,635,350	\$ 37,504,369	\$ 35,259,503	\$ 32,567,676	\$ 29,761,995	\$ 26,677,551	\$ 24,156,178	\$ 22,379,415	\$ 21,750,919
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	19.93%	23.76%	26.68%	30.33%	34.40%	43.48%	47.95%	51.74%	54.20%	55.81%

Legal Debt Margin Calculation for Fiscal Year 2022

	Equalized Valuation Basis
2022	\$ 1,294,928,200
2021	1,329,691,341
2020	1,300,685,397
	<u>\$ 3,925,304,938</u>
	<u>\$ 1,308,434,979</u>
Average Equalized Valuation of Taxable Property	
Debt Limit (4 % of Average Equalization Value)	\$ 52,337,399
Net Bonded School Debt	<u>10,430,000</u>
Legal Debt Margin	<u>\$ 41,907,399</u>

Source: Equalized valuation bases were obtained from the Burlington County Board of Taxation, Abstract of Ratables (Net Valuation)

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Demographic and Economic Information

Demographic and economic information is intended (1) to assist users in understanding the socioeconomic environment within the School District operates and (2) to provide information that facilitates comparisons of financial statement information over time and among school districts. Please refer to the following exhibits for a historical view of the demographic and economic statistics and factors prevalent in the location in which the School District operates.

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**FLORENCE TOWNSHIP SCHOOL DISTRICT
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS
*Unaudited***

FISCAL YEAR ENDED <u>JUNE 30,</u>	<u>POPULATION (a)</u>	PERSONAL <u>INCOME(b)</u>	BURLINGTON COUNTY PER CAPITA PERSONAL <u>INCOME (c)</u>	UNEMPLOYMENT <u>RATE (d)</u>
2023	12,852	NA	NA	3.20%
2022	12,769	887,394,424	69,496	4.50%
2021	12,473	837,611,842	67,154	4.50%
2020	12,501	794,163,528	63,528	8.10%
2019	12,535	766,389,900	61,140	N/A
2018	12,597	746,636,787	59,271	N/A
2017	12,600	725,545,800	57,583	N/A
2016	12,627	706,164,975	55,925	4.50%
2015	12,618	675,971,496	53,572	5.70%
2014	12,576	678,469,860	51,643	6.10%
2013	12,576	649,361,760	51,000	8.40%

Source:

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

^b Column (a) x Column (c)

^c Per Capita Bureau of Economic Analysis: Regional Economic Information System

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

**FLORENCE TOWNSHIP SCHOOL DISTRICT
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO
*Unaudited***

2023			2014		
EMPLOYEES	RANK (OPTIONAL)	PERCENTAGE OF TOTAL EMPLOYMENT	EMPLOYEES	RANK (OPTIONAL)	PERCENTAGE OF TOTAL EMPLOYMENT

Information not available

Source: Township and School District Officials

Operating Information

Operating information is intended to provide contextual information about the School District's operations and resources to assist readers in using financial statement information to understand and assess the School District's economic condition. Please refer to the following exhibits for a historical view of the factors and statistics pertinent to the School District's operations.

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

FUNCTION/PROGRAM	FISCAL YEAR ENDING JUNE 30,									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Instruction:										
Regular	87.00	89.17	86.17	89.03	88.83	87.37	93.12	104.40	99.50	92.55
Special Education	33.00	35.50	35.50	37.00	37.00	34.00	35.00	32.00	39.00	43.06
Other Special Education	5.00	6.00	7.00	8.00	8.00	9.00	10.00	-	-	-
Other Instruction	2.10	2.00	1.33	1.33	1.33	1.00	2.00	-	-	-
Support Services:										
Student & Instruction Related Services	26.40	28.10	24.60	25.50	25.50	25.50	26.50	26.49	29.38	28.94
General Administration Services	3.00	3.00	3.00	3.00	3.00	3.00	3.00	2.00	3.00	3.00
School Administrative Services	8.00	9.00	10.00	10.00	10.00	11.00	11.00	11.00	10.60	9.50
Other Administrative Services		-	-	-	-	-	-	-	-	-
Central Services	4.00	4.00	4.00	4.00	4.00	4.00	4.00	5.00	5.00	5.50
Administrative Information Technology	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	1.00
Plant Operations and Maintenance	19.00	12.00	19.00	20.00	18.00	19.94	22.00	17.00	17.00	30.50
Pupil Transportation	15.60	17.60	21.58	26.40	25.46	26.14	26.56	28.00	26.31	24.63
Other Support Services	-	-	-	-	-	-	-	-	2.49	3.20
Total	205.10	208.37	214.18	226.26	223.12	222.95	235.18	227.89	234.28	241.88

