

**SCHOOL DISTRICT
OF
LAKELAND REGIONAL**

**Lakeland Regional High School District
Wanaque, New Jersey**

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

**Annual Comprehensive
Financial Report**

of the

Lakeland Regional High School District

Wanaque, New Jersey

For the Fiscal Year Ended June 30, 2023

Prepared by

**Lakeland Regional High School District
Board of Education**

LAKELAND REGIONAL HIGH SCHOOL DISTRICT
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**INTRODUCTORY SECTION
(UNAUDITED)**



Jessica Rapp
Business Administrator

December 4, 2023

Honorable President and
Members of the Board of Education
Lakeland Regional High School District
County of Passaic, New Jersey 07465

Dear Board Members:

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

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

1. REPORTING ENTITY AND ITS SERVICES:

The Lakeland Regional High School District is an independent reporting entity within the criteria adopted in Governmental Accounting Standards Board ("GASB") in Codification Section 2100. All funds of the District are included in this report. The Lakeland Regional High School District Board of Education and its school constitute the District's reporting entity.

The District provides a full range of educational services appropriate to grade levels 9 through 12. These services include a wide range of academic and elective courses as well as special education for handicapped youngsters. The District completed the 2022-23 school year with an enrollment of 877 students.

2. ECONOMIC CONDITION AND OUTLOOK:

The overall regional equalized property assessment in 2022-2023 increased again for the fourth time in as many years. After only a small increase in 2020-2021, the second largest increase of \$167,979,437 in the last four years occurred in 2021-2022, as indicated by the table, below:

<i>Fiscal Year</i>	<i>Regional Equalized Property Valuation</i>	<i>Difference</i>
2018-19	2,944,564,772	+52,506,112
2019-20	3,126,439,151	+181,874,379
2020-21	3,144,498,398	+18,059,247
2021-22	3,312,477,835	+167,979,437

3. MAJOR INITIATIVES:

A. **District Planning Initiatives**

Lakeland Regional High School District

Lakeland Regional High School, serving grades 9-12, is a comprehensive high school district. Students come to the high school from the Ringwood and Wanaque elementary districts and several private schools. The constituent communities have a combined population of approximately 23,000 for the calendar year of 2022.

As a comprehensive high school, Lakeland offers an extensive curriculum designed to serve the interests and abilities of all students. The high school operates under an intensive scheduling format, consisting of five, 80-minute blocks per day. In this scheduling format, students concentrate in greater depth in shorter periods. We have an A/B full year course schedule to prepare students for end-of-course testing. To be eligible for graduation each student must acquire 135 credits, meet all State and District course requirements and pass all New Jersey State and Federal ESEA-required testing.

During the 2022-23 school year the District completed its 3rd year of its Strategic Plan. This Strategic Plan has been in place since the 2019 school year and is listed on the school's website.

The Strategic Plan delineates four District-wide goals for 2019-2024:

1. To provide students with a variety of educational programs to promote academic and career readiness for all learners.
2. To provide a safe and supportive environment to increase resiliency and prepare students for post-graduation life.
3. To nurture and cultivate a safe, secure, and welcoming school environment that creates productive relationships with the surrounding communities.
4. To develop a safe and modern, accessible learning environment that affords our students and community the opportunity to develop 21st-century learning skills.

The district went through the Quality Single Accountability Continuum Performance Review (QSAC) during the 2021-2022 school year and has continued to remain on target in all areas. The goal is to continue to remain at the scores from the review or to grow based on the scores. **District's scores** = 82% Instruction & Program, 98% Fiscal Management, 93% Governance, 95% Operations and 100% Personnel. All five areas of the District Performance Review are satisfactory and we are designated as a high achieving school.

Lakeland Regional High School is preparing its students for 21st Century College and Career Readiness by offering an extensive multi-levelled curriculum in all subject areas to meet the needs of all students within the District.

To prepare students for their high school experience the entire 9th grade class is invited to participate in the **Freshman Connections Program** every August. This one-day program involves student-driven activities by students who are leaders in various clubs within the school. In addition, club advisors, counselors, teachers and administrators work with these students in a review of study skills, character, academic opportunities and an introduction to co-curricular activities and athletics. The peer leaders and counselors with whom they work during the two days are the same individuals with whom they will be during meetings throughout the school year. This gives new students the opportunity to become part of the school culture and most importantly build school connectedness for a successful high school experience.

In addition to this program we have our **Speak With a Newbie Program (SWAN)** that offers the same experience to students who transfer into LRHS at all grade levels offering them ongoing support and guidance for connectedness and adjusting to their new school environment. This includes students moving in from other communities, other states and, in some cases, other countries.

Counselors work with students using **SCOIR** to help students develop educational and career goals as well as building upon the **Connections Program** with a focus on character and providing tolerance and diversity education. This also makes students aware that harassment, intimidation and bullying does not belong in our school or anywhere else. These programs are continued in 10th grade with **EXPLORE** which provides students with support and awareness of testing (e.g., PSAT), which is used to identify student weaknesses and strengths in several academic areas. The **Junior Conference** takes place in the 11th grade and parents and students work with counselors to review student's progress and to build post-secondary plans for college and careers. In senior year, students have the opportunity to experience a **Senior Option**. **Senior Options** include: Dual Enrollment, School to Work, Senior Internship, and Senior Service opportunities. Students that are involved with School to Work or Senior Internship will gain hands-on experience in a career in which they are interested and gain valuable experience for their resume and college applications.

As required, the LRHS District implements a teacher and administrative observation tool under **ACHIEVENJ**. This includes multiple observations and conferences along with ongoing training for teachers and administrators. Student Growth Objectives are used to measure student performance and require a review by the School Improvement Panel. The results of all observations during the 2021-22 school year have been reported to the state via NJSMART.

Lakeland Regional High School District conducted its second year of NJ Student Learning Assessments which are mandatory for all New Jersey public schools and was featured as a District with one of the highest average scores in Passaic County.

Lakeland Regional High School has a comprehensive school counseling program. Lakeland is the first school in the state of New Jersey to demonstrate this level of accountability for school counseling and is a two-time recipient of the nationally **Recognized ASCA Model Program (RAMP)** award.

The District conducted its annual informational programming which included: Back to School Night, Freshman Parent Orientation Program, a meeting for parents of academically talented seventh grade students, Financial Aid Workshops for parents and students, and an Open House for incoming freshman students and their parents. Other parent/community contacts included: Guidance Advisory Committee, parents, teachers and administrators, Ringwood and Wanaque libraries, Passaic County Community College (PCCC), Ramapo College, William Paterson University, Fairleigh Dickinson University, Centenary University, and University of Delaware. The **SciP** Committee consisting of administrators, parents and faculty continues to review programs, courses and student support for academic and social success. The main focus is on student performance and developing a targeted professional development program.

In order to continue to support our students, the District has moved toward **the Multi-Tiered System of Support, commonly referred to as "Response to Intervention (RTI)."** Response to intervention integrates assessment and intervention within a multi-level prevention system to maximize student achievement and to reduce behavioral problems. With RTI, schools use data to determine students at risk for poor learning outcomes, monitor student

progress, provide evidence-based interventions and adjust the intensity and nature of those interventions depending on a student’s responsiveness, and identify students with learning.

Over the past three years, we have instituted and expanded upon our **University Programs at Lakeland Regional High School (UPAL)**. These college and career specific programs provide students with curricular and extra-curricular opportunities in a number of different specified areas: Biomedical Research; Computer Languages & Programming; Engineering & Design; Finance & Business Studies; Exercise Physiology/Physical Science; and Visual & Graphic Arts.

The Lakeland Website continues to serve as a very valuable tool for communication to the parents, students and the greater Lakeland community. The District added **Facebook, Twitter, and Instagram** pages several years ago which continues with great success. The **Parent Portal** is a chief component for parental/school communication. Parent Portal enables parents, through a password protected connection, to view their child’s schedule, grades and attendance and discipline records via Lakeland’s website. In addition to Parent Portal, every staff member has an e-mail address and voice mail telephone number. Our Thrillshare system allows the District to contact the entire community of Board members, parents, staff and administrators or many subgroups through a broadcast telephone SMS & E-mail. This was used many times during the last two school years, particularly with the regular snowfall our area receives during the winter months. The community feedback on these two communication systems has been extremely positive.

Along with its extensive and comprehensive curriculum, Lakeland Regional High School is proud of the varsity athletic teams and clubs and activities that are available to the students from Ringwood and Wanaque. Over the past few years, student participation in these offerings has increased and as a result the school has enjoyed many county, conference and state championships. This success promotes enthusiasm and pride throughout the entire Lakeland complex.

Some of the co-curricular offerings include Robotics, Cultural Clubs, Performing Arts programs and a plethora of everything in between. These programs along with our athletic programs are known throughout the community and utilized as a means of community support and communication.

B. Facilities Improvements

During the 2022-23 school year, the Board of Education completed several much-needed capital projects and upgrades, both large and small, designed to update the school’s functionality and appearance. During the year, the district completed much needed renovations to a number of the fine and performing arts classrooms.

The cafeteria kitchen was modernized with new kitchen equipment allowing for additional options to students for lunch.

C. Test Results

We have seen growth on student achievement in relation to our Advanced Placement (AP) and the New Jersey Graduation Proficiency Assessment (NJGPA) over the last few years.

AP Exams

Year	Pass Rate	Participation
2023	72%	208 exams taken
2022	61%	208 exams taken
2021	66%	193 exams taken

NJGPA Results

Content Component	Graduation Ready (LRHS)	Graduation Ready (NJ)	Comparison
English	91%	80%	+11
Mathematics	65%	55%	+10

D. Implementation of School - Level Plans (N.J.A.C. 6:8-4.4) for the 2021-2022 School Year

During the 2022-23 school year we continued to focus on the goals and objectives set within the new Strategic Plan. There has been a focus on delivering an exemplary educational program for our students, including the use of additional technology and the implementation of online programs for students and staff. We continued to move forward in the area of wireless technology by installing additional wireless ports for Chromebooks. During 2021-22, the district made the decision to go to 1:1 student/device program to ensure that our students would continue to develop their 21st century skills.

E. Professional Development Activities (N.J.A.C. 6:8-4.8)

The Lakeland Regional High School District will provide workshops/training in the areas identified in our Needs Assessment and Professional Development Plan. These opportunities will be offered to staff and address areas such as 21st Century Classroom Skills, Implementing the NJSL standards and NJ Student Learning Assessment. Opportunities will also be provided in the areas of understanding how to utilize Artificial Intelligence (AI), Teaching for Understanding, and more professional learning in relation to implementation and execution of our multi-tiered systems of support. Additionally, our Math department will work with a professional development organization to ensure continue success and growth on state assessments as well as curricular alignment.

1. Topics discussed during our scheduled professional days address the use and implementation of technology in the classroom and District. During the professional development process, our Professional Development Committee reviews the District Strategic Plan, Technology Plan and surveys the staff to determine and coordinate the District's professional development activities. The District continues to make a commitment to providing quality professional development, 2 full days and up to 6 half days are built into the school calendar. This is in addition to the District sending staff members to out of district workshops, online courses for advanced learners and reimbursement for college courses.

2. The New Jersey Department of Education requires annual training on a variety of topics. To abide by this requirement, the Lakeland Regional High School District has contracted with Global Compliance Network (GCN). GCN is an internet based training program. After finishing a required training module, an electronic record of that training goes to an online database. After all the necessary modules are completed, a staff member can print a record of those training sessions. Examples of these trainings are: Affirmative Action, The New Jersey Anti-Bullying Bill of Rights, The RTA Process, Section 504 and Gang Awareness.

3. Teachers will be trained on the use of any and all assistive technologies that are to be used in the classroom, Media Center and other parts of the school facility. Training/professional development will be provided before the implementation of the assistive technology in the classroom and on-going training will be offered for additional support. This model will also apply to any assistive technology that is mandated for use by student IEPs and 504 plans. This also includes the use of new software for IEPs and ongoing training for co-teaching in the in class support environment.

4. INTERNAL ACCOUNTING CONTROLS

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

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

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

5. BUDGETARY CONTROLS:

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

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

6. ACCOUNTING SYSTEM AND REPORTS:

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

7. CASH MANAGEMENT:

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

8. RISK MANAGEMENT:

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

The Board is a member of the Pooled Insurance Program of New Jersey ("PIP"). The PIP is a risk-sharing public entity risk fund that is both an insured and self-administered group of school districts established for the purpose of providing low-cost insurance coverage to its members. Additional information on the PIP is included in Note 10 to the Basic Financial Statements.

9. OTHER INFORMATION:

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

10. ACKNOWLEDGMENTS:

We would like to express our appreciation to the members of the Lakeland Regional High School 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 been accomplished without the efficient and dedicated services of our financial and accounting staff.

Respectfully submitted,

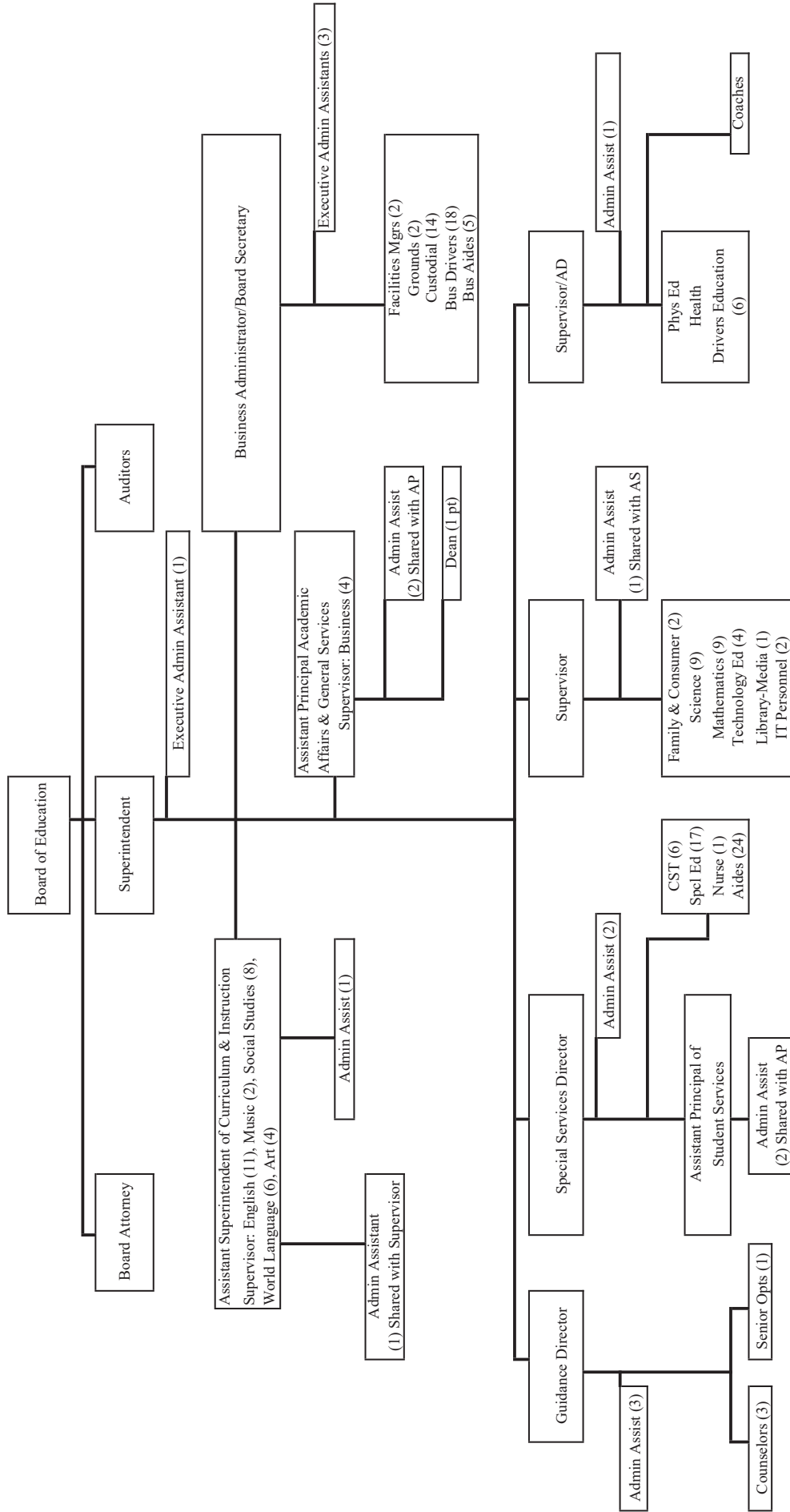
Hugh Beattie

Hugh Beattie
Superintendent of Schools

Jessica Rapp

Jessica Rapp
Board Secretary/School Business Administrator

LAKELAND REGIONAL HIGH SCHOOL - ORGANIZATION CHART - 2021-2022



**LAKELAND REGIONAL HIGH SCHOOL DISTRICT
ROSTER OF OFFICIALS
JUNE 30, 2023**

<u>Members of the Board of Education</u>	<u>Term Expires</u>
Robert Adams, President	2023
Joseph Walker, Vice President	2024
Gerald Brennan	2023
Maryann Brett	2025
Carla Buono	2025
Matthew Geyer	2024
Bruce Gibson	2025
John Griffin	2023
Kerrian Palmieri	2024

<u>Other Officers</u>	<u>Title</u>
Hugh Beattie	Chief School Administrator
Jessica Rapp	Board Secretary/School Business Administrator
Virginia Merlino	Treasurer of School Monies

LAKELAND REGIONAL HIGH SCHOOL DISTRICT
Consultants and Advisors

Architects/Engineers

Solutions Architecture
81 Clay Street
2nd Floor, Suite #2
Newark, NJ 07104

FKA Architects
306 Ramapo Valley Road
Oakland, NJ 07436

Audit Firm

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

Attorneys

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

Machado Law Group
1 Cleveland Place
Springfield, NJ 07081

Official Depository

Lakeland Bank
94 Ringwood Avenue
Wanaque, NJ 07465

FINANCIAL SECTION

Independent Auditors' Report

The Honorable President and Members
of the Board of Education
Lakeland Regional High School District
County of Passaic, New Jersey

Report on the Audit of the Financial Statements

Opinions

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

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

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

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

Supplementary Information

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

Other Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 4, 2023 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering District's internal control over financial reporting and compliance.

Mount Arlington, New Jersey
December 4, 2023

Nisivoccia LLP
NISIVOCCIA LLP

John J. Mooney

John J. Mooney
Licensed Public School Accountant #2602
Certified Public Accountant

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

**LAKELAND REGIONAL HIGH SCHOOL BOARD OF EDUCATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

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

Using this Annual Comprehensive Financial Report (ACFR)

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so that the reader can understand the District as an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

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

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

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

Figure A-1 Organization of Lakeland Regional High's Financial Report

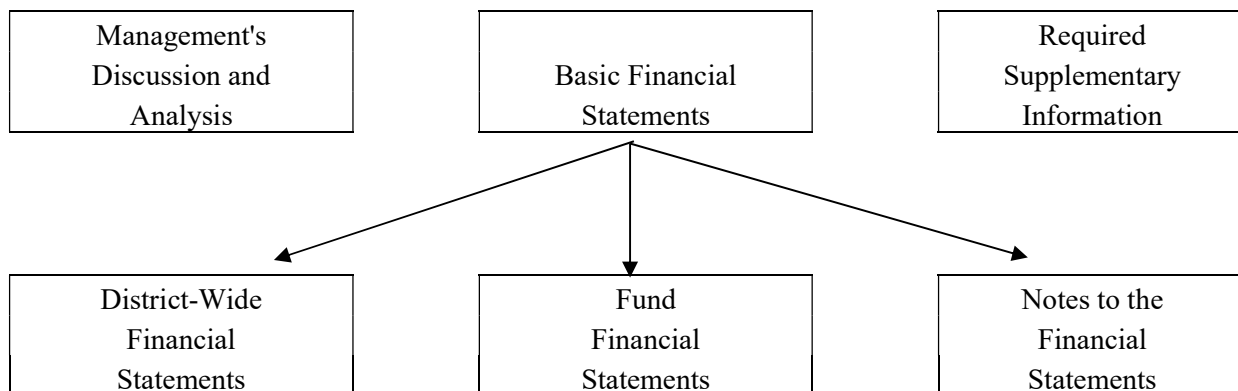


Figure A-2 summarizes the major features of the District's financial statements, including the portion of the District's activities they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis highlights the structure and contents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

**LAKELAND REGIONAL HIGH SCHOOL BOARD OF EDUCATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)**

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

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

**LAKELAND REGIONAL HIGH SCHOOL BOARD OF EDUCATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)**

District-wide Statements

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

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

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

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

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

Fund Financial Statements

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

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

**LAKELAND REGIONAL HIGH SCHOOL BOARD OF EDUCATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)**

Fund Financial Statements

The District has two kinds of funds:

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

Notes to Financial Statements

Provide additional information essential to full understanding of District-wide and fund financial statements.

**LAKELAND REGIONAL HIGH SCHOOL BOARD OF EDUCATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)**

Financial Analysis of the District as a Whole

The Statement of Net Position provides one perspective of the District as a whole. Figure A-3 provides a summary of the District's net position as of June 30, 2023 and 2022. The District's combined net position was \$22,973,078 on June 30, 2023, \$599,094 or 2.68% more than the year before. The District's financial position for governmental activities increased by \$535,240 and the net position of the business-type activities increased by \$63,854.

**Figure A-3
Condensed Statement of Net Position**

	Governmental Activities		Business-Type Activities		Total School District		Percentage Change
	2022/23	2021/22	2022/23	2021/22	2022/23	2021/22	2022/23
Current and							
Other Assets	\$ 6,956,931	\$ 7,237,114	\$ 233,822	\$ 291,434	\$ 7,190,753	\$ 7,528,548	
Capital Assets, Net	22,339,115	22,391,846	233,110	92,000	22,572,225	22,483,846	
Total Assets	29,296,046	29,628,960	466,932	383,434	29,762,978	30,012,394	-0.83%
Deferred Outflows of Resources	1,115,266	1,120,454			1,115,266	1,120,454	-0.46%
Other Liabilities	507,018	600,903	45,352	25,708	552,370	626,611	
Long-Term Liabilities	6,261,666	5,157,419			6,261,666	5,157,419	
Total Liabilities	6,768,684	5,758,322	45,352	25,708	6,814,036	5,784,030	17.81%
Deferred Inflows of Resources	1,091,130	2,974,834			1,091,130	2,974,834	-63.32%
Net Position:							
Net Investment in							
Capital Assets	22,339,115	22,391,846	233,110	92,000	22,572,225	\$ 22,483,846	
Restricted	3,199,925	3,095,471			3,199,925	3,095,471	
Unrestricted/(Deficit)	(2,987,542)	(3,471,059)	188,470	265,726	(2,799,072)	(3,205,333)	
Total Net Position	\$ 22,551,498	\$ 22,016,258	\$ 421,580	\$ 357,726	\$ 22,973,078	\$ 22,373,984	2.68%

**LAKELAND REGIONAL HIGH SCHOOL BOARD OF EDUCATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)**

Changes in Net Position

Figure A-4 represents the *Changes in Net Position*. Net investment in capital assets increased \$88,379 due to \$633,162 in capital assets additions, offset by \$544,783 of depreciation expense. Restricted net position increased \$104,454 due an increase in excess surplus of \$876,117, offset by net decreases in the capital reserve of \$308,896, the maintenance reserve of \$436,878, unemployment compensation of \$5,280 and student activities of \$20,609. Unrestricted (deficit) improved by \$406,261 primarily due to a net decrease in compensated absences and net changes in deferred inflows and outflows related to pensions, offset by an increase in the net pension liability.

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

	Governmental Activities		Business-Type Activities		Total School District		Percentage
	2022/23	2021/22	2022/23	2021/22	2022/23	2021/22	Change
Revenue:							
Program Revenue:							
Charges for Services	\$ 653,725	\$ 381,765	\$ 343,099	\$ 74,410	\$ 996,824	\$ 456,175	
Operating Grants and Contributions	5,396,889	7,319,964	135,053	735,984	5,531,942	8,055,948	
Capital Grants and Contributions	98,529	56,631			98,529	56,631	
General Revenue:							
Property Taxes	20,446,244	20,153,253			20,446,244	20,153,253	
Federal/State Aid	2,136,896	2,409,361			2,136,896	2,409,361	
Other	156,474	170,216	547	326	157,021	170,542	
Total Revenue	28,888,757	30,491,190	478,699	810,720	29,367,456	31,301,910	-6.18%
Expenses:							
Instruction	14,612,027	15,297,789			14,612,027	15,297,789	
Pupil and Instruction Services	7,020,942	7,045,487			7,020,942	7,045,487	
Administrative and Business	1,842,049	1,756,207			1,842,049	1,756,207	
Maintenance and Operations	2,980,275	2,834,671			2,980,275	2,834,671	
Transportation	1,855,177	1,928,090			1,855,177	1,928,090	
Other	43,047	958	429,753	559,291	472,800	560,249	
Total Expenses	28,353,517	28,863,202	429,753	559,291	28,783,270	29,422,493	-2.17%
Other Item			14,908		14,908		100.00%
Increase/(Decrease) in Net Position	\$ 535,240	\$ 1,627,988	\$ 63,854	\$ 251,429	\$ 599,094	\$ 1,879,417	-68.12%

**LAKELAND REGIONAL HIGH SCHOOL BOARD OF EDUCATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)**

Governmental Activities

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services. Figure A-5 shows the total cost of services and the net cost of services. The net cost shows the financial burden that was placed on the District's taxpayers by each of these functions.

