

**LENAPE VALLEY REGIONAL
HIGH SCHOOL DISTRICT**

**Lenape Valley Regional High School District
Stanhope, New Jersey**

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

**Annual Comprehensive
Financial Report**

of the

**Lenape Valley Regional
High School District**

Stanhope, New Jersey

For the Fiscal Year Ended June 30, 2023

Prepared by

**Lenape Valley Regional High School
Board of Education**

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
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INTRODUCTORY SECTION
(UNAUDITED)

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
BOARD OF EDUCATION
28 SPARTA ROAD, P. O. BOX 578
STANHOPE, NJ 07874

Richard D. Kuncken, President
Kim Dachisen, Vice President

Danielle Tarvin
School Business Administrator/Board Secretary
Telephone (973) 347-7600
Fax (973) 347-2536

October 6, 2023

The Honorable President and Members
of the Board of Education
Lenape Valley Regional High School District
Sussex County, New Jersey

Dear Honorable President and Board Members:

The Annual Comprehensive Financial Report of the Lenape Valley 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 Annual Comprehensive Financial Report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter, the District's organizational chart and a list of principal officials. The financial section includes The Independent Auditors' Report, the management's discussion and analysis, the basic financial statements and notes providing an overview of the District's financial position and operating results, and supplementary schedules providing detailed budgetary information. The statistical section includes selected 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 the 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 and 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Information related to this single audit, including the auditors' 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 Lenape Valley Regional High School District is an independent reporting entity within the criteria adopted by the Governmental Accounting Standards Board (GASB) Codification Section 2100. All funds of the District are included in this report. The Lenape Valley Regional High School District and its school constitutes the District's reporting entity.

The District provides a full range of educational services appropriate to grade levels 9 through 12. These include regular, vocational and special education for handicapped students. The District completed the 2022-2023 fiscal year with an enrollment of 676 students, which is an increase of 27 students from the previous year's enrollment.

2. ECONOMIC CONDITION AND OUTLOOK: Lenape Valley is a regional school district serving approximately 649 students from three sending districts. Students come from Byram Township and Stanhope Borough in Sussex County, New Jersey, and the Borough of Netcong in Morris County, New Jersey. The regional high school is situated on a 57.30-acre tract of land located in the northeastern part of Stanhope Borough at 28 Sparta Road. Byram Township (the "Township") is situated in the southwesterly section of Sussex County. The Township is bordered on the north by Sparta Township, on the northwest by Green and Andover Townships, on the east and southeast by Hopatcong Borough, on the south by Stanhope Borough, on the southwest by Mt. Olive Township in Morris County and on the west by Allamuchy Township in Warren County. Route 206, which serves as an access corridor linking Interstate Route 80 with other larger towns in Sussex County.

The Borough of Stanhope is situated in the southernmost part of Sussex County. It is bordered on the north and northwest by Byram Township, on the northeast by Hopatcong Borough, on the southeast by Roxbury Township, on the south by Netcong and on the southwest by Mount Olive Township. Interstate Route 80, U.S. Route 206 and Sussex County Route 183 provide direct access into the Borough.

The Borough of Netcong is located along the western boundary of Morris County approximately in the middle of the county in the north-south direction. Netcong is bounded on the north by the Borough of Stanhope in Sussex County, on the west by the Township of Mt. Olive, and on the south and east by the Township of Roxbury. Netcong Borough is traversed by three major highways, namely Routes 206, 46 and 80.

The future outlook for the Lenape Valley Regional High School District is for a slow growth in industrial and commercial rates and a slow growth for housing. A steady enrollment is projected over the next 2-3 years.

3. MAJOR INITIATIVES: During the 2023-2024 school year, the biggest initiative was the construction of a state-of-the-art athletic trainer's room. Equipped with industry-grade equipment, the physical components complement all athletic and co-curricular programs. A second initiative was the upgrade of our existing telephone system by migrating voice and collaboration service from the existing Cisco Unified Communications Manager and Cisco Unity Connection to Cisco Webex. A third initiative is to replace six roof top exhaust fans to improve air quality throughout the building. A fourth initiative is to provide unique opportunities for our students that we would not otherwise be able to provide through the traditional classes. We opened up Penn Foster, an online, self-paced academy, that gave students the opportunity to pursue certificates in all sorts of job- ready areas.
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 awards 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 the Board of Education. Annual appropriated budgets are adopted for the general fund and the special revenue fund. Project-length budgets are approved for the capital improvements accounted for in the capital projects fund. The final budget amount as amended for the fiscal year is reflected in the financial section. An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either cancelled or are included as reappropriations of fund balance in the subsequent year. Those amounts to be reappropriated are reported as restrictions, commitments and/or assignments 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 Governmental Accounting Standards Board (GASB). The accounting system of the District is organized on the basis of funds. These funds are explained in "Notes to the Basic Financial Statements", Note 1.
7. CASH MANAGEMENT: The investment policy of the District is guided in large part by state statute as detailed in "Notes to the Basic Financial Statements", Note 3. The District has adopted a cash management plan which requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey. The law requires governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act.
8. RISK MANAGEMENT: The Board carries various forms of insurance, including but not limited to general liability, excess liability, automobile liability and comprehensive/collision, hazard and theft insurance on property, contents, and fidelity bonds. The Board oversees Risk Management for the District. A schedule of insurance coverage is found on Exhibit J-20.
9. OTHER INFORMATION: **Independent Audit** - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Nisivoccia LLP, CPAs, was selected by the Board. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and New Jersey's OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. The auditors' report on the basic financial statements and specific required supplementary information is included in the financial section of this report. The auditors' reports related specifically to the single audit are included in the single audit section of this report.

The Honorable President and Members
of the Board of Education
Lenape Valley Regional High School District
Page 4
October 6, 2023

10. ACKNOWLEDGEMENTS: We would like to express our appreciation to the members of the Lenape Valley 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.

Respectfully submitted,



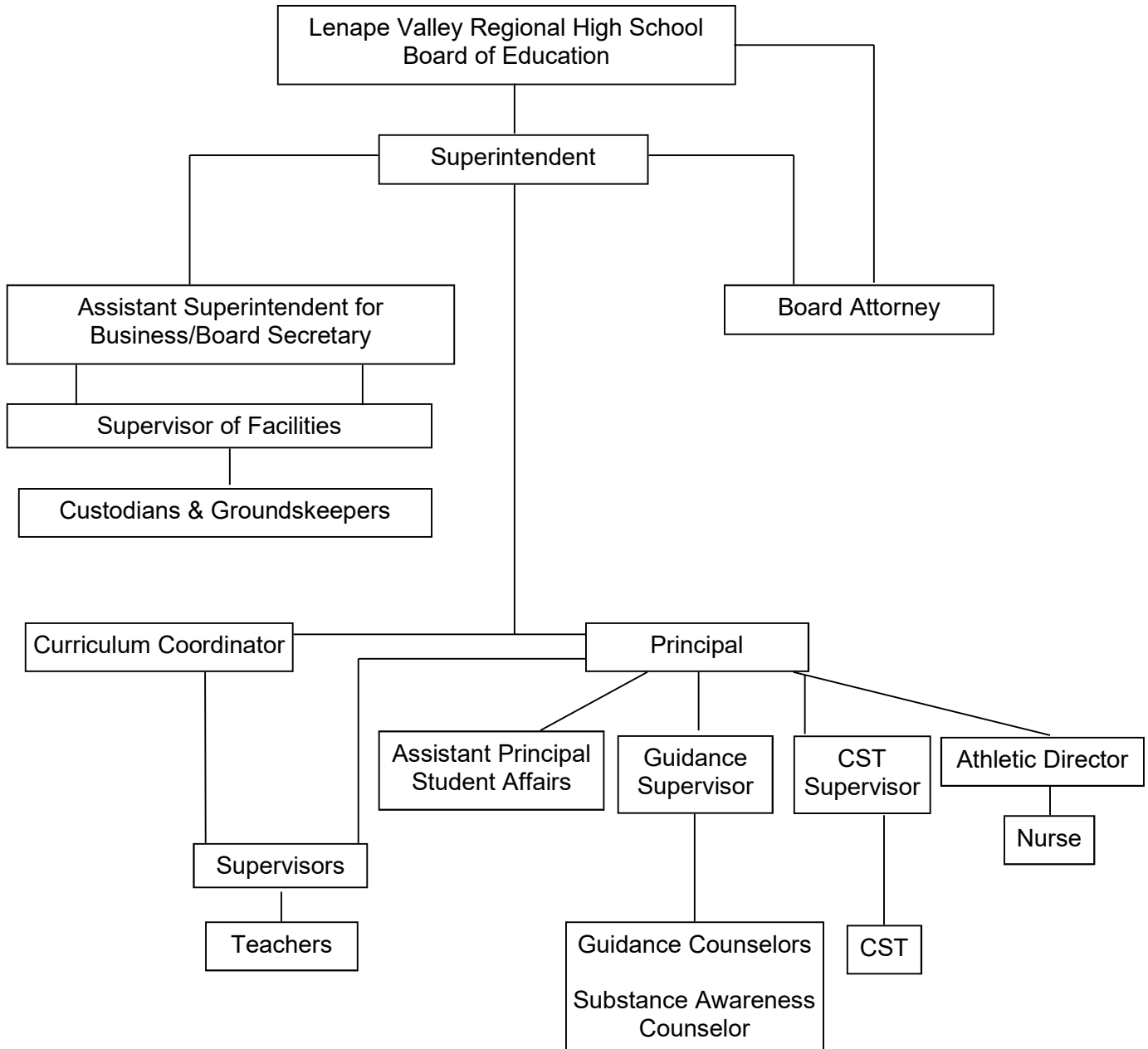
Michael A. Rossi, Jr.
Superintendent



Danielle Tarvin
School Business Administrator

LENAPE VALLEY REGIONAL BOARD OF EDUCATION

ORGANIZATIONAL CHART



LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
Roster of Officials
Year Ended June 30, 2023

<u>Regional High School District Board Members</u>	<u>Term Expires</u>
Richard Kuncken, President Byram Township	2025
Kim Dachisen, Vice President Byram Township	2024
Michael Bohr Netcong Borough	2024
Katy Cherry Byram Township	2023
MaryLu Costanzo Netcong Borough	2024
Shelley Credidio Byram Township	2023
Sherry Fehir Stanhope Borough	2024
Kimberly Marcisak Byram Township	2024
Peter Vergano Stanhope Borough	2025

Other Officials

Title

Michael A. Rossi, Jr.	Superintendent
Gregory Brennan	Interim School Business Administrator/Board Secretary (To 6/15/23)
Danielle Tarvin	School Business Administrator/Board Secretary (From 6/15/23)
Kerry Ann Keane	Treasurer of School Monies

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
Consultants and Advisors
Year Ended June 30, 2023

Audit Firm

Nisivoccia LLP
200 Valley Road, Suite 300
Mount Arlington, New Jersey 07856

Attorney

John Comegno, Esq.
Comegno Law Group, PC
521 Pleasant Valley Ave
Moorestown, NJ 08057

Official Depository

Lakeland Bank
80 US Highway 206
Stanhope, New Jersey 07874

FINANCIAL SECTION

Independent Auditors' Report

The Honorable President and Members
of the Board of Education
Lenape Valley Regional High School District
County of Sussex, 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 Lenape Valley Regional High School District (the "District"), in the County of Sussex, as of and for the fiscal year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

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

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

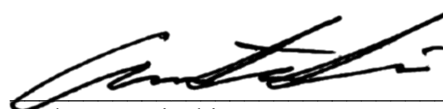
In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. 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 October 6, 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.

October 6, 2023
Mount Arlington, New Jersey

NISIVOCIA LLP



Andrew Kucinski
Licensed Public School Accountant #2684
Certified Public Accountant

REQUIRED SUPPLEMENTARY INFORMATION
MANAGEMENT'S DISCUSSION AND ANALYSIS

**LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
MANAGEMENT DISCUSSION AND ANALYSIS
FOR FISCAL YEAR ENDED JUNE 30, 2023**

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

Overview of the Financial Statements

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

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

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

**Figure A-1
Organization of Lenape Valley Regional High School District's Financial Report**

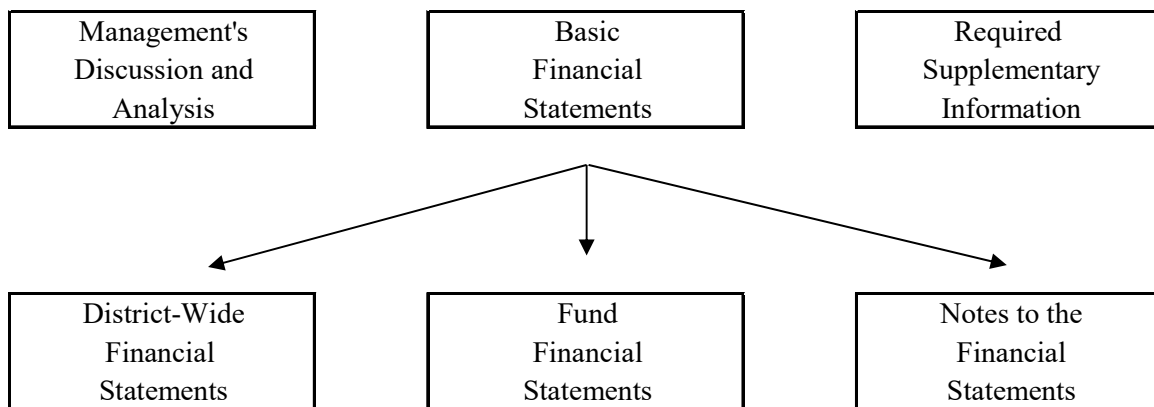


Figure A-2 summarizes the major features of the District’s financial statements, including the portion of the District’s activities they cover and the types of information they contain. The remainder of this overview section of management’s discussion and analysis highlights that structure and contents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

**LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
MANAGEMENT DISCUSSION AND ANALYSIS
FOR FISCAL YEAR ENDED JUNE 30, 2023**

Figure A-2

Major Features of the District-Wide and Fund Financial Statements

		Fund Financial Statements	
	District-Wide Statements	Governmental Funds	Proprietary Funds
Scope	Entire District	The activities of the District that are not proprietary, such as special education and building maintenance	Activities the District operates similar to private businesses: food services
Required Financial Statements	<ul style="list-style-type: none"> • 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 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 year, regardless of when cash is received or paid	Revenue for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due and payable	All revenue and expenses during the year, regardless of when cash is received or paid

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT MANAGEMENT DISCUSSION AND ANALYSIS FOR FISCAL YEAR ENDED JUNE 30, 2023

District-Wide Statements

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

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

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

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

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

Fund Financial Statements

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

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

The District has two kinds of funds:

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

**LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
MANAGEMENT DISCUSSION AND ANALYSIS
FOR FISCAL YEAR ENDED JUNE 30, 2023**

Notes to the Basic Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the District-wide and fund financial statements. The notes to the basic financial statements can be found immediately following the fund financial statements.

Financial Analysis of the District as a Whole

Net Position. The Statement of Net Position provides the perspective of the School District as a whole. Net position may serve over time as a useful indicator of a school's financial position.