Source: District Personnel Records

FLORENCE TOWNSHIP SCHOOL DISTRICT
 OPERATING STATISTICS
 LAST TEN FISCAL YEARS
Unaudited

FISCAL YEAR	ENROLLMENT	OPERATING EXPENDITURES (a)	COST PER PUPIL	PERCENTAGE CHANGE	TEACHING STAFF (b)	PUPIL/TEACHER RATIO								STUDENT ATTENDANCE PERCENTAGE
						ROEBLING ELEMENTARY	RIVERFRONT SCHOOL	FLORENCE TWP MEMORIAL HIGH SCHOOL	AVERAGE DAILY ENROLLMENT (ADE) (c)	AVERAGE DAILY ATTENDANCE (ADA) (c)	% CHANGE IN AVERAGE DAILY ENROLLMENT			
2023	1,508	38,216,446	\$ 25,342	20.94%	130	1:09	1:11	1:11	1,509.1	1,379.4	-1.422%	91.41%		
2022	1,524	35,867,838	23,535	16.11%	132	1:09	1:11	1:11	1,516.9	1,399.3	-5.935%	92.25%		
2021	1,619	32,986,361	20,375	6.95%	132	1:09	1:11	1:11	1,555.2	1,487.6	-0.001%	95.65%		
2020	1,558	32,646,150	20,954	9.99%	129	1:09	1:10	1:11	1,555.2	1,487.6	-0.468%	95.65%		
2019	1,542	31,257,437	20,271	11.89%	129	1:09	1:10	1:11	1,586.2	1,494.6	0.000%	94.23%		
2018	1,569	29,891,619	19,051	16.17%	129	1:09	1:10	1:11	1,586.2	1,494.6	-1.210%	94.23%		
2017	1,608	29,131,502	18,117	10.47%	129	1:09	1:10	1:11	1,586.2	1,494.6	-2.192%	94.90%		
2016	1,772	29,060,028	16,400	2.66%	157	1:09	1:10	1:11	1,592.5	1,512.9	2.117%	94.36%		
2015	1,785	28,513,905	15,974	-8.23%	159	1:09	1:10	1:12	1,639.2	1,546.8	-3.274%	94.53%		
2014	1,627	28,321,200	17,407	1.51%	147	1:11	1:10	1:08	1,556.6	1,471.5				

Sources: District records

Note: Enrollment based on annual October district count.

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

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

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

FLORENCE TOWNSHIP SCHOOL DISTRICT
 SCHOOL BUILDING INFORMATION
 LAST TEN FISCAL YEARS
Unaudited

DISTRICT BUILDINGS	FISCAL YEAR ENDING JUNE 30, 2023									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Elementary Schools:										
Roebling Elementary (1905)										
Square Feet	61,648	61,648	61,648	61,648	61,648	61,648	61,648	61,648	61,648	61,648
Capacity (Students)	497	497	497	497	497	497	497	497	497	497
Enrollment (a)	384	352	446	446	446	450	441	472	473	473
Middle School/Elementary Schools:										
Riverfront School (1993/2006)										
Square Feet	138,377	138,377	138,377	138,377	138,377	138,377	138,377	138,377	138,377	138,377
Capacity (Students)	875	875	875	875	875	875	875	875	875	875
Enrollment	651	657	691	691	691	719	691	736	691	691
High Schools										
Florence Twp Memorial High School (2006)										
Square Feet	132,702	132,702	132,702	132,702	132,702	132,702	132,702	132,702	132,702	132,702
Capacity (Students)	600	600	600	600	600	600	600	600	600	600
Enrollment	475	515	421	421	421	404	411	426	447	447
Other										
Central Administration (1953)										
Square Feet	2,220	2,220	2,220	2,220	2,220	2,220	2,220	2,220	2,220	2,220