Maintaining existing programs and the provision of a multitude of special programs and services for disabled pupils places great demands on the District's resources. During the past few years, numerous veteran teachers have retired and have been replaced by teachers of less experience. Such changes have generated significant salary savings, but these have not been sufficient enough to offset increased enrollment, increased special education programs and increased health benefit costs.

Careful management of expenses remains essential for the District to sustain its financial health. Among the many significant cost savings actions during the fiscal year were:

- Interlocal agreement with Ringwood Board of Education for transportation of students, vehicles, fuel and maintenance.
- Purchase of supplies and services through four different co-operative purchasing agreements specifically designed for school district cost savings.
- Participation in a multi-district insurance pool for all our school district insurance needs.
- Lakeland HS groundskeepers help maintain nearby Wanaque Borough fields in trade for our use of the Borough's fields for our sports activities.
- Lakeland shares the cost of our **Stronge** teacher evaluation system with several other districts.
- Lakeland strives to achieve lower facilities costs each year by seeking competitive proposals every year for various services or performing much of the work in house.

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

**LAKELAND REGIONAL HIGH SCHOOL BOARD OF EDUCATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)**

Governmental Activities

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

	Total Cost of Services		Net Cost of Services	
	2022/23	2021/22	2022/23	2021/22
Instruction	\$ 14,612,027	\$ 15,297,789	\$10,134,235	\$ 9,592,386
Pupil and Instruction Services	7,020,942	7,045,487	5,751,759	5,306,515
Administrative and Business	1,842,049	1,756,207	1,712,958	1,570,911
Maintenance and Operations	2,980,275	2,834,671	2,891,208	2,834,671
Transportation	1,855,177	1,928,090	1,671,167	1,799,401
Other	43,047	958	43,047	958
	<u>\$ 28,353,517</u>	<u>\$ 28,863,202</u>	<u>\$ 22,204,374</u>	<u>\$ 21,104,842</u>

Business-Type Activities

Net position from the District's business-type activities increased by \$63,854. The increase is mainly due to daily sales, supply chain assistance and FSMC payroll protection plan reimbursement. (Refer to Figure A-4).

Financial Analysis of the District's Funds

The District's financial position improved despite significant changes in the student clientele and difficult economic times. The current economy has had a direct impact upon the District's revenue sources. Interest from investments continued to be negatively affected. Ratables in the municipalities overall have remained relatively stable the last few years as have the Towns' tax collection percentages.

These factors are likely to continue for the near future. To maintain a stable financial position, the District must continue to practice sound fiscal management.

General Fund Budgetary Highlights

Over the course of the fiscal year, the District revised the annual operating budget monthly. Revisions in the budget were made to prevent over-expenditures in specific line item accounts. Some of these revisions bear notation.

- Salary accounts were adjusted to reflect: changes in staff assignments; retirements, resignations and the resulting new hires as well as program adjustments necessitated by student population changes.
- Tuition for special education students is budgeted based on the existing and known incoming students at the time the budget is submitted. Students move into and out of the District during the summer as well as the school year, which necessitates transferring funds to the appropriate account to pay these special education costs.
- Teachers' Pension and Annuity Fund, which is the state's contribution to the pension fund and social security is neither a revenue item nor an expenditure item to the District but is required to be reflected in the financial statements.

**LAKELAND REGIONAL HIGH SCHOOL BOARD OF EDUCATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)**

Capital Asset and Long-Term Liabilities Administration

The District's capital assets (net of depreciation) increased by \$88,379, or 0.39%, from the previous fiscal year. During the 2022-2023 school year, District additions totaled \$633,162 which were offset by \$544,783 in depreciation. (More detailed information about the District's capital assets is presented in Note 7 to the Basic Financial Statements).

**Figure A-6
Capital Assets (Net of Depreciation)**

	Governmental Activities		Business-Type Activities		Total School District		Percentage Change
	2022/23	2021/22	2022/23	2021/22	2022/23	2021/22	
Construction in Progress	\$ 14,547,575	\$ 14,147,207			\$ 14,547,575	\$ 14,147,207	
Site Improvements	1,658,734	1,788,730			1,658,734	1,788,730	
Buildings and Building Improvements	4,685,541	4,931,698			4,685,541	4,931,698	
Machinery and Equipment	1,447,265	1,524,211	\$ 233,110	\$ 92,000	1,680,375	1,616,211	
	<u>\$ 22,339,115</u>	<u>\$ 22,391,846</u>	<u>\$ 233,110</u>	<u>\$ 92,000</u>	<u>\$ 22,572,225</u>	<u>\$ 22,483,846</u>	0.39%

Long-term Liabilities

At fiscal year-end, the District's long-term liabilities consisted of net pension liability and compensated absences payable – as shown in Figure A-7. More detailed information about the District's long-term liabilities is presented in Note 8 to the Basic Financial Statements.

**Figure A-7
Outstanding Long-Term Liabilities**

	Total School District		Percentage Change
	2022/23	2021/22	
Net Pension Liability	\$ 5,853,221	\$ 4,729,036	
Compensated Absences Payable	408,445	428,383	
	<u>\$ 6,261,666</u>	<u>\$ 5,157,419</u>	21.41%

**LAKELAND REGIONAL HIGH SCHOOL BOARD OF EDUCATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)**

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

The housing market is stable with no dramatic shifts in inventory, and housing costs also remaining stable.

Funding for education in the State of New Jersey has suddenly become very different for all districts across the Board. Many districts have experienced dramatic cuts in State Aid, particularly Lakeland Regional HS. The level of State Aid that we have received for a full decade, hovering around \$4.9 million per year, will be reduced to \$2 million by 2024-25. At the same time, many other districts, statewide, are receiving State Aid increases. All of this has come from a re-distribution of State Aid according to the changes in enrollment amongst the 600+ districts statewide throughout New Jersey.

The number of students that are classified as Special Education has continued to rise at Lakeland Regional High School. In several prior years, Lakeland inherited a few very costly individual cases that drove the Special Education budget upward. This particular dynamic, coupled with an increasing demand for services and the increasing frequency of litigation to face requests for unnecessary services, has forced Lakeland as well as all districts to place higher scrutiny on how to achieve impactful and compliant results in a cost-efficient manner.

The District's Health Benefit costs have been relatively stable over the past couple of years.

Contacting the District's Financial Management

This financial report is designed to provide the District's citizens, taxpayers, customers, and investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the School Business Administrator at the Lakeland Regional High School Board of Education, 205 Conklintown Road, Wanaque, NJ 07456.

BASIC FINANCIAL STATEMENTS

DISTRICT-WIDE FINANCIAL STATEMENTS

LAKELAND REGIONAL HIGH SCHOOL DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2023

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and Cash Equivalents	\$ 3,431,796	\$ 263,498	\$ 3,695,294
Internal Balances	47,889	(47,889)	
Receivables from Other Governments	1,137,479	4,715	1,142,194
Other Receivables	15,959		15,959
Inventory		13,498	13,498
Restricted Cash and Cash Equivalents:			
Capital Reserve	1,047,433		1,047,433
Maintenance Reserve	457,552		457,552
Unemployment Compensation	700,246		700,246
Student Activities	118,577		118,577
Capital Assets:			
Construction in Progress	14,547,575		14,547,575
Depreciable Site Improvements, Buildings and Building Improvements, and Machinery, Furniture and Equipment	7,791,540	233,110	8,024,650
Total Assets	29,296,046	466,932	29,762,978
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Outflows Related to Pensions	1,115,266		1,115,266
Total Deferred Outflows of Resources	1,115,266		1,115,266
LIABILITIES			
Current Liabilities:			
Accounts Payable	492,042	10,403	502,445
Payable to Federal Government	4,137		4,137
Unearned Revenue	10,839	34,949	45,788
Noncurrent Liabilities:			
Due Beyond one Year	6,261,666		6,261,666
Total Liabilities	6,768,684	45,352	6,814,036
DEFERRED INFLOWS OF RESOURCES			
Deferred Inflows Related to Pensions	1,091,130		1,091,130
Total Deferred Inflows of Resources	1,091,130		1,091,130
NET POSITION			
Net Investment in Capital Assets	22,339,115	233,110	22,572,225
Restricted for:			
Capital Projects	1,047,433		1,047,433
Maintenance Reserve	457,552		457,552
Excess Surplus	876,117		876,117
Unemployment Compensation	700,246		700,246
Student Activities	118,577		118,577
Unrestricted/(Deficit)	(2,987,542)	188,470	(2,799,072)
Total Net Position	\$ 22,551,498	\$ 421,580	\$ 22,973,078

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

LAKELAND REGIONAL HIGH 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 and Contributions		Capital Grants and Contributions	Governmental Activities	Business-type Activities
Governmental Activities:							
Instruction:							
Regular	\$ 9,745,855	\$ 292,514	\$ 1,835,235	\$ 9,462	\$ (7,608,644)	\$ (7,608,644)	
Special Education	3,253,223		2,111,190		(1,142,033)	(1,142,033)	
Other Instruction	1,612,949		229,391		(1,383,558)	(1,383,558)	
Support Services:							
Tuition	2,649,895		230,204		(2,419,691)	(2,419,691)	
Student & Instruction Related Services	4,371,047	322,608	716,371		(3,332,068)	(3,332,068)	
General Administrative Services	573,443				(573,443)	(573,443)	
School Administrative Services	767,019		129,091		(637,928)	(637,928)	
Central Services	349,987				(349,987)	(349,987)	
Administration Information Technology	151,600				(151,600)	(151,600)	
Plant Operations and Maintenance	2,980,275			89,067	(2,891,208)	(2,891,208)	
Pupil Transportation	1,855,177	38,603	145,407		(1,671,167)	(1,671,167)	
Transfer of Funds to Charter Schools	43,047				(43,047)	(43,047)	
Total Governmental Activities	28,353,517	653,725	5,396,889	98,529	(22,204,374)	(22,204,374)	

LAKELAND REGIONAL HIGH 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 and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities
Business-Type Activities:						
Food Service	\$ 429,753	\$ 343,099	\$ 149,961		\$ 63,307	\$ 63,307
Total Business-Type Activities	429,753	343,099	149,961		63,307	63,307
Total Primary Government	\$ 28,783,270	\$ 996,824	\$ 5,546,850	\$ 98,529	\$ (22,204,374)	(22,141,067)
General Revenues:						
Taxes:						
Property Taxes, Levied for General Purposes, Net					20,446,244	20,446,244
Federal and State Aid not Restricted					2,136,896	2,136,896
Interest and Miscellaneous Revenue					156,474	547
Total General Revenues					22,739,614	22,740,161
Change in Net Position Before Other Item					535,240	63,854
Other Item - Food Service Management Company Payroll Protection Plan						
Change in Net Position					535,240	63,854
Net Position - Beginning					22,016,258	357,726
Net Position - Ending					\$ 22,551,498	\$ 421,580
					\$ 22,973,078	\$ 22,973,078

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

FUND FINANCIAL STATEMENTS

LAKELAND REGIONAL HIGH SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2023

	General Fund	Special Revenue Fund	Capital Projects Fund	Total Governmental Funds
ASSETS				
Cash and Cash Equivalents	\$ 2,809,505	\$ 10,000	\$ 274,529	\$ 3,094,034
Interfunds Receivable	260,590			260,590
Receivables from State Government	919,802			919,802
Receivables from Federal Government		217,677		217,677
Other Receivables	15,959			15,959
Restricted Cash and Cash Equivalents	2,205,231	118,577		2,323,808
Total Assets	<u>\$ 6,211,087</u>	<u>\$ 346,254</u>	<u>\$ 274,529</u>	<u>\$ 6,831,870</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Interfund Payable	\$ 150,000	\$ 212,701		\$ 362,701
Payable to Federal Government		4,137		4,137
Accounts Payable	477			477
Unearned Revenue		10,839		10,839
Total Liabilities	<u>150,477</u>	<u>227,677</u>		<u>378,154</u>
Fund Balances:				
Restricted for:				
Capital Reserve Account	1,047,433			1,047,433
Maintenance Reserve Account	457,552			457,552
Excess Surplus - 2024-2025	876,117			876,117
Unemployment Compensation	700,246			700,246
Student Activities		118,577		118,577
Committed			\$ 274,529	274,529
Assigned:				
Encumbrances	41,249			41,249
Subsequent Year's Expenditures	1,882,727			1,882,727
Unassigned	1,055,286			1,055,286
Total Fund Balances	<u>6,060,610</u>	<u>118,577</u>	<u>274,529</u>	<u>6,453,716</u>
Total Liabilities and Fund Balances	<u>\$ 6,211,087</u>	<u>\$ 346,254</u>	<u>\$ 274,529</u>	<u>\$ 6,831,870</u>
Amounts Reported for <i>Governmental Activities</i> in the Statement of Net Position (A-1) are Different Because:				
Total Fund Balances (Per Above)				\$ 6,453,716
Capital Assets Used in Governmental Activities are not Financial Resources and therefore are not reported in the Funds.				22,339,115
Internal service funds are used by management to charge the costs of transportation to individual funds. The assets and liabilities are included in governmental activities in the statement of net position.				479,776
Long-Term Liabilities, Including Bonds Payable, are not due and payable in the current period and therefore are not reported as liabilities in the Funds.				(408,445)
The Net Pension Liability for PERS is not due and payable in the current period and is not reported in the Governmental Funds.				(5,853,221)
Certain amounts related to the Net Pension Liability and Deferred Items in the Statement of Activities are not reported in the Governmental Funds:				
Deferred Outflows Related to Pensions, Excluding District Contribution Subsequent to the Measurement Date				631,687
Deferred Inflows Related to Pensions				<u>(1,091,130)</u>
Net Position of Governmental Activities				<u>\$ 22,551,498</u>

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

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

	General Fund	Special Revenue Fund	Capital Projects Fund	Total Governmental Funds
REVENUES				
Local Sources:				
Local Tax Levy	\$ 20,446,244			\$ 20,446,244
Tuition Charges	292,514			292,514
Miscellaneous	155,015	\$ 337,155		492,170
Total - Local Sources	20,893,773	337,155		21,230,928
State Sources	8,842,226	51,322		8,893,548
Federal Sources	38,534	516,507		555,041
Total Revenues	29,774,533	904,984		30,679,517
EXPENDITURES				
Current:				
Regular Instruction	6,630,044	128,776		6,758,820
Special Education Instruction	2,211,743	49,634		2,261,377
Other Instruction	1,216,082			1,216,082
Support Services and Undistributed Costs:				
Tuition	2,419,691	230,204		2,649,895
Student & Instruction Related Services	2,840,725	418,450		3,259,175
General Administrative Services	509,213			509,213
School Administrative Services	546,122			546,122
Central Services	301,594			301,594
Administration Information Technology	145,280			145,280
Plant Operations and Maintenance	2,264,546			2,264,546
Pupil Transportation	1,095,056			1,095,056
Unallocated Benefits	8,720,860			8,720,860
Capital Outlay	109,737	98,529	\$ 400,368	608,634
Transfer of Funds to Charter Schools	43,047			43,047
Total Expenditures	29,053,740	925,593	400,368	30,379,701
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	720,793	(20,609)	(400,368)	299,816
OTHER FINANCING SOURCES/(USES)				
Transfers In			580,000	580,000
Transfers Out	(580,000)			(580,000)
Total Other Financing Sources/(Uses)	(580,000)		580,000	
Net Change in Fund Balances	140,793	(20,609)	179,632	299,816
Fund Balance - July 1	5,919,817	139,186	94,897	6,153,900
Fund Balance - June 30	\$ 6,060,610	\$ 118,577	\$ 274,529	\$ 6,453,716

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

LAKELAND REGIONAL HIGH SCHOOL DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN
FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Total net change in fund balances - governmental funds (from B-2) \$ 299,816

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 differs from depreciation in the period.

Depreciation expense	\$ (531,040)	
Capital outlays	<u>478,309</u>	(52,731)

Internal service funds are used by management to charge the costs of transportation to individual funds. The revenue and expenses are netted with governmental activities and are included in governmental activities in the statement of net position. (491,635)

The net pension liability reported in the statement of activities does not require the use of current financial resources and is not reported as an expenditure in the Governmental Funds:

Change in Net Pension Liability	(1,124,185)
Change in Deferred Outflows	333
Change in Deferred Inflows	1,883,704

In the statement of activities, certain operating expenses, e.g., compensated absences are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is a reduction in the reconciliation (-); when the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+). 19,938

Change in net position of governmental activities \$ 535,240

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

LAKELAND REGIONAL HIGH SCHOOL DISTRICT
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2023

	Business-Type Activities - Enterprise Fund Food Service	Governmental Activities - Internal Service Fund Transportation
ASSETS:		
Current Assets:		
Cash and Cash Equivalents	\$ 263,498	\$ 337,762
Accounts Receivable:		
Interfund		150,000
Other Governments	4,715	
Inventories	13,498	
	<hr/>	<hr/>
Total Current Assets	281,711	487,762
	<hr/>	<hr/>
Non-Current Assets:		
Capital Assets	336,436	2,785,866
Less: Accumulated Depreciation	(103,326)	(1,952,683)
	<hr/>	<hr/>
Total Non-Current Assets	233,110	833,183
	<hr/>	<hr/>
Total Assets	514,821	1,320,945
	<hr/>	<hr/>
LIABILITIES:		
Current Liabilities:		
Accounts Payable	10,403	7,986
Interfund Payable	47,889	
Unearned Revenue - Supply Chain Assistance	34,360	
Unearned Revenue - Prepaid Sales	589	
	<hr/>	<hr/>
Total Current Liabilities	93,241	7,986
	<hr/>	<hr/>
Total Liabilities	93,241	7,986
	<hr/>	<hr/>
NET POSITION:		
Investment in Capital Assets	233,110	833,183
Unrestricted	188,470	479,776
	<hr/>	<hr/>
Total Net Position	\$ 421,580	\$ 1,312,959
	<hr/>	<hr/>

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

LAKELAND REGIONAL HIGH SCHOOL DISTRICT
STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Business-Type Activities - Enterprise Fund Food Service	Governmental Activities - Internal Service Fund Transportation
Operating Revenue:		
Charges for Services:		
Daily Sales:		
Reimbursable Programs	\$ 121,116	
Non-Reimbursable Programs	221,983	
Total Daily Sales	343,099	
Charges and Fees		\$ 188,603
Total Operating Revenue	343,099	188,603
Operating Expenses:		
Cost of Sales:		
Reimbursable Programs	122,402	
Non-Reimbursable Programs	54,485	
Salaries	143,108	
Payroll Taxes	20,760	
Employee Benefits	15,949	
Purchased Property Services	22,915	
Management Fee	16,483	
Contracted Services		396,991
Aid in Lieu Transportation		89,137
General Supplies	19,908	
Miscellaneous		195,569
Depreciation Expense	13,743	50,501
Total Operating Expenses	429,753	732,198
Operating (Loss)	(86,654)	(543,595)
Non-Operating Revenue:		
Federal Sources:		
School Breakfast Program	732	
National School Lunch Program	76,877	
Food Distribution Program	31,011	
COVID-19 - Supply Chain Assistance	21,947	
Local Food for Schools (LFS) Cooperative	259	
Food Service Management Company Payroll Protection Plan	14,908	
State Sources:		
School Breakfast Program	41	
School Lunch Program	4,186	
Local Sources - Interest Revenue	547	1,459
Total Non-Operating Revenue	150,508	1,459
Change in Net Position	63,854	(542,136)
Net Position - Beginning of Year	357,726	1,855,095
Net Position - End of Year	\$ 421,580	\$ 1,312,959

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

LAKELAND REGIONAL HIGH SCHOOL DISTRICT
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Business-Type Activities - Enterprise Fund	Governmental Activities - Internal Service Fund
Cash Flows from Operating Activities:		
Receipts from Customers	\$ 340,969	\$ 38,603
Payments to Food Service Vendor	(392,577)	
Payments to Suppliers	(5,030)	(753,845)
Net Cash (Used for) Operating Activities	(56,638)	(715,242)
Cash Flows from Capital Financing Activities:		
Acquisition of Capital Assets	(154,853)	
Net Cash (Used for) Capital Financing Activities	(154,853)	
Cash Flows from Noncapital Financing Activities:		
State Sources	4,597	
Federal Sources	159,298	
Food Service Management Company Payroll Protection Plan	14,908	
Net Cash Provided by Noncapital Financing Activities	178,803	
Cash Flows from Investing Activities:		
Interest Revenue	547	1,459
Net Cash Provided by Investing Activities	547	1,459
Net Increase/(Decrease) in Cash and Cash Equivalents	(32,141)	(713,783)
Cash and Cash Equivalents, July 1	295,639	1,051,545
Cash and Cash Equivalents, June 30	\$ 263,498	\$ 337,762
Reconciliation of Operating Loss to		
Net Cash (Used for) Operating Activities:		
Operating Loss	\$ (86,654)	\$ (543,595)
Adjustment to Reconcile Operating Loss to		
Net Cash Used for Operating Activities:		
Depreciation	13,743	50,501
Federal Food Distribution Program	31,011	
Changes in Assets and Liabilities:		
(Increase) in Interfund Receivable		(150,000)
(Increase) in Inventory	(22)	
(Decrease) in Accounts Payable	(12,586)	(72,148)
(Decrease) in Unearned Revenue - Prepaid Sales	(2,130)	
Net Cash (Used for) Operating Activities	\$ (56,638)	\$ (715,242)

Non-Cash Investing, Capital and Financing Activities:

The Food Service Enterprise Fund received and utilized commodities from the Federal Food Distribution Program valued at \$31,011 for the fiscal year ended June 30, 2023.

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

LAKELAND REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity:

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

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

B. Basis of Presentation:

District-Wide Financial Statements:

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

LAKELAND REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

(Continued)

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

B. Basis of Presentation: (Cont'd)

District-Wide Financial Statements: (Cont'd)

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

Fund Financial Statements:

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

The District reports the following governmental funds:

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

As required by NJDOE, the District includes budgeted capital outlay in this fund. GAAP, as it pertains to governmental entities, states that general fund resources may be used to directly finance capital outlays for long-lived improvements as long as the resources in such cases are derived exclusively from unrestricted revenue. Resources for budgeted capital outlay purposes are normally derived from State of New Jersey Aid, district taxes and appropriated fund balance. Expenditures are those that result in the acquisition of or additions to 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.

LAKELAND REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

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

B. Basis of Presentation: (Cont'd)

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

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

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

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

The District reports the following proprietary funds:

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

Internal Service Fund: The Internal Service Fund accounts for all revenue and expenses pertaining to the Board's transportation operations. Internal Service Funds may be used to report any activity that provides goods or services to other funds, departments, or agencies of the primary government and its component units, or to other governments, on a cost-reimbursement basis. Internal service funds should be used only if the reporting government is the predominant participant in the activity. Otherwise, the activity should be reported as an enterprise fund.

LAKELAND REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

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

C. Measurement Focus and Basis of Accounting:

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

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

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

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

D. Budgets/Budgetary Control:

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

LAKELAND REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

(Continued)

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

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

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

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

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

	General Fund	Special Revenue Fund
Sources/Inflows of Resources		
Actual Amounts (Budgetary Basis) "Revenue"		
from the Budgetary Comparison Schedule	\$ 29,702,283	\$ 889,834
Difference - Budget to GAAP:		
Grant Accounting Budgetary Basis Differs from GAAP in that the		
Budgetary Basis Recognizes Encumbrances as Expenditures and		
Revenue whereas the GAAP Basis Does Not:		
Prior Year Encumbrances		17,920
Cancellation of Prior Year Encumbrances		(2,720)
Current Year Encumbrances		(50)
Prior Year State Aid Payments Recognized for GAAP Statements,		
not Recognized for Budgetary Purposes	305,301	
Current Year State Aid Payments Recognized for Budgetary		
Purposes, not Recognized for GAAP Statements	(233,051)	
Total Revenues as Reported on the Statement of Revenues,		
Expenditures and Changes in Fund Balances - Governmental Funds.	<u>\$ 29,774,533</u>	<u>\$ 904,984</u>

LAKELAND REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

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

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

	General Fund	Special Revenue Fund
Uses/Outflows of Resources:		
Actual Amounts (Budgetary Basis) "Total Outflows" from the Budgetary Comparison Schedule	\$ 29,053,740	\$ 910,443
Differences - Budget to GAAP		
Encumbrances for Supplies and Equipment Ordered but Not Received are Reported in the Year the Order is Placed for Budgetary Purposes, not in the Year the Supplies are Received for GAAP Reporting Purposes.		
Prior Year Encumbrances		17,920
Prior Year Encumbrances Canceled		(2,720)
Current Year Encumbrances		(50)
Total Expenditures as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	<u>\$ 29,053,740</u>	<u>\$ 925,593</u>

E. Cash and Cash Equivalents and Investments:

Cash and cash equivalents include petty cash and cash in banks. Certificates of deposit with maturities of one year or less when purchased are stated at cost.