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

	Governmental Activities		Business-Type Activities		Total School District		Percent Change
	(Restated)				(Restated)		
	2023	2022	2023	2022	2023	2022	
Current and							
Other Assets	\$ 2,793,464	\$ 3,931,020	\$ 143,479	\$ 93,166	\$ 2,936,943	\$ 4,024,186	
Capital Assets, Net	9,147,361	8,899,250	22,751	10,543	9,170,112	8,909,793	
Total Assets	11,940,825	12,830,270	166,230	103,709	12,107,055	12,933,979	-6.39%
Deferred Outflows of Resources	420,506	400,177			420,506	400,177	5.08%
Other Liabilities	666,397	982,985	12,085	3,861	678,482	986,846	
Long-Term Liabilities	2,922,862	2,582,135			2,922,862	2,582,135	
Total Liabilities	3,589,259	3,565,120	12,085	3,861	3,601,344	3,568,981	0.91%
Deferred Inflows of Resources	473,451	1,299,460			473,451	1,299,460	-63.57%
Net Position:							
Net Investment in							
Capital Assets	8,957,933	8,618,300	22,751	10,543	8,980,684	8,628,843	
Restricted	1,583,332	2,378,629			1,583,332	2,378,629	
Unrestricted/(Deficit)	(2,242,644)	(2,631,062)	131,394	89,305	(2,111,250)	(2,541,757)	
Total Net Position	\$ 8,298,621	\$ 8,365,867	\$ 154,145	\$ 99,848	\$ 8,452,766	\$ 8,465,715	-0.15%

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

**LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
MANAGEMENT DISCUSSION AND ANALYSIS
FOR FISCAL YEAR ENDED JUNE 30, 2023**

Financial Analysis of the District as a Whole

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

Figure A-4

Changes in Net Position from Operating Results

	Governmental Activities		Business-Type Activities		Total School District		Percent Change
	2023	2022	2023	2022	2023	2022	
Revenue:							
Program Revenue:							
Charges for Services	\$ 294,264	\$ 275,834	\$ 241,971	\$ 83,670	\$ 536,235	\$ 359,504	
Operating Grants & Contributions	3,297,618	4,505,258	108,243	282,331	3,405,861	4,787,589	
General Revenue:							
Property Taxes	11,397,220	11,238,630			11,397,220	11,238,630	
Unrestricted Federal & State Aid	4,185,675	4,318,014			4,185,675	4,318,014	
Other	94,984	49,416	147	60	95,131	49,476	
Total Revenue	<u>19,269,761</u>	<u>20,387,152</u>	<u>350,361</u>	<u>366,061</u>	<u>19,620,122</u>	<u>20,753,213</u>	-5.46%
Expenses:							
Instruction	10,328,083	10,174,215			10,328,083	10,174,215	
Pupil & Instruction Services	3,852,410	4,135,935			3,852,410	4,135,935	
Administration and Business	1,705,729	1,630,258			1,705,729	1,630,258	
Maintenance & Operations	1,872,415	1,739,712			1,872,415	1,739,712	
Transportation	1,180,001	1,113,966			1,180,001	1,113,966	
Other	398,369	44,427	296,065	288,080	694,434	332,507	
Total Expenses	<u>19,337,007</u>	<u>18,838,513</u>	<u>296,065</u>	<u>288,080</u>	<u>19,633,072</u>	<u>19,126,593</u>	2.65%
Transfer		(12,350)		12,350			
Change in Net Position	<u>\$ (67,246)</u>	<u>\$ 1,536,289</u>	<u>\$ 54,296</u>	<u>\$ 90,331</u>	<u>\$ (12,950)</u>	<u>\$ 1,626,620</u>	-100.80%

**LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
MANAGEMENT DISCUSSION AND ANALYSIS
FOR FISCAL YEAR ENDED JUNE 30, 2023**

Governmental Activities

The governmental financial position of the District decreased by (0.80%). Maintaining existing programs with expected increased regular pupil enrollment and the provision of a multitude of special programs and services for disabled pupils place great demands on the District’s resources. During the past several 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 provide for increased tuition costs for private schools for students with disabilities and increased insurance costs. As a result, the three municipalities in the regional district were subject to a tax increase in 2023.

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

- Participation in an insurance pool has resulted in lower costs in property, casualty, liability and workers compensation insurance.
- Shared service agreements with the Stanhope and Netcong school districts for shared positions has reduced the cost of part time positions significantly.
- A number of disabled pupils continue to be educated in programs within the District rather than being sent to private schools where the District would have to pay tuition as well as increased transportation costs.
- Participation in joint purchasing agreements for vehicle fuel with Byram Township has reduced this cost significantly.
- Participation in joint transportation agreements continues to lower the cost of special education transportation and private school transportation.

Due to the constraints placed upon the District by legislation, it is crucial that the District examine its expenses carefully. Increasing parental and student demands for new activities and programs must be evaluated thoroughly.

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

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

	<u>Total Cost of Services</u>		<u>Net Cost of Services</u>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Instruction	\$ 10,328,083	\$ 10,174,215	\$ 7,290,274	\$ 6,421,660
Pupil & Instruction Services	3,852,410	4,135,935	3,558,146	3,647,348
Administration and Business	1,705,729	1,630,258	1,631,057	1,372,505
Maintenance & Operations	1,872,415	1,739,712	1,872,415	1,659,227
Transportation	1,180,001	1,113,966	994,864	912,254
Other	398,369	44,427	398,369	44,427
Total	<u>\$ 19,337,007</u>	<u>\$ 18,838,513</u>	<u>\$ 15,745,125</u>	<u>\$ 14,057,421</u>

**LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
MANAGEMENT DISCUSSION AND ANALYSIS
FOR FISCAL YEAR ENDED JUNE 30, 2023**

Business-Type Activities

Net position from the District’s business-type activities increased \$54,296 mainly as a result of the unanticipated Supply Chain Assistance grant revenue. (Refer to Figure A-4).

Financial Analysis of the District’s Funds

The District’s financial position remains positive despite changes in the student population and difficult economic times. Expenditures during the recent year increased slightly.

Difficult economic times have had a direct impact upon the District’s revenue sources. The District has had a multi-year practice of utilizing funds from the unassigned fund balance to reduce the tax levy. Ratables in the three municipalities of the Regional District show little growth; thus generating concern for the local tax levy in the future.

All of these factors are likely to continue for the next several years. To continue to maintain a stable financial position, the District must continue to practice sound fiscal management. Due to sizeable balances in the past year’s budget expenditures, the District has been able to allocate fund balance to mitigate the local tax levy increase.

General Fund Budgetary Highlights

Over the course of the year, the District revised its annual operating budget several times. These budget amendments consisted of changes made within budgetary line items for changes in school-based needs for programs, supplies and equipment.

Capital Asset and Long-Term Liabilities

Figure A-6

Capital Assets (Net of Depreciation)

	Governmental Activities		Business-Type Activities		Total School District		Percent Change
	2023	2022	2023	2022	2023	2022	
Land	\$ 98,915	\$ 98,915			\$ 98,915	\$ 98,915	
Construction in Progress		288,023				288,023	
Site Improvements	1,006,578	710,939			1,006,578	710,939	
Buildings & Bldg. Imps.	6,192,423	6,252,936			6,192,423	6,252,936	
Machinery, Furniture and Equipment	1,849,445	1,548,437	\$ 22,751	\$ 10,543	1,872,196	1,558,980	
Total	\$ 9,147,361	\$ 8,899,250	\$ 22,751	\$ 10,543	\$ 9,170,112	\$ 8,909,793	2.92%

**LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
MANAGEMENT DISCUSSION AND ANALYSIS
FOR FISCAL YEAR ENDED JUNE 30, 2023**

Long-Term Liabilities

(More detailed information about the District’s long-term liabilities is presented in Note 7 to the financial statements.)

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

	Total School District		Percent Change 2022/23
	2023	2022	
Compensated Absences Payable	\$ 429,580	\$ 470,703	
Net Pension Liability	2,303,854	1,830,482	
Financed Purchases Payable	189,428	280,950	
Total	<u>\$ 2,922,862</u>	<u>\$ 2,582,135</u>	13.20%

Factors Bearing on the District’s Future

At the time these financial statements were prepared and audited, the District was aware of an existing circumstance that could significantly affect its financial health in the future:

- Future State Aid may be reduced due to the State’s new criteria utilized in calculating allocations of State Aid and the possible elimination of the school choice program.

Contacting the District’s Financial Management

This financial report is designed to provide the District’s citizens, taxpayers, and creditors with a general overview of the District’s finances and to demonstrate the District’s accountability for the money it receives. If you have questions about this report or need additional financial information, contact Danielle Tarvin, School Business Administrator, Lenape Valley Regional High School District, P.O. Box 578, Stanhope, New Jersey 07874.

BASIC FINANCIAL STATEMENTS

DISTRICT-WIDE FINANCIAL STATEMENTS

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

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and Cash Equivalents	\$ 651,742	\$ 86,112	\$ 737,854
Receivable from State Government	319,723	131	319,854
Receivable from Federal Government	287,026	1,964	288,990
Inventories		6,913	6,913
Restricted Cash and Cash Equivalents	1,583,332		1,583,332
Internal Balances	(48,359)	48,359	
Capital Assets:			
Site (Land)	98,915		98,915
Depreciable Site Improvements, Building and Building Improvements, Furniture, Machinery and Equipment	9,048,446	22,751	9,071,197
Total Assets	11,940,825	166,230	12,107,055
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Outflows Related to Pensions	420,506		420,506
Total Deferred Outflows of Resources	420,506		420,506
LIABILITIES			
Current Liabilities:			
Payable to Federal Government	9,508		9,508
Accounts Payable	630,791	8,611	639,402
Unearned Revenue	26,098	3,474	29,572
Noncurrent Liabilities:			
Due Within One Year	77,061		77,061
Due Beyond One Year	2,845,801		2,845,801
Total Liabilities	3,589,259	12,085	3,601,344
DEFERRED INFLOWS OF RESOURCES			
Deferred Inflows Related to Pensions	473,451		473,451
Total Deferred Inflows of Resources	473,451		473,451
NET POSITION			
Net Investment in Capital Assets	8,957,933	22,751	8,980,684
Restricted for:			
Capital Projects	1,302,046		1,302,046
Unemployment Compensation	68,426		68,426
Student Activities	197,130		197,130
Scholarships	15,730		15,730
Unrestricted/(Deficit)	(2,242,644)	131,394	(2,111,250)
Total Net Position	\$ 8,298,621	\$ 154,145	\$ 8,452,766

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

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Functions/Programs	Program Revenue			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	Total
Governmental Activities:							
Instruction:							
Regular	\$ 7,680,724		\$ 1,686,660		\$ (5,994,064)		\$ (5,994,064)
Special Education	1,718,800		1,327,162		(391,638)		(391,638)
Other Instruction	37,794				(37,794)		(37,794)
School Sponsored Instruction	890,765		23,987		(866,778)		(866,778)
Support Services:							
Tuition	699,043				(699,043)		(699,043)
Student & Instruction Related Services	3,153,367	\$ 294,264			(2,859,103)		(2,859,103)
General Administration Services	432,641				(432,641)		(432,641)
School Administration Services	599,008		74,672		(524,336)		(524,336)
Central Services	474,922				(474,922)		(474,922)
Administration Information Technology	199,158				(199,158)		(199,158)
Plant Operations and Maintenance	1,872,415				(1,872,415)		(1,872,415)
Pupil Transportation	1,180,001		185,137		(994,864)		(994,864)
Capital Outlay	398,369				(398,369)		(398,369)
Total Governmental Activities	19,337,007	294,264	3,297,618	\$ -0-	(15,745,125)	\$ -0-	(15,745,125)

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Functions/Programs	Program Revenue			Net (Expense) Revenue and Changes in Net Position		
	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business- Type Activities	Total
Business-Type Activities: Food Service	\$ 296,065	\$ 241,971	\$ 108,243	\$ 54,149	\$ 54,149	\$ 54,149
Total Primary Government	\$ 19,633,072	\$ 536,235	\$ 3,405,861	\$ (15,745,125)	\$ 54,149	\$ (15,690,976)
General Revenues: Taxes: Property Taxes, Levied for General Purposes, Net Federal and State Aid not Restricted Miscellaneous Income				11,397,220 4,185,675 94,984	147	11,397,220 4,185,675 95,131
Total General Revenue				15,677,879	147	15,678,026
Change in Net Position				(67,246)	54,296	(12,950)
Net Position - Beginning (Restated)				8,365,867	99,849	8,465,716
Net Position - Ending				\$ 8,298,621	\$ 154,145	\$ 8,452,766

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

FUND FINANCIAL STATEMENTS

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

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Total Governmental Funds</u>
ASSETS:			
Cash and Cash Equivalents	\$ 651,742		\$ 651,742
Interfunds Receivable	239,681		239,681
Receivable from State Government	319,723		319,723
Receivable from Federal Government		\$ 287,026	287,026
Restricted Cash and Cash Equivalents	<u>1,370,472</u>	<u>212,860</u>	<u>1,583,332</u>
Total Assets	<u>\$ 2,581,618</u>	<u>\$ 499,886</u>	<u>\$ 3,081,504</u>
FUND BALANCES:			
Liabilities:			
Accounts Payable	\$ 417,998	\$ 11,739	\$ 429,737
Intergovernmental Payable - Federal		9,508	9,508
Interfunds Payable	48,359	239,681	288,040
Unearned Revenue		<u>26,098</u>	<u>26,098</u>
Total Liabilities	<u>466,357</u>	<u>287,026</u>	<u>753,383</u>
Fund Balances:			
Restricted:			
Capital Reserve Account	1,302,046		1,302,046
Unemployment Compensation	68,426		68,426
Student Activities		197,130	197,130
Scholarships		15,730	15,730
Assigned:			
Encumbrances	6,293		6,293
Designated for Subsequent Year's Expenditures	583,467		583,467
Unassigned	<u>155,029</u>		<u>155,029</u>
Total Fund Balances	<u>2,115,261</u>	<u>212,860</u>	<u>2,328,121</u>
Total Liabilities and Fund Balances	<u>\$ 2,581,618</u>	<u>\$ 499,886</u>	

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

Capital assets used in Governmental Activities are not financial resources and therefore are not reported in the Funds.	9,147,361
The Net Pension Liability for PERS is not due and payable in the current period and is not reported in the Governmental Funds.	(2,303,854)
Certain amounts related to the Net Pension Liability are deferred and amortized in the Statement of Activities and are not reported in the Governmental Funds:	
Deferred Outflows - Pensions	219,452
Deferred Inflows - Pensions	(473,451)
Long-term liabilities, are not due and payable in the current period and therefore are not reported as liabilities in the Funds.	<u>(619,008)</u>
Net Position of Governmental Activities	<u>\$ 8,298,621</u>

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

LENAPE VALLEY 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	Total Governmental Funds
REVENUE:			
Local Sources:			
Local Tax Levy	\$ 11,397,220		\$ 11,397,220
Rents and Royalties	11,333		11,333
Sale of Capital Assets	30,000		30,000
Interest Earned on Capital Reserve Funds	523		523
Restricted Miscellaneous		\$ 299,264	299,264
Unrestricted Miscellaneous	53,128		53,128
Total - Local Sources	11,492,204	299,264	11,791,468
State Sources	8,396,176	25,621	8,421,797
Federal Sources	566,394	566,394	566,394
Total Revenue	19,888,380	891,279	20,779,659
EXPENDITURES:			
Current:			
Regular Instruction	4,696,549	188,132	4,884,681
Special Education Instruction	882,859	274,472	1,157,331
Other Instruction	37,794		37,794
School Sponsored Instruction	832,725		832,725
Support Services and Undistributed Costs:			
Tuition	699,043		699,043
Student & Instruction Related Services	2,216,735	297,227	2,513,962
General Administration Services	381,628		381,628
School Administration Services	387,201		387,201
Central Services	371,722		371,722

LENAPE VALLEY 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	Total Governmental Funds
EXPENDITURES (Cont'd):			
Support Services and Undistributed Costs: (Cont'd)			
Administrative Information Technology	\$ 156,500		\$ 156,500
Plant Operations and Maintenance	1,653,060		1,653,060
Pupil Transportation	1,193,919		1,193,919
Unallocated Benefits	6,302,159		6,302,159
Capital Outlay	874,437	\$ 134,411	1,008,848
Total Expenditures	20,686,331	894,242	21,580,573
Net Change in Fund Balances	(797,951)	(2,963)	(800,914)
Fund Balance—July 1 (Restated)	2,913,212	215,823	3,129,035
Fund Balance—June 30	\$ 2,115,261	\$ 212,860	\$ 2,328,121

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

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

Total Net Change in Fund Balances - Governmental Funds (from B-2) \$ (800,914)

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

Capital outlays are reported in Governmental Funds as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation and disposals in the period.

Capital Outlays	\$	610,479
Depreciation Expense		<u>(362,368)</u>
		248,111

In the Statement of Activities, certain operating expenses, e.g., compensated absences (vacations) are measured by the amounts earned during the year. In the Governmental Funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is reduction in the reconciliation (-); when the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+).