Number of Schools at June 30, 2023
 Elementary = 2 (Roebling Pre-K-3, Riverfront 4-5)
 Middle School = 1 (Riverfront 6-8)
 Senior High School = 1 (FTMHS 9-12)

Source: District Facilities Office

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

**FLORENCE TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF REQUIRED MAINTENANCE
LAST TEN FISCAL YEARS
*Unaudited***

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

	<u>Roebling</u>		<u>Florence Twp</u>		<u>Total</u>
	<u>Elementary School</u>	<u>Riverfront School</u>	<u>Memorial High</u>	<u>School</u>	
2023	\$ 46,103	\$ 85,297	\$ 89,699	\$	221,099
2022	93,818	173,576	182,533		449,927
2021	134,941	276,630	263,136		674,707
2020	119,454	268,130	257,134		644,718
2019	146,128	299,563	284,950		730,641
2018	127,966	284,831	283,352		696,149
2017	180,247	369,507	351,482		901,236
2016	255,136	279,054	263,109		797,299
2015	180,217	369,445	351,423		901,085
2014	163,253	334,668	318,343		816,264

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

Source: District records

FLORENCE TOWNSHIP SCHOOL DISTRICT
INSURANCE SCHEDULE
JUNE 30, 2023
Unaudited

	COVERAGE	DEDUCTIBLE
School Package Policy (1)		
Building and Contents (All Locations)	\$ 91,474,396	\$ 1,000
School Board Legal Liability	2,000,000	5,000
Commercial Crime/Blanket Employee Dishonesty	200,000	-
Umbrella Declarations	15,000,000	10,000
Excess Umbrella (2) Effective 7/1/2013	30,000,000	15,000,000
Workers' Compensation (3)	3,000,000	-
Student Accident Insurance (4)	5,000,000	25,000
Athletic Accident (5)		
Surety Bonds (6)		
Treasurer	300,000	
Board Secretary/Business Administrator	300,000	

- (1) Utica National Insurance Company
- (2) Utica National Insurance Company
- (3) Utica National Insurance Company
- (4) Utica National Insurance Company
- (5) Utica National Insurance Company
- (6) Utica National Insurance Company

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SINGLE AUDIT SECTION

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HOLT MCNALLY & ASSOCIATES

Certified Public Accountants & Advisors

EXHIBIT K-1

INDEPENDENT AUDITOR’S 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

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

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

Internal Control Over Financial Reporting

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

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

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

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deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the School District's financial statements are free from material misstatement, 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*, and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey.

Purpose of this Report

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

Respectfully Submitted,

HOLT MCNALLY & ASSOCIATES, INC.
Certified Public Accountants & Advisors

David T. McNally
Certified Public Accountant
Public School Accountant, No. 2616

Medford, New Jersey
January 5, 2024



HOLT MCNALLY & ASSOCIATES

Certified Public Accountants & Advisors

EXHIBIT K-2

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

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

Report on Compliance for Each Major Federal and State Program

Opinion on Each Major Federal and State Program

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

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

Basis for Opinion on Each Major Federal and State Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); New Jersey OMB’s Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*; and the audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey. Our responsibilities under those standards 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 School District and to meet our ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major state program. Our audit does not provide a legal determination of the School District’s compliance with the compliance requirements referred to above.

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Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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 School 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 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; New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*; and audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey. 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, individual or in the aggregate, it would influence the judgement made by a reasonable user of the report on compliance about the School District's compliance with the requirements of each major federal and state program as a whole.

In performing an audit in accordance with generally accepted accounting standards, *Government Auditing Standards*, and New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, 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 School 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 School District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, but not for the purpose of expressing an opinion on the effectiveness of School 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 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.