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

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

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

LAKELAND REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

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

F. Interfund Transactions:

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

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

G. Allowance for Uncollectible Accounts:

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

H. Encumbrances:

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

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

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

I. Short-term Interfund Receivables/Payables:

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

J. Inventories and Prepaid Expenses:

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

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

LAKELAND REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

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

K. Capital Assets:

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

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

	<u>Estimated Useful Life</u>
Buildings and Building Improvements	45 years
Site Improvements	20 years
Machinery, Furniture, and Equipment	10 to 15 years

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

L. Lease Assets:

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

M. Subscription Assets:

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

N. Long-Term Liabilities:

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

LAKELAND REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

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

O. Accrued Salaries and Wages:

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

P. Compensated Absences:

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

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

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

Q. Lease Payable:

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

R. Subscription Payable:

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

S. Unearned Revenue:

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

T. Fund Balance Appropriated:

General Fund: Of the \$6,060,610 General Fund balance at June 30, 2023, \$1,047,433 is restricted in the capital reserve account; \$457,552 is restricted in the maintenance reserve account; \$700,246 is restricted for unemployment compensation; \$876,117 is restricted for excess surplus in accordance with N.J.S.A. 18A:7F-7 as amended by P.L. 2004, C.73 (S1701) which will be included as anticipated budget revenue for the fiscal year ending June 30, 2025; \$41,249 is assigned for encumbrances; \$1,882,727 is designated for subsequent year's expenditures; and \$1,055,286 is unassigned which is \$233,051 less on the GAAP basis than the calculated maximum unassigned fund balance (budgetary basis) due to the final two state aid payments which are not recognized until the fiscal year ended June 30, 2024.

LAKELAND REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

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

T. Fund Balance Appropriated: (Cont'd)

Special Revenue Fund: The \$118,577 Special Revenue Fund balance at June 30, 2023 is restricted fund balance for student activities.

Capital Projects Fund: The \$274,529 Capital Projects Fund balance at June 30, 2023 is committed fund balance.

Calculation of Excess Surplus: In accordance with N.J.S.A. 18A:7F-7 as amended by P.L. 2004, c.73 (S1701), the designation for Restricted Fund Balance-Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to restrict General Fund fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent fiscal year's budget. The District had excess surplus at June 30, 2023.

N.J.S.A. 18A:22-44.2 provides that in the event a state school aid payment is not made until the following school budget year, districts must record the delayed one or more June state aid payments as revenue, for budget purposes only, in the current school budget year. The bill provides legal authority for school districts to recognize this revenue in the current budget year. For intergovernmental transactions, GASB Statement No. 33 requires that recognition (revenue, expenditure, asset, liability) should be in symmetry, i.e., if one government recognizes an asset, the other government recognizes a liability. Since the State is recording the June state aid payments in the subsequent fiscal year, the school district cannot recognize the June state aid payments on the GAAP financial statements until the fiscal year the State records the payable.

The excess surplus calculation is calculated using the fund balance reported on the Budgetary Comparison Schedule, including the June state aid payments and not the fund balance reported on the fund statement which excludes the June state aid payments.

U. Fund Balance Restrictions, Commitments and Assignments:

The restricted fund balance category includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation. The committed fund balance classification includes amounts that can be used only for the specific purposes determined for a formal action of the District's highest level of decision-making authority. Amounts in the assigned fund balance classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as restricted or committed. Unassigned fund balance is the residual classification for the District's General Fund and includes all spendable amounts not contained in the other classifications. In other funds, the unassigned classifications should be used only to report a deficit balance resulting from overspending for specific purposes for which amounts has been restricted, committed or assigned. Fund balance restrictions have been established for capital reserve, maintenance reserve, unemployment compensation and student activities and excess surplus at June 30, 2023.

The District Board of Education has the responsibility to formally commit resources for specific purposes through a motion or a resolution passed by a majority of the Members of the Board of Education at a public meeting of that governing body. The Board of Education must also utilize a formal motion or a resolution passed by a majority of the Members of the Board of Education at a public meeting of that governing body in order to remove or change the commitment of resources. The District has committed resources for capital projects at June 30, 2023.

LAKELAND REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

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

U. Fund Balance Restrictions, Commitments and Assignments: (Cont'd)

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

V. Deficit Net Position:

The \$2,987,542 deficit in unrestricted net position for the governmental activities at June 30, 2023 is primarily due to the non-recognition of the June state aid payments as explained in Note 1T on the previous page, the accrual of compensated absences, deferred inflows of resources related to pensions and net pension liability, offset by deferred outflows of resources related to pensions, excluding District contribution subsequent to the measurement date, and Governmental Funds unassigned, committed and assigned fund balances. This deficit does not indicate that the District is facing financial difficulties and is a permitted practice under generally accepted accounting principles.

W. Net Position:

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

A deferred outflow of resources is a consumption of net position by the District that is applicable to a future reporting period. The District had deferred outflows of resources at June 30, 2023 related to pensions.

A deferred inflow of resources is an acquisition of net position by the District that is applicable to a future reporting period. The District had deferred inflows of resources at June 30, 2023 related to pensions.

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

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

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

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

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

LAKELAND REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

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

X. Revenue - Exchange and Nonexchange Transactions:

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

Nonexchange transactions, in which the School District receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On the accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the fiscal year when the resources are required to be used or the fiscal year when use is first permitted; matching requirements, in which the School District must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the School District on a reimbursement basis. On the modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized. Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at fiscal year end: property taxes, interest and tuition.

Y. Operating Revenue and Expenses:

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

Z. Management Estimates:

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

AA. Pensions

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

LAKELAND REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

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

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

NOTE 3. CASH AND CASH EQUIVALENTS AND INVESTMENTS

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

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

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

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

Deposits:

New Jersey statutes permit the deposit of public funds in institutions located in New Jersey, which are insured by the Federal Deposit Insurance Corporation (FDIC) or by any other agencies of the United States that insure deposits or the State of New Jersey Cash Management Fund.

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

The market value of the collateral must equal 5% of the average daily balance of public funds on deposit, and

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

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

LAKELAND REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

(Continued)

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

Investments

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

- (1) Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America;
- (2) Government money market mutual funds;
- (3) Any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligation bears a fixed rate of interest not dependent on any index or other external factor;
- (4) Bonds or other obligations of the school district or bonds or other obligations of the local unit or units within which the school district is located.
- (5) Bonds or other obligations, having a maturity date not more than 397 days from the date of purchase, issued by New Jersey school districts, municipalities, counties, and entities subject to the "Local Authorities Fiscal Control Law", P.L. 1983, c.313 (C.40A:5A-1 et seq.). Other bonds or obligations having a maturity date not more than 397 days from the date of purchase may be approved by the Division of Investment in the Department of the Treasury for investment by local units;
- (6) Local government investment pools;
- (7) Deposits with the State of New Jersey Cash Management Fund established pursuant to section 1 of P.L. 1977, c.281 (C.52:18A-90.4);
- (8) Agreements for the repurchase of fully collateralized securities if:
 - (a) the underlying securities are permitted investments pursuant to paragraphs (1) and (3) of this subsection a. or are bonds or other obligations, having a maturity date of not more than 397 days from the date of purchase, issued by New Jersey school districts, municipalities, counties, and entities subject to the requirements of the "Local Authorities Fiscal Control Law," P.L. 1983, c. 313 (C.40A:5A-1 et seq.);
 - (b) the custody of collateral is transferred to a third party;
 - (c) the maturity of the agreement is not more than 30 days;
 - (d) the underlying securities are purchased through a public depository as defined in section 1 of P.L. 1970, c.236 (C.17:9-41); and
 - (e) a master repurchase agreement providing for the custody and security of collateral is executed; or

LAKELAND REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

(Continued)

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

Investments (Cont'd)

New Jersey statutes permit the Board to purchase the following types of securities: (Cont'd)

- (9) Deposit of funds in accordance with the following conditions:
- (a) The funds are initially invested through a public depository as defined in section 1 of P.L. 1970, c. 236 (C.17:9-41) designated by the school district;
 - (b) The designated public depository arranges for the deposit of the funds in deposit accounts in one or more federally insured banks, savings banks or savings and loan associations or credit unions for the account of the school district;
 - (c) 100 percent of the principal and accrued interest of each deposit is insured by the Federal Deposit Insurance Corporation or the National Credit Union Share Insurance Fund;
 - (d) The designated public depository acts as custodian for the school district with respect to these deposits; and
 - (e) On the same date that the school district's funds are deposited pursuant to subparagraph (b) of this paragraph, the designated public depository receives an amount of deposits from customers of other financial institutions, wherever located, equal to the amounts of funds initially invested by the school district through the designated public depository.

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

	Restricted			
	Capital Reserve Account	Maintenance Reserve Account	Unemployment Compensation	Student Activities
Checking Accounts	<u>\$ 1,047,433</u>	<u>\$ 457,552</u>	<u>\$ 700,246</u>	<u>\$ 118,577</u>
	Unrestricted	Total		
Checking Accounts	<u>\$ 3,695,294</u>	<u>\$ 6,019,102</u>		

During the period ended June 30, 2023, the District did not hold any investments. The carrying amount of the Board's cash and cash equivalents at June 30, 2023 was \$6,019,102 and the bank balance was \$6,711,075.

LAKELAND REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

NOTE 4. CAPITAL RESERVE ACCOUNT

A capital reserve account was established by Board resolution by inclusion of \$1 on September 26, 2000 for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

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

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

Beginning Balance, July 1, 2022	\$ 1,356,329
Interest Earnings	1,000
Increase per Board Resolution - June 13, 2023	300,000
Budgeted Withdrawal - Capital Projects	(580,000)
Budgeted Withdrawal - Capital Outlay	<u>(29,896)</u>
Ending Balance, June 30, 2023	<u>\$ 1,047,433</u>

The balance in the capital reserve account at June 30, 2023 does not exceed the balance of local support costs of uncompleted capital projects in the District's LRFP. The withdrawals from the capital reserve were for use in a DOE approved facilities project, consistent with the District's LRFP.

NOTE 5. MAINTENANCE RESERVE ACCOUNT

A maintenance reserve account in the amount of \$311,294 was established by Board resolution on June 23, 2008. These funds are restricted to be used for specific activities necessary for the purpose of keeping a school facility open and safe for use or in its original condition, and for keeping its constituent buildings systems fully and efficiently functional and for keeping their warranties valid but cannot be used for routine or capital maintenance. The purpose of the reserve is to provide funds for anticipated expenditures required to maintain a building.

LAKELAND REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

NOTE 5. MAINTENANCE RESERVE ACCOUNT (Cont'd)

Pursuant to N.J.A.C. 6A:26A-4.2 funds may be deposited into the maintenance reserve account at any time by board resolution to meet the required maintenance of the District by transferring unassigned general fund balance or by transferring excess, unassigned general fund balance that is anticipated to be deposited during the current fiscal year in the advertised recapitulation of balances of the subsequent fiscal year's budget that is certified for taxes. Funds may be withdrawn from the maintenance reserve account and appropriated into the required maintenance account lines at budget time or any time during the fiscal year by Board resolution for use on required maintenance activities by school facility as reported in the comprehensive maintenance plan. Funds withdrawn from the maintenance reserve account are restricted to required maintenance appropriations and may not be transferred to any other line-item account. In any fiscal year that maintenance reserve account funds are withdrawn, unexpended required maintenance appropriations, up to the amount of maintenance reserve account funds withdrawn, shall be restored to the maintenance reserve account at fiscal year-end. At no time, shall the maintenance reserve account have a balance that exceeds four percent of the replacement cost of the current fiscal year of the District's school facilities. If the account exceeds this maximum amount at June 30, the excess shall be reserved and designated in the subsequent fiscal year's budget. 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	\$ 894,430
Interest Earnings	250
Unexpended Funds Returned	156,872
Increase per Board Resolution - June 13, 2023	50,000
Budgeted Withdrawal	<u>(644,000)</u>
Ending Balance, June 30, 2023	<u>\$ 457,552</u>

NOTE 6: TRANSFERS TO CAPITAL OUTLAY

During the fiscal year ended June 30, 2023, the District transferred \$4,230 to the capital outlay accounts for equipment which did not require County Superintendent approval.

LAKELAND REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

(Continued)

NOTE 7. CAPITAL ASSETS

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

	Beginning Balance	Increases	Adjustments/ Decreases	Ending Balance
Governmental Activities:				
Capital Assets not Being Depreciated:				
Construction in Progress	\$ 14,147,207	\$ 400,368		\$ 14,547,575
Total Capital Assets Not Being Depreciated	14,147,207	400,368	\$ -0-	14,547,575
Capital Assets Being Depreciated:				
Site Improvements	3,632,780			3,632,780
Buildings and Building Improvements	12,047,514			12,047,514
Machinery and Equipment	5,137,853	77,941		5,215,794
Total Capital Assets Being Depreciated	20,818,147	77,941	-0-	20,896,088
Governmental Activities Capital Assets	34,965,354	478,309	-0-	35,443,663
Less Accumulated Depreciation for:				
Site Improvements	(1,844,050)	(129,996)		(1,974,046)
Buildings and Building Improvements	(7,115,816)	(246,157)		(7,361,973)
Machinery and Equipment	(3,613,642)	(154,887)		(3,768,529)
	(12,573,508)	(531,040)	-0-	(13,104,548)
Governmental Activities Capital Assets, Net of Accumulated Depreciation	\$ 22,391,846	\$ (52,731)	\$ -0-	\$ 22,339,115
Business Type Activities:				
Capital Assets Being Depreciated:				
Equipment and Furniture	\$ 181,583	\$ 154,853		\$ 336,436
Less Accumulated Depreciation	(89,583)	(13,743)		(103,326)
Business Type Activities Capital Assets, Net of Accumulated Depreciation	\$ 92,000	\$ 141,110	\$ -0-	\$ 233,110

The increases totaling \$633,162 represent current fiscal year capitalized expenditures of \$400,368 construction in progress in the capital projects fund, \$77,941 in the general fund and \$154,853 in the food service enterprise fund. At June 30, 2023, the District had active construction projects totaling \$1,945,986 with unexpended balances of \$274,529. The District had no outstanding construction commitments at June 30, 2023. Depreciation expense was charged to governmental functions as follows:

Regular Instruction	\$ 51,805
Student and Instruction Related Services	2,820
Operations and Maintenance of Plant	425,914
Student Transportation	50,501
	<u>\$ 531,040</u>

Capital Assets of the Internal Service Fund are included as Governmental Activities in the district-wide financial statements.

LAKELAND REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

NOTE 8. LONG-TERM LIABILITIES

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

	Balance 6/30/2022	Accrued	Retired	Balance 6/30/2023
Net Pension Liability	\$ 4,729,036	\$ 1,124,185		\$ 5,853,221
Compensated Absences Payable	428,383		\$ 19,938	408,445
	<u>\$ 5,157,419</u>	<u>\$ 1,124,185</u>	<u>\$ 19,938</u>	<u>\$ 6,261,666</u>

A. Bonds Payable:

The District had no serial bonds outstanding as of June 30, 2023.

B. Bonds Authorized But Not Issued:

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

C. Compensated Absences:

The liability for compensated absences of the governmental fund types is recorded in the current and long-term liabilities and will be liquidated by the General Fund. The \$408,445 compensated absences payable balance at June 30, 2023 is long-term.

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

D. Net Pension Liability:

The Public Employees' Retirement System's (PERS) net pension liability of the governmental fund types is recorded in the current and long-term liabilities and will be liquidated by the General Fund. The current portion of the net pension liability at June 30, 2023 is \$-0- and the long-term portion is \$5,853,221. See Note 9 for further information on the PERS.

LAKELAND REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

NOTE 9. PENSION PLANS

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

A. Public Employees' Retirement System (PERS)

Plan Description

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

Benefits Provided

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

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

Contributions

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

LAKELAND REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

NOTE 9. PENSION PLANS (Cont'd)

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

Contributions (Cont'd)

The local employers' contribution amounts are based on an actuarially determined rate which includes the normal cost and unfunded accrued liability. Chapter 19, P.L. 2009 provided an option for local employers of PERS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in State fiscal year 2009. Such employers will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded liability of those retirement systems, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual payments over a period of 15 years beginning with the payments due in the fiscal year ended June 30, 2012 and will be adjusted by the rate of return on the actuarial value of assets. District contributions to PERS amounted to \$489,100 for 2023. During the fiscal year ended June 30, 2022, the State of New Jersey contributed \$12,315 to the PERS for normal pension benefits on behalf of the District.

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

Special Funding Situation

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

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

At June 30, 2023, the District reported a liability of \$5,853,221 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2021 which was rolled forward to June 30, 2022. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At June 30, 2022, the District's proportion was 0.03879%, which was an decrease of 0.00113% from its proportion measured as of June 30, 2021.

For the fiscal year ended June 30, 2023, the District recognized an actual pension benefit in the amount of \$489,100. Additionally, for the fiscal year ended June 30, 2022, the State recognized pension expense on behalf of the District in the amount of \$12,315 and the District recognized pension expense and revenue for that same amount in the fiscal year ended June 30, 2023 financial statements.

LAKELAND REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

NOTE 9. PENSION PLANS (Cont'd)

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

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

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

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

	Deferral Year	Amortization Period in Years	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in Assumptions	2018	5.63		\$ 140,699
	2019	5.21		175,828
	2020	5.16		517,029
	2021	5.13	\$ 18,135	
	2022	5.04		42,903
			<u>18,135</u>	<u>876,459</u>
Change in Proportion	2018	5.63		4,506
	2019	5.21	85,261	
	2020	5.16	62,557	
	2021	5.13	181,228	
	2022	5.04		172,910
			<u>329,046</u>	<u>177,416</u>
Difference Between Expected and Actual Experience:	2018	5.63		5,358
	2019	5.21	13,441	
	2020	5.16	28,805	
	2021	5.13		14,422
	2022	5.04		17,475
			<u>42,246</u>	<u>37,255</u>
Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	2019	5.00	5,790	
	2020	5.00	173,998	
	2021	5.00	(1,085,286)	
	2022	5.00	1,147,758	
			<u>242,260</u>	
District Contribution Subsequent to the Measurement Date	2022	1.00	483,579	
			<u>\$ 1,115,266</u>	<u>\$ 1,091,130</u>

LAKELAND REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

(Continued)

NOTE 9. PENSION PLANS (Cont'd)

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

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

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

Fiscal Year Ending June 30,	Total
2023	\$ (502,083)
2024	(255,795)
2025	(124,746)
2026	272,149
2027	(598)
	<u>\$ (611,073)</u>

Actuarial Assumptions

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

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

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

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

LAKELAND REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

(Continued)

NOTE 9. PENSION PLANS (Cont'd)

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

Long Term Expected Rate of Return

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

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

Discount Rate

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

LAKELAND REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

NOTE 9. PENSION PLANS (Cont'd)

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

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

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

	June 30, 2022		
	1%	Current	1%
	Decrease	Discount Rate	Increase
	(6.00%)	(7.00%)	(8.00%)
District's proportionate share of the			
Net Pension Liability	\$ 8,055,869	\$ 5,853,221	\$ 4,099,308

Pension plan Fiduciary Net Position

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

B. Teachers' Pension and Annuity Fund (TPAF)

Plan Description

The State of New Jersey, Teachers' Pension and Annuity Fund (TPAF), is a cost-sharing multiple-employer defined benefit pension plan with a special funding situation, by which the State of New Jersey (the State) is responsible to fund 100% of the employer contributions, excluding any local employer early retirement incentive (ERI) contributions. The TPAF is administered by the State of New Jersey Division of Pensions and Benefits (the Division). For additional information about the TPAF, please refer to the Division's annual financial statements which can be found at www.state.nj.us/treasury/pensions/annual-reports.shtml.

Benefits Provided

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

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

LAKELAND REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

(Continued)

NOTE 9. PENSION PLANS (Cont'd)

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

Benefits Provide (Cont'd)

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 to Tier 5 members upon reaching age 65. Early retirement benefits are available to Tiers 1 and 2 members before reaching age 60, Tiers 3 and 4 with 25 years or more of service credit before age 62 and Tier 5 with 30 years or more 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 retirement age for their respective tier. Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for the respective tier.

Contributions

The contribution policy for TPAF is set by N.J.S.A. 18A:66 and requires contributions by active members and contributing members. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount, which 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 less than the actuarial determined amount.

Special Funding Situation

The employer contributions for local participating employers are legally required to be funded by the State in accordance with N.J.S.A. 18:66-33. Therefore, these local participating employers are considered to be in a special funding situation as defined by GASB Statement No. 68 and the State is treated as a nonemployer contributing entity. Since the local participating employers do not contribute directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to report in the financial statements of the local participating employers. However, the notes to the financial statements of the local participating employers must disclose the portion of the nonemployer contributing entities' total proportionate share of the net pension liability that is associated with the local participating employer. In addition, each local participating employer must recognize pension expense associated with the employer as well as revenue in an amount equal to the nonemployer contributing entities' total proportionate share of the collective pension expense associated with the local participating employer. During the fiscal year ended 2023, the State of New Jersey contributed \$3,433,381 to the TPAF for normal pension benefits on behalf of the District, which is more than the contractually required contribution of \$1,206,512.

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

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

At June 30, 2023, the State's proportionate share of the net pension liability associated with the District was \$44,830,444. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2021 which was rolled forward to June 30, 2022. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At June 30, 2022, the District's proportion was 0.0869%, which was an increase of 0.0020% from its proportion measured as of June 30, 2021.

LAKELAND REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

(Continued)

NOTE 9. PENSION PLANS (Cont'd)

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

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

District's Proportionate Share of the Net Pension Liability	\$ -0-
State's Proportionate Share of the Net Pension Liability Associated with the District	44,830,444
Total	<u>\$ 44,830,444</u>

For the fiscal year ended June 30, 2022, the State recognized pension expense on behalf of the District in the amount of \$1,206,512 and the District recognized pension expense and revenue for that same amount in the fiscal year ended June 30, 2023 financial statements.

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

	Year of Deferral	Amortization Period in Years	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in Assumptions	2015	8.30	\$ 213,742,984	
	2016	8.30	1,695,809,748	
	2017	8.30		\$ 3,681,530,748
	2018	8.29		2,705,362,525
	2019	8.04		2,012,738,111
	2020	7.99	1,007,402,060	
	2021	7.93		11,041,509,093
	2022	7.83	96,143,072	
			<u>3,013,097,864</u>	<u>19,441,140,477</u>
Difference Between Expected and Actual Experience	2015	8.30	13,201,022	
	2016	8.30		21,088,845
	2017	8.30	65,502,212	
	2018	8.29	474,592,771	
	2019	8.04		78,198,040
	2020	7.99		5,368,990
	2021	7.93	146,524,969	
	2022	7.83		18,009,041
			<u>699,820,974</u>	<u>122,664,916</u>
Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	2019	5	36,220,692	
	2020	5	482,791,080	
	2021	5	(2,665,975,358)	
	2022	5	3,319,334,659	
			<u>1,172,371,073</u>	

LAKELAND REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

NOTE 9. PENSION PLANS (Cont'd)

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

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

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

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

Actuarial Assumptions

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

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

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

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.

LAKELAND REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

NOTE 9. PENSION PLANS (Cont'd)

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

Long Term Expected Rate of Return

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

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

Discount Rate – TPAF

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

LAKELAND REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

NOTE 9. PENSION PLANS (Cont'd)

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

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

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

	June 30, 2022		
	1%	Current	1%
	Decrease	Discount Rate	Increase
	(6.00%)	(7.00%)	(8.00%)
State's Proportionate Share of the Net Pension			
Liability Associated with the District	\$ 52,564,648	\$ 44,830,444	\$ 38,315,349
<u>Pension Plan Fiduciary Net Position</u>			

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

C. Defined Contribution Retirement Program (DCRP)

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

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

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

For DCRP, the District recognized pension expense of \$4,369 for the fiscal year ended June 30, 2023. Employee contributions to DCRP amounted to \$8,009 for the fiscal year ended June 30, 2023.

LAKELAND REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

(Continued)

NOTE 10. RISK MANAGEMENT

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

Property, Liability and Health Benefits

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. The District is a member of a joint insurance fund for workers' compensation insurance. Health benefits are provided to employees through Horizon Blue Cross Blue Shield.

The Lakeland Regional High School District is a member of the Pooled Insurance Program of New Jersey (the "PIP"). The PIP provides the District with workers' compensation insurance. The PIP is a risk-sharing public entity risk pool that is an insured and self-administered group of school districts established for the purpose of providing low-cost insurance coverage for their members in order to keep local property taxes at a minimum. Each member appoints an official to represent their respective district for the purpose of creating a governing body from which officers for the PIP are elected.