41,123

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

91,522

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	(473,372)
Change in Deferred Outflows	275
Change in Deferred Inflows	<u>826,009</u>

Change in Net Position of Governmental Activities (A-2)

\$ (67,246)

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

	Business-Type Activities - Enterprise Funds <u>Food Service</u>
<u>ASSETS:</u>	
Current Assets:	
Cash and Cash Equivalents	\$ 86,112
Intergovernmental Accounts Receivable:	
State	131
Federal	1,964
Interfund Receivable - General Fund	48,359
Inventories	<u>6,913</u>
Total Current Assets	<u>143,479</u>
Non-Current Assets:	
Capital Assets:	
Depreciable Furniture, Machinery and Equipment	86,827
Less: Accumulated Depreciation	<u>(64,076)</u>
Total Non-Current Assets	<u>22,751</u>
Total Assets	<u>166,230</u>
<u>LIABILITIES:</u>	
Current Liabilities:	
Accounts Payable - Vendors	8,611
Unearned Revenue - Donated Commodities	<u>3,474</u>
Total Liabilities	<u>12,085</u>
<u>NET POSITION:</u>	
Investment in Capital Assets	22,751
Unrestricted	<u>131,394</u>
Total Net Position	<u>\$ 154,145</u>

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

LENAPE VALLEY 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 Funds Food Service
Operating Revenue:	
Local Sources:	
Daily Sales - Reimbursable Programs	\$ 86,300
Daily Sales - Non-Reimbursable Programs	155,659
Miscellaneous	12
	241,971
Total Operating Revenue	241,971
Operating Expenses:	
Cost of Sales - Reimbursable Programs	62,862
Cost of Sales - Non-Reimbursable Programs	85,653
Salaries, Benefits & Payroll Taxes	123,795
Supplies, Insurance & Other Costs	2,314
Management Fee	10,058
Miscellaneous Expense	9,091
Depreciation Expense	2,292
	296,065
Total Operating Expenses	296,065
Operating Income/(Loss)	(54,094)
Non-Operating Income:	
Interest Income	147
State Sources:	
State School Lunch Program	2,355
State School Breakfast Program	256
State After Bell Program	390
Federal Sources:	
Federal School Lunch Program	39,273
Federal School PB Lunch Program	1,851
Federal School Breakfast Program	5,959
Supply Chain Assistance Award	44,473
Food Distribution Program	13,686
	108,390
Total Non-Operating Income	108,390
Change in Net Position	54,296
Net Position - Beginning of Year	99,849
Net Position - End of Year	\$ 154,145

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

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

	Business-Type Activities - Enterprise Funds Food Service
Cash Flows from Operating Activities:	
Receipts from Customers	\$ 241,971
Payments to Food Service Vendor	(266,592)
Payments for Miscellaneous Expenses	(7,333)
Net Cash Used for Operating Activities	(31,954)
Cash Flows from Investing Activities:	
Interest Income	147
Net Cash Provided by Investing Activities	147
Cash Flows from Noncapital Financing Activities:	
Local Sources - Interfunds Advanced	2,724
State Sources	3,119
Federal Sources	44,869
Net Cash Provided by Noncapital Financing Activities	50,712
Net Cash (Used) for Capital Financing Activities	
Purchase of Equipment	(14,500)
Net Cash (Used) for Capital Financing Activities	(14,500)
Net Increase in Cash and Cash Equivalents	4,405
Cash and Cash Equivalents, July 1	81,707
Cash and Cash Equivalents, June 30	\$ 86,112
Reconciliation of Operating Loss to Net Cash Used for Operating Activities:	
Operating Loss	\$ (54,094)
Adjustment to Reconcile Operating Loss to Cash Used for Operating Activities:	
Depreciation	2,292
Food Distribution Program	13,686
Changes in Assets and Liabilities:	
(Increase)/Decrease in Inventory	(2,062)
Increase/(Decrease) in Unearned Revenue	2,307
Increase/(Decrease) in Accounts Payable	5,917
Net Cash Used for Operating Activities	\$ (31,954)

Noncash Investing, Capital and Financing Activities:

The Food Service Enterprise Fund received and utilized USDA Donated Commodities through the Food Distribution Program valued at \$15,993 and \$13,686, respectively, for the fiscal year ended June 30, 2023.

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS ARE

LENAPE VALLEY 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 the Lenape Valley 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 included 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.

LENAPE VALLEY 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 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. These resources can be transferred from and to current expenses by board resolution.

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.

LENAPE VALLEY 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)

Fund Financial Statements: (Cont'd)

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 expenditures for principal and interest.

The District reports the following proprietary fund:

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

C. Measurement Focus and Basis of Accounting:

The District-wide financial statements and the proprietary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenue is recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash transaction takes place. 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.

LENAPE VALLEY 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: (Cont'd)

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 and special revenue funds. The budget for the fiscal year ended June 30, 2023 was submitted to the County office and 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 budget during the year).

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

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

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

LENAPE VALLEY 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)

	<u>General Fund</u>	<u>Special Revenue Fund</u>
Sources/Inflows of Resources:		
Actual Amounts (Budgetary Basis) "Revenue" from the Budgetary Comparison Schedule	\$ 19,885,037	\$ 767,623
Differences - 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		139,511
Current Year Encumbrance		(15,855)
Prior Year State Aid Payments Recognized for GAAP Statements, not recognized for Budgetary Basis	465,235	
Current Year State Aid Payments recognized for Budgetary purposes, not recognized for GAAP Statements	<u>(461,892)</u>	
Total Revenues as reported on the Statement of Revenues, Expenditures & Changes in Fund Balances - Governmental Funds	<u>\$ 19,888,380</u>	<u>\$ 891,279</u>
Uses/Outflows of Resources:		
Actual Amounts (Budgetary Basis) "Total Outflows" from the Budgetary Comparison Schedule	\$ 20,686,331	\$ 770,586
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, but in the year the supplies are received for financial reporting purposes.		
Current Year Encumbrances		<u>123,656</u>
Total Expenditures as Reported on the Statement of Revenue, Expenditures, & Changes in Fund Balances - Governmental Funds	<u>\$ 20,686,331</u>	<u>\$ 894,242</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.

LENAPE VALLEY 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)

E. Cash and Cash Equivalents, and Investments (Cont'd):

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 Governmental Units. If a public depository fails, the collateral it has pledged, plus the collateral of all the other public depositories, is available to pay the full amount of their deposits to the Governmental Units.

F. Interfund Transactions:

Transfers between governmental and business-type activities on the District-wide statements are reported in the same manner as general revenues. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after non-operating revenues/expenses in the enterprise 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.

LENAPE VALLEY 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)

I. Short-term Interfund Receivables/Payables:

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

J. Inventories and Prepaid Expenses:

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

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

K. Capital Assets:

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

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

	Estimated Useful Life
Buildings	50 Years
Buildings and Site Improvements	20 Years
Furniture, Machinery, Equipment and Vehicles	5 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.

LENAPE VALLEY 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)

M. Subscription Assets

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

N. Long Term Liabilities:

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

O. Accrued Salaries and Wages:

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

P. Compensated Absences:

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

District employees are granted varying amounts of vacation and sick leave in accordance with the District's personnel policy. In the event of termination, an employee is reimbursed for accumulated vacation. Sick leave benefits provide for ordinary sick pay and begin vesting with the employee after fifteen years of service.

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.

LENAPE VALLEY 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)

R. Subscription Payable

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

S. Unearned Revenue:

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

T. Fund Balance Appropriated:

General Fund: Of the \$2,115,261 General Fund balance at June 30, 2023, \$1,302,046 is restricted in the capital reserve account; \$68,426 is restricted for unemployment compensation; \$583,467 assigned fund balance which has been included as anticipated revenue for the fiscal year ending June 30, 2024; \$6,293 assigned for encumbrances; and \$155,029 is unassigned which is \$461,892 less than the calculated budgetary unassigned fund balance due to the last two state aid payments, which are not recognized on the GAAP basis until the next fiscal year.

Special Revenue Fund: Of the \$212,860 Special Revenue Fund fund balance at June 30, 2023 \$197,130 is restricted for Student Activities and \$15,730 is restricted for Scholarships.

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 balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent year's budget. The District had no excess surplus.

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

U. Net Position:

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

LENAPE VALLEY 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. Net Position: (Cont'd)

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

V. Deficit Net Position:

There is a deficit in unrestricted governmental activities net position in the amount of \$2,242,644. The deficit is primarily due to compensated absences payable and the net pension liability.

This deficit does not indicate that the District is in financial difficulties and is a permitted practice under generally accepted accounting principles.

W. Fund Balance Restrictions, Commitments and Assignments:

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

Fund balance restrictions have been established for capital reserve, student activities, scholarships and unemployment compensation.

LENAPE VALLEY 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)

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

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 did not have any committed resources at June 30, 2023.

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

X. Revenue - Exchange and Non-exchange Transactions:

Revenue, resulting from exchange transactions in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On 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 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 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.

LENAPE VALLEY 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)

Z. Management Estimates:

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

AA. Pensions

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

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

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

NOTE 3. CASH AND CASH EQUIVALENTS AND INVESTMENTS

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

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

GASB requires disclosure of the level of custodial credit risk assumed by the District 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 District 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 District limits its investments to those authorized in its cash management plan which are those permitted under state statute as detailed on the following two pages.

Custodial Credit Risk – The District's policy with respect to custodial credit risk requires that the District ensures that District funds are only deposited in financial institutions in which NJ school districts are permitted to invest their funds.

LENAPE VALLEY 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)

Deposits:

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

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

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

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

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

Investments:

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

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

LENAPE VALLEY 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)

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

LENAPE VALLEY 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)

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

	Cash and Cash Equivalents	Restricted Cash and Cash Equivalents	Total
Checking Accounts	\$ 737,854	\$ 1,583,332	\$ 2,321,186

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 \$2,321,186 and the bank balance was \$2,572,218.

NOTE 4. CAPITAL ASSETS

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

	Beginning Balance	Increases	Decreases/ Adjustments	Ending Balance
Governmental Activities:				
Capital Assets not being Depreciated:				
Sites (Land)	\$ 98,915			\$ 98,915
Construction in Progress	288,023		\$ (288,023)	
Total Capital Assets not being Depreciated	386,938		(288,023)	98,915
Capital Assets being Depreciated:				
Site Improvements	791,391	\$ 9,275	288,023	1,088,689
Buildings and Building Improvements	13,710,188	161,293		13,871,481
Furniture, Machinery and Equipment	4,304,587	439,911		4,744,498
Total Capital Assets being Depreciated	18,806,166	610,479	288,023	19,704,668
Governmental Activities Capital Assets	19,193,104	610,479		19,803,583
Less Accumulated Depreciation for:				
Site Improvements	(80,452)	(1,659)		(82,111)
Buildings and Building Improvements	(7,457,252)	(221,806)		(7,679,058)
Furniture, Machinery and Equipment	(2,756,150)	(138,903)		(2,895,053)
Total Accumulated Depreciation	(10,293,854)	(362,368)		(10,656,222)
Governmental Activities Capital Assets, Net of Accumulated Depreciation	\$ 8,899,250	\$ 248,111	\$ - 0 -	\$ 9,147,361

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

NOTE 4. CAPITAL ASSETS (Cont'd)

	Beginning Balance	Increases	Decreases/ Adjustments	Ending Balance
Business Type Activities:				
Capital Assets Being Depreciated:				
Furniture and Equipment	\$ 72,327	\$ 14,500		\$ 86,827
Less Accumulated Depreciation	(61,784)	(2,292)		(64,076)
Business Type Activities Capital Assets, Net of Accumulated Depreciation	\$ 10,543	\$ 12,208	\$ - 0 -	\$ 22,751
Total Governmental and Business-Type Activities	\$ 8,909,793	\$ 260,319	\$ - 0 -	\$ 9,170,112

The District expended \$610,479 on capitalized expenditures during the fiscal year.

Depreciation expense was charged to governmental functions as follows:

Regular Instruction	\$ 125,973
Special Education Instruction	23,681
Other Instruction	23,350
Student and Instruction Related Services	78,209
General Administrative Services	10,236
School Administrative Services	10,386
Central Services	9,971
Administrative Information Technology	4,198
Plant Operations and Maintenance	44,340
Pupil Transportation	32,024
Total Depreciation	\$ 362,368

NOTE 5. TRANSFERS TO CAPITAL OUTLAY

During the year ended June 30, 2023, the District had transfers to the capital outlay accounts. The transfers were for equipment which do not require County Superintendent approval. The District had transfers to facilities acquisition and construction services for which County Superintendent approval was obtained.

NOTE 6. CAPITAL RESERVE ACCOUNT

A capital reserve account was established by the Lenape Valley Regional High School District by inclusion of \$5,000 on August 13, 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.

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

NOTE 6. CAPITAL RESERVE ACCOUNT (Cont'd)

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 NJ Department of Education, a district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes or by transfer by board resolution at year end of any unanticipated revenue or unexpended line item appropriation amounts or both. A district may also appropriate additional amounts when the express approval of the voters has been obtained either by a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to N.J.S.A. 19:60-2. Pursuant to N.J.A.C. 6:23A-5.1(d)7, 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 fiscal year ending June 30, 2023 is as follows:

Beginning Balance at July 1, 2022	\$ 712,982
Interest Earnings	523
Increase by Resolution - June 2023	588,541
Ending Balance at June 30, 2023	\$ 1,302,046

The balance in the capital reserve account did not exceed the balance of local support costs of uncompleted capital projects in the District's approved LRFP.

NOTE 7. LONG-TERM LIABILITIES

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

	Balance 6/30/2022	Issued/ Accrued	Matured/ Retired	Balance 6/30/2023
Financed Purchases Payable	\$ 280,950		\$ 91,522	\$ 189,428
Net Pension Liability	1,830,482	\$ 473,372		2,303,854
Compensated Absences Payable	470,703	51,027	92,150	429,580
	\$ 2,582,135	\$ 524,399	\$ 183,672	\$ 2,922,862

A. Bonds Payable:

The District had no 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.

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

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

C. Financed Purchases Payable:

The District has financed purchases agreements for buses totaling \$454,240 at June 30, 2023. The financed purchases agreements are for terms of five years. The District has entered into a finance purchase agreement totaling \$454,240 of which \$264,812 has been liquidated as of June 30, 2023. The General Fund will be used to liquidate financed purchases payable. The following is a schedule of the future minimum financed purchases agreements, and the present value of the net minimum financed purchases payments at June 30, 2023:

Year Ending June 30,	Amount
2024	\$ 80,902
2025	80,402
2026	17,751
2027	17,752
	196,807
Less: Amount representing interest	(7,379)
Present Value of Net Minimum Financed Purchases	\$ 189,428

The current portion is \$77,061 and the long-term portion is \$112,367.

D. Compensated Absences Payable:

The liability for compensated absences of the governmental fund types is recorded as a current and long-term liability and will be liquidated through the General Fund. The current portion of the liability is \$-0- and the long-term portion is \$429,580.

The District had no liability at June 30, 2023 for compensated absences associated with its Food Service Enterprise Fund.

E. 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 \$2,303,854. See Note 8 for further information on the PERS.

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

NOTE 8. PENSION PLANS

Substantially all of the Board’s employees participate in one of the two contributory, defined benefit public employee retirement systems: The Public Employee’s Retirement System (PERS) of New Jersey; or the Teachers’ Pension and Annuity Fund (TPAF) 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:

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

Service retirement benefits of 1/55th of final average salary for each year of service credit is available to Tiers 1 and 2 members upon reaching age 60 and to Tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to Tier 4 members upon reaching age 62 and to Tier 5 members upon reaching age 65. Early retirement benefits are available to Tiers 1 and 2 members before reaching age 60, to Tiers 3 and 4 with 25 or more years of service credit before age 62 with 25 or more years of service credit and Tier 5 with 30 or more years of service credit before age 65. Benefits are reduced by a fraction of a percent for each month that a members 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 50 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.

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

NOTE 8. PENSION PLANS (Cont'd)

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

Contributions

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

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

District contributions to PERS amounted to \$194,725 for the current fiscal year. During the fiscal year ended June 30, 2022, the State of New Jersey contributed \$4,847 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 \$2,303,854 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 0.01545%, which was an decrease of 0.00013% from its proportion measured as of June 30, 2021.

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

NOTE 8. PENSION PLANS (Cont'd)

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

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

For the fiscal year ended June 30, 2023, the District recognized an actual pension expense in the amount of \$6,446. Additionally, for the fiscal year ended June 30, 2022, the State recognized pension expense on behalf of the District in the amount of \$4,847 and the District recognized pension expense and revenue for that same amount in the fiscal year ended June 30, 2023 financial statements.