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

Purpose of this Report

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 and New Jersey OMB's Circular 15-08. Accordingly, this report is not suitable for any other purpose.

Respectfully Submitted,

HOLT MCNALLY & ASSOCIATES, INC
Certified Public Accountants & Advisors

David T. McNally
Certified Public Accountant
Public School Accountant, No. 2616

Medford, New Jersey
January 5, 2024

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

FEDERAL GRANTOR/PASS THROUGH GRANTOR/ PROGRAM TITLE OR CLUSTER	ASSISTANCE LISTING NUMBER	FEDERAL AWARD IDENTIFICATION NUMBER	PASS THROUGH ENTITY IDENTIFYING NUMBER	PROGRAM OR AWARD AMOUNT	GRANT PERIOD	BALANCE JUNE 30, 2022	CARRYOVER (WALKOVER) AMOUNT	CASH RECEIVED	BUDGETARY EXPENDITURES	PASSED THROUGH TO SUBRECIPIENTS	REPAYMENT OF PRIOR YEARS' BALANCES	(ACCOUNTS RECEIVABLE)	BALANCE, JUNE 30, 2023 DUE TO GRANTOR	UNEARNED REVENUE
U.S. Department of Health and Human Services Passed Through New Jersey Department of Human Services: Medical Assistance Program (SEMI) FFCRA/SEMI	93.778 93.778	2305N15MAP 2305N15MAP	100-054-7540-211 100-054-7540-211	\$ 44,685 29,920	7/1/22-6/30/23 1/1/21-12/31/21	- -	- -	44,685 \$ 29,920 \$	(44,685) (29,920)	- -	- -	- -	- -	- -
Total U.S. Department of Health and Human Services				74,605		-	-	74,605	(74,605)	-	-	-	-	-
U.S. Department of Agriculture Passed Through New Jersey Department of Agriculture: Child Nutrition Cluster: School Breakfast Program COVID-19 School Breakfast Program	10.553 10.553	231N1304N1099 221N1304N1099	100-010-3350-028 100-010-3350-028	73,600 251,757	7/1/22-6/30/23 7/1/21-6/30/22	- (19,264)	- -	68,029 19,264	(73,600) -	- -	- -	(5,571) -	- -	- -
Total U.S. Department of Health and Human Services				74,605		-	-	74,605	(74,605)	-	-	-	-	-
U.S. Department of Health and Human Services National School Lunch Program COVID-19 National School Lunch Program COVID-19 Supply Assistance Award Food Distribution Program (Non-cash Assistance)	10.555 10.555 10.555 10.555	231N1304N1099 221N1304N1099 221N1304N1099 231N1304N1099	100-010-3350-026 100-010-3350-026 100-010-3350-026 Unavailable	278,025 759,078 82,146 82,199	7/1/22-6/30/23 7/1/21-6/30/22 7/1/22-6/30/23 7/1/22-6/30/23	- (54,490) -	- -	262,266 54,490 82,146 82,199	(278,025) -	- -	- -	(15,759) -	- -	- -
Total Child Nutrition Cluster				568,394		(73,754)	-	568,394	(515,970)	-	-	(21,330)	-	-
Total U.S. Department of Agriculture				568,394		(73,754)	-	568,394	(515,970)	-	-	(21,330)	-	-
U.S. Department of Treasury Passed Through New Jersey Department of Education: Coronavirus Relief Fund Non-Public Technology Initiative Total Coronavirus Relief Fund Cluster	21.019	S377A130031	100-054-7540-211	8,570	3/1/20-12/31/21	130	-	-	-	-	-	-	130	-
Total U.S. Department of Treasury				8,570		130	-	-	-	-	-	-	130	-