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

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

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

Total Assets	<u>\$ 20,734,051</u>
Net Position	<u>\$ 6,279,806</u>
Total Revenue	<u>\$ 9,242,784</u>
Total Expenses and Adjustments	<u>\$ 10,198,425</u>
Member Dividends	<u>\$ 1,137,231</u>
Change in Net Position	<u>\$ (2,092,872)</u>

Financial statements for the PIP are available at the Executive Director's Office:

Burton Agency
44 Bergen Street
PO Box 270
Westwood, NJ 07675
(201) 664-0310

LAKELAND REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

NOTE 10. RISK MANAGEMENT (Cont'd)

New Jersey Unemployment Compensation Insurance

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

The following is a summary of District contributions, employee contributions, interest earnings, reimbursements to the State for benefits paid and the ending balance of the District's Unemployment Compensation Restricted Fund Balance in the General Fund for the current and previous two fiscal years:

<u>Fiscal Year</u>	<u>Employee Contributions</u>	<u>Interest Earned</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2022-2023	\$ 47,220	\$ 1,393	\$ 53,893	\$ 700,246
2021-2022	59,215	1,376	43,670	705,526
2020-2021	61,051	1,565	46,744	688,605

NOTE 11. COMMITMENTS AND CONTINGENCIES

The Board is periodically involved in lawsuits arising in the normal course of business, including claims regarding special education, disputes over contract awards and performance, and employment matters. The Board does not believe that the ultimate outcome of these cases will have a material negative effect on the District's financial position.

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

Encumbrances

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

<u>Governmental Funds</u>		
	<u>Special</u>	
<u>General</u>	<u>Revenue</u>	<u>Total</u>
<u>\$ 41,249</u>	<u>\$ 50</u>	<u>\$ 41,299</u>

On the District's Governmental Funds Balance Sheet as of June 30, 2023, no amount is assigned for encumbrances in the Special Revenue Fund since encumbrances are not recognized on the GAAP basis until they are paid. Actual encumbrances of \$50 on the budgetary basis are instead reflected as either a reduction of grants receivable or an increase in unearned revenue on the GAAP basis in the Special Revenue Fund.

LAKELAND REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

NOTE 12. ECONOMIC DEPENDENCY

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

NOTE 13. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

The following interfund balances existed as of June 30, 2023:

<u>Fund</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
General Fund	\$ 260,590	\$ 150,000
Special Revenue Fund		212,701
Food Service Enterprise Fund		47,889
Internal Service Fund	<u>150,000</u>	
	<u>\$ 410,590</u>	<u>\$ 410,590</u>

The interfund payable in the Special Revenue Fund is an interfund loan due to the General Fund to cover a cash deficit due to timing of grant reimbursements. The interfund payable in the Food Service Enterprise Fund is due to the General Fund for on-behalf expenditures and an interfund loan. The interfund payable in the General Fund is due to the Internal Service Fund for a budgeted contribution.

NOTE 14. DEFERRED COMPENSATION

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

403b

Equitable Life Assurance

Variable Annuity Life Insurance Company

Metropolitan Life Insurance Company

457

Equitable Life Assurance

LAKELAND REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

NOTE 15. TAX CALENDAR

Property taxes are levied by the District's constituent municipalities as of January 1 on property values assessed as of the previous calendar year. The tax levy is divided into two billings. The first billing is an estimate of the current year's levy based on the prior year's taxes. The second billing reflects adjustments to the current year's actual levy. The final tax bill is usually mailed on or before June 14th, along with the first half estimated tax bills for the subsequent year. The first half estimated taxes are divided into two due dates, February 1 and May 1. The final tax bills are also divided into two due dates, August 1 and November 1. A ten-day grace period is usually granted before the taxes are considered delinquent and there is an imposition of interest charges. A penalty may be assessed for any unpaid taxes in excess of \$10,000 at December 31 of the current year. Unpaid taxes of the current and prior year may be placed in lien at a tax sale held after December 10.

Taxes are collected by the constituent municipalities and are remitted to the School Districts on a predetermined mutually agreed-upon schedule.

NOTE 16. ACCOUNTS PAYABLE

The following accounts payable balances existed as of June 30, 2023:

	Governmental Funds	Internal Service Fund	District Contribution Subsequent to the Measurement Date	Total Governmental Activities	Business-Type Activities Proprietary Funds
Accrued Salaries and Wages	\$ 125			\$ 125	
Payroll Deductions and Withholdings	352			352	
Vendors		\$ 7,986		7,986	\$ 10,403
Due to:					
State of New Jersey			\$ 483,579	483,579	
	<u>\$ 477</u>	<u>\$ 7,986</u>	<u>\$ 483,579</u>	<u>\$ 492,042</u>	<u>\$ 10,403</u>

LAKELAND REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

NOTE 17. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

State Health Benefit Program Fund – Local Education Retired Employees Plan

General Information about the OPEB Plan

Plan Description and Benefits Provided

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

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

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

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

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

LAKELAND REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

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

State Health Benefit Program Fund – Local Education Retired Employees Plan (Cont'd)

Employees Covered by Benefit Terms

At June 30, 2022, the plan membership consisted of the following:

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

Total Nonemployer OPEB Liability

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

Actuarial Assumptions and Other Inputs

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

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

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

Mortality Rates

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

LAKELAND REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

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

State Health Benefit Program Fund – Local Education Retired Employees Plan (Cont'd)

Health Care Trend Assumptions

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

Discount Rate

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

Changes in the State's Proportionate Share of the Total OPEB Liability Attributable to the District

	Total OPEB Liability
Balance at June 30, 2021	\$ 50,423,226
Changes for Year:	
Service Cost	\$ 2,229,630
Interest Cost	1,128,782
Difference Between Expected and Actual Experience	1,320,510
Changes in Assumptions	(11,426,160)
Member Contributions	35,869
Gross Benefit Payments	(1,118,092)
Net Changes	(7,829,461)
Balance at June 30, 2022	\$ 42,593,765

LAKELAND REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

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

State Health Benefit Program Fund – Local Education Retired Employees Plan (Cont'd)

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

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

	June 30, 2022		
	At 1% Decrease (2.54%)	At Discount Rate (3.54%)	At 1% Increase (4.54%)
Total OPEB Liability Attributable to the District	\$ 50,064,490	\$ 42,593,765	\$ 36,606,352

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

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

	June 30, 2022		
	1% Decrease	Healthcare Cost Trend Rate	1% Increase
Total OPEB Liability Attributable to the District	\$ 35,206,350	\$ 42,593,765	\$ 52,297,583

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

For the fiscal year ended June 30, 2023, the District recognized OPEB expense of \$1,310,502 as determined by the State of New Jersey Division of Pensions and Benefits. This expense and the related offsetting revenue are for benefits provided by the State through a defined benefit OPEB plan that meets the criteria in GASB Codification Section P50, in which there is a special funding situation.

LAKELAND REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

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

State Health Benefit Program Fund – Local Education Retired

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

In accordance with GASB Codification Section P50, as the District's proportionate share of the OPEB liability is \$-0-, there is no recognition of the allocation of the proportionate share of the deferred inflows and outflows of resources. At June 30, 2022, the State deferred outflows of resources and deferred inflows of resources related to OPEB attributable to the District is from the following sources:

	Deferral Year	Period in Years	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in Assumptions	2017	9.54		\$ 2,211,514
	2018	9.51		2,110,413
	2019	9.29	\$ 297,958	
	2020	9.24	7,034,932	
	2021	9.24	39,012	
	2022	9.13		10,174,664
			<u>7,371,902</u>	<u>14,496,591</u>
Difference Between Expected and Actual Experience	2018	9.51		1,994,997
	2019	9.29		3,506,988
	2020	9.24	6,556,833	
	2021	9.24		7,502,384
	2022	9.13	1,047,844	
			<u>7,604,677</u>	<u>13,004,369</u>
Changes in Proportion	N/A	N/A	705,202	179,412
			<u>\$ 15,681,781</u>	<u>\$ 27,680,372</u>

N/A - Not Available

LAKELAND REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

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

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

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

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB attributable to the District, excluding changes in proportion, will be recognized in OPEB expense as follows:

<u>Fiscal Year</u> <u>Ending June 30,</u>	<u>Total</u>
2023	\$ (2,116,930)
2024	(2,116,929)
2025	(2,116,929)
2026	(1,829,557)
2027	(1,046,165)
Total Thereafter	<u>(3,297,872)</u>
	<u>\$ (12,524,381)</u>

**SCHEDULES OF
REQUIRED SUPPLEMENTARY INFORMATION**

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

	Fiscal Year Ending June 30,				
	2015	2016	2017	2018	2019
District's proportion of the net pension liability	0.0347285309%	0.0312705659%	0.0340545773%	0.0364514769%	0.0362728834%
District's proportionate share of the net pension liability	\$ 6,502,131	\$ 7,019,615	\$ 10,085,989	\$ 8,485,321	\$ 7,141,950
District's covered employee payroll	\$ 2,241,542	\$ 2,230,075	\$ 2,451,716	\$ 2,467,539	\$ 2,633,078
District's proportionate share of the net pension liability as a percentage of its covered employee payroll	290.07%	314.77%	411.38%	343.88%	271.24%
Plan fiduciary net position as a percentage of the total pension liability	52.08%	47.93%	40.14%	48.10%	53.60%

	Fiscal Year Ending June 30,			
	2020	2021	2022	2023
District's proportion of the net pension liability	0.0378935890%	0.0385573535%	0.0399192659%	0.0387852002%
District's proportionate share of the net pension liability	\$ 6,827,850	\$ 6,287,696	\$ 4,729,036	\$ 5,853,221
District's covered employee payroll	\$ 2,639,360	\$ 2,891,573	\$ 2,903,772	\$ 2,677,059
District's proportionate share of the net pension liability as a percentage of its covered employee payroll	258.69%	217.45%	162.86%	218.64%
Plan fiduciary net position as a percentage of the total pension liability	56.27%	58.32%	70.33%	62.91%

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

LAKELAND REGIONAL HIGH SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES
SCHEDULE OF DISTRICT CONTRIBUTIONS
PUBLIC EMPLOYEES RETIREMENT SYSTEM
LAST NINE FISCAL YEARS

	Fiscal Year Ending June 30,				
	2015	2016	2017	2018	2019
Contractually required contribution	\$ 286,297	\$ 268,843	\$ 307,023	\$ 346,828	\$ 362,695
Contributions in relation to the contractually required contribution	<u>(286,297)</u>	<u>(268,843)</u>	<u>(307,023)</u>	<u>(346,828)</u>	<u>(362,695)</u>
Contribution deficiency/(excess)	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>
District's covered employee payroll	\$ 2,230,075	\$ 2,451,716	\$ 2,467,539	\$ 2,633,078	\$ 2,639,360
Contributions as a percentage of covered employee payroll	12.84%	10.97%	12.44%	13.17%	13.74%

	Fiscal Year Ending June 30,			
	2020	2021	2022	2023
Contractually required contribution	\$ 370,642	\$ 423,985	\$ 467,501	\$ 489,100
Contributions in relation to the contractually required contribution	<u>(370,642)</u>	<u>(423,985)</u>	<u>(467,501)</u>	<u>(489,100)</u>
Contribution deficiency/(excess)	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>
District's covered employee payroll	\$ 2,891,573	\$ 2,903,772	\$ 2,677,059	\$ 2,763,537
Contributions as a percentage of covered employee payroll	12.82%	14.60%	17.46%	17.70%

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

LAKELAND REGIONAL HIGH SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES
SCHEDULE OF STATE'S PROPORTIONATE SHARE OF THE
NET PENSION LIABILITY ATTRIBUTABLE TO THE DISTRICT
TEACHERS' PENSION AND ANNUITY FUND
LAST NINE FISCAL YEARS

	Fiscal Year Ending June 30,				
	2015	2016	2017	2018	2019
State's proportion of the net pension liability attributable to the District	0.0918273103%	0.0907408043%	0.0892348198%	0.0906021095%	0.0916212975%
State's proportionate share of the net pension liability attributable to the District	\$ 49,078,709	\$ 57,352,063	\$ 70,197,791	\$ 61,087,209	\$ 58,287,501
District's covered employee payroll	\$ 8,749,635	\$ 9,192,526	\$ 9,326,909	\$ 9,495,694	\$ 9,501,844
State's proportionate share of the net pension liability attributable to the District as a percentage of District's covered employee payroll	560.92%	623.90%	752.64%	643.31%	613.43%
Plan fiduciary net position as a percentage of the total pension liability	33.64%	28.71%	22.33%	25.41%	26.49%

	Fiscal Year Ending June 30,			
	2020	2021	2022	2023
State's proportion of the net pension liability attributable to the District	0.0891096635%	0.0864246268%	0.0888735334%	0.0868901086%
State's proportionate share of the net pension liability attributable to the District	\$ 54,687,442	\$ 56,909,577	\$ 42,726,119	\$ 44,830,444
District's covered employee payroll	\$ 9,898,252	\$ 9,604,070	\$ 9,597,572	\$ 9,687,447
State's proportionate share of the net pension liability attributable to the District as a percentage of District's covered employee payroll	552.50%	592.56%	445.18%	462.77%
Plan fiduciary net position as a percentage of the total pension liability	26.95%	24.60%	35.52%	32.29%

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

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

	Fiscal Year Ending June 30,				
	2015	2016	2017	2018	2019
Contractually required contribution	\$ 2,640,895	\$ 3,501,860	\$ 5,274,387	\$ 4,231,813	\$ 3,397,957
Contributions in relation to the contractually required contribution	(490,578)	(714,449)	(983,462)	(1,349,258)	(1,752,571)
Contribution deficiency/(excess)	<u>\$ 2,150,317</u>	<u>\$ 2,787,411</u>	<u>\$ 4,290,925</u>	<u>\$ 2,882,555</u>	<u>\$ 1,645,386</u>
District's covered employee payroll	\$ 9,192,526	\$ 9,326,909	\$ 9,495,694	\$ 9,501,844	\$ 9,898,252
Contributions as a percentage of covered employee payroll	5.34%	7.66%	10.36%	14.20%	17.71%

	Fiscal Year Ending June 30,			
	2020	2021	2022	2023
Contractually required contribution	\$ 3,225,611	\$ 3,538,880	\$ 1,005,364	\$ 1,206,512
Contributions in relation to the contractually required contribution	(1,895,623)	(1,958,406)	(3,576,967)	(3,433,381)
Contribution deficiency/(excess)	<u>\$ 1,329,988</u>	<u>\$ 1,580,474</u>	<u>\$ (2,571,603)</u>	<u>\$ (2,226,869)</u>
District's covered employee payroll	\$ 9,604,070	\$ 9,597,572	\$ 9,687,447	\$ 9,730,242
Contributions as a percentage of covered employee payroll	19.74%	20.41%	36.92%	35.29%

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

LAKELAND REGIONAL HIGH SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES
SCHEDULE OF CHANGES IN THE STATE'S PROPORTIONATE SHARE OF THE TOTAL
OPEB LIABILITY ATTRIBUTABLE TO THE DISTRICT AND RELATED RATIOS
LAST SIX FISCAL YEARS

	Fiscal Year Ending June 30,				
	2017	2018	2019	2020	2021
Total OPEB Liability					
Service Cost	\$ 1,971,758	\$ 1,641,085	\$ 1,426,970	\$ 1,433,101	\$ 2,579,852
Interest Cost	1,411,689	1,636,860	1,507,017	1,242,265	1,308,032
Changes of Benefit Terms					(53,669)
Difference Between Expected and Actual Experience		(4,477,224)	(5,909,375)	10,057,900	(9,124,933)
Changes in Assumptions	(5,876,261)	(4,363,386)	514,910	10,350,040	49,746
Member Contributions	38,011	35,140	31,424	29,898	33,440
Gross Benefit Payments	(1,032,284)	(1,016,735)	(1,060,101)	(986,423)	(1,030,363)
Net Change in Total OPEB Liability	(3,487,087)	(6,544,260)	(3,489,155)	22,126,781	(6,237,895)
Total OPEB Liability - Beginning	48,054,842	44,567,755	38,023,495	34,534,340	56,661,121
Total OPEB Liability - Ending	<u>\$ 44,567,755</u>	<u>\$ 38,023,495</u>	<u>\$ 34,534,340</u>	<u>\$ 56,661,121</u>	<u>\$ 50,423,226</u>
District's Covered Employee Payroll *	\$ 11,778,625	\$ 11,963,233	\$ 12,134,922	\$ 12,537,612	\$ 12,495,643
Total OPEB Liability as a Percentage of Covered Employee Payroll	378%	318%	285%	452%	404%

	Fiscal Year Ending June 30, 2022
Total OPEB Liability	
Service Cost	\$ 2,229,630
Interest Cost	1,128,782
Changes of Benefit Terms	
Difference Between Expected and Actual Experience	1,320,510
Changes in Assumptions	(11,426,160)
Member Contributions	35,869
Gross Benefit Payments	<u>(1,118,092)</u>
Net Change in Total OPEB Liability	(7,829,461)
Total OPEB Liability - Beginning	<u>50,423,226</u>
Total OPEB Liability - Ending	<u>\$ 42,593,765</u>
District's Covered Employee Payroll *	\$ 12,501,344
Total OPEB Liability as a Percentage of Covered Employee Payroll	341%

* - Covered payroll for the fiscal years ending June 30, 2017 - 2022 is based on the payroll on the June 30, 2016 - 2021 census data.

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

LAKELAND REGIONAL HIGH SCHOOL DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

A. PUBLIC EMPLOYEES' RETIREMENT SYSTEM

Benefit Changes

There were none.

Changes of Actuarial Assumptions

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

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

B. TEACHERS' PENSION AND ANNUITY FUND

Benefit Changes

There were none.

Changes of Actuarial Assumptions

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

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

C. STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES OPEB PLAN

Benefit Changes

There were none.

Changes of Actuarial Assumptions

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

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

LAKELAND REGIONAL HIGH SCHOOL DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

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

Changes of Actuarial Assumptions (Cont'd)

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

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

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

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

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

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

BUDGETARY COMPARISON SCHEDULES

LAKELAND REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
GENERAL FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2023

REVENUES:

Local Sources:

Local Tax Levy
Tuition From Other LEAs Within the State
Tuition from Summer School
Interest Earned on Maintenance Reserve
Interest Earned on Capital Reserve
Unrestricted Miscellaneous Revenue
Total - Local Sources

State Sources:

Equalization Aid
Categorical Special Education Aid
Categorical Security Aid
Categorical Transportation Aid
Extraordinary Special Education Aid
Nonpublic School Transportation Costs
Supplemental Stabilization Aid
On-Behalf Contributions:

TPAF Post Retirement Medical (Non-Budgeted)
TPAF Pension (Non-Budgeted)
TPAF Long-Term Disability Insurance (Non-Budgeted)
TPAF Non-Contributory Insurance (Non-Budgeted)
TPAF Social Security (Reimbursed-Non-Budgeted)

Total State Sources

Federal Sources:

Medicaid Reimbursement
Total Federal Sources

TOTAL REVENUES

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
\$ 20,446,244	\$ 20,446,244		\$ 20,446,244	\$ 20,446,244	
200,175	200,175		200,175	286,439	\$ 86,264
				6,075	6,075
1,000	1,000		1,000	250	(750)
1,000	1,000		1,000	1,000	
101,946	101,946		101,946	153,765	51,819
20,750,365	20,750,365		20,750,365	20,893,773	143,408
1,579,402	1,579,402		1,579,402	1,579,402	
687,768	687,768		687,768	687,768	
19,744	19,744		19,744	19,744	
106,500	106,500		106,500	106,500	
459,925	459,925		459,925	792,055	332,130
				38,902	38,902
				427,002	427,002
				914,455	914,455
				3,433,381	3,433,381
				47,634	47,634
				908	908
				722,225	722,225
2,853,339	2,853,339		2,853,339	8,769,976	5,916,637
16,461	16,461		16,461	38,534	22,073
16,461	16,461		16,461	38,534	22,073
23,620,165	23,620,165		23,620,165	29,702,283	6,082,118

LAKELAND REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS

GENERAL FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
CURRENT EXPENSE					
Regular Programs - Instruction:					
Grades 9-12 - Salaries of Teachers	\$ 6,244,205	\$ 129,513	\$ 6,373,718	\$ 6,329,881	\$ 43,837
Regular Programs - Home Instruction:					
Salaries of Teachers	15,000	32,385	47,385	47,385	
Purchased Professional - Educational Services	10,000	12,958	22,958	21,678	1,280
Regular Programs - Undistributed Instruction:					
Purchased Professional - Educational Services	10,301		10,301	9,982	319
Purchased Technical Services	26,990	1,650	28,640	10,634	18,006
Other Purchased Services (400-500 series)	35,140	(8,500)	26,640	15,245	11,395
General Supplies	171,386	14,465	185,851	155,693	30,158
Textbooks	44,100	8,000	52,100	39,546	12,554
Total Regular Programs - Instruction	6,557,122	190,471	6,747,593	6,630,044	117,549
Special Education - Instruction:					
Emotional Regulation Impairment:					
Salaries of Teachers	22,160	(22,160)			
Other Salaries for Instruction	28,681	(28,681)			
General Supplies	5,500	(1,709)	3,791	112	3,679
Textbooks	1,000		1,000		1,000
Total Emotional Regulation Impairment	57,341	(52,550)	4,791	112	4,679

LAKELAND REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
CURRENT EXPENSE					
Multiple Disabilities:					
Salaries of Teachers	\$ 311,041	\$ 11,400	\$ 322,441	\$ 322,357	\$ 84
Other Salaries for Instruction	397,953	86,057	484,010	484,010	
Purchased Professional - Educational Services	4,000		4,000	1,514	2,486
General Supplies	6,800		6,800	6,718	82
Textbooks	1,500		1,500	1,499	1
Total Multiple Disabilities	721,294	97,457	818,751	816,098	2,653
Resource Room/Resource Center:					
Salaries of Teachers	1,127,153	(32,785)	1,094,368	1,093,642	726
Other Salaries for Instruction	153,565	(60,282)	93,283	48,875	44,408
General Supplies	13,000	1,709	14,709	14,594	115
Textbooks	2,000		2,000	2,000	
Total Resource Room/Resource Center	1,295,718	(91,358)	1,204,360	1,159,111	45,249
Autism:					
Salaries of Teachers	64,498		64,498	49,327	15,171
Other Salaries for Instruction	304,085		304,085	154,008	150,077
Other Purchased Services (400-500 series)	2,000		2,000	1,021	979
General Supplies	5,400		5,400	3,003	2,397
Textbooks	1,000		1,000	1,000	
Total Autism	376,983		376,983	208,359	168,624

LAKELAND REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
CURRENT EXPENSE					
Home Instruction:					
Salaries of Teachers	\$ 14,430	\$ 7,250	\$ 21,680	\$ 21,680	
Purchased Professional - Educational Services	25,399		25,399	6,383	\$ 19,016
Total Home Instruction	39,829	7,250	47,079	28,063	19,016
Total Special Education Instruction	2,491,165	(39,201)	2,451,964	2,211,743	240,221
School-Sponsored Cocurricular Activities - Instruction:					
Salaries	133,710	22,947	156,657	156,657	
Supplies and Materials	71,396		71,396	61,396	10,000
Total School-Sponsored Cocurricular Activities - Instruction	205,106	22,947	228,053	218,053	10,000
School-Sponsored Cocurricular Athletics - Instruction:					
Salaries	530,743	44,951	575,694	575,694	
Purchased Services (300-500 series)	147,300	(10,000)	137,300	94,006	43,294
Supplies and Materials	125,000	(10,000)	115,000	98,474	16,526
Other Objects	15,000	(3,000)	12,000	6,943	5,057
Transfers to Cover Deficit (Agency Funds)	75,000	23,000	98,000	98,000	
Total School-Sponsored Cocurricular Athletics - Instruction	893,043	44,951	937,994	873,117	64,877

LAKELAND REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
CURRENT EXPENSE					
Summer School - Instruction:					
Salaries of Teachers	\$ 61,833	\$ (7,875)	\$ 53,958	\$ 53,958	
Other Salaries for Instruction	61,858	9,096	70,954	70,954	
Total Summer School - Instruction	123,691	1,221	124,912	124,912	
Total Summer School	123,691	1,221	124,912	124,912	
Alternative Education Program - Instruction:					
Salaries of Teachers	6,767		6,767		\$ 6,767
Salaries of Teacher Tutors	8,026		8,026		8,026
Total Alternative Education Program - Instruction	14,793		14,793		14,793
Total Instruction	10,284,920	220,389	10,505,309	10,057,869	447,440
Undistributed Expenditures:					
Instruction:					
Tuition to County Vocational Schools - Regular	1,386,380	2,475	1,388,855	1,388,855	
Tuition to County Vocational Schools - Special	82,584	(45,522)	37,062		37,062
Tuition to Private Schools for the Disabled - Within the State	1,026,979		1,026,979	887,856	139,123
Tuition - Other	282,998	(25,000)	257,998	142,980	115,018
Total Undistributed Expenditures - Instruction	2,778,941	(68,047)	2,710,894	2,419,691	291,203