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

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

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

NOTE 8. PENSION PLANS (Cont'd)

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

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

	Deferral Year	Amortization Period in Years	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in Assumptions	2018	5.63		\$ (55,379)
	2019	5.21		(69,207)
	2020	5.16		(203,505)
	2021	5.13		(16,887)
	2022	5.04	\$ 7,138	(344,978)
			<u>7,138</u>	<u>(344,978)</u>
Changes in Proportion	2018	5.63	38,169	
	2019	5.21		(8,070)
	2020	5.16		(77,433)
	2021	5.13	62,163	
	2022	5.04		(28,306)
			<u>100,332</u>	<u>(113,809)</u>
Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	2019	5.00	2,279	
	2020	5.00	68,486	
	2021	5.00	(427,174)	
	2022	5.00	451,763	
			<u>95,354</u>	
Difference Between Expected and Actual Experience	2018	5.63		(2,109)
	2019	5.21	5,290	
	2020	5.16	11,338	
	2021	5.13		(5,677)
	2022	5.04		(6,878)
			<u>16,628</u>	<u>(14,664)</u>
District Contribution Subsequent to the Measurement Date	2022	1.00	201,054	
			<u>\$ 420,506</u>	<u>\$ (473,451)</u>

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

NOTE 8. PENSION PLANS (Cont'd)

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

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

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

Fiscal Year Ending June 30,	Total
2023	\$ (197,623)
2024	(100,682)
2025	(49,101)
2026	107,119
2027	(235)
	\$ (240,522)

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.

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

NOTE 8. 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 in determining the total pension liability.

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

NOTE 8. 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		
	At 1% Decrease (6.00%)	At Current Discount Rate (7.00%)	At 1% Increase (8.00%)
District's proportionate share of the Net Pension Liability	\$ 2,959,778	\$ 2,303,854	\$ 1,745,637

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.

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

NOTE 8. PENSION PLANS (Cont'd)

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

Benefits Provided (Cont'd)

The following represents the membership tiers for TPAF:

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

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

Contributions

The contribution policy for TPAF is set by N.J.S.A. 18A:66 and requires contributions by active members and contributing 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 more than the actuarial determined amount.

Special Funding Situation

The employer contributions for local participating employers are legally required to be funded by the State in accordance with N.J.S.A. 18:66-33. Therefore, these local participating employers are considered to be in a special funding situation as defined by GASB Statement No. 68 and the State is treated as a nonemployer contributing entity. Since the local participating employers do not contribute directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to report in the financial statements of the local participating employers. However, the notes to the financial statements of the local participating employers must disclose the portion of the nonemployer contributing entities' total proportionate share of the net pension liability that is associated with the local participating employer. In addition, each local participating employer must recognize pension expense associated with the employer as well as revenue in an amount equal to the nonemployer contributing entities' total proportionate share of the collective pension expense associated with the local participating employer. During the fiscal year ended 2023, the State of New Jersey contributed \$2,276,858 to the TPAF for normal pension benefits on behalf of the District, which is more than the contractually required contribution of \$776,465.

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

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

NOTE 8. PENSION PLANS (Cont'd)

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

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

At June 30, 2023, the State's proportionate share of the net pension liability associated with the District was \$28,851,153. 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 0.0559%, which was an decrease of 0.0036% from its proportion measured as of June 30, 2021.

District's Proportionate Share of the Net Pension Liability	\$ -0-
State's Proportionate Share of the Net Pension Liability Associated with the District	<u>28,851,153</u>
Total	<u>\$ 28,851,153</u>

For the fiscal year ended June 30, 2022, the State recognized pension expense on behalf of the District in the amount of \$776,465 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 (excluding employer specific amounts) related to pensions from the following sources:

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

NOTE 8. PENSION PLANS (Cont'd)

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

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

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

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 shown on the following page.

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

NOTE 8. PENSION PLANS (Cont'd)

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

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

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

Actuarial Assumptions

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

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

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

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.

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

NOTE 8. 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 Investment and Division of Pensions and Benefits, the Board of Trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected_returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in TPAF's target asset allocation as of June 30, 2022 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
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.

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

NOTE 8. PENSION PLANS (Cont'd)

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

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

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

	June 30, 2022		
	At 1% Decrease (6.00%)	At Current Discount Rate (7.00%)	At 1% Increase (8.00%)
State's Proportionate Share of the Net Pension Liability Associated with the District	\$ 33,828,590	\$ 28,851,153	\$ 24,658,288

Pension Plan Fiduciary Net Position - TPAF

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 \$0- for the fiscal year ended June 30, 2023. Employee contributions to DCRP amounted to \$1,653 for the fiscal year ended June 30, 2023.

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

NOTE 9. 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 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 Board is a member of the School Alliance Insurance Fund (“SAIF). The SAIF provides its members with Workers’ Compensation, Comprehensive General Liability and Automobile Liability, Property, Boiler and Machinery, and School Board Legal Liability Insurance. The SAIF is a risk-sharing fund that is both an insured and self-administered group of school districts established for the purpose of providing low-cost insurance coverage for their members in order to keep local property taxes at a minimum. Each member appoints an official to represent their respective district for the purpose of creating a governing body from which officers for the SAIF are elected.

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

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

The financial information for the fiscal year ending June 30, 2023 was not available as of the date of the audit. Selected financial information for the SAIF as of June 30, 2022 is as follows:

Total Assets	<u>\$ 52,198,217</u>
Net Position	<u>\$ 20,990,635</u>
Total Revenue	<u>\$ 46,988,143</u>
Total Expenses	<u>\$ 46,989,023</u>
Change in Net Position	<u>\$ (880)</u>
Members Dividends	<u>\$ -0-</u>

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

Public Entity Group Administrative Services
51 Everett Drive Suite B-40
West Windsor, NJ 08550
(609) 275-1155

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

NOTE 9. 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 the District’s 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 years:

Fiscal Year	Employee & District Contributions and Interest	Amount Reimbursed	Ending Balance
2022-2023	\$ 15,620	\$ 27,353	\$ 68,426
2021-2022	31,529	261	80,159
2020-2021	18,523	5,097	48,891

Health Benefits

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

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

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

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

NOTE 9. RISK MANAGEMENT (Cont'd)

Health Benefits (Cont'd)

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

Total Assets	<u>\$ 169,411,417</u>
Net Position	<u>\$ 115,748,222</u>
Total Revenue	<u>\$ 350,712,938</u>
Total Expenses	<u>\$ 336,487,290</u>
Change in Net Position	<u>\$ 14,225,648</u>
Members Dividends	<u>\$ 9,878,926</u>

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

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

NOTE 10. 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 11. INTERFUND RECEIVABLES AND PAYABLES

The District had the following interfund receivable and payable at June 30, 2023.

<u>Fund</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
General Fund	\$ 239,681	\$ 48,359
Special Revenue Fund		239,681
Food Service Fund	48,359	
	<u>\$ 288,040</u>	<u>\$ 288,040</u>

The interfund receivable for General Fund is for the deficit in Special Revenue Fund cash of June 30, 2023. The interfund receivable in the Food Service Fund is for Federal and State Grant reimbursements received in the General Fund and not turned over prior to June 30, 2023.

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

NOTE 12. DEFERRED COMPENSATION

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

The plan administrators are as follows:

Equitable Life Assurance	Lincoln Investment
Metropolitan Life Insurance Company	Variable Annuity Life Insurance Company

NOTE 13. TAX CALENDAR

Property taxes are levied 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 regional school district on predetermined, agreed-upon schedules.

NOTE 14. CONTINGENT LIABILITIES

Grant Programs

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

Litigation

The District is periodically involved in certain types of lawsuits. The District estimates that the potential claims against it resulting from such litigation and not covered by insurance would not materially affect the financial statements of the District.

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

NOTE 14. CONTINGENT LIABILITIES (Cont'd)

Encumbrances

At June 30, 2023 there were encumbrances as detailed below in the governmental funds.

General Fund	Special Revenue Fund	Total Governmental Funds
\$ 6,293	\$ 15,855	\$ 22,148

On the District's Governmental Funds Balance Sheet as of June 30, 2023, \$6,293 is assigned for year-end encumbrances in the Special Revenue Fund, which is \$15,855 less than the actual year-end encumbrances on a budgetary basis. Encumbrances are not recognized on a GAAP basis and are reflected as either a reduction in grants receivable or an increase in unearned revenue in the Special Revenue Fund.

NOTE 15. ACCOUNTS PAYABLE

	Governmental Funds		District Contribution Subsequent to the Measurement Date	Total Governmental Activities
	General Fund	Special Revenue Fund		
Payroll Deductions and Withholdings	\$ 92,142			\$ 92,142
Due to State of New Jersey			\$ 201,054	201,054
Vendors	325,856	\$ 11,739		337,595
	\$ 417,998	\$ 11,739	\$ 201,054	\$ 630,791

NOTE 16. 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.

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

NOTE 16. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Cont'd)

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

Plan Description and Benefits Provided (Cont'd)

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 www.state.nj.us/treasury/pensions/gasb-notices-opeb.shtml.

Employees Covered by Benefit Terms

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

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

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.

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

NOTE 16. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Cont'd)

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

Actuarial Assumptions and Other Inputs

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

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

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.

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

Health Care Trend Assumptions

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

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

NOTE 16. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Cont'd)

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

Discount Rate

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

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

	Total OPEB Liability
Balance at June 30, 2020	\$ 34,614,738
Changes for Year:	
Service Cost	1,338,046
Interest on the Total OPEB Liability	784,500
Changes of Assumptions	(7,941,146)
Differences between Expected and Actual Experience	1,558,538
Gross Benefit Payments by the State	(777,070)
Contributions from Members	24,929
Net Changes	(5,012,203)
Balance at June 30, 2021	\$ 29,602,535

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	\$ 34,794,666	\$ 29,602,535	\$ 25,441,302

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

NOTE 16. 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 (Cont'd)

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	\$ 24,468,305	\$ 29,602,535	\$ 36,346,658

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 \$606,424 as determined by the State of New Jersey Division of Pensions and Benefits. This expense and the related offsetting revenue are for benefits provided by the State through a defined benefit OPEB plan that meets the criteria in GASB Codification Section P50, in which there is a special funding situation.

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

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

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

NOTE 16. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Cont'd)

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

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

	Deferral Year	Period in Years	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in Assumption	2017	9.54		\$ 1,536,995
	2018	9.51		1,466,731
	2019	9.29	\$ 207,080	
	2020	9.24	4,889,256	
	2021	9.24	27,113	
	2022	9.13		7,071,360
			<u>5,123,449</u>	<u>10,075,086</u>
Differences Between Expected and Actual Experience	2018	9.51		1,386,517
	2019	9.29		2,437,346
	2020	9.24	4,556,978	
	2021	9.24		5,214,133
	2022	9.13		728,249
			<u>5,285,227</u>	<u>9,037,996</u>
Changes in Proportion	N/A	N/A	<u>702,873</u>	<u>982,355</u>
			<u>\$ 11,111,549</u>	<u>\$ 20,095,437</u>

N/A - Not Available

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

Fiscal Year Ending June 30,	Total
2023	\$ (1,471,259)
2024	(1,471,259)
2025	(1,471,259)
2026	(1,271,537)
2027	(727,082)
Thereafter	<u>(2,292,010)</u>
	<u>\$ (8,704,406)</u>

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

NOTE 17. PRIOR YEAR ADJUSTMENT

The District made a prior year adjustment in the financial statements to record 2022 General Fund expenditures that were not included in the June 30, 2022 financial statements:

	<u>Balance</u> <u>June 30, 2022</u> <u>as Previously</u> <u>Reported</u>	<u>Retroactive</u> <u>Adjustments</u>	<u>Balance</u> <u>June 30, 2022</u> <u>as</u> <u>Restated</u>
<u>Statement of Activities:</u>			
Governmental Activities:			
Net Position - Ending	\$ 8,620,863	\$ (254,996)	\$ 8,365,867
<u>Statement of Revenues, Expenditures and Changes in</u> <u>Fund Balances - Governmental Funds:</u>			
General Fund:			
Fund Balance - June 30	\$ 3,168,208	\$ (254,996)	\$ 2,913,212
<u>Budgetary Comparison Schedule:</u>			
General Fund:			
Fund Balance, June 30	\$ 3,633,443	\$ (254,996)	\$ 3,378,447

SCHEDULES OF REQUIRED
SUPPLEMENTARY INFORMATION

LENAPE VALLEY 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	2020	2021	2022	2023
District's proportion of the net pension liability	0.0150859020%	0.015418236%	0.0157287536%	0.0144473211%	0.0159595540%	0.0158061212%	0.0149845117%	0.0154516688%	0.0152660324%
District's proportionate share of the Net Pension Liability	\$ 2,824,493	\$ 3,488,828	\$ 4,658,406	\$ 3,363,105	\$ 3,142,357	\$ 2,848,023	\$ 2,443,582	\$ 1,830,482	\$ 2,303,854
District's covered employee payroll	\$ 1,057,741	\$ 1,052,588	\$ 968,707	\$ 977,515	\$ 1,017,216	\$ 1,026,740	\$ 1,050,529	\$ 1,102,006	\$ 1,228,179
District's proportionate share of the net pension liability as a percentage of its covered employee payroll	267.03%	331.45%	480.89%	344.05%	308.92%	277.39%	232.60%	166.10%	187.58%
Plan fiduciary net position as a percentage of the total pension liability	52.08%	47.93%	40.14%	48.10%	53.60%	56.27%	58.32%	70.33%	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.

LENAPE VALLEY 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	2020	2021	2022	2023
Contractually Required Contribution	\$ 124,366	\$ 133,618	\$ 140,624	\$ 135,229	\$ 160,487	\$ 154,381	\$ 163,923	\$ 181,731	\$ 192,512
Contributions in relation to the contractually Required Contribution	(124,366)	(133,618)	(140,624)	(135,229)	(160,487)	(154,381)	(163,923)	(181,731)	(192,512)
Contribution deficiency/(excess)	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-
District's covered employee payroll	\$ 1,052,588	\$ 968,707	\$ 977,515	\$ 1,017,216	\$ 1,026,740	\$ 1,050,529	\$ 1,102,006	\$ 1,228,179	\$ 1,392,486
Contributions as a percentage of covered employee payroll	11.82%	13.79%	14.39%	13.29%	15.63%	14.70%	14.87%	14.80%	13.83%

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

LENAPE VALLEY 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	2020	2021	2022	2023	
State's proportion of the net pension liability attributable to the District	0.0675761920%	0.0627055215%	0.0606394365%	0.0596031525%	0.0568644889%	0.0609122201%	0.0584700262%	0.0595015190%	0.0559191386%	
State's proportionate share of the net pension liability attributable to the District	\$ 36,117,275	\$ 39,632,567	\$ 39,632,530	\$ 40,186,595	\$ 37,843,505	\$ 37,382,404	\$ 38,501,809	\$ 28,605,468	\$ 28,511,253	
District's covered employee payroll	\$ 6,172,786	\$ 5,962,659	\$ 6,080,949	\$ 6,280,801	\$ 6,208,185	\$ 6,450,603	\$ 6,158,596	\$ 6,309,837	\$ 6,290,411	
State's proportionate share of the net pension liability attributable to the district as a percentage of its covered employee payroll	585.10%	664.68%	651.75%	639.83%	609.57%	579.52%	625.17%	453.35%	453.25%	
Plan fiduciary net position as a percentage of the total pension liability	33.64%	28.71%	22.33%	25.41%	26.49%	26.95%	24.60%	35.52%	32.29%	

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

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES
SCHEDULE OF STATE'S CONTRIBUTION'S
ATTRIBUTABLE TO THE DISTRICT
TEACHERS' PENSION AND ANNUITY FUND
LAST NINE FISCAL YEARS

	Fiscal Year Ending June 30,								
	2015	2016	2017	2018	2019	2020	2021	2022	2023
Contractually required contributions	\$ 1,943,449	\$ 2,419,925	\$ 3,584,206	\$ 2,783,924	\$ 2,206,144	\$ 2,204,914	\$ 2,394,206	\$ 673,099	\$ 776,465
Contributions in relation to the contractually required contribution	(339,009)	(336,996)	(646,977)	(876,014)	(1,197,997)	(1,282,472)	(1,729,637)	(2,301,999)	(2,276,858)
Contribution deficiency/(excess)	\$ 1,604,440	\$ 2,082,929	\$ 2,937,229	\$ 1,907,910	\$ 1,008,147	\$ 922,442	\$ 664,569	\$ (1,628,900)	\$ (1,500,393)
District's covered employee payroll	\$ 5,962,659	\$ 6,080,949	\$ 6,280,801	\$ 6,208,185	\$ 6,450,603	\$ 6,158,596	\$ 6,309,837	\$ 6,290,411	\$ 6,684,190
Contributions as a percentage of covered employee payroll	26.91%	34.25%	46.77%	30.73%	15.63%	14.98%	10.53%	-25.89%	-22.45%

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

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

	Fiscal Year Ending June 30,					
	2017	2018	2019	2020	2021	2022
Service Cost	\$ 1,174,373	\$ 976,163	\$ 866,324	\$ 910,880	\$ 1,588,794	\$ 1,338,046
Interest Cost	1,001,716	1,159,701	1,066,313	887,948	897,943	784,500
Change of Benefit Terms					(36,843)	
Differences between Expected and Actual Experience		(3,044,167)	(3,823,899)	6,660,396	(7,044,931)	1,558,538
Changes in Assumptions	(4,028,993)	(3,104,435)	369,660	7,281,052	34,150	(7,941,146)
Member Contributions	27,091	25,001	22,560	21,033	22,956	24,929
Gross Benefit Payments	(735,718)	(723,380)	(761,059)	(693,930)	(707,327)	(777,070)
Net Change in Total OPEB Liability	(2,591,531)	(4,711,117)	(2,260,101)	15,067,379	(5,245,258)	(5,012,203)
Total OPEB Liability - Beginning	34,325,366	31,763,835	27,052,718	24,792,617	39,859,996	34,614,738
Total OPEB Liability - Ending	<u>\$ 31,763,835</u>	<u>\$ 27,052,718</u>	<u>\$ 24,792,617</u>	<u>\$ 39,859,996</u>	<u>\$ 34,614,738</u>	<u>\$ 29,602,535</u>
State's Covered Employee Payroll *	\$ 7,049,656	\$ 7,258,316	\$ 7,225,401	\$ 7,477,343	\$ 7,209,125	\$ 7,411,843
Total OPEB Liability as a Percentage of Covered Employee Payroll	453%	384%	343%	533%	480%	399%

* - Covered payroll for the fiscal years ending June 30, 2017 to June 30, 2022 are based on the payroll on the June 30, 2016 to June 30, 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.