U.S. Department of Education Passed Through New Jersey Department of Education: I.D.E.A. Part B (Special Education Cluster) Basic Preschool Preschool ARP IDEA - Preschool Total Special Education Cluster	84.027 84.027 84.173 84.173 84.173X	H027A220100 H027A210100 H173A220114 H173A210114 S425U210027	100-034-5065-016 100-034-5065-016 100-034-5065-020 100-034-5065-020 100-034-5120-095	472,372 488,612 15,306 17,016 6,622	7/1/22-9/30/23 7/1/21-9/30/22 7/1/22-9/30/23 7/1/21-9/30/22 7/1/21/9/30/24	(47,631) (47,631)	- -	385,050 51,983 (12,556) 17,036 4,480	(463,092) (4,352) (15,306) (15,355) (30,661)	- -	- -	(78,042) -	- -	- -
Total U.S. Department of Education				6,622		(4,632)	-	6,574	(1,942)	-	-	-	-	-
U.S. Department of Education Title I - Part A Title I - Part A Title II - Part A, Supporting Effective Instruction Title II - Part A, Supporting Effective Instruction Title III, English Language Acquisition Title III, English Language Acquisition	84.010 84.010 84.367 84.367 84.365 84.365	S010A220030 S010A210030 S367A220028 S367A210028 S365A220030 S365A210030	100-034-5064-194 100-034-5064-194 100-034-5063-290 100-034-5063-290 100-034-5064-187 100-034-5064-187	242,940 264,047 35,791 41,856 8,135 9,984	7/1/22-9/30/23 7/1/21-9/30/22 7/1/22-9/30/23 7/1/21-9/30/22 7/1/22-9/30/23 7/1/21-9/30/22	(53,944) -	- -	448,087 (7,484) 243,851 236,367	(500,047) (242,940) (52,620) (295,560)	- -	- -	(105,904) (250,424)	- -	- -
Total U.S. Department of Education				6,622		(5,831)	-	6,574	(1,942)	-	-	-	-	-
U.S. Department of Education Title IV, Student Support and Academic Enrichment (ESSA) Title IV, Student Support and Academic Enrichment (ESSA) Education Stabilization Fund Cluster COVID-19 - Cares Education Stabilization Fund ARP ESSER III ARP ESSER III - Learning Acceleration ARP ESSER III - Mental Health ARP ESSER - Homeless Children and Youth ESSER II ESSER II - Learning Acceleration ESSER II - Mental Health Total Education Stabilization Fund Cluster	84.424 84.424 84.425D 84.425U 84.425U 84.425U 84.425U 84.425D 84.425D 84.425D	S367A220029 S367A210029 S425D200027 S425U210027 S425U210027 S425U210027 S425U210027 S425D210027 S425D210027 S425D210027	100-034-5063-348 100-034-5063-348 100-034-5120-513 100-034-5120-518 100-034-5120-518 100-034-5120-518 100-034-5120-518 100-034-5120-518 100-034-5120-518 100-034-5120-518	22,017 31,168 293,365 2,290,001 133,334 40,000 45,000 1,018,940 65,391 45,000	7/1/22-9/30/23 7/1/21-9/30/22 3/13/2020-9/30/22 3/13/2020-9/30/24 3/13/2020-9/30/24 3/13/2020-9/30/24 3/13/2020-9/30/24 3/13/2020-9/30/24 3/13/2020-9/30/23 3/13/2020-9/30/23	(9,998) (9,998)	- -	11,600 18,198 874,325 4,256 25,000 900 256,660 11,157 4,983	(22,017) (8,200) (1,041,267) (4,256) (25,000) (900) (22,152) (34,041) (15,133)	- -	- -	(10,417) -	- -	- -
Total U.S. Department of Education				1,113,179		(235,587)	-	1,177,281	(1,142,749)	-	-	(201,055)	-	-
Total U.S. Department of Education				1,113,179		(500,397)	-	1,940,987	(2,036,116)	-	-	(595,656)	130	-
U.S. DEPARTMENT OF THE TREASURY PASSED THROUGH TO STATE DEPARTMENT OF EDUCATION: COVID-19 ACSERS Aid	21.027	SLFRDOEISES	100-034-5065-016	25,492	7/1/22-6/30/23	-	-	25,492	(50,983)	-	-	(25,491)	-	-
Total U.S. Department of the Treasury				25,492		-	-	25,492	(50,983)	-	-	(25,491)	-	-
Total Expenditures of Federal Awards				2,609,478		(574,151)	-	2,609,478	(2,677,674)	-	-	(642,477)	130	-