LAKELAND REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
CURRENT EXPENSE					
Undistributed Expenditures:					
Attendance and Social Work Services:					
Salaries	\$ 54,692	\$ (16,518)	\$ 38,174	\$ 38,104	\$ 70
Total Attendance and Social Work Services	54,692	(16,518)	38,174	38,104	70
Health Services:					
Salaries	103,216	1,000	104,216	103,568	648
Purchased Professional and Technical Services	230,220		230,220	57,046	173,174
Supplies and Materials	12,500		12,500	3,015	9,485
Total Health Services	345,936	1,000	346,936	163,629	183,307
Other Support Services - Speech, OT, PT and Related Services:					
Salaries	88,985	1,200	90,185	90,147	38
Purchased Professional - Educational Services	75,430	1,353	76,783	50,293	26,490
Total Other Support Services - Speech, OT, PT and Related Services	164,415	2,553	166,968	140,440	26,528
Other Support Services - Students - Extraordinary Services:					
Salaries	21,826	10,125	31,951	31,951	
Purchased Professional - Educational Services	146,097	25,084	171,181	149,119	22,062
Total Other Support Services - Students - Extraordinary Services	167,923	35,209	203,132	181,070	22,062

LAKELAND REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
GENERAL FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2023

CURRENT EXPENSE

Other Support Services - Guidance:

Salaries of Other Professional Staff
Salaries of Secretarial and Clerical Assistants
Purchased Professional - Educational Services
Purchased Professional and Technical Services
Other Purchased Services (400-500 series)
Supplies and Materials

Total Other Support Services - Guidance

Other Support Services - Child Study Teams:

Salaries of Other Professional Staff
Salaries of Secretarial and Clerical Assistants
Purchased Professional - Educational Services
Purchased Professional and Technical Services
Miscellaneous Purchased Services (400-500 series)
Supplies and Materials

Total Other Support Services - Child Study Teams

Improvement of Instructional Services:

Salaries of Supervisors of Instruction
Salaries of Other Professional Staff
Salaries of Secretarial and Clerical Assistants
Purchased Professional and Technical Services
Other Purchased Services (400-500 series)

Total Improvement of Instructional Services

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
\$	401,689	\$ 93,435	\$ 495,124	\$ 495,124	
	139,077	(16,696)	122,381	122,331	\$ 50
	20,000	739	20,739	20,739	
	1,000	4,261	5,261	994	4,267
	13,500	(110)	13,390	10,325	3,065
	4,600	110	4,710	4,710	
	579,866	81,739	661,605	654,223	7,382
	506,486	3,204	509,690	509,690	
	114,779	(29,094)	85,685	85,685	
	105,000		105,000	89,581	15,419
	22,903	(1,353)	21,550	8,207	13,343
	5,000	4	5,004	1,813	3,191
	3,400	(4)	3,396	3,380	16
	757,568	(27,243)	730,325	698,356	31,969
	623,012	4,232	627,244	627,244	
	2,119		2,119	390	1,729
	46,946	745	47,691	47,691	
	700	(131)	569	135	434
	5,000	131	5,131	3,839	1,292
	677,777	4,977	682,754	679,299	3,455

LAKELAND REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
CURRENT EXPENSE					
Educational Media Services/School Library:					
Salaries	\$ 92,127	\$ 2,893	\$ 95,020	\$ 95,020	
Salaries of Technology Coordinators	148,988	84	149,072	149,072	
Other Purchased Services (400-500 series)	400		400		\$ 400
Supplies and Materials	35,851	5,538	41,389	40,611	778
Other Objects	3,338	(1,538)	1,800	901	899
Total Educational Media Services/School Library	280,704	6,977	287,681	285,604	2,077
Support Services - General Administration:					
Salaries	333,357		333,357	330,917	2,440
Legal Services	82,000	(17,000)	65,000	58,837	6,163
Audit Fees	55,000		55,000	51,000	4,000
Architectural/Engineering Services	10,000		10,000		10,000
Other Purchased Professional Services	17,000	17,000	34,000	22,934	11,066
Communications/Telephone	10,000		10,000		10,000
BOE Other Purchased Services	5,000		5,000	2,787	2,213
General Supplies	8,000	791	8,791	6,206	2,585
Miscellaneous Expenditures	33,000	(791)	32,209	25,653	6,556
BOE Membership Dues and Fees	10,900		10,900	10,879	21
Total Support Services - General Administration	564,257		564,257	509,213	55,044

LAKELAND REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

CURRENT EXPENSE	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Support Services - School Administration:					
Salaries of Principals/Assistant Principals/Program Directors	\$ 436,933		\$ 436,933	\$ 433,804	\$ 3,129
Salaries of Secretarial and Clerical Assistants	80,005		80,005	48,626	31,379
Purchased Professional and Technical Services	15,000	\$ (4,250)	10,750	9,222	1,528
Other Purchased Services (400-500 series)	29,500	(7,645)	21,855	18,319	3,536
Supplies and Materials	27,213	13,220	40,433	34,496	5,937
Other Objects	2,900	(467)	2,433	1,655	778
Total Support Services - School Administration	591,551	858	592,409	546,122	46,287
Central Services:					
Salaries	249,761	790	250,551	250,551	
Purchased Professional Services	40,000		40,000	39,947	53
Purchased Technical Services	13,175		13,175	1,685	11,490
Miscellaneous Purchased Services (400-500 series)	9,000		9,000	4,326	4,674
Supplies and Materials	10,000		10,000	3,747	6,253
Miscellaneous Expenditures	2,500		2,500	1,338	1,162
Total Central Services	324,436	790	325,226	301,594	23,632
Administration Information Technology:					
Salaries	32,374	349	32,723	32,723	
Purchased Professional Services	15,000	(2,000)	13,000	8,419	4,581
Purchased Technical Services	69,970	7,203	77,173	76,635	538
Supplies and Materials	40,000	(5,203)	34,797	27,503	7,294
Total Administration Information Technology	157,344	349	157,693	145,280	12,413

LAKELAND REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
CURRENT EXPENSE					
Required Maintenance for School Facilities:					
Salaries	\$ 195,620	\$ (40,000)	\$ 155,620	\$ 129,684	\$ 25,936
Cleaning, Repair and Maintenance Services	490,122	(7,644)	482,478	349,902	132,576
Miscellaneous Purchased Services		1,168	1,168	1,168	
General Supplies	175,778	(2,535)	173,243	131,287	41,956
Other Objects	19,000	(643)	18,357	16,934	1,423
Total Required Maintenance for School Facilities	880,520	(49,654)	830,866	628,975	201,891
Custodial Services:					
Salaries	560,942	14,480	575,422	574,870	552
Cleaning, Repair and Maintenance Services	1,720	(1,221)	499		499
Other Purchased Property Services	10,825		10,825	3,300	7,525
Insurance	285,000	29,031	314,031	314,031	
Miscellaneous Purchased Services	45,587		45,587	44,843	744
General Supplies	55,000		55,000	48,210	6,790
Energy (Natural Gas)	145,000		145,000	118,891	26,109
Energy (Electricity)	295,000	26,659	321,659	304,142	17,517
Other Objects	4,500		4,500		4,500
Total Custodial Services	1,403,574	68,949	1,472,523	1,408,287	64,236
Care and Upkeep of Grounds:					
Salaries	141,886	43,021	184,907	173,941	10,966
Purchased Professional and Technical Services	6,500		6,500		6,500
Total Care and Upkeep of Grounds	148,386	43,021	191,407	173,941	17,466
Security:					
Purchased Professional and Technical Services	45,000	9,233	54,233	53,343	890
Total Security	45,000	9,233	54,233	53,343	890

LAKELAND REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
CURRENT EXPENSE					
Student Transportation Services:					
Salaries for Pupil Transportation:					
Between Home and School - Regular	\$ 155,512	\$ 9,488	\$ 165,000	\$ 165,000	
Between Home and School - Special	926,491	20,231	946,722	761,201	\$ 185,521
Between Home and School - Nonpublic Schools	10,712		10,712	10,647	65
Other Purchased Professional and Technical Services	6,700		6,700	5,363	1,337
Cleaning, Repair and Maintenance Services	65,000		65,000	65,000	
Contracted Services:					
Aid in Lieu Payments for Nonpublic School Students	108,312		108,312	85,000	23,312
Other Than Between Home and School - Vendors	24,000		24,000		24,000
Special Education Students - Joint Agreements	4,227		4,227		4,227
Supplies and Materials	75,000		75,000	2,845	72,155
Total Student Transportation Services	1,375,954	29,719	1,405,673	1,095,056	310,617
Unallocated Benefits:					
Social Security Contributions	499,470	(73,410)	426,060	380,382	45,678
TPAF Contributions - ERIP	102,223		102,223		102,223
Other Retirement Contributions - PERS	542,170	(32,085)	510,085	489,100	20,985
Other Retirement Contributions - Regular		4,369	4,369		4,369
Workmen's Compensation	103,750	28,044	131,794	131,794	
Health Benefits	2,811,497	(309,993)	2,501,504	2,424,984	76,520
Tuition Reimbursement	46,411		46,411	37,110	9,301
Other Employee Benefits	131,500	4,264	135,764	98,431	37,333
Unused Sick Payments to Terminated/Retired Staff	49,264	(12,767)	36,497	36,087	410
Total Unallocated Benefits	4,286,285	(391,578)	3,894,707	3,602,257	292,450

LAKELAND REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
CURRENT EXPENSE					
On-Behalf Contributions:					
TPAF Post Retirement Medical (Non-Budgeted)				\$ 914,455	\$ (914,455)
TPAF Pension (Non-Budgeted)				3,433,381	(3,433,381)
TPAF Long-Term Disability Insurance (Non-Budgeted)				47,634	(47,634)
TPAF Non-Contributory Insurance (Non-Budgeted)				908	(908)
Reimbursed TPAF Social Security Contributions (Non-Budgeted)				722,225	(722,225)
Total On-Behalf Contributions				5,118,603	(5,118,603)
Total Personal Services - Employee Benefits	\$ 4,286,285	\$ (391,578)	\$ 3,894,707	8,720,860	(4,826,153)
Total Undistributed Expenses	15,585,129	(267,666)	15,317,463	18,843,087	(3,525,624)
TOTAL GENERAL CURRENT EXPENSE	25,870,049	(47,277)	25,822,772	28,900,956	(3,078,184)
CAPITAL OUTLAY					
Equipment:					
School Sponsored and Other Instructional Programs	22,542	11,430	33,972	33,862	110
Undistributed Expenditures:					
Support Services - Related and Extraordinary Services	7,200	(7,200)			
Required Maintenance for School Facilities	45,979		45,979	45,979	
Total Equipment	75,721	4,230	79,951	79,841	110
Facilities Acquisition and Construction Services:					
Other Objects - Debt Service Assessment	29,896		29,896	29,896	
Total Facilities Acquisition and Construction Services	29,896		29,896	29,896	
TOTAL CAPITAL OUTLAY	105,617	4,230	109,847	109,737	110

LAKELAND REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Transfer of Funds to Charter Schools	\$ 27,134	\$ 43,047	\$ 70,181	\$ 43,047	\$ 27,134
TOTAL EXPENDITURES	26,002,800		26,002,800	29,053,740	(3,050,940)
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	(2,382,635)		(2,382,635)	648,543	3,031,178
Other Financing Sources/(Uses):					
Transfers In/(Out):					
Capital Reserve to Capital Projects Fund	(580,000)		(580,000)	(580,000)	
Total Other Financing Sources/(Uses)	(580,000)		(580,000)	(580,000)	
Excess/(Deficiency) of Revenues and Other Financing Sources Over/(Under) Expenditures and Other Financing/(Uses)	(2,962,635)		(2,962,635)	68,543	3,031,178
Fund Balance, July 1	6,225,118		6,225,118	6,225,118	
Fund Balance, June 30	\$ 3,262,483	\$ -0-	\$ 3,262,483	\$ 6,293,661	\$ 3,031,178
Recapitulation:					
Restricted:					
Excess Surplus - 2024-2025				\$ 876,117	
Capital Reserve				1,047,433	
Maintenance Reserve				457,552	
Unemployment Compensation				700,246	
Assigned:					
Year-End Encumbrances				41,249	
Designated for Subsequent Year's Expenditures				1,882,727	
Unassigned				1,288,337	
				6,293,661	
Reconciliation to Governmental Funds Statement (GAAP):					
June State Aid Payments not Recognized on GAAP Basis				(233,051)	
Fund Balance per Governmental Funds (GAAP)				\$ 6,060,610	

LAKELAND REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES:					
State Sources	\$ 51,322		\$ 51,322	\$ 51,322	
Federal Sources	838,917	\$ 2,598	841,515	501,357	\$ (340,158)
Local Sources	15,101	322,054	337,155	337,155	
Total Revenues	905,340	324,652	1,229,992	889,834	(340,158)
EXPENDITURES:					
Instruction:					
Personal Services - Salaries	119,832	(4,835)	114,997	74,171	40,826
Other Purchased Services		1,532	1,532	1,532	
General Supplies	125,697	36,692	162,389	94,209	68,180
Other Objects	5,175		5,175	4,995	180
Total Instruction	250,704	33,389	284,093	174,907	109,186
Support Services:					
Personal Services - Salaries					
Personal Services - Employee Benefits	1,332	885	2,217	2,217	
Tuition	230,204		230,204	230,204	
Purchased Professional and Technical Services	48,157		48,157	5,969	42,188
Other Purchased Services	71,761		71,761	60,397	11,364
Student Activities		343,217	343,217	343,217	
Total Support Services	351,454	344,102	695,556	642,004	53,552
Facilities Acquisition and Construction Services:					
Instructional Equipment	8,598	387	8,985	4,465	4,520
Non-Instructional Equipment	294,584	(32,617)	261,967	89,067	172,900
Total Facilities Acquisition and Construction Services	303,182	(32,230)	270,952	93,532	177,420
Total Expenditures	905,340	345,261	1,250,601	910,443	340,158
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	\$ -0-	\$ (20,609)	\$ (20,609)	\$ (20,609)	\$ -0-

LAKELAND REGIONAL HIGH SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
NOTE TO RSI
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Note A - Explanation of Differences Between Budgetary Inflows and Outflows and
 GAAP Revenues and Expenditures

	<u>General Fund</u>	<u>Special Revenue Fund</u>
Sources/Inflows of Resources:		
Actual Amounts (Budgetary Basis) "Revenue"		
from the Budgetary Comparison Schedule	\$ 29,702,283	\$ 889,834
Difference - Budget to GAAP:		
Grant Accounting Budgetary Basis Differs from GAAP in that the Budgetary Basis Recognizes Encumbrances as Expenditures and Revenue whereas the GAAP Basis Does Not:		
Prior Year Encumbrances		17,920
Cancellation of Prior Year Encumbrances		(2,720)
Current Year Encumbrances		(50)
Prior Year State Aid Payments Recognized for GAAP Statements, not Recognized for Budgetary Purposes	305,301	
Current Year State Aid Payments Recognized for Budgetary Purposes, not Recognized for GAAP Statements	(233,051)	
	<u>\$ 29,774,533</u>	<u>\$ 904,984</u>
Total Revenues as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds		
Uses/Outflows of Resources:		
Actual Amounts (Budgetary Basis) "Total Outflows" from the Budgetary Comparison Schedule	\$ 29,053,740	\$ 910,443
Differences - Budget to GAAP:		
Encumbrances for Supplies and Equipment Ordered but Not Received are Reported in the Year the Order is Placed for Budgetary Purposes, not in the Year the Supplies are Received for GAAP Reporting Purposes.		
Prior Year Encumbrances		17,920
Prior Year Encumbrances Canceled		(2,720)
Current Year Encumbrances		(50)
	<u>\$ 29,053,740</u>	<u>\$ 925,593</u>
Total Expenditures as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds		

LAKELAND REGIONAL HIGH SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
NOTE TO RSI
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Budgets/Budgetary Control:

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

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

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

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

SPECIAL REVENUE FUND

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

	Elementary and Secondary Education Act		IDEA Part B, Basic Regular	COVID-19 CRRSA	
	Title I	Title II		ESSER II	Mental Health
REVENUE:					
State Sources					
Federal Sources	\$ 48,348	\$ 9,075	\$ 230,204	\$ 613	\$ 4,689
Local Sources					
Total Revenue	48,348	9,075	230,204	613	4,689
EXPENDITURES:					
Instruction:					
Personal Services - Salaries	46,131				
Other Purchased Services					1,532
General Supplies				613	
Other Objects					
Total Instruction	46,131			613	1,532
Support Services:					
Personal Services - Employee Benefits	2,217				
Tuition			230,204		
Purchased Professional and Technical Services					3,157
Other Purchased Services		9,075			
Student Activities					
Total Support Services	2,217	9,075	230,204		3,157
Facilities Acquisition and Construction Services:					
Equipment:					
Instructional					
Non-Instructional					
Total Facilities Acquisition and Construction Services:					
Total Expenditures	\$ 48,348	\$ 9,075	\$ 230,204	\$ 613	\$ 4,689

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

	COVID-19 ARP Consolidated			
	ESSER III	Evidence-Based Summer Learning and Enrichment Activities	Evidence-Based Comprehensive Beyond the the School Day Activities	NJTSS Mental Health Support Staffing
REVENUE:				
State Sources				
Federal Sources	\$ 177,576	\$ 21,077	\$ 6,963	\$ 2,812
Local Sources				
Total Revenue	177,576	21,077	6,963	2,812
EXPENDITURES:				
Instruction:				
Personal Services - Salaries		21,077	6,963	
Other Purchased Services				
General Supplies	84,044			
Other Objects				
Total Instruction	84,044	21,077	6,963	
Support Services:				
Personal Services - Employee Benefits				
Tuition				
Purchased Professional and Technical Services				2,812
Other Purchased Services				
Student Activities				
Total Support Services				2,812
Facilities Acquisition and Construction Services:				
Equipment:				
Instructional	4,465			
Non-Instructional	89,067			
Total Facilities Acquisition and Construction Services:	93,532			
Total Expenditures	\$ 177,576	\$ 21,077	\$ 6,963	\$ 2,812

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

	SDA Emergent and Emergent and Capital Maintenance Needs Grant		Local Sources	Student Activities	Totals June 30, 2023
	2022-23	2021-22			
REVENUE:					
State Sources	\$ 25,116	\$ 26,206			\$ 51,322
Federal Sources					501,357
Local Sources			\$ 14,547	\$ 322,608	337,155
Total Revenue	25,116	26,206	14,547	322,608	889,834
EXPENDITURES:					
Instruction:					
Personal Services - Salaries					74,171
Other Purchased Services					1,532
General Supplies			9,552		94,209
Other Objects			4,995		4,995
Total Instruction			14,547		174,907
Support Services:					
Personal Services - Employee Benefits					2,217
Tuition					230,204
Purchased Professional and Technical Services					5,969
Other Purchased Services	25,116	26,206			60,397
Student Activities				343,217	343,217
Total Support Services	25,116	26,206		343,217	642,004
Facilities Acquisition and Construction Services:					
Equipment:					
Instructional					4,465
Non-Instructional					89,067
Total Facilities Acquisition and Construction Services:					93,532
Total Expenditures	\$ 25,116	\$ 26,206	\$ 14,547	\$ 343,217	\$ 910,443

CAPITAL PROJECTS FUND

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

Revenue and Other Financing Sources:	
Transfer from Capital Reserve	<u>\$ 580,000</u>
Total Revenue and Other Financing Sources	<u>580,000</u>
Expenditures and Other Financing Uses:	
Construction Services	<u>400,368</u>
Total Expenditures and Other Financing Uses	<u>400,368</u>
Excess of Revenue and Other Financing Sources Over	
Expenditures and Other Financing Uses	179,632
Fund Balance - Beginning	<u>94,897</u>
Fund Balance - Ending	<u><u>\$ 274,529</u></u>
Recapitulation:	
Committed	<u>\$ 274,529</u>
Fund Balance per Governmental Funds (Budgetary/GAAP)	<u><u>\$ 274,529</u></u>

LAKELAND REGIONAL HIGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUE, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
OVERHAUL OF FIRE ALARM SYSTEM
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Current Year	Totals	Revised Project Authorization
Revenue and Other Financing Sources:			
Transfer from Capital Reserve	\$ 142,070	\$ 142,070	\$ 142,070
Total Revenue and Other Financing Sources	142,070	142,070	142,070
Expenditures:			
Construction Services			142,070
Total Expenditures	-0-	-0-	142,070
Excess/(Deficiency) of Revenue and Other Financing Sources Over/(Under) Expenditures	\$ 142,070	\$ 142,070	\$ -0-
Additional Project Information:			
Project Number	Not Applicable		
Grant Date	Not Applicable		
Bond Authorization Date	Not Applicable		
Bonds Authorized	\$ -0-		
Bonds Issued	\$ -0-		
Original Authorized Cost	\$ 225,000		
Additional Authorization	\$ -0-		
Change Orders	\$ -0-		
Transfers	\$ (82,930)		
Revised Authorized Cost	\$ 142,070		
Change Order Percentage	0.00%		
Percentage Completion	0.00%		
Original Target Completion Date	Not Completed		
Revised Target Completion Date	Not Completed		

LAKELAND REGIONAL HIGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUE, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
OVERHAUL OF MUSIC ROOM
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Current Year	Totals	Revised Project Authorization
Revenue and Other Financing Sources:			
Transfer from Capital Reserve	\$ 194,666	\$ 194,666	\$ 194,666
Total Revenue and Other Financing Sources	194,666	194,666	194,666
Expenditures:			
Construction Services	178,379	178,379	194,666
Total Expenditures	178,379	178,379	194,666
Excess/(Deficiency) of Revenue and Other Financing Sources Over/(Under) Expenditures	\$ 16,287	\$ 16,287	\$ -0-
Additional Project Information:			
Project Number	Not Applicable		
Grant Date	Not Applicable		
Bond Authorization Date	Not Applicable		
Bonds Authorized	\$ -0-		
Bonds Issued	\$ -0-		
Original Authorized Cost	\$ 125,000		
Additional Authorization	\$ -0-		
Change Orders	\$ -0-		
Transfers	\$ 69,666		
Revised Authorized Cost	\$ 194,666		
Change Order Percentage	0.00%		
Percentage Completion	91.63%		
Original Target Completion Date	June 30, 2022		
Revised Target Completion Date	December 21, 2022		

LAKELAND REGIONAL HIGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUE, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
REPLACEMENT OF AUDITORIUM ROOFTOP CHILLER
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Current Year	Totals	Project Authorization
Revenue and Other Financing Sources:			
Transfer from Capital Reserve	\$ 100,000	\$ 100,000	\$ 100,000
Total Revenue and Other Financing Sources	100,000	100,000	100,000
Expenditures:			
Construction Services	66,160	66,160	100,000
Total Expenditures	66,160	66,160	100,000
Excess/(Deficiency) of Revenue and Other Financing Sources Over/(Under) Expenditures	\$ 33,840	\$ 33,840	\$ -0-

Additional Project Information:

Project Number	Not Applicable
Grant Date	Not Applicable
Bond Authorization Date	Not Applicable
Bonds Authorized	\$ -0-
Bonds Issued	\$ -0-
Original Authorized Cost	\$ 100,000
Additional Authorization	\$ -0-
Change Orders	\$ -0-
Revised Authorized Cost	\$ 100,000
Change Order Percentage	0.00%
Percentage Completion	66.16%
Original Target Completion Date	July 31, 2022
Revised Target Completion Date	September 20, 2022

LAKELAND REGIONAL HIGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUE, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
UPDATING AND EXPANSION OF SECURITY CAMERAS
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	<u>Current Year</u>	<u>Totals</u>	<u>Revised Project Authorization</u>
Revenue and Other Financing Sources:			
Transfer from Capital Reserve	<u>\$ 143,264</u>	<u>\$ 143,264</u>	<u>\$ 143,264</u>
Total Revenue and Other Financing Sources	<u>143,264</u>	<u>143,264</u>	<u>143,264</u>
Expenditures:			
Construction Services	<u>143,264</u>	<u>143,264</u>	<u>143,264</u>
Total Expenditures	<u>143,264</u>	<u>143,264</u>	<u>143,264</u>
Excess/(Deficiency) of Revenue and Other Financing Sources Over/(Under) Expenditures	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>
Additional Project Information:			
Project Number	Not Applicable		
Grant Date	Not Applicable		
Bond Authorization Date	Not Applicable		
Bonds Authorized	\$ -0-		
Bonds Issued	\$ -0-		
Original Authorized Cost	\$ 130,000		
Additional Authorization	\$ -0-		
Change Orders	\$ -0-		
Transfers	\$ 13,264		
Revised Authorized Cost	\$ 143,264		
Change Order Percentage	0.00%		
Percentage Completion	100.00%		
Original Target Completion Date	August 30, 2022		
Revised Target Completion Date	December 21, 2022		