LENAPE VALLEY 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.

LENAPE VALLEY 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 mortality rates in the valuation as of June 30, 2022 were based on the following:

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.

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

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.

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.

LENAPE VALLEY 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)

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

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 11,397,220		\$ 11,397,220	\$ 11,397,220	
Rents and Royalties	9,135		9,135	11,333	\$ 2,198
Sale of Property				30,000	30,000
Interest Earned on Capital Reserve Funds	30,000		30,000	523	523
Unrestricted Miscellaneous Revenues				53,128	23,128
Total - Local Sources	11,436,355		11,436,355	11,492,204	55,849
State Sources:					
Categorical Special Education Aid	500,873		500,873	500,873	
Equalization Aid	3,317,998		3,317,998	3,317,998	
Categorical Security Aid	20,481		20,481	20,481	
Categorical Transportation Aid	177,329		177,329	177,329	
School Choice Aid	707,118		707,118	707,118	
Extraordinary Aid				263,687	263,687
Additional Non-Public Transportation Aid				7,465	7,465
On-Behalf (Non-Budgeted):					
TPAF Pension Contributions				2,276,858	2,276,858
NCCI Premium				31,589	31,589
TPAF Post Retirement Medical Benefits				606,424	606,424
TPAF Long Term Disability Insurance				670	670
Reimbursed TPAF Social Security Contributions (Non-Budgeted)				482,341	482,341
Total State Sources	4,723,799		4,723,799	8,392,833	3,669,034
TOTAL REVENUES	16,160,154		16,160,154	19,885,037	3,724,883

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES:					
CURRENT EXPENSE					
Regular Programs:					
Grades 9-12 - Salaries of Teachers	\$ 4,054,233	\$ 191,616	\$ 4,245,849	\$ 4,245,849	
Regular Programs - Home Instruction:					
Salaries of Teachers	52,907	(45,358)	7,549	7,549	
Purchased Professional - Educational Services	20,000	300	20,300	20,277	\$ 23
Regular Programs - Undistributed Instruction:					
Purchased Professional - Educational Services	20,000	(14,346)	5,654	4,554	1,100
Purchased Technical Services	1,500		1,500	1,400	100
Other Purchased Services (400-500 Series)	89,986	(52,968)	37,018	36,290	728
Communications/Telephone	826	31,127	31,953	31,751	202
General Supplies	287,313	51,054	338,367	337,962	405
Textbooks	21,700	(9,037)	12,663	9,275	3,388
Other Objects	2,000	(358)	1,642	1,642	
Total Regular Programs - Instruction	4,550,465	152,030	4,702,495	4,696,549	5,946
Special Education - Instruction:					
Cognitive - Mild:					
Salaries of Teachers	60,083		60,083	60,083	
Other Salaries for Instruction	17,661		17,661	17,661	
General Supplies	1,085	(345)	740	562	178
Total Cognitive - Mild	78,829	(345)	78,484	78,306	178
Cognitive - Moderate:					
Salaries of Teachers	118,870	(34,464)	84,406	84,406	
Other Salaries for Instruction	41,853		41,853	41,842	11
General Supplies	1,000	(247)	753	717	36
Total Cognitive - Moderate	161,723	(34,711)	127,012	126,965	47

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES:					
CURRENT EXPENSE					
Multiple Disabilities:					
Salaries of Teachers	\$ 57,870	\$	\$ 57,870	\$ 57,870	
General Supplies	600	205	805	803	2
Total Multiple Disabilities	58,470	205	58,675	58,673	2
Resource Room/Resource Center:					
Salaries of Teachers	617,830		617,830	617,830	
General Supplies	1,000	85	1,085	1,085	
Total Resource Room/Resource Center	618,830	85	618,915	618,915	
Total Special Education Instruction	917,852	(34,766)	883,086	882,859	227
Basic Skills/Remedial - Instruction:					
Salaries of Teachers	37,899	(118)	37,781	37,781	
Total Basic Skills/Remedial - Instruction	37,899	(118)	37,781	37,781	
Bilingual Education - Instruction:					
Salaries of Teachers	14,455	(14,455)			
General Supplies	200	(187)	13	13	
Total Bilingual Education - Instruction	14,655	(14,642)	13	13	
School-Sponsored Cocurricular Activities - Instruction:					
Salaries	157,215	(2,205)	155,010	155,010	
Purchased Services (300-500 Series)	10,000	2,659	12,659	12,659	
Travel/Workshops	18,000	(2,133)	15,867	15,867	
Supplies and Materials	20,000	9,062	29,062	29,062	
Other Objects	2,400	527	2,927	2,927	
Total School-Sponsored Cocurricular Activities - Instruction	207,615	7,910	215,525	215,525	

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES:					
CURRENT EXPENSE					
School-Sponsored Athletics - Instruction:					
Salaries	\$ 416,076	\$ 28,984	\$ 445,060	\$ 445,060	
Purchased Services (300-500 Series)	34,275	(9,605)	24,670	24,594	\$ 76
Supplies and Materials	62,955	18,763	81,718	81,716	2
Other Objects	7,500	8,331	15,831	15,830	1
Transfer to Cover Deficit (Agency Funds)	50,000		50,000	50,000	
Total School-Sponsored Athletics - Instruction	570,806	46,473	617,279	617,200	79
Other Instructional Programs - Instruction:					
Salaries	5,775	(5,775)			
Total Other Instructional Programs - Instruction	5,775	(5,775)			
Total Instruction	6,305,067	151,112	6,456,179	6,449,927	6,252
Undistributed Expenditures:					
Instruction:					
Tuition to Other LEAs Within State - Special	33,600	(13,837)	19,763	19,763	
Tuition to County Vocational School District - Regular	257,625	(54,184)	203,441	203,441	
Tuition to County Vocational School District - Special	43,697	4,842	48,539	48,539	
Tuition to Private Schools for the Handicapped - Within State	814,543	(349,021)	465,522	346,760	118,762
Tuition to State Facilities		80,540	80,540	80,540	
Total Undistributed Expenditures - Instruction:	1,149,465	(331,660)	817,805	699,043	118,762
Attendance and Social Work:					
Salaries	29,440		29,440	29,440	
Total Attendance and Social Work	29,440		29,440	29,440	

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES:					
CURRENT EXPENSE					
Health Services:					
Salaries	\$ 121,400	\$ 45,351	\$ 166,751	\$ 166,751	
Purchased Professional and Technical Services	3,000	(522)	2,478	2,476	\$ 2
Supplies and Materials	10,840	(5,735)	5,105	5,051	54
Total Health Services	135,240	39,094	174,334	174,278	56
Other Support Services - Speech, OT, PT and Related Services:					
Salaries	126,701	45,743	172,444	165,431	7,013
Purchased Professional - Educational Services	500	(46)	454	454	
Supplies and Materials					
Total Other Support Services - Speech, OT, PT and Related Services	127,201	45,697	172,898	165,885	7,013
Other Support Services - Students - Extraordinary Services:					
Salaries	262,176	9,999	272,175	272,175	
Total Other Support Services - Students - Extraordinary Services	262,176	9,999	272,175	272,175	
Other Support Services - Guidance:					
Salaries of Other Professional Staff	534,595	(24,775)	509,820	509,820	
Salaries of Secretarial and Clerical Assistants	70,882	(3,121)	67,761	67,761	
Other Purchased Professional and Technical Services	36,000	647	36,647	36,647	
Other Purchased Services (400-500 Series)	5,679	1,700	7,379	7,379	
Supplies and Materials	3,000		3,000	2,990	10
Other Objects	800	(189)	611	611	
Total Other Support Services - Guidance	650,956	(25,738)	625,218	625,208	10

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES:					
CURRENT EXPENSE					
Other Support Services - Child Study Team:					
Salaries of Other Professional Staff	\$ 269,058	\$ (19,935)	\$ 249,123	\$ 249,122	\$ 1
Salaries of Secretarial and Clerical Assistants	42,000		42,000	42,000	
Other Purchased Professional and Technical Services	24,760	(3,535)	21,225	21,225	
Miscellaneous Purchased Services (400-500 series)	2,101	299	2,400	2,396	4
Supplies and Materials	2,000	(400)	1,600	1,509	91
Total Other Support Services - Child Study Team	339,919	(23,571)	316,348	316,252	96
Improvement of Instructional Services:					
Salaries of Supervisor of Instruction	307,192	(1,440)	305,752	305,752	
Salaries of Other Professional Staff	5,000		5,000	5,000	
Salaries of Secretarial and Clerical Assistants	70,784	(4,898)	65,886	65,886	
Salaries of Facilitators, Math & AMP; Literacy Coaches	48,000	1,440	49,440	49,440	
Other Objects	4,500		4,500	4,500	
Total Improvement of Instructional Services	435,476	(4,898)	430,578	430,578	
Educational Media Services/School Library:					
Salaries	116,885	(32,935)	83,950	83,950	
Supplies and Materials	128,070	(5,447)	122,623	117,015	5,608
Other Objects	100	(100)			
Total Educational Media Services/School Library	245,055	(38,482)	206,573	200,965	5,608
Instructional Staff Training Services:					
Purchased Professional - Educational Services	2,000		2,000	1,954	46
Total Instructional Staff Training Services	2,000		2,000	1,954	46

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES:					
CURRENT EXPENSE					
Support Services - General Administration:					
Salaries	\$ 241,100		\$ 241,100	\$ 241,100	
Unused Vacation Payment to Terminated/Retired Staff	30,000	(30,000)			
Legal Services	45,000	23,306	68,306	68,306	
Audit Fees	24,000	2,500	26,500	26,500	
Other Purchased Professional Services	5,719	(1,659)	4,060	3,950	\$ 110
Communications/Telephone	11,596	(376)	11,220	10,605	615
BOE Other Purchased Services	3,000	(100)	2,900	2,900	
Miscellaneous Purchased Services (400-500 Series)	28,020	(12,058)	15,962	15,922	40
General Supplies	2,158	(100)	2,058	2,031	27
BOE Membership Dues and Fees	12,000	(1,140)	10,860	10,314	546
Total Support Services - General Administration	402,593	(19,627)	382,966	381,628	1,338
Support Services - School Administration:					
Salaries of Principals/Assistant Principals	225,488	14,997	240,485	240,485	
Salaries of Other Professional Staff	68,346		68,346	68,346	
Salaries of Secretarial and Clerical Assistants	52,784		52,784	52,784	
Other Purchased Services (400-500 Series)	15,389	(1,499)	13,890	13,861	29
Supplies and Materials	9,000	415	9,415	9,415	
Other Objects	2,500	(190)	2,310	2,310	
Total Support Services - School Administration	373,507	13,723	387,230	387,201	29

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES:					
CURRENT EXPENSE					
Central Services:					
Salaries	\$ 333,295		\$ 333,295	\$ 333,270	\$ 25
Purchased Professional Services	10,000		10,000	9,993	7
Purchased Technical Services	17,000		17,000	17,000	
Miscellaneous Purchased Services (400-500 Series)	9,222	\$ (222)	9,000	8,326	674
Supplies and Materials	2,000		2,000	1,933	67
Miscellaneous Expenditures	1,200		1,200	1,200	
Total Central Services	372,717	(222)	372,495	371,722	773
Administrative Information Technology:					
Salaries	157,695	(1,195)	156,500	156,500	
Total Administrative Information Technology	157,695	(1,195)	156,500	156,500	
Required Maintenance of School Facilities:					
Salaries	93,500	(11,617)	81,883	81,883	
Cleaning, Repair and Maintenance Services	257,715	(95,388)	162,327	157,464	4,863
General Supplies	30,000	(27,086)	2,914	2,914	
Total Required Maintenance of School Facilities	381,215	(134,091)	247,124	242,261	4,863

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES:					
CURRENT EXPENSE					
Custodial Services:					
Salaries	\$ 286,179	\$ 203	\$ 286,382	\$ 286,376	\$ 6
Purchased Professional and Technical Services	6,650	(2,925)	3,725	3,725	
Cleaning, Repair and Maintenance Services	20,000	1,929	21,929	21,659	270
Other Purchased Property Services	18,000	(2,957)	15,043	14,058	985
Insurance	210,000	31,899	241,899	241,898	1
Miscellaneous Purchased Services	1,000	(79)	921	730	191
General Supplies	114,055	10,516	124,571	122,368	2,203
Energy (Electricity)	200,000	(19,171)	180,829	180,829	
Energy (Oil)	145,000	41,166	186,166	186,163	3
Other Objects	2,000	(1,600)	400	379	21
Total Custodial Services	1,002,884	58,981	1,061,865	1,058,185	3,680
Care and Upkeep of Grounds:					
Salaries	142,687	(19,482)	123,205	123,205	
Purchased Professional and Technical Services	4,000	(3,400)	600	482	118
Cleaning, Repair and Maintenance Services	60,594	(36,896)	23,698	23,608	90
General Supplies	33,677	(1,817)	31,860	27,870	3,990
Total Care and Upkeep of Grounds	240,958	(61,595)	179,363	175,165	4,198
Security:					
Salaries	83,600	92,949	176,549	176,549	
Supplies		900	900	900	
Total Security	83,600	93,849	177,449	177,449	

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES:					
CURRENT EXPENSE					
Student Transportation Services:					
Salary for Pupil Transportation (Between Home & School) - Non-Public Schools	\$ 123,000	\$ 62,767	\$ 185,767	\$ 185,473	\$ 294
Management Fee - ESC & CTSA Transportation Program	23,000	(3,000)	20,000	19,983	17
Cleaning, Repair and Maintenance Services	13,000	53,297	66,297	66,261	36
Lease Purchase Payments - School Buses	95,278	(11,622)	83,656	83,656	
Contracted Services:					
Between Home and School - Vendors	576,332	(63,011)	513,321	513,321	
Other than Between Home and School - Vendors	5,000	(5,000)			
Special Education Students - Vendors	174,250	99,637	273,887	273,887	
Aid in Lieu Payments - Nonpublic School	10,000	11,254	21,254	20,712	542
Miscellaneous Purchased Services - Transportation	2,500	(1,552)	948	948	
General Supplies	25,157	4,653	29,810	29,678	132
Total Student Transportation Services	1,047,517	147,423	1,194,940	1,193,919	1,021
Unallocated Benefits:					
Social Security Contributions	181,000	37,049	218,049	218,049	
Other Retirement Contribution - PERS	181,000	13,725	194,725	194,725	
Other Retirement Contribution - Regular	3,900	(3,900)			
Unemployment Compensation	20,000	(8,267)	11,733	11,733	
Workmen's Compensation	112,200	(26,736)	85,464	85,464	
Health Benefits	2,160,163	23,522	2,183,685	2,183,684	1
Tuition Reimbursement	38,000	5,894	43,894	43,894	
Other Employee Benefits	90,000	47,108	137,108	137,108	
Unused Sick Payment to Terminated/Retired Staff	40,000	(10,380)	29,620	29,620	
Total Unallocated Benefits	2,826,263	78,015	2,904,278	2,904,277	1