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

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

STATE GRANTOR/PROGRAM TITLE OR CLUSTER	GRANT OR STATE PROJECT NUMBER	AWARD AMOUNT	GRANT PERIOD	BALANCE JUNE 30, 2022	CASH RECEIVED	BUDGETARY EXPENDITURES	PASSED THROUGH TO SUBRECIPIENTS	REPAYMENT OF PRIOR YEARS' BALANCES	ADJUSTMENT	BALANCE JUNE 30, 2023		MEMO		
										ACCOUNTS RECEIVABLE	UNEARNED REVENUE	BUDGETARY RECEIVABLE	CUMULATIVE TOTAL EXPENDITURES	
New Jersey Department of Education:														
General Fund:														
State Aid Public:														
Equalization Aid	495-034-5120-078	\$ 9,631,078	7/1/22-6/30/23	\$ -	\$ 9,631,078	\$ (9,631,078)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (869,721)	\$ 9,631,078	
Security Aid	495-034-5120-084	110,028	7/1/22-6/30/23	-	110,028	(110,028)	-	-	-	-	-	(9,936)	110,028	
Special Education Categorical Aid	495-034-5120-089	1,150,328	7/1/22-6/30/23	-	1,150,328	(1,150,328)	-	-	-	-	-	(103,879)	1,150,328	
Total State Aid Public					10,891,434	(10,891,434)						(983,536)	10,891,434	
Transportation Aid	495-034-5120-014	262,668	7/1/22-6/30/23	-	262,668	(262,668)	-	-	-	-	-	(23,719)	262,668	
Additional Nonpublic School Transportation Aid	495-034-5120-014	28,080	7/1/22-6/30/23	-	-	(28,080)	-	-	-	-	-	-	28,080	
Additional Nonpublic School Transportation Aid	495-034-5120-014	15,080	7/1/21-6/30/22	(15,080)	15,080	-	-	-	-	-	-	-	-	
Extraordinary Aid	495-034-5120-044	381,499	7/1/22-6/30/23	-	-	(381,499)	-	-	-	-	-	-	381,499	
Extraordinary Aid	495-034-5120-044	501,515	7/1/21-6/30/22	(501,515)	501,515	-	-	-	-	-	-	-	-	
Homeless Tuition Aid	495-034-5120-005	73,722	7/1/22-6/30/23	-	-	(73,722)	-	-	-	-	-	-	73,722	
Homeless Tuition Aid	495-034-5120-005	34,916	7/1/21-6/30/22	(34,916)	34,916	-	-	-	-	-	-	-	-	
Homeless Tuition Aid	495-034-5120-128	696,532	7/1/21-6/30/22	(696,532)	696,532	-	-	-	-	-	-	-	-	
Maintenance of Equity	495-034-5120-128	87,088	7/1/21-6/30/22	(87,088)	87,088	-	-	-	-	-	-	-	-	
School Security Aid	Not Available	915,815	7/1/22-6/30/23	-	828,583	(915,815)	-	-	-	-	-	-	915,815	
Reimbursed TPAF Social Security Contributions	495-034-5094-003	853,347	7/1/21-6/30/22	(41,427)	41,427	-	-	-	-	-	-	-	-	
Reimbursed TPAF Social Security Contributions	495-034-5094-003													
Medical (Noncash Assistance)	495-034-5094-001	1,043,698	7/1/22-6/30/23	-	1,043,698	(1,043,698)	-	-	-	-	-	-	1,043,698	
TPAF - Pension	495-034-5094-002	3,973,002	7/1/22-6/30/23	-	3,973,002	(3,973,002)	-	-	-	-	-	-	3,973,002	
Contributions (Noncash Assistance)	495-034-5094-004	1,406	7/1/22-6/30/23	-	1,406	(1,406)	-	-	-	-	-	-	1,406	
TPAF - Long-Term Disability														
Insurance (Noncash Assistance)														
Total General Fund				(1,376,558)	18,377,349	(17,571,324)	-	-	-	(570,533)	-	(1,007,255)	17,571,324	
Special Revenue Fund:														
Non-Public Aid:														
Auxiliary Services Aid Cluster (Ch. 192):														
Compensatory Education	100-034-5120-067	31,626	7/1/22-6/30/23	-	31,626	(4,151)	-	-	-	-	-	-	4,151	
Compensatory Education	100-034-5120-067	27,770	7/1/21-6/30/22	19,836	-	-	-	(19,836)	-	-	-	-	-	
Transportation	100-034-5120-068	8,103	7/1/22-6/30/23	-	8,103	-	-	-	-	-	-	-	-	
Home Instruction	Not Available	642	7/1/22-6/30/23	-	-	(642)	-	-	-	-	-	-	642	