LAKELAND REGIONAL HIGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUE, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
REFURBISHING OF AUDITORIUM
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Prior Periods	Current Year	Totals	Project Authorization
Revenue and Other Financing Sources:				
Transfer from Capital Reserve	\$ 350,000		\$ 350,000	\$ 350,000
Total Revenue and Other Financing Sources	350,000	\$ -0-	350,000	350,000
Expenditures:				
Construction Services	302,449		302,449	350,000
Total Expenditures	302,449	-0-	302,449	350,000
Excess/(Deficiency) of Revenue and Other Financing Sources Over/(Under) Expenditures	\$ 47,551	\$ -0-	\$ 47,551	\$ -0-

Additional Project Information:

Project Number	Not Applicable
Grant Date	Not Applicable
Bond Authorization Date	Not Applicable
Bonds Authorized	\$ -0-
Bonds Issued	\$ -0-
Original Authorized Cost	\$ 350,000
Additional Authorization	\$ -0-
Change Orders	\$ -0-
Revised Authorized Cost	\$ 350,000
Change Order Percentage	0.00%
Percentage Completion	86.41%
Original Target Completion Date	December 31, 2021
Revised Target Completion Date	March 30, 2023

LAKELAND REGIONAL HIGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUE, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
RENOVATIONS TO MEDIA CENTER
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Prior Periods	Current Year	Totals	Project Authorization
Revenue and Other Financing Sources:				
Transfer from Capital Reserve	\$ 450,000		\$ 450,000	\$ 450,000
Total Revenue and Other Financing Sources	450,000	\$ -0-	450,000	450,000
Expenditures:				
Construction Services	406,849	12,565	419,414	450,000
Total Expenditures	406,849	12,565	419,414	450,000
Excess/(Deficiency) of Revenue and Other Financing Sources Over/(Under) Expenditures	\$ 43,151	\$ (12,565)	\$ 30,586	\$ -0-

Additional Project Information:

Project Number	Not Applicable
Grant Date	Not Applicable
Bond Authorization Date	Not Applicable
Bonds Authorized	\$ -0-
Bonds Issued	\$ -0-
Original Authorized Cost	\$ 450,000
Additional Authorization	\$ -0-
Change Orders	\$ -0-
Revised Authorized Cost	\$ 450,000
Change Order Percentage	0.00%
Percentage Completion	93.20%
Original Target Completion Date	June 30, 2022
Revised Target Completion Date	August 23, 2022

LAKELAND REGIONAL HIGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUE, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
AIR CONDITIONING SYSTEM
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Prior Periods	Current Year	Totals	Project Authorization
Revenue and Other Financing Sources:				
Transfer from Capital Reserve	\$ 709,250		\$ 709,250	\$ 709,250
Total Revenue and Other Financing Sources	709,250	\$ -0-	709,250	709,250
Expenditures:				
Construction Services	705,055		705,055	709,250
Total Expenditures	705,055	-0-	705,055	709,250
Excess/(Deficiency) of Revenue and Other Financing Sources Over/(Under) Expenditures	\$ 4,195	\$ -0-	\$ 4,195	\$ -0-

Additional Project Information:

Project Number	Not Applicable
Grant Date	Not Applicable
Bond Authorization Date	Not Applicable
Bonds Authorized	\$ -0-
Bonds Issued	\$ -0-
Original Authorized Cost	\$ 709,250
Additional Authorization	\$ -0-
Change Orders	\$ -0-
Revised Authorized Cost	\$ 709,250
Change Order Percentage	0.00%
Percentage Completion	99.41%
Original Target Completion Date	August 31, 2020
Revised Target Completion Date	June 30, 2023

PROPRIETARY FUNDS

LAKELAND REGIONAL HIGH SCHOOL DISTRICT
FOOD SERVICE ENTERPRISE FUND
STATEMENT OF NET POSITION
JUNE 30, 2023

ASSETS:

Current Assets:	
Cash and Cash Equivalents	\$ 263,498
Accounts Receivable - Other Governments	4,715
Inventories	13,498
	<hr/>
Total Current Assets	281,711
	<hr/>
Non-Current Assets:	
Capital Assets	336,436
Less: Accumulated Depreciation	(103,326)
	<hr/>
Total Non-Current Assets	233,110
	<hr/>
Total Assets	514,821
	<hr/>

LIABILITIES:

Current Liabilities:	
Accounts Payable	10,403
Interfund Payable	47,889
Unearned Revenue - Supply Chain Assistance	34,360
Unearned Revenue - Prepaid Sales	589
	<hr/>
Total Current Liabilities	93,241
	<hr/>
Total Liabilities	93,241
	<hr/>

NET POSITION:

Investment in Capital Assets	233,110
Unrestricted	188,470
	<hr/>
Total Net Position	\$ 421,580
	<hr/> <hr/>

LAKELAND REGIONAL HIGH SCHOOL DISTRICT
FOOD SERVICE ENTERPRISE FUND
STATEMENT OF REVENUE, EXPENSES AND CHANGES IN FUND NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Operating Revenue:	
Charges for Services:	
Daily Sales:	
Reimbursable Programs	\$ 121,116
Non-Reimbursable Programs	221,983
Total Daily Sales	<u>343,099</u>
Total Operating Revenue	<u>343,099</u>
Operating Expenses:	
Cost of Sales:	
Reimbursable Programs	122,402
Non-Reimbursable Programs	54,485
Salaries	143,108
Payroll Taxes	20,760
Employee Benefits	15,949
Purchased Property Services	22,915
Management Fee	16,483
General Supplies	19,908
Depreciation Expense	<u>13,743</u>
Total Operating Expenses	<u>429,753</u>
Operating Loss	<u>(86,654)</u>
Non-Operating Revenue:	
Federal Sources:	
School Breakfast Program	732
National School Lunch Program	76,877
Food Distribution Program	31,011
COVID-19 - Supply Chain Assistance Award	21,947
Local Food for Schools (LFS) Cooperative	259
Food Service Management Company Payroll Protection Plan	14,908
State Sources:	
School Breakfast Program	41
School Lunch Program	4,186
Local Sources - Interest Revenue	<u>547</u>
Total Non-Operating Revenue	<u>150,508</u>
Change in Net Position	63,854
Net Position - Beginning of Year	<u>357,726</u>
Net Position - End of Year	<u>\$ 421,580</u>

LAKELAND REGIONAL HIGH SCHOOL DISTRICT
FOOD SERVICE ENTERPRISE FUND
STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Cash Flows from Operating Activities:	
Receipts from Customers	\$ 340,969
Payments to Food Service Vendor	(392,577)
Payments to Suppliers	<u>(5,030)</u>
Net Cash (Used for) Operating Activities	<u>(56,638)</u>
Cash Flows from Capital Financing Activities:	
Acquisition of Capital Assets	<u>(154,853)</u>
Net Cash (Used for) Capital Financing Activities	<u>(154,853)</u>
Cash Flows from Noncapital Financing Activities:	
State Sources	4,597
Federal Sources	159,298
Food Service Management Company Payroll Protection Plan	<u>14,908</u>
Net Cash Provided by Noncapital Financing Activities	<u>178,803</u>
Cash Flows from Investing Activities:	
Interest Revenue	<u>547</u>
Net Cash Provided by Investing Activities	<u>547</u>
Net Increase in Cash and Cash Equivalents	(32,141)
Cash and Cash Equivalents, July 1	<u>295,639</u>
Cash and Cash Equivalents, June 30	<u><u>\$ 263,498</u></u>

Reconciliation of Operating Loss to Net Cash (Used for) Operating Activities:	
Operating Loss	\$ (86,654)
Adjustment to Reconcile Operating Loss to Net Cash (Used for) Operating Activities:	
Depreciation	13,743
Federal Food Distribution Program	31,011
Changes in Assets and Liabilities:	
(Increase) in Inventory	(22)
(Decrease) in Accounts Payable	(12,586)
(Decrease) in Unearned Revenue - Prepaid Sales	<u>(2,130)</u>
Net Cash (Used for) Operating Activities	<u><u>\$ (56,638)</u></u>

Non-Cash Investing, Capital and Financing Activities:

The Food Service Enterprise Fund received and utilized commodities from the Federal Food Distribution Program valued at \$31,011 for the fiscal year ended June 30, 2023.

LAKELAND REGIONAL HIGH SCHOOL DISTRICT
INTERNAL SERVICE FUND
STATEMENT OF NET POSITION
JUNE 30, 2023

	<u>Transportation</u>
<u>ASSETS:</u>	
Current Assets:	
Cash and Cash Equivalents	\$ 337,762
Interfund Receivable	<u>150,000</u>
Total Current Assets	<u>487,762</u>
Non-Current Assets:	
Capital Assets	2,785,866
Less: Accumulated Depreciation	<u>(1,952,683)</u>
Total Non-Current Assets	<u>833,183</u>
Total Assets	<u>1,320,945</u>
 <u>LIABILITIES:</u>	
Current Liabilities:	
Accounts Payable	<u>7,986</u>
Total Current Liabilities	<u>7,986</u>
Total Liabilities	<u>7,986</u>
 <u>NET POSITION:</u>	
Investment in Capital Assets	833,183
Unrestricted	<u>479,776</u>
Total Net Position	<u><u>\$ 1,312,959</u></u>

LAKELAND REGIONAL HIGH SCHOOL DISTRICT
INTERNAL SERVICE FUND
STATEMENT OF REVENUE, EXPENSES AND CHANGES IN FUND NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	<u>Transportation</u>
Operating Revenue	
Local Sources:	
Charges and Fees	\$ 188,603
Total Operating Revenue	<u>188,603</u>
Operating Expenses:	
Contracted Services	396,991
Aid in Lieu	89,137
Miscellaneous	195,569
Depreciation	<u>50,501</u>
Total Operating Expenses	<u>732,198</u>
Operating Loss	<u>(543,595)</u>
Non-Operating Revenue:	
Interest Revenue	<u>1,459</u>
Total Non-Operating Revenue	<u>1,459</u>
Change in Net Position	(542,136)
Net Position - Beginning of Year	<u>1,855,095</u>
Net Position - End of Year	<u><u>\$ 1,312,959</u></u>

LAKELAND REGIONAL HIGH SCHOOL DISTRICT
INTERNAL SERVICE FUND
STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	<u>Transportation</u>
Cash Flows from Operating Activities:	
Receipts from Customers	\$ 38,603
Payments to Suppliers	<u>(753,845)</u>
Net Cash (Used for) Operating Activities	<u>(715,242)</u>
Cash Flows from Investing Activities:	
Investment Revenue	<u>1,459</u>
Net Cash Provided by Investing Activities	<u>1,459</u>
Net (Decrease) in Cash and Cash Equivalents	(713,783)
Cash and Cash Equivalents, July 1	<u>1,051,545</u>
Cash and Cash Equivalents, June 30	<u><u>\$ 337,762</u></u>
Reconciliation of Operating Loss to Net Cash (Used for) Operating Activities:	
Operating Loss	\$ (543,595)
Adjustment to Reconcile Operating Loss to Net Cash	
Used for Operating Activities:	
Depreciation	50,501
Changes in Assets and Liabilities:	
(Increase) in Interfund Receivable	(150,000)
(Decrease) in Accounts Payable	<u>(72,148)</u>
Net Cash (Used for) Operating Activities	<u><u>\$ (715,242)</u></u>

**FIDUCIARY ACTIVITIES
(NOT APPLICABLE)**

<p>LONG-TERM LIABILITIES (NOT APPLICABLE)</p>
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STATISTICAL SECTION
(UNAUDITED)

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

Contents

Exhibit

Financial Trends

These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.

J-1 thru J-5

Revenue Capacity

These schedules contain information to help the reader assess the factors affecting the District's ability to generate its property taxes.

J-6 thru J-9

Debt Capacity

These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.

J-10 thru J-13

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place and to help make comparisons over time and with other governments.

J-14 thru J-15

Operating Information

These schedules contain information about the District's operations and resources to help the reader understand how the District's financial information relates to the services the District provides and the activities it performs.

J-16 thru J-20

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

LAKELAND REGIONAL HIGH SCHOOL DISTRICT
NET POSITION BY COMPONENT,
LAST TEN FISCAL YEARS
(accrual basis of accounting)
UNAUDITED

	June 30,				
	2014	2015	2016	2017	2018
Governmental Activities:					
Net Investment in Capital Assets	\$ 8,428,835	\$ 10,674,523	\$ 11,862,430	\$ 16,902,260	\$ 18,533,416
Restricted	9,395,201	6,600,013	3,090,397	2,910,909	3,926,134
Unrestricted/(Deficit)	(6,995,126)	(6,312,873)	(3,091,063)	(3,558,922)	(5,787,404)
Total Governmental Activities Net Position	<u>\$ 10,828,910</u>	<u>\$ 10,961,663</u>	<u>\$ 11,861,764</u>	<u>\$ 16,254,247</u>	<u>\$ 16,672,146</u>
Business-Type Activities:					
Investment in Capital Assets	\$ 54,443	\$ 31,333	\$ 28,740	\$ 28,329	\$ 25,631
Unrestricted	136,738	124,770	110,777	90,619	103,446
Total Business-Type Activities Net Position	<u>\$ 191,181</u>	<u>\$ 156,103</u>	<u>\$ 139,517</u>	<u>\$ 118,948</u>	<u>\$ 129,077</u>
District-Wide:					
Net Investment in Capital Assets	\$ 8,483,278	\$ 10,705,856	\$ 11,891,170	\$ 16,930,589	\$ 18,559,047
Restricted	9,395,201	6,600,013	3,090,397	2,910,909	3,926,134
Unrestricted/(Deficit)	(6,858,388)	(6,188,103)	(2,980,286)	(3,468,303)	(5,683,958)
Total District Net Position	<u>\$ 11,020,091</u>	<u>\$ 11,117,766</u>	<u>\$ 12,001,281</u>	<u>\$ 16,373,195</u>	<u>\$ 16,801,223</u>

	June 30,				
	2019	2020	2021	2022	2023
Governmental Activities:					
Net Investment in Capital Assets	\$ 19,938,530	\$ 20,923,282	\$ 20,879,660	\$ 22,391,846	\$ 22,339,115
Restricted	2,627,030	3,107,344	4,729,039	3,095,471	3,199,925
Unrestricted/(Deficit)	(5,748,757)	(5,828,406)	(5,220,429)	(3,471,059)	(2,987,542)
Total Governmental Activities Net Position	<u>\$ 16,816,803</u>	<u>\$ 18,202,220</u>	<u>\$ 20,388,270</u>	<u>\$ 22,016,258</u>	<u>\$ 22,551,498</u>
Business-Type Activities:					
Investment in Capital Assets	\$ 22,933	\$ 24,198	\$ 48,085	\$ 92,000	\$ 233,110
Unrestricted	104,449	18,842	58,212	265,726	188,470
Total Business-Type Activities Net Position	<u>\$ 127,382</u>	<u>\$ 43,040</u>	<u>\$ 106,297</u>	<u>\$ 357,726</u>	<u>\$ 421,580</u>
District-Wide:					
Net Investment in Capital Assets	\$ 19,961,463	\$ 20,947,480	\$ 20,927,745	\$ 22,483,846	\$ 22,572,225
Restricted	2,627,030	3,107,344	4,729,039	3,095,471	3,199,925
Unrestricted/(Deficit)	(5,644,308)	(5,809,564)	(5,162,217)	(3,205,333)	(2,799,072)
Total District Net Position	<u>\$ 16,944,185</u>	<u>\$ 18,245,260</u>	<u>\$ 20,494,567</u>	<u>\$ 22,373,984</u>	<u>\$ 22,973,078</u>

Source: School District Financial Reports.

LAKELAND REGIONAL HIGH SCHOOL DISTRICT
CHANGES IN NET POSITION, LAST TEN FISCAL YEARS
(accrual basis of accounting)
UNAUDITED

	Fiscal Year Ending June 30,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Expenses										
Governmental Activities:										
Instruction:										
Regular	\$ 8,750,044	\$ 8,707,189	\$ 10,360,870	\$ 12,168,377	\$ 12,767,443	\$ 10,768,785	\$ 10,850,716	\$ 11,373,724	\$ 10,245,793	\$ 9,745,855
Special Education	2,474,463	2,771,099	3,296,413	3,562,340	3,925,121	4,219,770	4,109,473	4,300,224	3,457,786	3,253,223
Other Special Instruction	22,763	36,356	29,113	35,344	26,932					
Other Instruction	1,133,202	1,226,165	1,441,691	1,792,143	1,763,787	1,615,560	1,664,829	1,607,966	1,594,210	1,612,949
Support Services:										
Tuition	2,012,038	2,413,453	2,462,167	2,511,406	2,928,483	3,179,752	2,873,570	2,411,528	2,528,128	2,649,895
Student & Instruction Related Services	3,391,596	4,129,513	4,957,172	4,577,862	4,914,979	5,527,300	4,875,423	4,806,991	4,517,359	4,371,047
General Administrative Services	456,326	634,606	523,254	528,431	626,685	617,813	777,699	588,486	540,250	573,443
School Administrative Services	704,331	708,256	697,432	761,399	811,401	764,019	919,103	907,689	813,622	767,019
Central Services	335,326	350,381	374,992	406,838	388,334	398,367	406,302	332,870	277,265	349,987
Administration Information Technology	72,860	170,260	160,281	139,881	152,210	128,861	121,412	188,768	125,070	151,600
Plant Operations and Maintenance	1,897,239	1,864,148	2,170,359	1,963,594	2,110,077	2,467,074	2,410,823	2,319,969	2,834,671	2,980,275
Pupil Transportation	1,515,123	1,647,997	1,503,503	1,771,279	1,957,036	1,754,849	1,951,991	1,719,345	1,928,090	1,855,177
Charter Schools										43,047
Interest on Long-term Debt	70,069	60,290	48,606	36,243	25,145	17,357	3,940		958	
Total Governmental Activities Expenses	22,835,380	24,719,713	28,025,853	30,255,137	32,397,633	31,459,507	30,965,281	30,557,560	28,863,202	28,353,517
Business-type Activities:										
Food Service	461,037	434,994	427,954	413,915	410,529	383,737	380,364	226,037	559,291	429,753
Total Business-type Activities Expenses	461,037	434,994	427,954	413,915	410,529	383,737	380,364	226,037	559,291	429,753
Total District Expenses	23,296,417	25,154,707	28,453,807	30,669,052	32,808,162	31,843,244	31,345,645	30,783,597	29,422,493	28,783,270
Program Revenues										
Governmental Activities:										
Charges for Services:										
Instruction (Tuition)	679,742	757,110	1,045,332	786,300	764,466	756,760	588,533	406,038	199,757	292,514
Student & Instruction Related Services								180,602	180,602	322,608
Pupil Transportation	70,447	123,257	7,910	189,436	208,938	42,686	12,196	41,004	1,406	38,603
Operating Grants and Contributions	2,904,398	3,319,499	6,383,969	8,269,910	9,246,927	7,693,843	7,717,059	8,974,692	7,319,964	5,396,889
Capital Grants and Contributions			480,070	295,597	181,952	6,884			56,631	98,529
Total Governmental Activities Program Revenues	3,654,587	4,199,866	7,917,281	9,541,243	10,402,283	8,500,173	8,317,788	9,602,336	7,758,360	6,149,143

LAKELAND REGIONAL HIGH SCHOOL DISTRICT
CHANGES IN NET POSITION, LAST TEN FISCAL YEARS
(accrual basis of accounting)
UNAUDITED

	Fiscal Year Ending June 30,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Program Revenues										
Business-type Activities:										
Charges for Services:										
Food Service	\$ 278,342	\$ 273,665	\$ 268,385	\$ 249,377	\$ 259,723	\$ 233,905	\$ 157,572	\$ 10,717	\$ 74,410	\$ 343,099
Operating Grants and Contributions	136,258	125,994	142,770	141,145	148,218	147,777	120,212	259,641	735,984	149,961
Capital Grants and Contributions							18,848			
Total Business-type Activities Revenues	414,600	399,659	411,155	390,522	407,941	381,682	277,784	289,206	810,394	493,060
Total District Program Revenues	4,069,187	4,599,525	8,328,436	9,931,765	10,810,224	8,881,855	8,595,572	9,891,542	8,568,754	6,642,203
Net (Expense)/Revenue										
Governmental Activities	(19,180,793)	(20,519,847)	(20,108,572)	(20,713,894)	(21,995,350)	(22,959,334)	(22,647,493)	(20,955,224)	(21,104,842)	(22,204,374)
Business-type Activities	(46,437)	(35,335)	(16,799)	(23,393)	(2,588)	(2,055)	(102,580)	63,169	251,103	63,307
Total District-wide Net (Expense)/Revenue	(19,227,230)	(20,555,182)	(20,125,371)	(20,737,287)	(21,997,938)	(22,961,389)	(22,750,073)	(20,892,055)	(20,853,739)	(22,141,067)
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Property Taxes Levied for General Purposes, Net	15,736,378	16,000,000	16,520,000	17,327,828	17,814,116	18,461,751	19,181,759	19,652,291	20,045,337	20,446,244
Taxes Levied for Debt Service	337,663	335,325	339,363	333,000	327,100	302,975	299,725	287,575	107,916	
Unrestricted Grants and Contributions	4,042,810	4,031,210	4,034,184	4,066,582	4,109,362	3,950,008	3,603,042	3,052,356	2,409,361	2,136,896
Investment Earnings	23,242	20,388	18,365	18,052	35,587	31,930	25,783	16,903	16,338	15,443
Miscellaneous Income	164,245	265,677	170,221	254,522	127,084	290,327	94,463	132,149	153,878	141,031
Transfers			(73,460)			67,000	(10,000)			
Total Governmental Activities	20,304,338	20,652,600	21,008,673	21,999,984	22,413,249	23,103,991	23,194,772	23,141,274	22,732,830	22,739,614
Business-type Activities:										
Investment Earnings										
Transfers	444	257	213	204	366	360	238	88	326	547
Other Item - Food Service Management							18,000			
Company Payroll Protection Plan										
Capital Adjustment				2,620	12,351					
Total Business-type Activities										
Total District-wide	444	257	213	2,824	12,717	360	18,238	88	326	547
Change in Net Position										
Governmental Activities	20,304,782	20,652,857	21,008,886	22,002,808	22,425,966	23,104,351	23,213,010	23,141,362	22,733,156	22,740,161
Business-type Activities	1,123,545	132,753	900,101	1,286,090	417,899	144,657	547,279	2,186,050	1,627,988	535,240
	(45,993)	(35,078)	(16,586)	(20,569)	10,129	(1,695)	(84,342)	63,257	251,429	63,854
Total District	\$ 1,077,552	\$ 97,675	\$ 883,515	\$ 1,265,521	\$ 428,028	\$ 142,962	\$ 462,937	\$ 2,249,307	\$ 1,879,417	\$ 599,094

Source: School District Financial Reports.

LAKELAND REGIONAL HIGH SCHOOL DISTRICT
FUND BALANCES, GOVERNMENTAL FUNDS,
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)
UNAUDITED

	June 30,				
	2014	2015	2016	2017	2018
General Fund:					
Restricted	\$ 9,259,142	\$ 6,463,954	\$ 2,954,338	\$ 2,774,850	\$ 3,790,075
Assigned	125,989	399,398	56,258	957,486	474,474
Unassigned	112,533	211,158	252,755	105,988	154,587
Total General Fund	<u>\$ 9,497,664</u>	<u>\$ 7,074,510</u>	<u>\$ 3,263,351</u>	<u>\$ 3,838,324</u>	<u>\$ 4,419,136</u>
All Other Governmental Funds:					
Reserved/Restricted	\$ 136,059	\$ 136,059	\$ 136,059	\$ 136,059	\$ 136,059
Committed				2,429,721	860,614
Unassigned/(Deficit)	(97,464)	259,277	3,496,225		
Total All Other Governmental Funds	<u>\$ 38,595</u>	<u>\$ 395,336</u>	<u>\$ 3,632,284</u>	<u>\$ 2,565,780</u>	<u>\$ 996,673</u>
	June 30,				
	2019	2020	2021	2022	2023
General Fund:					
Restricted	\$ 2,499,196	\$ 2,814,105	\$ 4,427,678	\$ 2,956,285	\$ 3,081,348
Assigned	723,161	106,614	579,926	1,710,739	1,923,976
Unassigned	448,856	659,452	889,422	1,252,793	1,055,286
Total General Fund	<u>\$ 3,671,213</u>	<u>\$ 3,580,171</u>	<u>\$ 5,897,026</u>	<u>\$ 5,919,817</u>	<u>\$ 6,060,610</u>
All Other Governmental Funds:					
Restricted	\$ 127,834	\$ 293,239	\$ 301,361	\$ 139,186	\$ 118,577
Committed	481,452	212,511	47,849	94,897	274,529
Total All Other Governmental Funds	<u>\$ 609,286</u>	<u>\$ 505,750</u>	<u>\$ 349,210</u>	<u>\$ 234,083</u>	<u>\$ 393,106</u>

Source: School District Financial Reports.