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES:					
CURRENT EXPENSE					
On-Behalf (Non-Budgeted):					
TPAF Pension Contributions				\$ 2,276,858	\$ (2,276,858)
NCGI Premium				31,589	(31,589)
TPAF Post Retirement Medical Benefits				606,424	(606,424)
TPAF Long Term Disability Insurance				670	(670)
Reimbursed TPAF Social Security Contributions (Non-Budgeted)				482,341	(482,341)
Total On-Behalf and Reimbursed Contributions				3,397,882	(3,397,882)
Total Undistributed Expenses	\$ 10,265,877	\$ (154,298)	\$ 10,111,579	13,361,967	(3,250,388)
TOTAL GENERAL CURRENT EXPENSE	16,570,944	(3,186)	16,567,758	19,811,894	(3,244,136)
CAPITAL OUTLAY:					
Equipment:					
Grades 9-12	39,850	212	40,062	29,562	10,500
Student Related Services	150,000	(19,062)	130,938	117,800	13,138
Administrative Information Technology	191,974	(21,250)	170,724	170,724	
Custodial Services	11,000		11,000	10,300	700
Transportation - School Buses - Regular		77,611	77,611	77,610	1
Total Equipment	392,824	37,511	430,335	405,996	24,339
Facilities Acquisition and Construction Services:					
Construction Services	975,206	(80,817)	894,389	419,354	475,035
Architectural/Engineering Services	116,286	(6,363)	109,923	46,748	63,175
Assessment for Debt Service on SDA Funding	2,339		2,339	2,339	
Total Facilities Acquisition and Construction Services	1,093,831	(87,180)	1,006,651	468,441	538,210
TOTAL CAPITAL OUTLAY	1,486,655	(49,669)	1,436,986	874,437	562,549

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
TOTAL EXPENDITURES	\$ 18,057,599	\$ (52,855)	\$ 18,004,744	\$ 20,686,331	\$ (2,681,587)
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	(1,897,445)	52,855	(1,844,590)	(801,294)	1,043,296
Fund Balance, July 1 (Restated)	3,378,447		3,378,447	3,378,447	
Fund Balance, June 30	\$ 1,481,002	\$ 52,855	\$ 1,533,857	\$ 2,577,153	\$ 1,043,296

Recapitulation:

Restricted:	
Capital Reserve	\$ 1,302,046
Unemployment Compensation	68,426
Assigned:	
Year-End Encumbrance	6,293
Designated for Subsequent Year's Expenditures	583,467
Unassigned Fund Balance	616,921
	2,577,153
Reconciliation to Governmental Funds Statements (GAAP):	
Last Two State Aid Payments not Recognized on GAAP Basis	(461,892)
Fund Balance per Governmental Funds (GAAP)	\$ 2,115,261

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES:					
Local Sources		\$ 303,227	\$ 303,227	\$ 299,264	\$ (3,963)
State Sources		6,600	6,600	6,600	
Federal Sources	\$ 492,191	33,179	525,370	461,759	(63,611)
Total Revenues	492,191	343,006	835,197	767,623	(67,574)
EXPENDITURES:					
Instruction:					
Other Purchased Services	107,968	136,521	244,489	244,489	
General Supplies	2,890	6,485	9,375	6,600	2,775
Textbooks	4,335		4,335	4,335	
Total Instruction	115,193	143,006	258,199	255,424	2,775
Support Services:					
Salaries of Other Professional Staff	324,026	(199,026)	125,000	92,052	32,948
Purchased Professional and Technical Services	8,911	18,522	27,433	10,600	16,833
Other Purchased Services		37,399	37,399	33,159	4,240
Travel	20,000	7,737	27,737	27,737	
Supplies and Materials	24,061	38,141	62,202	54,387	7,815
Scholarships Awarded		10,567	10,567	10,567	
Student Activities		286,660	286,660	286,660	
Total Support Services	376,998	200,000	576,998	515,162	61,836
Total Expenditures	\$ 492,191	\$ 343,006	\$ 835,197	770,586	64,611
Excess (Deficiency) of Revenue Over (Under) Expenditures	\$ -0-	\$ -0-	\$ -0-	\$ (2,963)	\$ (2,963)

LENAPE VALLEY 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) from the Budgetary Comparison Schedule	\$ 19,885,037	\$ 767,623
Difference - Budget to GAAP:		
Grant Accounting Budgetary Basis Differs from GAAP in that the Budgetary Basis Recognizes Encumbrances as Expenditures and Revenue While the GAAP Basis Does Not		
Prior Year Encumbrances		139,511
Current Year Encumbrance		(15,855)
Prior Year State Aid Payments Recognized for GAAP Purposes, not Recognized for Budgetary Statements	465,235	
Current Year State Aid Payments Recognized for Budgetary Purposes, not Recognized for GAAP Statements	<u>(461,892)</u>	
Total Revenues as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	<u>\$ 19,888,380</u>	<u>\$ 891,279</u>
Uses/Outflows of Resources:		
Actual Amounts (Budgetary Basis) "Total Outflows" from the Budgetary Comparison Schedule	\$ 20,686,331	\$ 770,586
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, but in the Year the Supplies are Received for Financial Reporting Purposes:		
Current Year Encumbrances		<u>123,656</u>
Total Expenditures as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	<u>\$ 20,686,331</u>	<u>\$ 894,242</u>

Annual appropriated budgets are prepared in the spring of each year for the general and special revenue. The budget for the fiscal year ended June 30, 2023 was submitted to the County office and was approved by a vote by 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).

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

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

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

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

SCHOOL LEVEL SCHEDULES
(NOT APPLICABLE)

SPECIAL REVENUE FUND

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

	I.D.E.A. Part B, Basic	CRRSA		ARP			
		ACSERS	Learning Acceleration	Mental Health	Summer Learning and Enrichment	Beyond the School Day	Mental Health
REVENUE:							
Local Sources							
State Sources							
Federal Sources	\$ 151,919	\$ 122,553	\$ 286	\$ 5,520	\$ 40,000	\$ 40,000	\$ 12,196
Total Revenue	151,919	122,553	286	5,520	40,000	40,000	12,196
EXPENDITURES:							
Instruction:							
Other Purchased Services	130,719	110,880					
General Supplies							
Textbooks							
Total Instruction	130,719	110,880					
Support Services:							
Salaries of Other Professional Staff					40,000	40,000	12,052
Purchased Professional and Technical Services							
Other Purchased Services	21,200	11,673	286				
Travel							
Supplies and Materials				5,520			144
Scholarships Awarded							
Student Activities							
Total Support Services	21,200	11,673	286	5,520	40,000	40,000	12,196
Total Expenditures	\$ 151,919	\$ 122,553	\$ 286	\$ 5,520	\$ 40,000	\$ 40,000	\$ 12,196

LENAPE VALLEY 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				School Climate Change	Student Activities	Scholarships	Local Grants	Totals
	Title I	Title II, Part A	Title IV						
REVENUE:									
Local Sources					\$ 288,514	\$ 5,750	\$ 5,000	\$ 299,264	
State Sources	\$ 65,560	\$ 13,725	\$ 10,000	\$ 6,600				6,600	
Federal Sources								461,759	
Total Revenue	65,560	13,725	10,000	6,600	288,514	5,750	5,000	767,623	
EXPENDITURES:									
Instruction:									
Other Purchased Services			2,890					244,489	
General Supplies			4,335	6,600				6,600	
Textbooks								4,335	
Total Instruction			7,225	6,600				255,424	
Support Services:									
Salaries of Other Professional Staff			10,599					92,052	
Purchased Professional and Technical Services	1							10,600	
Other Purchased Services			3,126					33,159	
Travel	24,611							27,737	
Supplies and Materials	40,948		2,775				5,000	54,387	
Scholarships Awarded						10,567		10,567	
Student Activities					286,660			286,660	
Total Support Services	65,560	13,725	2,775		286,660	10,567	5,000	515,162	
Total Expenditures	\$ 65,560	\$ 13,725	\$ 10,000	\$ 6,600	\$ 286,660	\$ 10,567	\$ 5,000	\$ 770,586	

CAPITAL PROJECTS FUND
(NOT APPLICABLE)

PROPRIETARY FUNDS

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

ASSETS:

Current Assets:

Cash and Cash Equivalents	\$ 86,112
Intergovernmental Accounts Receivable:	
State	131
Federal	1,964
Interfund Receivable - General Fund	48,359
Inventories	6,913
	<hr/>

Total Current Assets

143,479

Non-Current Assets:

Capital Assets:

Depreciable Furniture, Machinery & Equipment	86,827
Less: Accumulated Depreciation	(64,076)
	<hr/>

Total Non-Current Assets

22,751

Total Assets

166,230

LIABILITIES:

Current Liabilities:

Accounts Payable - Vendors	8,611
Unearned Revenue - Donated Commodities	3,474
	<hr/>

Total Liabilities

12,085

NET POSITION:

Investment in Capital Assets	22,751
Unrestricted	131,394
	<hr/>

Total Net Position

\$ 154,145

LENAPE VALLEY 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:	
Local Sources:	
Daily Sales - Reimbursable Programs	\$ 86,300
Daily Sales - Non-Reimbursable Programs	155,659
Miscellaneous	12
	<hr/>
Total Operating Revenue	241,971
	<hr/>
Operating Expenses:	
Cost of Sales - Reimbursable Programs	62,862
Cost of Sales - Non-Reimbursable Programs	85,653
Salaries, Benefits & Payroll Taxes	123,795
Supplies, Insurance & Other Costs	2,314
Management Fee	10,058
Miscellaneous Expense	9,091
Depreciation Expense	2,292
	<hr/>
Total Operating Expenses	296,065
	<hr/>
Operating Income/(Loss)	(54,094)
	<hr/>
Non-Operating Income:	
Interest Income	147
State Sources:	
State School Lunch Program	2,355
State School Breakfast Program	256
State After Bell Program	390
Federal Sources:	
Federal School Lunch Program	39,273
Federal School PB Lunch Program	1,851
Federal School Breakfast Program	5,959
Supply Chain Assistance Award	44,473
Food Distribution Program	13,686
	<hr/>
Total Non-Operating Income	108,390
	<hr/>
Change in Net Position	54,296
	<hr/>
Net Position - Beginning of Year	99,849
	<hr/>
Net Position - End of Year	\$ 154,145
	<hr/> <hr/>

LENAPE VALLEY 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	\$ 241,971
Payments to Food Service Vendor	(266,592)
Payments for Miscellaneous Expenses	(7,333)
	<hr/>
Net Cash (Used) for Operating Activities	(31,954)
	<hr/>
Cash Flows from Investing Activities:	
Interest Income	147
	<hr/>
Net Cash Provided by Investing Activities	147
	<hr/>
Cash Flows from Noncapital Financing Activities:	
Local Sources - Interfunds Advanced	2,724
State Sources	3,119
Federal Sources	44,869
	<hr/>
Net Cash Provided by Noncapital Financing Activities	50,712
	<hr/>
Net Cash (Used) for Capital Financing Activities	
Purchase of Equipment	(14,500)
	<hr/>
Net Cash (Used) for Capital Financing Activities	(14,500)
	<hr/>
Net Increase in Cash and Cash Equivalents	4,405
Cash and Cash Equivalents, July 1	81,707
	<hr/>
Cash and Cash Equivalents, June 30	\$ 86,112
	<hr/> <hr/>
Reconciliation of Operating Loss to Net Cash (Used) for Operating Activities:	
Operating Loss	\$ (54,094)
Adjustment to Reconcile Operating Loss to Cash (Used) for Operating Activities:	
Depreciation	2,292
Food Distribution Program	13,686
Changes in Assets and Liabilities:	
(Increase)/Decrease in Inventory	(2,062)
Increase/(Decrease) in Unearned Revenue	2,307
Increase/(Decrease) in Accounts Payable	5,917
	<hr/>
Net Cash (Used) for Operating Activities	\$ (31,954)
	<hr/> <hr/>

Noncash Investing, Capital and Financing Activities:

The Food Service Enterprise Fund received and utilized USDA Donated Commodities through the Food Distribution Program valued at \$15,993 and \$13,686, respectively, for the fiscal year ended June 30, 2023.

FIDUCIARY ACTIVITIES
(NOT APPLICABLE)

LONG-TERM LIABILITIES

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
LONG-TERM LIABILITIES
SCHEDULE OF OBLIGATIONS UNDER FINANCED PURCHASES

<u>Item</u>	<u>Interest Rate</u>	<u>Original Issue</u>	<u>Balance June 30, 2022</u>	<u>Matured</u>	<u>Balance June 30, 2023</u>
Passenger Bus	5.11%	\$ 64,232	\$ 13,469	\$ 13,469	
Student Buses	1.46%	306,570	184,043	60,459	\$ 123,584
Student Buses	3.09%	83,438	<u>83,438</u>	<u>17,594</u>	<u>65,844</u>
			<u>\$ 280,950</u>	<u>\$ 91,522</u>	<u>\$ 189,428</u>

STATISTICAL SECTION
(UNAUDITED)

This part of the District's comprehensive annual 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

	<u>Exhibit</u>
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.

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT

NET POSITION BY COMPONENT

LAST TEN FISCAL YEARS

UNAUDITED

(accrual basis of accounting)

	June 30,			
	2014	2015	2016	2018
Governmental Activities:				
Net Investment in Capital Assets	\$ 2,148,755	\$ 3,427,112	\$ 4,314,882	\$ 4,609,226
Restricted	2,025,335	1,901,747	1,655,810	1,673,010
Unrestricted/(Deficit)	(3,182,305)	(3,370,580)	(3,470,212)	(3,757,426)
Total Governmental Activities Net Position	<u>\$ 991,785</u>	<u>\$ 1,958,279</u>	<u>\$ 2,500,480</u>	<u>\$ 2,524,810</u>
Business-Type Activities:				
Investment in Capital Assets	\$ 5,460	\$ 17,769	\$ 15,791	\$ 14,059
Unrestricted	22,607	33,618	34,485	30,195
Total Business-Type Activities Net Position	<u>\$ 28,067</u>	<u>\$ 51,387</u>	<u>\$ 50,276</u>	<u>\$ 44,254</u>
District-Wide:				
Net Investment in Capital Assets	\$ 2,154,215	\$ 3,444,881	\$ 4,330,673	\$ 4,623,285
Restricted	2,025,335	1,901,747	1,655,810	1,673,010
Unrestricted/(Deficit)	(3,159,698)	(3,336,962)	(3,435,727)	(3,727,231)
Total District Net Position	<u>\$ 1,019,852</u>	<u>\$ 2,009,666</u>	<u>\$ 2,550,756</u>	<u>\$ 2,569,064</u>
				<u>\$ 3,050,889</u>

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT

NET POSITION BY COMPONENT

LAST TEN FISCAL YEARS

UNAUDITED

(accrual basis of accounting)

	June 30,				
	2019	2020	2021	2022	2023
Governmental Activities:					
Net Investment in Capital Assets	\$ 5,360,602	\$ 6,407,145	\$ 7,207,161	\$ 8,618,300	\$ 8,957,933
Restricted	1,740,680	2,471,190	3,134,246	2,378,629	1,583,332
Unrestricted/(Deficit)	(3,309,673)	(3,572,648)	(3,256,833)	(2,376,066)	(2,242,644)
Total Governmental Activities Net Position	<u>\$ 3,791,609</u>	<u>\$ 5,305,687</u>	<u>\$ 7,084,574</u>	<u>\$ 8,620,863</u>	<u>\$ 8,298,621</u>
Business-Type Activities:					
Investment in Capital Assets	\$ 11,088	\$ 9,603	\$ 8,117	\$ 10,543	\$ 22,751
Unrestricted	28,689	20,746	1,400	89,305	131,394
Total Business-Type Activities Net Position	<u>\$ 39,777</u>	<u>\$ 30,349</u>	<u>\$ 9,517</u>	<u>\$ 99,848</u>	<u>\$ 154,145</u>
District-Wide:					
Net Investment in Capital Assets	\$ 5,371,690	\$ 6,416,748	\$ 7,215,278	\$ 8,628,843	\$ 8,980,684
Restricted	1,740,680	2,471,190	3,134,246	2,378,629	1,583,332
Unrestricted/(Deficit)	(3,280,984)	(3,551,902)	(3,255,433)	(2,286,761)	(2,111,250)
Total District Net Position	<u>\$ 3,831,386</u>	<u>\$ 5,336,036</u>	<u>\$ 7,094,091</u>	<u>\$ 8,720,711</u>	<u>\$ 8,452,766</u>