Total Auxiliary Services Aid Cluster				19,836	39,729	(4,793)	-	(19,836)	-	(642)	-	-	35,578	
Handicapped Services Cluster (Ch. 193):														
Supplemental Instruction	100-034-5120-066	3,634	7/1/22-6/30/23	-	3,634	(3,634)	-	-	-	-	-	-	3,634	
Examination & Classification	100-034-5120-066	8,911	7/1/22-6/30/23	-	8,911	(4,932)	-	-	-	-	-	-	4,932	
Examination & Classification	100-034-5120-066	15,922	7/1/21-6/30/22	10,266	-	-	-	(10,266)	-	-	-	-	-	
Corrective Speech	100-034-5120-066	15,066	7/1/22-6/30/23	-	15,066	(5,487)	-	-	-	-	-	-	5,487	
Corrective Speech	100-034-5120-066	4,836	7/1/21-6/30/22	1,860	-	-	-	(1,860)	-	-	-	-	-	
Total Handicapped Services Cluster				12,126	27,611	(14,053)	-	(12,126)	-	(642)	-	-	14,053	
Nursing Services														
Technology Initiative	100-034-5120-070	21,952	7/1/21-6/30/22	696	-	-	-	(696)	-	-	-	-	-	
Security Aid	100-034-5120-373	8,064	7/1/21-6/30/22	583	-	-	-	(583)	-	-	-	-	-	
SDA Emergent Needs	100-034-5120-509	34,300	7/1/21-6/30/22	32,336	-	-	-	(32,336)	-	-	-	-	-	
Total Special Revenue Fund				70,227	67,340	(56,191)	-	(65,577)	-	(33,337)	-	-	56,191	
New Jersey Department of Agriculture:														
Enterprise Fund:														
National School Lunch Program	100-010-3350-023	6,536	7/1/22-6/30/23	-	6,165	(6,536)	-	-	-	(371)	-	-	6,536	
National School Lunch Program	100-010-3350-023	7,656	7/1/21-6/30/22	(1,254)	1,254	-	-	-	-	-	-	-	-	
National School Breakfast Program	100-010-3350-023	4,927	7/1/22-6/30/23	-	4,624	(4,927)	-	-	-	(303)	-	-	4,927	
National School Breakfast Program	100-010-3350-023	1,412	7/1/22-6/30/23	-	1,296	(1,412)	-	-	-	(116)	-	-	1,412	
Total Enterprise Fund				(1,254)	13,339	(12,875)	-	-	-	(790)	-	-	12,875	
Total State Financial Assistance				\$ (1,307,585)	\$ 18,458,028	(17,640,390)	\$ -	\$ -	\$ -	(604,660)	\$ -	\$ -	\$ 17,640,390	
State Financial Assistance Programs not subject to Calculation for Major Program Determination:														
TPAF - Post Retirement														
Medical (Noncash Assistance)	495-034-5094-001	\$ 1,043,698	7/1/22-6/30/23		\$ -	1,043,698								
TPAF - Pension														
Contributions (Noncash Assistance)	495-034-5094-002	3,973,002	7/1/22-6/30/23			3,973,002								
TPAF - Long-Term Disability														
Insurance (Noncash Assistance)	495-034-5094-004	1,406	7/1/22-6/30/23			1,406								
Total State Financial Assistance subject to Calculation for Major Program Determination														

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

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

Note 1. Basis of Presentation

The accompanying schedules of expenditures of federal awards and state financial assistance present the activity of all federal awards and state financial assistance programs of the Florence Township School District. The School District is defined in Note 1 of the basic financial statements. The information in these schedules is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. All federal and state awards received directly from federal and state agencies, as well as federal awards and state financial assistance passed through other government agencies is included on the schedule of expenditures of federal awards and state financial assistance.