LAKELAND REGIONAL HIGH SCHOOL DISTRICT
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS,
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)
UNAUDITED

	Fiscal Year Ending June 30,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Revenues										
Tax Levy	\$ 16,074,041	\$ 16,335,325	\$ 16,859,363	\$ 17,660,828	\$ 18,141,216	\$ 18,764,726	\$ 19,481,484	\$ 19,939,866	\$ 20,153,253	\$ 20,446,244
Tuition Charges	679,742	757,110	1,045,332	786,300	764,466	756,760	588,533	406,038	199,757	292,514
Interest Earnings	22,031	19,670	18,126	18,052	35,587	29,189	24,608	14,269	13,832	13,984
Miscellaneous	164,245	266,177	176,315	256,709	124,468	297,211	98,763	316,251	562,992	478,186
State Sources	6,656,441	7,056,149	7,780,721	8,012,228	8,436,725	8,737,781	8,624,562	9,044,421	9,293,014	8,893,548
Federal Sources	290,767	294,060	323,997	325,772	345,369	351,482	356,291	502,863	926,056	555,041
Total Revenues	23,887,267	24,728,491	26,203,854	27,059,889	27,847,831	28,937,149	29,174,241	30,223,708	31,148,904	30,679,517
Expenditures										
Instruction:										
Regular Instruction	6,335,400	6,114,325	6,120,028	6,061,159	6,109,223	6,172,120	6,271,252	6,337,275	6,842,025	6,758,820
Special Education Instruction	1,797,528	1,953,692	1,965,455	2,005,582	2,165,050	2,435,381	2,392,928	2,422,633	2,278,706	2,261,377
Other Special Instruction	16,815	28,216	19,392	18,791	20,527					
Other Instruction	851,241	910,903	900,292	1,000,732	966,255	1,025,322	1,089,457	1,032,551	1,175,315	1,216,082
Support Services:										
Tuition	2,012,038	2,413,453	2,462,167	2,511,406	2,928,483	3,179,752	2,873,570	2,411,528	2,528,128	2,649,895
Student & Instruction Related Services	2,461,894	3,088,447	3,136,078	3,210,463	3,454,260	3,389,682	3,075,795	2,980,603	3,301,272	3,259,175
General Administrative Services	390,054	576,943	447,947	438,748	520,358	534,777	693,068	509,726	487,796	509,213
School Administrative Services	513,763	516,906	432,345	427,204	452,761	458,413	551,399	527,933	548,431	546,122
Central Services	288,960	285,895	303,576	312,489	298,867	328,200	330,831	289,069	246,378	301,594
Administration Information Technology	118,055	113,240	152,532	129,436	141,786	120,704	113,147	126,425	119,943	145,280
Plant Operations and Maintenance	1,491,267	1,456,632	1,665,105	1,541,100	1,651,895	1,619,766	1,706,680	1,657,416	2,365,617	2,264,546
Pupil Transportation	920,071	987,236	1,478,421	1,757,134	1,413,744	1,524,311	2,432,203	1,363,514	1,460,213	1,095,056
Unallocated Benefits	4,934,232	5,428,042	5,904,307	6,075,345	6,685,473	7,345,559	7,253,680	7,771,427	8,307,289	8,720,860
Capital Outlay	1,126,132	2,585,649	1,377,597	1,728,831	1,700,344	1,694,272	1,113,222	345,718	1,344,377	608,634
Transfer of Funds to Charter Schools										43,047
Debt Service:										
Principal	235,000	250,000	265,000	270,000	275,000	270,000	270,000	270,000	230,000	
Interest and Other Charges	94,438	85,325	74,363	63,000	52,100	41,200	29,725	17,575	5,750	
Total Expenditures	23,586,888	26,794,904	26,704,605	27,551,420	28,836,126	30,139,459	30,196,957	28,063,393	31,241,240	30,379,701

LAKELAND REGIONAL HIGH SCHOOL DISTRICT
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS,
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)
UNAUDITED

	Fiscal Year Ending June 30,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ 300,379	\$ (2,066,413)	\$ (500,751)	\$ (491,531)	\$ (988,295)	\$ (1,202,310)	\$ (1,022,716)	\$ 2,160,315	\$ (92,336)	\$ 299,816
Other Financing Sources (Uses)										
Prior Year Accounts Payable Canceled										
Transfers In		3,052,041	4,076,070	261,160	833,693	1,757,363	807,155	134,726	1,206,243	580,000
Transfers Out		(3,052,041)	(4,149,530)	(261,160)	(833,693)	(1,690,363)	(817,155)	(134,726)	(1,206,243)	(580,000)
Total Other Financing Sources (Uses)	-0-	-0-	(73,460)	-0-	-0-	67,000	(10,000)	-0-	-0-	-0-
Net Change in Fund Balances	\$ 300,379	\$ (2,066,413)	\$ (574,211)	\$ (491,531)	\$ (988,295)	\$ (1,135,310)	\$ (1,032,716)	\$ 2,160,315	\$ (92,336)	\$ 299,816
Debt Service as a Percentage of Noncapital Expenditures	1.5%	1.4%	1.4%	1.3%	1.2%	1.1%	1.0%	1.0%	0.8%	0.0%

Source: School District Financial Reports.

LAKELAND REGIONAL HIGH SCHOOL DISTRICT
GENERAL FUND - OTHER LOCAL REVENUES BY SOURCE
LAST TEN FISCAL YEARS
 (modified accrual basis of accounting)
UNAUDITED

<u>Fiscal Year</u> <u>Ending June 30,</u>	<u>Interest on</u> <u>Investments</u>	<u>Tuition</u>	<u>Other</u>	<u>Total</u>
2014	\$ 22,031	\$ 679,742	\$ 164,245	\$ 866,018
2015	19,670	757,110	265,677	1,042,457
2016	18,126	1,045,332	170,221	1,233,679
2017	18,052	786,300	253,545	1,057,897
2018	35,587	764,466	124,468	924,521
2019	29,189	756,760	290,327	1,076,276
2020	24,608	588,533	94,463	707,604
2021	14,269	406,038	132,149	552,456
2022	13,832	199,757	153,878	367,467
2023	13,984	292,514	141,031	447,529

Source: Lakeland Regional High School District records.

LAKELAND REGIONAL HIGH SCHOOL DISTRICT
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN YEARS
UNAUDITED

BOROUGH OF RINGWOOD

Year Ended December 31,	Vacant Land	Residential	Farm Reg.	Qfarm	Commercial	Industrial	Apartment	Total Assessed Value	Tax-Exempt Property	Add: Public Utilities ^a	Net Valuation Taxable	Total Direct School Tax Rate ^b	Estimated Actual (County Equalized Value)
2013*	\$ 72,592,500	\$ 1,296,995,400	\$ 4,856,600	\$ 88,100	\$ 58,605,700	\$ 27,696,500	\$ -0-	\$ 1,460,834,800	\$ 147,554,100	\$ -0-	\$ 1,460,834,800	\$ 0.57	\$ 1,663,039,694
2014	72,228,000	1,299,371,100	4,856,600	87,000	57,819,200	26,997,700	-0-	1,461,359,600	147,844,100	-0-	1,461,359,600	0.63	1,631,134,925
2015	72,018,900	1,299,987,900	4,856,600	85,900	67,867,900	24,401,100	-0-	1,469,218,300	148,872,900	-0-	1,469,218,300	0.67	1,638,586,197
2016	71,481,100	1,300,644,000	4,428,500	85,500	67,941,200	23,407,800	5,607,700	1,473,595,800	144,198,500	-0-	1,473,595,800	0.71	1,644,909,923
2017	71,111,600	1,302,382,700	4,246,800	84,600	69,497,700	23,313,400	-0-	1,470,636,800	144,507,100	-0-	1,470,636,800	0.71	1,632,305,507
2018	65,690,800	1,303,353,800	4,246,800	73,700	69,954,400	22,028,900	-0-	1,466,348,400	144,899,100	-0-	1,466,348,400	0.73	1,657,689,641
2019	59,856,500	1,305,174,500	3,919,600	69,100	69,837,800	22,835,600	-0-	1,461,693,100	145,460,300	-0-	1,461,693,100	0.76	1,707,595,885
2020	54,543,400	1,306,855,100	3,919,600	69,100	69,423,800	20,492,300	-0-	1,455,303,300	145,724,900	-0-	1,455,303,300	0.77	1,755,687,257
2021	53,609,000	1,303,972,100	3,753,000	69,100	69,915,300	23,042,300	-0-	1,454,360,800	147,148,900	-0-	1,454,360,800	0.79	1,751,182,769
2022	53,599,900	1,302,579,200	3,753,000	69,100	72,740,900	23,042,300	-0-	1,455,784,400	144,392,900	-0-	1,455,784,400	0.79	1,825,825,981

BOROUGH OF WANAQUE

Year Ended December 31,	Vacant Land	Residential	Farm Reg.	Qfarm	Commercial	Industrial	Apartment	Total Assessed Value	Tax-Exempt Property	Add: Public Utilities ^a	Net Valuation Taxable	Total Direct School Tax Rate ^b	Estimated Actual (County Equalized Value)
2013*	\$ 43,414,200	\$ 963,498,900	\$ -0-	\$ 5,800	\$ 88,604,200	\$ 22,020,000	2,178,100	\$ 1,119,721,200	\$ 471,787,000	\$ -0-	\$ 1,119,721,200	\$ 0.70	\$ 1,212,597,512
2014	42,582,900	971,990,000	-0-	132,400	86,700,100	21,736,000	2,178,100	1,125,319,500	471,787,000	-0-	1,125,319,500	0.63	1,289,326,322
2015	36,099,300	976,794,800	-0-	132,400	86,193,800	19,791,700	2,178,100	1,121,190,100	476,711,500	-0-	1,121,190,100	0.63	1,257,130,277
2016	35,921,500	976,142,900	805,300	134,400	86,100,400	19,791,700	2,178,100	1,121,074,300	476,299,300	-0-	1,121,074,300	0.65	1,245,557,989
2017	33,925,800	988,682,600	805,300	7,700	72,102,400	19,349,700	2,178,100	1,117,051,600	477,932,000	-0-	1,117,051,600	0.69	1,262,422,911
2018	32,301,800	992,489,900	805,300	7,700	70,933,700	19,349,700	3,438,100	1,119,326,200	478,666,300	-0-	1,119,326,200	0.71	1,295,067,936
2019	31,423,400	991,182,000	805,300	7,700	70,309,900	19,394,900	6,035,900	1,119,159,100	479,702,800	-0-	1,119,159,100	0.74	1,318,773,459
2020	28,532,100	989,127,300	805,300	7,700	70,159,900	19,151,400	6,035,900	1,113,819,600	481,717,300	-0-	1,113,819,600	0.78	1,360,590,718
2021	28,670,300	990,694,500	805,300	7,700	70,822,800	19,011,400	6,035,900	1,116,047,900	481,119,200	-0-	1,116,047,900	0.78	1,399,061,212
2022	28,709,300	990,271,800	805,300	7,700	70,783,100	18,960,800	6,035,900	1,115,573,900	484,465,900	-0-	1,115,573,900	0.81	1,495,536,595

* - Property revaluation became effective in this year.

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

b - Tax rates are per \$100.

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

Source: Municipal Tax Assessors.

LAKELAND REGIONAL HIGH SCHOOL DISTRICT
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN YEARS
(rate per \$100 of assessed value)
UNAUDITED

BOROUGH OF RINGWOOD

Year Ended December 31,	Lakeland Regional School District Direct Rate			Overlapping Rates			Total Direct and Overlapping Tax Rate
	Basic Rate ^a	General Obligation Debt Service ^b	Total Direct	Borough of Ringwood	Borough of Ringwood Public Schools	Passaic County	
2013*	0.5586	\$ 0.0114	\$ 0.57	\$ 0.75	\$ 1.20	\$ 0.76	\$ 3.28
2014	0.6168	0.0132	0.63	0.75	1.23	0.79	3.40
2015	0.6562	0.0138	0.67	0.76	1.24	0.85	3.52
2016	0.6957	0.0143	0.71	0.77	1.30	0.84	3.62
2017	0.6966	0.0134	0.71	0.78	1.34	0.82	3.65
2018	0.7168	0.0132	0.73	0.80	1.38	0.83	3.74
2019	0.7477	0.0123	0.76	0.82	1.41	0.82	3.81
2020	0.7582	0.0118	0.77	0.83	1.45	0.82	3.87
2021	0.7818	0.0042	0.79	0.85	1.48	0.79	3.91
2022	0.7900		0.79	0.87	1.52	0.79	3.97

BOROUGH OF WANAUKE

Year Ended December 31,	Lakeland Regional School District Direct Rate			Overlapping Rates			Total Direct and Overlapping Tax Rate
	Basic Rate ^a	General Obligation Debt Service ^b	Total Direct	Borough of Wanaque	Borough of Wanaque Public Schools	Passaic County	
2013*	\$ 0.6860	\$ 0.0140	\$ 0.70	\$ 0.87	\$ 1.18	\$ 0.73	\$ 3.48
2014	0.6168	0.0132	0.63	0.88	1.21	0.81	3.53
2015	0.6171	0.0129	0.63	0.88	1.24	0.85	3.60
2016	0.6369	0.0131	0.65	0.90	1.27	0.83	3.65
2017	0.6770	0.0130	0.69	0.90	1.32	0.83	3.74
2018	0.6972	0.0128	0.71	0.92	1.35	0.85	3.83
2019	0.7281	0.0119	0.74	0.96	1.38	0.83	3.91
2020	0.7680	0.0120	0.78	0.98	1.41	0.83	4.00
2021	0.7779	0.0041	0.78	1.00	1.44	0.83	4.05
2022	0.8100		0.81	1.02	1.46	0.85	4.14

* - Property revaluation became effective in this year.

a - The District's basic tax rate is calculated from the A4F form which is submitted with the budget and the Net Valuation Taxab

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

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

Source: Municipal Tax Collector and School Business Administrator.

LAKELAND REGIONAL HIGH SCHOOL DISTRICT
PRINCIPAL PROPERTY TAX PAYERS,
CURRENT YEAR AND NINE YEARS AGO
UNAUDITED

BOROUGH OF RINGWOOD

Taxpayer	2023			2014		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
North Jersey District Water Supply Commission	\$ 43,951,500	1	3.02%	\$ 59,043,000	1	4.04%
Tennessee Gas Transmission	12,452,400	2	0.86%			
Ringwood Plaza, LTD Partnership	9,894,900	3	0.68%	11,536,700	2	0.79%
Ringwood Associates, LTD, c/o Berger L	6,562,200	4	0.45%	7,125,800	3	0.49%
BHR Ringwood Real Estate LLC	4,635,400	5	0.32%			
Serler LLC	3,615,700	6	0.25%	4,291,000	5	0.29%
PSE&G Co.	2,967,500	7	0.20%	2,967,500	8	0.20%
Spring Lake Land LLC	2,944,400	8	0.20%	2,700,300	9	0.18%
Ringwood Commons, LLC	2,852,900	9	0.20%	2,852,900	7	0.20%
Ponderosa Group I LLC	2,718,100	10	0.19%	3,061,700	6	0.21%
Cheese Works 16-81 Inc.				4,347,400	4	0.30%
Tennessee Gas Transmission				2,407,600	10	0.16%
Total	<u>\$ 92,595,000</u>		<u>6.37%</u>	<u>\$ 100,333,900</u>		<u>6.86%</u>

BOROUGH OF WANAUKE

Taxpayer	2023			2014		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
North Jersey District Water Supply Commission	\$ 16,408,500	1	1.47%	\$ 21,221,300	1	1.90%
Wanaque Convalescent Center	9,500,000	2	0.85%	16,537,000	2	1.48%
Omni II LLC	6,500,000	3	0.58%	11,641,400	3	1.04%
Wanaque Building Assoc.	6,200,000	4	0.56%	7,269,300	4	0.65%
Third Avenue Property Investment, LLC	5,135,700	5	0.46%			
Algonquin Gas Trans. Co.	4,494,900	6	0.40%	4,489,900	6	0.40%
1049 Ringwood Avenue, LLC	3,857,800	7	0.35%			
Shree Hari Vallabh Realty, LLC	3,645,000	8	0.33%	3,645,000	7	0.33%
Haskell Town Center LLC	2,697,300	9	0.24%	2,697,300	9	0.24%
Mountain Lakes Estates	2,625,000	10	0.24%			
Arrow Shed LLC				5,201,400	5	0.46%
Greentree at Wanaque				2,160,000	10	0.19%
Ringwood Park Plaza Realty				2,793,000	8	0.25%
Total	<u>\$ 61,064,200</u>		<u>5.47%</u>	<u>\$ 77,655,600</u>		<u>6.94%</u>

Source: Municipal Tax Assessors.

LAKELAND REGIONAL HIGH SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS,
LAST TEN FISCAL YEARS
UNAUDITED

BOROUGH OF RINGWOOD

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected Within the Fiscal Year of the Levy ^a		Collections in Subsequent Years
		Amount	Percentage of Levy	
2014	\$ 8,267,727	\$ 8,267,727	100.00%	\$ -0-
2015	9,232,810	9,232,810	100.00%	-0-
2016	9,621,236	9,621,236	100.00%	-0-
2017	10,415,794	10,415,794	100.00%	-0-
2018	10,490,115	10,490,115	100.00%	-0-
2019	10,760,244	10,760,244	100.00%	-0-
2020	11,149,000	11,149,000	100.00%	-0-
2021	11,235,226	11,235,226	100.00%	-0-
2022	11,430,495	11,430,495	100.00%	-0-
2023	11,428,099	11,428,099	100.00%	-0-

BOROUGH OF WANAQUE

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy ^a		Collections in Subsequent Years
		Amount	Percentage of Levy	
2014	\$ 7,806,314	\$ 7,806,314	100.00%	\$ -0-
2015	7,102,515	7,102,515	100.00%	-0-
2016	7,238,127	7,238,127	100.00%	-0-
2017	7,245,034	7,245,034	100.00%	-0-
2018	7,651,101	7,651,101	100.00%	-0-
2019	8,004,482	8,004,482	100.00%	-0-
2020	8,332,484	8,332,484	100.00%	-0-
2021	8,704,640	8,704,640	100.00%	-0-
2022	8,722,758	8,722,758	100.00%	-0-
2023	9,018,145	9,018,145	100.00%	-0-

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

Source: Lakeland Regional High School District records, including the Certificate and Report of Report of School Taxes (A4F form).

LAKELAND REGIONAL HIGH SCHOOL DISTRICT
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
UNAUDITED

Fiscal Year Ended June 30,	Governmental Activities					Total District	Percentage of Personal Income ^a	Per Capita ^a
	General Obligation Bonds ^b	Certificates of Participation	Financed Purchases	Bond Anticipation Notes (BANs)				
2014	\$ 2,601,576	\$ -0-	\$ -0-	\$ -0-	\$ 2,601,576	0.26%	\$ 109.23	
2015	2,296,640	-0-	-0-	-0-	2,296,640	0.21%	95.86	
2016	1,971,897	-0-	-0-	-0-	1,971,897	0.18%	82.20	
2017	1,636,927	-0-	-0-	-0-	1,636,927	0.15%	68.27	
2018	1,291,272	-0-	-0-	-0-	1,291,272	0.11%	53.82	
2019	944,434	-0-	-0-	-0-	944,434	0.08%	39.42	
2020	590,873	-0-	-0-	-0-	590,873	0.05%	24.66	
2021	230,000	-0-	-0-	-0-	230,000	0.02%	9.63	
2022	-0-	-0-	-0-	-0-	-0-	0.00%	-0-	
2023	-0-	-0-	-0-	-0-	-0-	0.00%	-0-	

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

b - Includes Early Retirement Incentive Plan (ERIP) refunding.

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

Source: School District Financial Reports.

LAKELAND REGIONAL HIGH SCHOOL DISTRICT
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS
UNAUDITED

Fiscal Year Ended June 30,	General Bonded Debt Outstanding			Percentage of Actual Taxable Value ^a of Property	Per Capita ^b
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding		
2014	\$ 2,100,000	\$ -0-	\$ 2,100,000	0.081%	\$ 88.17
2015	1,850,000	-0-	1,850,000	0.072%	77.22
2016	1,585,000	-0-	1,585,000	0.061%	66.07
2017	1,315,000	-0-	1,315,000	0.051%	54.84
2018	1,040,000	-0-	1,040,000	0.040%	43.35
2019	770,000	-0-	770,000	0.030%	32.14
2020	500,000	-0-	500,000	0.019%	20.87
2021	230,000	-0-	230,000	0.009%	9.63
2022	-0-	-0-	-0-	0.000%	-0-
2023	-0-	-0-	-0-	0.000%	-0-

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

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

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

Source: School District Financial Reports.

LAKELAND REGIONAL HIGH SCHOOL DISTRICT
RATIOS OF OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF DECEMBER 31, 2022
UNAUDITED

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable ^a</u>	<u>Estimated Share of Overlapping Debt</u>
Debt Repaid with Property Taxes:			
Borough of Ringwood	\$ 9,594,669	100.00%	\$ 9,594,669
Borough of Wanaque	17,365,598	100.00%	17,365,598
Passaic County General Obligation Debt	287,425,934	5.80%	16,657,273
Subtotal, Overlapping Debt			43,617,540
Lakeland Regional High School District Direct Debt			-0-
Total Direct and Overlapping Debt			<u><u>\$ 43,617,540</u></u>

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

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

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

LAKELAND REGIONAL HIGH SCHOOL DISTRICT
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
UNAUDITED

Legal Debt Margin Calculation for Fiscal Year 2023

Year Ended December 31,	Borough of Ringwood	Borough of Wanaque	Equalized Valuation Basis
2020	\$ 1,751,689,095	\$ 1,392,809,303	\$ 3,144,498,398
2021	1,823,421,264	1,489,056,571	3,312,477,835
2022	2,014,926,505	1,628,099,679	3,643,026,184
	<u>\$ 5,590,036,864</u>	<u>\$ 4,509,965,553</u>	<u>\$ 10,100,002,417</u>
Average Equalized Valuation of Taxable Property			<u>\$ 3,366,667,472</u>
Debt Limit (3% of Average Equalization Value)			\$ 101,000,024 a
Net Bonded School Debt			<u>-0-</u>
Legal Debt Margin			<u>\$ 101,000,024</u>

	Fiscal Year				
	2014	2015	2016	2017	2018
Debt Limit	\$ 89,385,043	\$ 87,593,392	\$ 86,715,758	\$ 86,543,953	\$ 87,117,536
Total Net Debt Applicable to Limit	<u>2,100,000</u>	<u>1,850,000</u>	<u>1,585,000</u>	<u>1,315,000</u>	<u>1,040,000</u>
Legal Debt Margin	<u>\$ 87,285,043</u>	<u>\$ 85,743,392</u>	<u>\$ 85,130,758</u>	<u>\$ 85,228,953</u>	<u>\$ 86,077,536</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	2.35%	2.11%	1.83%	1.52%	1.19%

	Fiscal Year				
	2019	2020	2021	2022	2023
Debt Limit	\$ 88,582,006	\$ 90,925,811	\$ 92,925,147	\$ 92,870,296	\$ 101,000,024
Total Net Debt Applicable to Limit	<u>770,000</u>	<u>500,000</u>	<u>230,000</u>	<u>-0-</u>	<u>-0-</u>
Legal Debt Margin	<u>\$ 87,812,006</u>	<u>\$ 90,425,811</u>	<u>\$ 92,695,147</u>	<u>\$ 92,870,296</u>	<u>\$ 101,000,024</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	0.87%	0.55%	0.25%	0.00%	0.00%

a - Limit set by NJSA 18A:24-19 for a 9 through 12 district; other % limits would be applicable for other districts.

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

LAKELAND REGIONAL HIGH SCHOOL DISTRICT
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS
UNAUDITED

BOROUGH OF RINGWOOD

Year	Population ^a	Personal Income (thousands of dollars) ^b	Passaic County Per Capita Personal Income ^c	Unemployment Rate ^d
2013	12,327	\$ 524,353,599	\$ 42,537	8.6%
2014	12,318	553,176,744	44,908	5.9%
2015	12,325	567,504,625	46,045	4.7%
2016	12,296	573,202,632	46,617	4.6%
2017	12,252	578,184,132	47,191	4.3%
2018	12,223	600,968,241	49,167	3.7%
2019	12,197	624,522,991	51,203	3.1%
2020	12,157	678,056,675	55,775	8.7%
2021	11,568	688,978,512	59,559	5.9%
2022	11,489	684,273,351	59,559 *	3.3%

BOROUGH OF WANAQUE

Year	Population ^a	Personal Income (thousands of dollars) ^b	Passaic County Per Capita Personal Income ^c	Unemployment Rate ^d
2013	11,490	\$ 488,750,130	\$ 42,537	13.3%
2014	11,641	522,774,028	44,908	6.2%
2015	11,665	537,114,925	46,045	5.0%
2016	11,681	544,533,177	46,617	4.6%
2017	11,741	554,069,531	47,191	4.3%
2018	11,738	577,122,246	49,167	3.8%
2019	11,763	602,300,889	51,203	3.1%
2020	11,717	653,515,675	55,775	8.2%
2021	11,190	666,465,210	59,559	5.7%
2022	11,041	657,590,919	59,559 *	3.4%

* - Latest Passaic County per capita personal income available (2021) was used for calculation purposes.