Source: School District Financial Reports

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT

CHANGES IN NET POSITION

LAST TEN FISCAL YEARS

UNAUDITED

(accrual basis of accounting)

	Fiscal Year Ending June 30,				
	2014	2015	2016	2017	2018
Expenses:					
Governmental Activities					
Instruction:					
Regular	\$ 6,364,383	\$ 7,303,831	\$ 7,898,802	\$ 8,223,052	\$ 8,504,067
Special Education	920,325	1,137,479	1,238,435	1,416,490	1,409,482
Other Instruction	76,425	75,022	77,462	78,675	58,124
School Sponsored	816,811	972,892	1,021,180	1,161,457	1,207,361
Support Services:					
Tuition	713,086	710,774	1,012,087	1,123,175	1,047,932
Student & Instruction Related Services	1,910,234	2,242,065	2,503,986	2,846,494	3,033,163
General and Business Administrative Services	408,332	427,695	563,419	546,225	552,215
School Administrative Services	626,763	749,867	605,788	793,596	766,194
Central Services	491,918	610,300	661,028	759,214	667,325
Administrative Information Technology	178,077	66,587	99,443	140,084	246,268
Plant Operations and Maintenance	1,379,793	1,890,693	1,500,744	1,539,453	1,755,539
Pupil Transportation	767,308	755,781	880,591	1,021,008	872,895
Capital Outlay	12,394				
Total Governmental Activities Expenses	<u>14,665,849</u>	<u>16,942,986</u>	<u>18,062,965</u>	<u>19,648,923</u>	<u>20,120,565</u>
Business-Type Activities:					
Food Service	203,048	220,248	215,798	200,629	184,603
Total Business-type Activities Expense	<u>203,048</u>	<u>220,248</u>	<u>215,798</u>	<u>200,629</u>	<u>184,603</u>
Total District Expenses	<u>\$ 14,868,897</u>	<u>\$ 17,163,234</u>	<u>\$ 18,278,763</u>	<u>\$ 19,849,552</u>	<u>\$ 20,305,168</u>
Program Revenues					
Charges for Services - Tuition	\$ 51,689	\$ 107,316	\$ 61,909	\$ 48,180	\$ 3,269
Operating Grants and Contributions and Charges for Services	2,018,267	2,118,337	2,320,307	2,513,816	5,832,185
Total Governmental Activities Program Revenues	<u>2,069,956</u>	<u>2,225,653</u>	<u>2,382,216</u>	<u>2,561,996</u>	<u>5,835,454</u>
Business-Type Activities:					
Charges for Services:					
Food Service	178,311	175,520	167,462	148,583	137,130
Operating Grants and Contributions	42,782	54,130	47,131	45,936	47,981
Total Business-type Activities Program Revenues	<u>221,093</u>	<u>229,650</u>	<u>214,593</u>	<u>194,519</u>	<u>185,111</u>

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT

CHANGES IN NET POSITION

LAST TEN FISCAL YEARS

UNAUDITED

(*accrual basis of accounting*)

	Fiscal Year Ending June 30,				
	2014	2015	2016	2017	2018
Total District Program Revenues	\$ 2,291,049	\$ 2,455,303	\$ 2,596,809	\$ 2,756,515	\$ 6,020,565
Net (Expense)/Revenue					
Governmental Activities	\$ (12,595,893)	\$ (14,717,333)	\$ (15,680,749)	\$ (17,086,927)	\$ (14,285,111)
Business-type Activities	18,045	9,402	(1,205)	(6,110)	508
Total District-wide Net Expense	\$ (12,577,848)	\$ (14,707,931)	\$ (15,681,954)	\$ (17,093,037)	\$ (14,284,603)
Governmental Activities:					
Property Taxes Levied for General Purposes, net	\$ 9,782,946	\$ 9,978,605	\$ 10,078,391	\$ 10,279,958	\$ 10,485,557
Federal and State Aid not Restricted	4,011,027	5,679,418	6,125,987	7,144,624	4,272,042
Investment Earnings	4,996	4,997	5,160	5,157	5,158
Miscellaneous Income	32,826	34,635	13,412	3,929	3,496
Transfer		(13,828)			
Total Governmental Activities	13,831,795	15,683,827	16,222,950	17,433,668	14,766,253
Business-Type Activities:					
Transfer In		13,828			
Investment Earnings	49	90	94	88	75
Total Business-Type Activities	49	13,918	94	88	75
Total District-Wide	\$ 13,831,844	\$ 15,697,745	\$ 16,223,044	\$ 17,433,756	\$ 14,766,328
Change in Net Position:					
Governmental Activities	\$ 1,235,902	\$ 966,494	\$ 542,201	\$ 346,741	\$ 481,142
Business-type Activities	18,094	23,320	(1,111)	(6,022)	583
Total District	\$ 1,253,996	\$ 989,814	\$ 541,090	\$ 340,719	\$ 481,725

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT

CHANGES IN NET POSITION

LAST TEN FISCAL YEARS

UNAUDITED

(accrual basis of accounting)

	Fiscal Year Ending June 30,				
	2019	2020	2021	2022	2023
Expenses:					
Governmental Activities					
Instruction:					
Regular	\$ 7,821,307	\$ 7,069,901	\$ 7,450,753	\$ 7,726,549	\$ 7,680,724
Special Education	1,278,590	1,302,441	1,335,553	1,566,393	1,718,800
Other Instruction	32,915	27,703	11,245	54,593	37,794
School Sponsored	1,177,811	1,129,589	1,131,560	826,680	890,765
Support Services:					
Tuition	1,052,761	648,534	861,662	1,026,972	699,043
Student & Instruction Related Services	2,958,125	2,851,974	2,942,709	3,108,963	3,153,367
General and Business Administrative Services	538,761	532,104	564,380	509,882	432,641
School Administrative Services	660,913	587,118	599,201	486,320	599,008
Central Services	525,843	618,705	631,092	455,206	474,922
Administrative Information Technology	241,579	217,422	204,009	178,850	199,158
Plant Operations and Maintenance	1,730,159	1,696,402	1,364,999	1,739,712	1,872,415
Pupil Transportation	994,046	877,504	1,116,545	1,113,966	1,180,001
Capital Outlay				44,427	398,369
Total Governmental Activities Expenses	19,012,810	17,559,397	18,213,708	18,838,513	19,337,007
Business-Type Activities:					
Food Service	189,310	158,758	69,240	288,080	296,065
Total Business-type Activities Expense	189,310	158,758	69,240	288,080	296,065
Total District Expenses	\$ 19,202,120	\$ 17,718,155	\$ 18,282,948	\$ 19,126,593	\$ 19,633,072
Program Revenues					
Charges for Services - Tuition	\$ 38,122	\$ 15,211	\$ 223,654	\$ 275,834	\$ 294,264
Operating Grants and Contributions and Charges for Services	4,698,165	4,069,263	4,492,072	4,505,258	3,297,618
Total Governmental Activities Program Revenues	4,736,287	4,084,474	4,715,726	4,781,092	3,591,882
Business-Type Activities:					
Charges for Services:					
Food Service	134,609	104,764	2,462	83,670	241,971
Operating Grants and Contributions	49,566	44,502	45,928	282,331	108,243
Total Business-type Activities Program Revenues	184,175	149,266	48,390	366,001	350,214

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT

CHANGES IN NET POSITION

LAST TEN FISCAL YEARS

UNAUDITED

(accrual basis of accounting)

	2019	2020	2021	2022	2023
Total District Program Revenues	\$ 4,920,462	\$ 4,233,740	\$ 4,764,116	\$ 5,147,093	\$ 3,942,096
Net (Expense)/Revenue	\$ (14,276,523)	\$ (13,474,923)	\$ (13,497,982)	\$ (14,057,421)	\$ (15,745,125)
Governmental Activities	(5,135)	(9,492)	(20,850)	77,921	54,149
Business-type Activities	\$ (14,281,658)	\$ (13,484,415)	\$ (13,518,832)	\$ (13,979,500)	\$ (15,690,976)
Total District-wide Net Expense					
General Revenues and Other Changes in Net Position					
Governmental Activities:					
Property Taxes Levied for General Purposes, net	\$ 10,695,268	\$ 10,909,173	\$ 11,127,356	\$ 11,238,630	\$ 11,397,220
Federal and State Aid not Restricted	4,285,240	4,195,809	4,084,532	4,318,014	4,185,675
Investment Earnings					
Miscellaneous Income	81,572	49,794	64,981	49,416	94,984
Transfer				(12,350)	
Total Governmental Activities	15,062,080	15,154,776	15,276,869	15,593,710	15,677,879
Business-Type Activities:					
Transfer In	75	64	18	12,350	147
Investment Earnings				60	
Total Business-Type Activities	75	64	18	12,410	147
Total District-Wide	\$ 15,062,155	\$ 15,154,840	\$ 15,276,887	\$ 15,606,120	\$ 15,678,026
Change in Net Position:					
Governmental Activities	\$ 785,557	\$ 1,679,853	\$ 1,778,887	\$ 1,536,289	\$ (67,246)
Business-type Activities	(5,060)	(9,428)	(20,832)	90,331	54,296
Total District	\$ 780,497	\$ 1,670,425	\$ 1,758,055	\$ 1,626,620	\$ (12,950)

Source: School District Financial Reports

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
FUND BALANCES - GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS

UNAUDITED

(modified accrual basis of accounting)

	2014	2015	2016	2017	2018
General Fund:					
Restricted	\$ 2,025,335	\$ 1,901,747	\$ 1,655,810	\$ 1,673,010	\$ 1,614,139
Assigned	165,323	49,799	51,226	66,372	66,251
Total General Fund	<u>\$ 2,190,658</u>	<u>\$ 1,951,546</u>	<u>\$ 1,707,036</u>	<u>\$ 1,739,382</u>	<u>\$ 1,680,390</u>
All Other Governmental Funds:					
Restricted					
Total All Other Governmental Funds	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>
General Fund:					
Restricted	\$ 1,740,680	\$ 2,302,633	\$ 2,937,008	\$ 2,163,330	\$ 1,370,472
Assigned	606,818	383,565	230,180	527,780	589,760
Unassigned			397,174	477,622	155,029
Total General Fund	<u>\$ 2,347,498</u>	<u>\$ 2,686,198</u>	<u>\$ 3,564,362</u>	<u>\$ 3,168,732</u>	<u>\$ 2,115,261</u>
All Other Governmental Funds:					
Restricted		\$ 168,557	\$ 197,238	\$ 215,823	\$ 212,860
Total All Other Governmental Funds	<u>\$ -0-</u>	<u>\$ 168,557</u>	<u>\$ 197,238</u>	<u>\$ 215,823</u>	<u>\$ 212,860</u>

Source: School District Financial Reports

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS

UNAUDITED

(modified accrual basis of accounting)

	Fiscal Year Ending June 30,				
	2014	2015	2016	2017	2018
Revenues:					
Tax Levy	\$ 9,782,946	\$ 9,978,605	\$ 10,078,391	\$ 10,279,958	\$ 10,485,557
Tuition from Individuals					
Tuition from Other LEA's Within the State	51,689	107,316	61,909	48,180	3,369
Rents and Royalties					
Sale of Capital Assets					
Interest Earnings	537	538	545	542	543
Miscellaneous	37,285	39,094	18,027	8,544	8,111
State Sources	5,831,377	5,987,231	6,296,700	6,516,128	6,829,087
Federal Sources	197,917	206,084	215,172	205,084	213,238
Total Revenue	15,901,751	16,318,868	16,670,744	17,058,436	17,539,905
Expenditures					
Instruction:					
Regular Instruction	4,589,627	4,584,166	4,867,079	4,336,141	4,469,507
Special Education Instruction	672,064	725,867	734,628	762,737	727,284
Other Instruction	76,425	75,022	77,462	78,675	58,124
School Sponsored Instruction	603,849	648,906	644,529	675,145	690,191
Support Services:					
Tuition	713,086	710,774	1,012,087	1,123,175	1,047,932
Student & Instruction Related Services	1,468,356	1,523,384	1,652,685	1,735,429	1,780,864
General Administrative Services	324,270	305,428	398,332	335,394	329,045
School Administrative Services	445,273	458,080	312,169	405,750	342,462
Central Services and	341,552	370,205	381,885	393,190	365,496
Administrative Information Technology	126,199	118,312	123,955	125,167	132,738
Plant Operations and Maintenance	1,243,141	1,369,647	1,205,019	1,250,991	1,299,442
Student Transportation	670,586	756,633	821,311	896,039	866,803
Unallocated Benefits	3,082,303	3,197,475	3,488,283	3,932,919	4,446,593

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

UNAUDITED

(modified accrual basis of accounting)

	Fiscal Year Ending June 30,				
	2014	2015	2016	2017	2018
Expenditures					
Capital Outlay	\$ 900,827	\$ 1,797,220	\$ 1,195,830	\$ 1,005,972	\$ 1,042,416
Total Expenditures	15,257,558	16,641,119	16,915,254	17,056,724	17,598,897
Excess/(Deficiency) of Revenue Over/(Under) Expenditures	644,193	(322,251)	(244,510)	1,712	(58,992)
Other Financing Sources/(Uses):					
Financed Purchases (Non-Budgeted)	206,298	96,967		30,634	
Transfers Out		(13,828)			
Total Other Financing Sources/(Uses)	206,298	83,139		30,634	
Net Change in Fund Balances	\$ 850,491	\$ (239,112)	\$ (244,510)	\$ 32,346	\$ (58,992)
Debt Service as a Percentage of Noncapital Expenditures	0.00%	0.00%	0.00%	0.00%	0.00%

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS

UNAUDITED

(modified accrual basis of accounting)

	Fiscal Year Ending June 30,				
	2019	2020	2021	2022	2023
Revenues:					
Tax Levy	\$ 10,695,268	\$ 10,909,173	\$ 11,127,356	\$ 11,238,630	\$ 11,397,220
Tuition from Individuals		850			
Tuition from Other LEA's Within the State	38,122	14,361	60,700	23,463	
Rents and Royalties	18,270	9,548	9,135	11,030	11,333
Sale of Capital Assets		10,000			30,000
Interest Earnings	497	494	457	439	523
Miscellaneous	62,805	29,752	219,343	293,318	352,392
State Sources	7,286,156	7,128,242	7,757,286	8,326,535	8,421,797
Federal Sources	224,534	252,467	259,880	882,281	566,394
Total Revenue	18,325,652	18,354,887	19,434,157	20,775,696	20,779,659
Expenditures					
Instruction:					
Regular Instruction	4,451,610	4,123,686	4,347,790	4,604,970	4,884,681
Special Education Instruction	741,273	788,003	820,546	957,521	1,157,331
Other Instruction	32,915	27,703	11,245	54,593	37,794
School Sponsored Instruction	724,231	711,617	700,649	752,427	832,725
Support Services:					
Tuition	1,052,761	648,534	861,662	1,026,972	699,043
Student & Instruction Related Services	1,834,919	1,824,378	1,929,010	2,177,597	2,513,962
General Administrative Services	353,251	352,402	384,405	389,294	381,628
School Administrative Services	336,226	324,862	334,867	329,474	387,201
Central Services and	398,880	392,604	401,494	333,228	371,722
Administrative Information Technology	136,734	138,031	134,236	127,279	156,500
Plant Operations and Maintenance	1,318,911	1,343,130	1,263,515	1,512,311	1,653,060
Student Transportation	938,779	857,713	857,267	1,091,670	1,193,919
Unallocated Benefits	4,859,899	4,684,432	5,267,974	6,046,407	6,302,159

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

UNAUDITED

(modified accrual basis of accounting)

	Fiscal Year Ending June 30,				
	2019	2020	2021	2022	2023
Expenditures					
Capital Outlay	\$ 542,387	\$ 1,834,557	\$ 1,519,222	\$ 1,820,610	\$ 1,008,848
Total Expenditures	17,722,776	18,051,652	18,833,882	21,224,353	21,580,573
Excess/(Deficiency) of Revenue Over/(Under) Expenditures	602,876	303,235	600,275	(448,657)	(800,914)
Other Financing Sources/(Uses):					
Financed Purchases (Non-Budgeted)	64,232		306,570	83,438	
Transfers Out				(12,350)	
Total Other Financing Sources/(Uses)	64,232		306,570	71,088	
Net Change in Fund Balances	\$ 667,108	\$ 303,235	\$ 906,845	\$ (377,569)	\$ (800,914)
Debt Service as a Percentage of Noncapital Expenditures	0.00%	0.00%	0.00%	0.00%	0.00%