Note 2. Summary of Significant Accounting Policies

The accompanying schedules of expenditures of federal awards and state financial assistance are presented using the budgetary basis of accounting with the following exception: programs recorded in the enterprise fund are presented using the accrual basis of accounting and programs recorded in the capital projects fund are presented using the modified accrual basis of accounting. These bases of accounting are described in Note 1 to the School District's basic financial statements. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

The School District did not elect the 10-percent de minimis indirect cost rate as discussed in 2 CFR 200.414.

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

Note 3. Relationship to Basic Financial Statements

The basic financial statements present the general fund and special revenue fund on a GAAP basis. Budgetary comparison 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.

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

Note 3. Relationship to Basic Financial Statements (continued)

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$(132,283) for the general fund and \$(27,708) for the Special Revenue Fund. See Exhibit C-3 of the basic financial statements, 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 expenditures reported in the School District's basic financial statements on a GAAP basis are presented as follows:

<u>Fund</u>	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ 74,605	\$ 17,439,041	\$ 17,513,646
Special Revenue Fund	2,087,099	28,483	2,115,582
Food Service Fund	<u>515,970</u>	<u>12,875</u>	<u>528,845</u>
Total Awards & Financial Assistance	<u>\$ 2,677,674</u>	<u>\$ 17,480,399</u>	<u>\$ 20,158,073</u>

Note 4. Relationship to Federal and State Financial Reports

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

Note 5. Federal and State Loans Outstanding

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

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

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued _____ Unmodified _____

Internal control over financial reporting:

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

2) Significant deficiency(ies) identified? _____ yes X none reported

Noncompliance material to financial statements noted? _____ yes X no

Federal Awards

Internal control over major programs:

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

2) Significant deficiency(ies) identified? _____ yes X none reported

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

Any audit findings disclosed that are required to be reported
in accordance with 2 CFR 200 section .516(a) of Uniform Guidance? _____ yes X no

Identification of major programs:

<u>Assistance Listing Number(s)</u>	<u>FAIN Number(s)</u>	<u>Name of Federal Program or Cluster</u>
_____	_____	Education Stabilization Fund Cluster:
84.425U	S425U210027	ARP ESSER
84.425D	S425D210027	CRSSA- ESSER II

Dollar threshold used to determine Type A programs _____ \$750,000 _____

Auditee qualified as low-risk auditee? _____ X yes _____ no

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

Section I - Summary of Auditor's Results (continued)

State Financial Assistance

Dollar threshold used to determine Type A programs _____ \$750,000 _____

Auditee qualified as low-risk auditee? ___X___ yes ___ no

Internal control over major programs:

 1) Material weakness(es) identified? _____ yes ___X___ no

 2) Significant deficiency(ies) identified? _____ yes ___X___ no

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

Any audit findings disclosed that are required to be reported
in accordance with New Jersey OMB's Circular 15-08? _____ yes ___X___ no

Identification of major programs:

<u>State Grant/Project Number(s)</u>	<u>Name of State Program</u>
495-034-5120-078	State Aid - Public:
495-034-5120-084	Equalization Aid
495-034-5120-089	Categorical Security Aid
	Categorical Special Education Aid

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

Section II – Financial Statement Findings

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

None.

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

Section III – Federal Awards & State Financial Assistance Findings & Questioned Costs

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

FEDERAL AWARDS

None.

STATE FINANCIAL ASSISTANCE

None.

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

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

Financial Statement Findings

No Prior Year Findings.

Federal Awards

No Prior Year Findings.

State Financial Assistance

No Prior Year Findings.