Source:

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

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

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

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

LAKELAND REGIONAL HIGH SCHOOL DISTRICT
PRINCIPAL EMPLOYERS,
CURRENT YEAR AND NINE YEARS AGO
UNAUDITED

Information was not available as of the date of these financial statements.

LAKELAND REGIONAL HIGH SCHOOL DISTRICT
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM

LAST TEN FISCAL YEARS

UNAUDITED

<u>Function/Program</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Instruction:										
Regular	74	75	76	70	71	70	70	68	65	65
Special Education	19	20	19	18	19	19	19	19	18	18
Other Special Instruction	14	15	20	19	19	19	19	19	22	22
Support Services:										
Student & Instruction Related Services	29	29	28	27	28	29	29	29	29	28
General Administrative Services	2	2	2	2	2	2	2	2	2	2
School Administrative Services	6	6	7	4	4	4	4	4	4	4
Plant Operations and Maintenance	12	12	10	9	10	9	10	10	10	10
Pupil Transportation	16	17	16	20	18	17	18	18	18	17
Business and Other Support Services	5	5	4	4	4	4	4	4	4	4
Food Service	14	14	10	8	10	9	9	0	0	0
Total	191	195	192	181	185	182	184	173	172	170

Source: District Personnel Records.

LAKELAND REGIONAL HIGH SCHOOL DISTRICT
OPERATING STATISTICS
LAST TEN FISCAL YEARS
UNAUDITED

Fiscal Year	Pupil/Teacher Ratio									
	Enrollment	Operating Expenditures ^a	Cost Per Pupil	Percentage Change	Teaching Staff ^b	Senior High School	Average Daily Enrollment (ADE) ^c	Average Daily Attendance (ADA) ^c	% Change in Average Daily Enrollment	Student Attendance Percentage
2014	1,047	\$ 22,131,318	\$ 21,138	7.06%	93	1:11.26	1,039	993	-6.98%	95.57%
2015	986	23,873,930	24,213	14.55%	115	1:8.57	999	950	-3.85%	95.05%
2016	989	24,987,645	25,266	4.35%	115	1:8.60	990	942	-0.90%	95.25%
2017	969	25,489,589	26,305	4.11%	107	1:9.06	970	919	-2.02%	94.81%
2018	948	26,808,682	28,279	7.50%	109	1:8.70	925	868	-4.64%	93.87%
2019	968	28,133,987	29,064	2.78%	108	1:8.96	935	887	1.08%	94.87%
2020	985	28,784,010	29,222	0.54%	108	1:9.12	934	897	-0.11%	96.04%
2021	960	27,430,100	28,573	-2.22%	106	1:9.05	930	888	-0.43%	95.48%
2022	926	29,661,113	32,031	9.61%	105	1:8.82	936	859	0.65%	91.77%
2023	877	29,771,067	33,946	18.81%	105	1:8.35	900	825	-3.85%	91.67%

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).

Note: Enrollment based on annual October District count.

Source: Lakeland Regional High School District records.

LAKELAND REGIONAL HIGH SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS
UNAUDITED

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<u>District Building</u>										
Lakeland Regional High School (1958):										
Square Feet	208,390	208,390	208,390	208,390	208,390	208,390	208,390	208,390	208,390	208,390
Capacity (students)	1,267	1,267	1,267	1,267	1,267	1,267	1,287	1,287	1,287	1,287
Enrollment	1,047	986	989	969	948	968	985	960	926	877

Number of Schools at June 30, 2023:

Elementary = 0

Middle School = 0

High School = 1

Other = 0

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

Source: Lakeland Regional High School District Facilities Office.

LAKELAND REGIONAL HIGH SCHOOL DISTRICT
SCHEDULE OF REQUIRED MAINTENANCE FOR SCHOOL FACILITIES

LAST TEN FISCAL YEARS

UNAUDITED

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

		Fiscal Year Ended June 30,				
	Project # (s)	2014	2015	2016	2017	2018
<u>School Facilities*</u>						
High School	N/A	\$ 234,235	\$ 263,032	\$ 449,464	\$ 312,185	\$ 373,035
Total School Facilities		<u>234,235</u>	<u>263,032</u>	<u>449,464</u>	<u>312,185</u>	<u>373,035</u>
Grand Total		<u>\$ 234,235</u>	<u>\$ 263,032</u>	<u>\$ 449,464</u>	<u>\$ 312,185</u>	<u>\$ 373,035</u>

		Fiscal Year Ended June 30,				
	Project # (s)	2019	2020	2021	2022	2023
<u>School Facilities*</u>						
High School	N/A	\$ 405,571	\$ 467,195	\$ 378,742	\$ 820,118	\$ 628,975
Total School Facilities		<u>405,571</u>	<u>467,195</u>	<u>378,742</u>	<u>820,118</u>	<u>628,975</u>
Grand Total		<u>\$ 405,571</u>	<u>\$ 467,195</u>	<u>\$ 378,742</u>	<u>\$ 820,118</u>	<u>\$ 628,975</u>

N/A - Not Applicable.

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

Source: Lakeland Regional High School District records.

LAKELAND REGIONAL HIGH SCHOOL DISTRICT
INSURANCE SCHEDULE
JUNE 30, 2023
UNAUDITED

	<u>Coverage</u>	<u>Deductible</u>
National Union Fire Insurance Company Package Policy		
Property – Blanket Building & Contents	\$ 56,596,828	\$ 5,000
Commercial General Liability (each occurrence)	1,000,000	
Crime & Fidelity Coverage – Employee theft	500,000	5,000
Forgery or Alteration	50,000	1,000
Robbery or Safe Burglary	50,000	
Computer Fraud	50,000	1,000
Earthquake	5,000,000	\$100,000
Flood Insurance		
Outside zones A, N or V	2,500,000	500,000
Zone B and Shaded X	7,500,000	100,000
Zones All Others (C or Unshaded X)	10,000,000	50,000
Commercial Automobile Liability	1,000,000	1,000
Equipment Breakdown Protection	150,000,000	10,000
Commercial Umbrella Liability Policy		
Occurrence	9,000,000	
Aggregate	9,000,000	
Products/Completed Operations Aggregate	9,000,000	
Casualty Business Crisis Aggregate Limit	250,000	
Retained Limit per occurrence		10,000
Greenwich Insurance Company		
School Board Legal Liability		
Educators Errors and Omissions Liability	1,000,000	10,000
Employment Practices Liability	1,000,000	15,000
Policy Aggregate	1,000,000	
National Union Fire		
Blanket Crime	500,000	
Evanston/Markel		
Environmental Impairment Liability - Public/Education Entity Pollution Liability		
Each occurrence	1,000,000	25,000
Fund Aggregate	10,000,000	
Excess Liability (not shared) Hudson/Allied World/Evanston		
Each occurrence	30,000,000	
Aggregate	30,000,000	
Excess Liability Policy - Fireman's Fund (Shared)		
Excess Liability Each occurrence	25,000,000	
Fund Aggregate	25,000,000	

Source: Lakeland Regional High School District records.

LAKELAND REGIONAL HIGH SCHOOL DISTRICT
INSURANCE SCHEDULE
JUNE 30, 2023
UNAUDITED

	<u>Coverage</u>	<u>Deductible</u>
Student Accident:		
Voluntary Students - maximum benefit Bollinger Insurance Company	\$ 500,000	
All Students & Athletes - Bollinger Insurance Company	5,000,000	\$ 500
Athletic Disability	1,500,000	
Coalition - Cyber Liability		
Each Claim	1,000,000	10,000
Aggregate	1,000,000	
Pooled Insurance Program:		
Workers Compensation	1,000,000	
Excess Workers Compensation - Safety National Statutory Limits		
Employer's Liability	1,000,000	
Selective Ins. Co. BOND: Treasurer	250,000	
Selective Ins. Co. BOND: Board Secretary/Business Administrator	250,000	

Source: Lakeland Regional High School District records.

SINGLE AUDIT SECTION

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

Independent Auditors' Report

The Honorable President and Members
of the Board of Education
Lakeland Regional High School District
County of Passaic, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and the audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey (the "Department"), the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Board of Education of the Lakeland Regional Board of Education, in the County of Passaic (the "District") as of and for the fiscal year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 4, 2023.

Report on Internal Control Over Financial Reporting

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

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

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

The Honorable President and Members
of the Board of Education
Lakeland Regional High School District
Page 2

Report on Compliance and Other Matters

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

Purpose of this Report

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

Mount Arlington, New Jersey
December 4, 2023

Nisivoccia LLP
NISIVOCCIA LLP

John J. Mooney

John J. Mooney
Licensed Public School Accountant #2602
Certified Public Accountant

Report on Compliance For Each Major State Program;
Report on Internal Control Over Compliance Required by NJOMB 15-08

Independent Auditors' Report

The Honorable President and Members
of the Board of Education
Lakeland Regional High School District
County of Passaic, New Jersey

Report on Compliance for Each Major State Program

Opinion on Each Major State Program

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

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

Basis for Opinion on Each Major State Program

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

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

The Honorable President and Members
of the Board of Education
Lakeland Regional High School District
Page 2

Responsibilities of Management for Compliance

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

Auditors' Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control Over Compliance

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

The Honorable President and Members
of the Board of Education
Lakeland Regional High School District
Page 3

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

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

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

Mount Arlington, New Jersey
December 4, 2023

Nisivoccia LLP
NISIVOCCIA LLP

John J. Mooney

John J. Mooney
Licensed Public School Accountant #2602
Certified Public Accountant

LAKELAND REGIONAL HIGH SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Federal Grantor/Pass-Through Grantor/ Program Title/Cluster Title	Assistance Listing Number	Grant or State Project Number	Grant Period		Program or Award Amount	Balance at June 30, 2022		Cash Received	Budgetary Expenditures	Prior Year Encumbrances Canceled	Balance at June 30, 2023		Amounts Provided to Subrecipients
			From	To		Unearned/ Revenue/ (Accounts Receivable)	Due to Grantor				(Accounts Receivable)	Unearned Revenue	
U.S. Department of Agriculture - Pass- through State Department of Agriculture:													
Child Nutrition Cluster:													
School Breakfast Program	10.553	N/A	7/1/22	6/30/23	\$ 732			\$ 666	\$ (732)		\$ (66)		
School Breakfast Program - COVID-19 Seamless Summer Option	10.553	N/A	7/1/21	6/30/22	80,328	\$ (3,626)		3,626	(732)		(66)		
Subtotal School Breakfast Program					31,011	(3,626)		4,292	(3,101)				
Federal Food Distribution Program	10.555	N/A	7/1/22	6/30/23	76,877			31,011	(76,877)		(4,162)		
National School Lunch Program	10.555	N/A	7/1/22	6/30/23				72,715					
National School Lunch Program - COVID-19 Seamless Summer Option	10.555	N/A	7/1/21	6/30/22	596,035	(25,984)		25,984	(76,877)		(4,162)		
Subtotal National School Lunch Program						(25,984)		98,699					
COVID-19 - Supply Chain Assistance	10.555	N/A	7/1/22	6/30/24	56,307			56,307	(21,947)		\$ 34,360		
Award					2,715	(29,610)		190,309	(130,567)		(4,228)	34,360	
Total Child Nutrition Cluster									(259)				
Local Food for Schools (LFS) Cooperative	10.185	N/A	12/1/22	2/29/24									
Total U.S. Department of Agriculture						(29,610)		190,309	(130,826)		(4,487)	34,360	
U.S. Department of Health and Human Services - Passed-through State Department of Human Services:													
General Fund:													
Medicaid Cluster:	93.778	N/A	7/1/22	6/30/23	38,534			38,534	(38,534)				
Medicaid Assistance Program (SEMI)													
Total U.S. Department of Health and Human Services/Medicaid Cluster								38,534	(38,534)				
U.S. Department of Education:													
Passed through State Department of Education:													
Special Education Cluster:													
I.D.E.A. - Part B, Basic Regular	84.027	IDEA-2510-23	7/1/22	9/30/23	230,204			208,697	(230,204)		(21,507)		
Total Special Education Cluster								208,697	(230,204)		(21,507)		
Elementary and Secondary Education Act													
Title I	84.010A	ESEA-2510-23	7/1/22	9/30/23	52,298			8,475	(48,348)		(39,873)		
Title I	84.010A	ESEA-2510-22	7/1/21	9/30/22	74,318	(12,701)		12,701				\$ 2,217	
Title I	84.010A	ESEA-2510-20	7/1/19	9/30/20	84,468	(12,701)	\$ 2,217	21,176	(48,348)		(39,873)		
Title II	84.367A	ESEA-2510-23	7/1/22	9/30/23	20,439			7,224	(9,075)		(1,851)		
Title II	84.367A	ESEA-2510-20	7/1/19	9/30/20	17,948		16		(9,075)		(1,851)		16
Title IV	84.186A	ESEA-2510-22	7/1/21	9/30/22	10,000	125				\$ 1,671			1,796
Title IV	84.186A	ESEA-2510-21	7/1/20	9/30/21	10,754	125	108					108	
							108			1,671		1,904	
Total Elementary and Secondary Education Act						(12,576)	2,341	28,400	(57,423)	1,671	(41,724)		4,137
N/A - Not Available/Applicable.													

LAKELAND REGIONAL HIGH SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Federal Grantor/Pass-Through Grantor/ Program Title/Cluster Title	Assistance Listing Number	Grant or State Project Number	Grant Period		Program or Award Amount	Balance at June 30, 2022			Cash Received	Budgetary Expenditures	Prior Year Encumbrances Canceled	Balance at June 30, 2023		Amounts Provided to Subrecipients
			From	To		Unearned/ Revenue/ (Accounts Receivable)	Due to Grantor	(Accounts Receivable)				Unearned Revenue		
U.S. Department of Education: Passed through State Department of Education: Special Revenue Fund: Education Stabilization Fund: CARES (COVID-19) Cluster: COVID-19 ARP Consolidated:														
	84.425U	S425U210027	3/13/20	9/30/24	\$ 554,346	\$ (9,075)	\$	\$ 51,585	\$ (177,576)			\$ (135,066)		
	84.425U	S425U210027	3/13/20	9/30/24	40,000			21,077	(21,077)					
	84.425U	S425U210027	3/13/20	9/30/24	40,000	(12,466)			(6,963)			(19,429)		
	84.425U	S425U210027	3/13/20	9/30/24	45,000			7,500	(2,812)			\$ 4,688		
COVID-19 CRRSA:														
ESSER II	84.425D	S425D210027	3/13/20	9/30/23	246,657	(14,956)		18,785	(613)	\$ 1,049		4,265		
Learning Acceleration	84.425D	S425D210027	3/13/20	9/30/23	25,000	(15,974)		17,306				1,332		
Mental Health	84.425D	S425D210027	3/13/20	9/30/23	45,000	1,532		3,157	(4,689)					
Total Education Stabilization Fund						(50,939)		119,410	(213,730)	1,049	(154,495)	10,285		
Total U.S. Department of Education						(63,515)	\$ 2,341	356,507	(501,357)	2,720	(217,726)	10,285	\$ 4,137	
Total Special Revenue Fund						(63,515)	2,341	356,507	(501,357)	2,720	(217,726)	10,285	4,137	
TOTAL FEDERAL AWARDS						\$ (93,125)	\$ 2,341	\$ 585,350	\$ (670,717)	\$ 2,720	\$ (222,213)	\$ 44,645	\$ 4,137	\$ -0-

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

LAKELAND REGIONAL HIGH SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF STATE AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

State Grantor/Program Title	Grant or State Project Number	Grant Period		Program or Award Amount	Balance at June 30, 2022		MEMO			
		From	To		Budgetary Unearned/ Revenue/ (Accounts Receivable)	Cash Received	Budgetary Expenditures	June 30, 2023		
								GAAP (Accounts Receivable)	Budgetary Receivable	Cumulative Total Expenditures
State Department of Education:										
General Fund:										
Equalization Aid	23-495-034-5120-078	7/1/22	6/30/23	\$ 1,579,402	\$ 1,425,613	\$ (1,579,402)	\$ (153,789)	\$ 1,579,402		
Equalization Aid	22-495-034-5120-078	7/1/21	6/30/22	2,319,949	\$ (226,003)	226,003				2,319,949
Special Education Categorical Aid	23-495-034-5120-089	7/1/22	6/30/23	687,768		620,799	(687,768)		(66,969)	687,768
Special Education Categorical Aid	22-495-034-5120-089	7/1/21	6/30/22	687,768	(67,000)	67,000				687,768
Security Aid	23-495-034-5120-084	7/1/22	6/30/23	19,744		17,821	(19,744)		(1,923)	19,744
Security Aid	22-495-034-5120-084	7/1/21	6/30/22	19,744	(1,923)	1,923				19,744
Transportation Aid	23-495-034-5120-014	7/1/22	6/30/23	106,500		96,130	(106,500)		(10,370)	106,500
Transportation Aid	22-495-034-5120-014	7/1/21	6/30/22	106,500	(10,375)	10,375				106,500
Supplemental Stabilization Aid	23-495-034-5120-128	7/1/22	6/30/23	427,002		427,002	(427,002)			427,002
Extraordinary Special Education Aid	23-495-034-5120-044	7/1/22	6/30/23	792,055		(792,055)	\$ (792,055)		(792,055)	792,055
Extraordinary Special Education Aid	22-495-034-5120-044	7/1/21	6/30/22	905,994	(905,994)	905,994				905,994
Nonpublic School Transportation Costs	23-495-034-5120-014	7/1/22	6/30/23	38,902			(38,902)		(38,902)	38,902
Nonpublic School Transportation Costs	22-495-034-5120-014	7/1/21	6/30/22	21,120	(21,120)	21,120				21,120
Reimbursed TPAF Social Security Contributions	23-495-034-5094-003	7/1/22	6/30/23	722,225		633,380	(722,225)		(88,845)	722,225
Reimbursed TPAF Social Security Contributions	22-495-034-5094-003	7/1/21	6/30/22	707,136	(34,725)	34,725				707,136
On-Behalf TPAF Post Retirement Contributions	23-495-034-5094-001	7/1/22	6/30/23	914,455		914,455	(914,455)			914,455
On-Behalf TPAF Pension Contributions	23-495-034-5094-002	7/1/22	6/30/23	3,433,381		3,433,381	(3,433,381)			3,433,381
On-Behalf TPAF Non-Contributory Insurance	23-495-034-5094-004	7/1/22	6/30/23	47,634		47,634	(47,634)			47,634
On-Behalf TPAF Long-Term Disability Insurance	23-495-034-5094-004	7/1/22	6/30/23	908		908	(908)			908
Total General Fund State Aid					(1,267,140)	8,884,263	(8,769,976)	(919,802)	(1,152,853)	13,538,187
State Department of Education:										
Enterprise Fund:										
State School Breakfast Program	23-100-010-3350-021	7/1/22	6/30/23	41		38	(41)	(3)	(3)	41
State School Lunch Program	23-100-010-3350-023	7/1/22	6/30/23	4,186		3,961	(4,186)	(225)	(225)	4,186
State School Lunch Program:										
COVID-19 Seamless Summer Option	22-100-010-3350-023	7/1/21	6/30/22	14,082	(598)	598				14,082
Total Enterprise Fund					(598)	4,597	(4,227)	(228)	(228)	18,309

LAKELAND REGIONAL HIGH SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF STATE AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

State Grantor/Program Title	Grant or State Project Number	Grant Period		Program or Award Amount	Balance at June 30, 2022		Balance at June 30, 2023		MEMO	
		From	To		Budgetary Unearned Revenue/ (Accounts Receivable)	Cash Received	Budgetary Expenditures	GAAP (Accounts Receivable)	Budgetary Receivable	Cumulative Total Expenditures
New Jersey Schools Development Educational Facilities Construction & Authority:										
Special Revenue Fund:										
Schools Development Authority - Emergent and Capital Maintenance Needs Grant	N/A	7/1/21	6/30/23	\$ 25,116		\$ 25,116	\$ (25,116)			\$ 25,116
		7/1/22	6/30/23	26,206		26,206	(26,206)			26,206
Total Special Revenue Fund						51,322	(51,322)			51,322
Total State Awards Subject to Single Audit Determination					\$ (1,267,738)	\$ 8,940,182	\$ (8,825,525)	\$ (920,030)	\$ (1,153,081)	\$ 13,607,818
Less: State Awards Not Subject to Single Audit Major Program Determination										
On-Behalf TPAF Pension System Contributions:										
On-Behalf TPAF Post Retirement Contributions	23-495-034-5094-001	7/1/22	6/30/23	(914,455)			914,455			
On-Behalf TPAF Pension Contributions	23-495-034-5094-002	7/1/22	6/30/23	(3,433,381)			3,433,381			
On-Behalf TPAF Non-Contributory Insurance	23-495-034-5094-004	7/1/22	6/30/23	(47,634)			47,634			
On-Behalf TPAF Long-Term Disability Insurance	23-495-034-5094-004	7/1/22	6/30/23	(908)			908			
Subtotal - On-Behalf TPAF Pension System Contributions							4,396,378			
Total State Awards Subject to Single Audit Major Program Determination							\$ (4,429,147)			

N/A - Not Available/Applicable.

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

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

NOTE 1. BASIS OF PRESENTATION

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

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the accompanying schedules of expenditures of federal and state awards are reported on the budgetary basis of accounting with the exception of programs recorded in the Food Service Fund, which are presented using the accrual basis of accounting. These bases of accounting are described in Note 1 to the Board's basic financial statements. Therefore, some amounts presented in these schedules may differ from amounts presented in, or used in the preparation of, the basic financial statements. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through identifying numbers are presented where available.

NOTE 3. INDIRECT COST RATE

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

NOTE 4. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

The basic financial statements present the general fund, special revenue fund and capital projects 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 fiscal year or when expenditures have been made.

The general fund is presented in the accompanying schedules on the modified accrual basis with the exception of the revenue recognition of the June state aid payments in the current budget year, which is mandated pursuant to P.L. 2003, C.97. For GAAP purposes, these payments are not recognized until the subsequent budget year due to the state deferral and recording of the June state aid payments in the subsequent fiscal year. The special revenue fund is presented in the accompanying schedules on the grant accounting budgetary basis which recognizes encumbrances as expenditures and also recognizes the related revenue, whereas the GAAP basis does not. Grant revenue in the capital projects fund is recognized on the budgetary basis in the fiscal year of award but is not recognized on the GAAP basis until expended and submitted for reimbursement.

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$72,250 for the general fund, \$15,150 for federal grants in the special revenue fund. See Note 1D for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. The District's Food Service

LAKELAND REGIONAL HIGH SCHOOL DISTRICT
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

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

Management Company was granted forgiveness on their Paycheck Protection Program (PPP). Schools that participated in the USDA's National School Lunch Program (NSLP) received a credit for Labor Cost for the period of May 16, 2020 through October 30, 2020. Based on USDA guidance, the PPP forgiven funds were credited to NSLP participants and is included as a Federal Award in the District's Food Service Fund. Revenue from federal and state awards is reported in the Board's Basic financial statements on a GAAP basis as presented below:

Awards and financial assistance revenue are reported on the Board's financial statements on the GAAP basis as presented below:

	<u>Federal Sources</u>	<u>State Sources</u>	<u>Total</u>
General Fund	\$ 38,534	\$ 8,842,226	\$ 8,880,760
Special Revenue Fund	516,507	51,322	567,829
Proprietary Fund	<u>145,734</u>	<u>4,227</u>	<u>149,961</u>
Total Financial Assistance	<u>\$ 700,775</u>	<u>\$ 8,897,775</u>	<u>\$ 9,598,550</u>

NOTE 5. RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

NOTE 6. OTHER

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

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

Summary of Auditors' Results:

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

	<u>Assistance Listing/ State Grant Numbers</u>	<u>Grant Period</u>	<u>Award Amount</u>	<u>Budgetary Expenditures</u>
<u>State Program:</u>				
State Aid Public				
Equalization Aid	23-495-034-5120-078	7/1/22-6/30/23	\$1,579,402	\$ 1,579,402
Special Education				
Categorical Aid	23-495-034-5120-089	7/1/22-6/30/23	687,768	687,768
Security Aid	23-495-034-5120-084	7/1/22-6/30/23	19,744	19,744
Supplemental Stabilization				
Aid	23-495-034-5120-128	7/1/22-6/30/23	427,002	427,002
Extraordinary Special				
Education Aid	23-495-034-5120-044	7/1/22-6/30/23	792,055	792,055

- The threshold used for distinguishing between Type A and Type B state programs was \$750,000.
- The single audit threshold identified in the Uniform Guidance and New Jersey's OMB Circular 15-08 was \$750,000.
- The District was determined not to be a "low-risk" auditee for state programs.

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

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

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

Findings and Questioned Costs for Federal Awards:

- Not applicable as Federal expenditures were below the single audit threshold.

Findings and Questioned Costs for State Awards:

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

LAKELAND REGIONAL HIGH SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Status of Prior Year Findings:

The District had no prior year audit findings.