Source: School District Financial Reports

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

<u>Fiscal Year</u> <u>Ending June 30,</u>	<u>Interest on</u> <u>Investments</u>	<u>Tuition</u>	<u>Other</u> <u>Miscellaneous</u>	<u>Rents and</u> <u>Royalties</u>	<u>Total</u>
2014	\$ 4,996	\$ 51,689	\$ 32,826		\$ 89,511
2015	5,384	107,316	34,248		146,948
2016	5,160	61,909	13,412		80,481
2017	4,339	48,180	4,747		57,266
2018	4,633	3,369	4,021		12,023
2019	6,423	38,122	56,879	\$ 18,270	119,694
2020	5,789	15,211	34,457	9,548	65,005
2021	7,046	60,700	48,800	9,135	125,681
2022	5,929	23,463	32,457	11,030	72,879
2023	7,061		76,590	11,333	94,984

Source: School District Financial Reports

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS
UNAUDITED

Byram Township

Year Ended Dec. 31,	Vacant Land	Residential	Farm Reg.	Qfarm	Commercial	Industrial	Apartment	Total Assessed Value	Tax-Exempt Property	Public Utilities ^a	Net Valuation Taxable	Total Direct School Tax Rate ^b	Actual (County Equalized Value)
2013	\$17,057,400	\$814,021,000	\$14,850,300	\$729,900	\$80,556,400	\$1,881,100	\$1,115,600	\$930,211,700	\$65,555,900	\$169,287	\$930,380,987	1.21	\$1,014,784,450
2014	15,872,700	815,375,600	15,346,800	738,600	79,509,100	1,881,100	1,115,600	929,839,500	65,358,100	170,951	930,010,451	1.23	983,104,528
2015	16,159,100	812,932,400	15,834,200	740,800	77,996,100	1,881,100	1,115,600	926,659,300	66,725,200		926,659,300	1.25	961,176,097
2016	15,654,400	813,991,600	14,976,800	723,400	77,065,800	1,881,100	1,115,600	925,408,700	67,800,200		925,408,700	0.86	965,576,690
2017	15,300,000	814,380,700	15,020,200	722,000	78,079,400	1,881,100	1,115,600	926,499,000	67,931,100		926,499,000	0.86	967,681,544
2018	15,247,700	812,600,000	16,201,300	670,800	77,322,400	1,881,100	1,115,600	925,038,900	68,355,600		925,038,900	0.70	990,189,256
2019	15,425,100	812,944,700	16,437,900	679,400	77,727,200	1,881,100	1,115,600	926,211,000	68,777,800		926,211,000	0.70	997,309,619
2020	15,071,800	811,597,100	17,128,900	658,500	77,217,100	1,881,100	1,115,600	924,670,100	69,840,700		924,670,100	1.37	994,155,430
2021	16,885,200	812,529,900	17,675,300	661,700	78,259,600	1,881,100	1,115,600	929,008,400	70,920,500		924,670,100	1.30	1,017,984,533
2022	13,919,000	812,535,100	18,422,400	643,900	78,259,600	1,881,100	1,115,600	926,776,700	71,943,600		926,776,700	1.30	1,090,905,865

Netcong Borough

Year Ended Dec. 31,	Vacant Land	Residential	Farm Reg.	Qfarm	Commercial	Industrial	Apartment	Total Assessed Value	Tax-Exempt Property	Public Utilities ^a	Net Valuation Taxable	Total Direct School Tax Rate ^b	Actual (County Equalized Value)
2013	\$6,072,900	\$238,253,100			\$42,694,000	\$17,413,500	\$25,781,800	\$330,215,300	\$21,735,000		\$330,215,300	0.91	\$273,815,716
2014	6,000,500	237,191,500			42,855,300	17,413,500	25,781,800	329,242,600	21,735,000		329,242,600	0.90	276,798,948
2015	5,840,000	236,807,700			41,890,700	17,413,500	25,781,800	327,733,700	21,435,500		327,733,700	1.00	257,290,637
2016	6,359,000	234,351,300			41,198,400	17,413,500	25,781,800	325,104,000	22,047,400		325,104,000	0.98	264,140,396
2017	6,359,000	233,929,500			41,275,900	17,413,500	25,781,800	324,759,700	22,052,400		324,759,700	0.99	265,424,494
2018	6,313,900	232,897,600			41,092,600	17,413,500	25,781,800	323,499,400	22,052,400		323,499,400	1.16	270,035,525
2019	6,009,800	232,005,400			40,992,600	17,413,500	25,781,800	322,203,100	22,249,200		322,203,100	1.21	302,238,491
2020	5,689,300	232,648,600			40,722,200	17,413,500	25,781,800	322,255,400	21,653,500		322,255,400	1.25	313,418,931
2021	4,249,600	220,460,800			37,011,300	18,957,200	43,978,800	324,657,700	31,870,700		324,657,700	1.26	291,426,377
2022	4,357,800	220,242,100			36,924,500	18,957,200	38,438,800	318,920,400	35,850,600		318,920,400	1.30	322,543,022

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS
UNAUDITED

Stanhope Borough

Year Ended Dec. 31,	Vacant Land	Residential	Farm Reg.	Qfarm	Commercial	Industrial	Apartment	Total Assessed Value	Tax-Exempt Property	Public Utilities ^a	Net Valuation Taxable	Total Direct School Tax Rate ^b	Actual (County Equalized Value)
2013	* \$ 3,311,700	\$261,262,300		\$ 18,100	\$22,274,800	\$ 4,445,500	\$ 3,191,900	\$ 294,504,300	\$40,970,500	\$ 880	\$ 294,505,180	1.34	\$ 323,968,901
2014	2,744,000	261,244,700		18,100	22,286,500	4,445,500	3,191,900	293,930,700	41,704,100	758	293,931,458	1.38	329,032,732
2015	2,809,100	261,017,000		18,100	22,087,800	4,445,500	3,194,200	293,571,700	41,230,300	828	293,572,528	1.42	329,682,772
2016	2,881,600	261,375,600		18,100	22,087,800	4,445,500	3,194,200	294,002,800	41,157,800	711	294,003,511	1.04	318,979,554
2017	2,674,300	261,114,800		19,300	22,128,600	4,445,500	3,194,200	293,576,700	41,397,600	683	293,577,383	1.07	319,640,920
2018	2,653,900	261,299,400		19,300	22,153,800	4,445,500	3,194,200	293,766,100	41,269,700	651	293,766,751	1.52	315,261,868
2019	2,653,900	261,808,300		19,300	22,104,800	4,445,500	3,194,200	294,226,000	41,045,900	552	294,226,552	1.55	325,155,173
2020	2,653,911	261,922,500		19,300	22,104,800	4,445,500	3,194,200	294,340,211	41,608,700		294,340,211	1.61	331,859,380
2021	2,604,600	262,542,500		18,100	21,906,800	4,445,500	3,194,200	294,711,700	41,764,300		294,711,700	1.67	331,497,319
2022	2,604,600	264,077,700		18,100	21,906,800	4,445,500	3,194,200	296,246,900	41,846,300		296,246,900	1.69	350,519,794

* Revaluation became effective.

Source: Municipal Tax Assessors and State of New Jersey Website

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

Reassessment occurs when ordered by the County Board of Taxation

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

b Tax rates are per \$100

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN YEARS

UNAUDITED
(rate per \$100 of assessed value)

Byram Township

Year Ended December 31,	Direct Rate		Total Direct	Overlapping Rates		Local School	Total Direct and Overlapping Tax Rate
	Basic Rate ^a			Municipality	County		
2013	\$ 1.210	\$	1.210	\$ 0.874	\$ 0.539	\$ 0.648	\$ 3.271
2014	1.227		1.227	0.864	0.552	0.665	3.308
2015	1.249		1.249	0.888	0.534	0.668	3.339
2016	0.863		0.863	0.913	0.578	0.666	3.020
2017	0.857		0.857	0.928	0.595	0.687	3.067
2018	1.289		0.699	0.935	0.622	0.699	2.955
2019	1.299		0.699	0.946	0.624	0.699	2.968
2020	1.374		1.374	0.945	0.627	0.699	3.645
2021	1.296		1.296	0.952	0.643	0.713	3.604
2022	1.304		1.304	0.964	0.662	0.730	3.660

Netcong Borough

Year Ended December 31,	Direct Rate		Total Direct	Overlapping Rates		Local School	Total Direct and Overlapping Tax Rate
	Basic Rate ^a			Municipality	County		
2013	\$ 0.908	\$	0.908	\$ 0.738	\$ 0.208	\$ 0.503	\$ 2.357
2014	0.898		0.898	0.756	0.215	0.502	2.371
2015	0.996		0.996	0.775	0.197	0.511	2.479
2016	0.981		0.981	0.797	0.197	0.499	2.474
2017	0.989		0.989	0.821	0.212	0.504	2.526
2018	1.158		1.158	0.840	0.217	0.537	2.752
2019	1.209		1.209	0.861	0.245	0.611	2.927
2020	1.249		1.249	0.883	0.245	0.698	3.075
2021	1.264		1.264	0.901	0.233	0.724	3.122
2022	1.301		1.301	0.942	0.259	0.741	3.243

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

Stanhope Borough

Year Ended December 31,	Direct Rate		Total Direct	Overlapping Rates		Local School	Total Direct and Overlapping Tax Rate
	Basic Rate ^a	\$		Municipality	County		
2013 *		1.344	\$ 1.344	1.094	0.543	\$ 0.675	\$ 3.656
2014		1.378	1.378	1.103	0.585	0.692	3.758
2015		1.423	1.423	1.115	0.578	0.747	3.863
2016		1.042	1.042	1.131	0.612	0.811	3.596
2017		1.067	1.067	1.141	0.621	0.808	3.637
2018		1.523	1.523	1.157	0.624	0.808	4.113
2019		1.549	1.549	1.168	0.641	0.799	4.157
2020		1.611	1.611	1.191	0.659	0.779	4.240
2021		1.671	1.671	1.218	0.659	0.753	4.301
2022		1.687	1.687	1.235	0.666	0.735	4.323

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.

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

* Revaluation became effective.

Source: Municipal Tax Collectors and School Business Administrator

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO
UNAUDITED

		2023			2014		
Taxpayer	Taxable Assessed Value	Rank	% of Total District Net Assessed Value	Taxpayer	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
Gordon Byram Associates, LLC	\$ 14,961,700	1	1.61%	Gordon Byram Assoc, LLC	\$ 18,586,900	1	2.00%
Tilcon New York, Inc	5,109,400	2	0.55%	Byram Land Development, LLC	5,043,700	2	0.54%
Panther Lake Camping Resort, Inc	4,665,600	3	0.50%	Byram Self Storage, LLC	4,250,000	3	0.46%
YK Realty Co LLC	4,233,500	4	0.46%	Lynes Nissan	2,875,000	4	0.31%
Byram Self Storage	3,900,000	5	0.42%	Panther Lake Camping Resort Inc	2,717,300	5	0.29%
Quickchek Corp	3,187,400	6	0.34%	206 Acorn Development Corp	2,296,600	6	0.25%
PSD Automotive Group	2,875,000	7	0.31%	Lake Lackawanna Investment Co.	1,970,500	7	0.21%
206 Acorn Development Corp	1,951,400	8	0.21%	Individual Taxpayer #1	1,668,300	8	0.18%
Individual Taxpayer #1	1,723,900	9	0.19%	SC Realty LLC	1,549,500	9	0.17%
55 Lackawana Development, LLC	1,700,000	10	0.18%	B V J & P Inc.	1,502,500	10	0.16%
Total	\$ 44,307,900		4.77%		\$ 42,460,300		4.57%

		2023			2014		
Taxpayer	Taxable Assessed Value	Rank	% of Total District Net Assessed Value	Taxpayer	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
Netcong Heights	\$ 32,890,900	1	10.31%	Netcong Heights	\$ 16,768,084	1	5.08%
Dowel-Netcong, LLC	8,953,500	2	2.81%	Dowel-Netcong, LLC	6,005,314	2	1.82%
Semper Development Group, LLC	4,749,500	3	1.49%	Sempre Development Group, LLC	2,729,688	3	0.83%
Netcong 201 LLC Morris Canal Plaza	3,216,300	4	1.01%	Individual Taxpayer 1	2,469,978	4	0.75%
Greater Northern 59 Love Lane LLC	3,002,000	5	0.94%	Netcong 201 LLC	2,185,944	5	0.66%
Greater Northern 69 Love Lane LLC	2,833,300	6	0.89%	US Mineral Wool Products	2,093,192	6	0.63%
US Mineral Wool Products	2,719,200	7	0.85%	Individual Tax Payer #2	1,959,994	7	0.59%
Netcong Properties LP C/O Quik Chk	1,957,100	8	0.61%	Quirk Realty, LLC	1,913,674	8	0.58%
Bell Atlantic - NJ C/O Duff & Phelps	1,944,900	9	0.61%	Bell Atlantic NJ	1,612,841	9	0.49%
Mark Appraisals, LLC	1,509,600	10	0.47%	Mark Appraisals LLC	1,334,047	10	0.40%
Total	\$ 63,776,300		19.99%		\$ 39,072,756		11.83%

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
PRINCIPAL PROPERTY TAX PAYERS
CURRENT YEAR AND NINE YEARS AGO
UNAUDITED

		Stanhope Borough				
		2023		2014		
Taxpayer	Taxable Assessed Value	Rank	% of Total District Net Assessed Value	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
Metro SH Storage, LLC/Metro Storage	\$ 3,611,600	1	1.22%	\$ 3,611,600	1	1.23%
US Mineral Products Co.	1,701,900	2	0.57%	1,701,900	2	0.58%
10 Furnace Street, LLC	1,308,000	3	0.44%	1,360,500	3	0.46%
Heritage Crossing LLC	1,270,800	4	0.43%	1,270,800	4	0.43%
Individual Taxpayer 1	1,129,000	5	0.38%	1,188,900	5	0.40%
Juntos Holdings LLC	979,300	6	0.33%	1,140,000	6	0.39%
Lakeland Bank	953,600	7	0.32%	1,129,000	7	0.38%
Individual Taxpayer 2	950,000	8	0.32%	979,300	8	0.33%
Andrew Benjamin, LLC	851,500	9	0.29%	955,100	9	0.32%
Normandie Lane, LLC	550,000	10	0.19%	953,600	10	0.32%
Total	\$ 13,305,700		3.27%	\$ 14,290,700.00		4.84%

Note: Individual taxpayers may be different in 2023 and 2014.

Source: Municipal Tax Assessor

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
UNAUDITED

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal		Collections in Subsequent Years
		Year of the Levy ^a Amount	Percentage of Levy	
2014	\$ 9,782,946	\$ 9,782,946	100.00%	\$ -0-
2015	9,978,605	9,978,605	100.00%	-0-
2016	10,078,391	10,078,391	100.00%	-0-
2017	10,279,958	10,279,958	100.00%	-0-
2018	10,485,557	10,485,557	100.00%	-0-
2019	10,695,268	10,695,268	100.00%	-0-
2020	10,909,173	10,909,173	100.00%	-0-
2021	11,127,356	11,127,356	100.00%	-0-
2022	11,238,630	11,238,630	100.00%	-0-
2023	11,397,220	11,397,220	100.00%	-0-

^a School taxes are collected by the Municipal Tax Collectors. 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: Lenape Valley Regional High School District records including the Certificate and Report of School Taxes (A4F form)

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
UNAUDITED
(dollars in thousands, except per capita)

Fiscal Year Ended June 30,	Governmental Activities Financed Purchases	Total District	Percentage of Personal Income ^a	Per Capita ^a
2014	\$ 211,219	\$ 211,219	0.02%	\$ 14.22
2015	155,291	155,291	0.02%	10.59
2016	77,435	77,435	0.01%	5.32
2017	72,484	72,484	0.01%	5.00
2018	37,314	37,314	0.00%	2.58
2019	62,598	62,598	0.01%	4.35
2020	44,886	44,886	0.00%	3.14
2021	269,914	269,914	0.02%	17.68
2022	280,950	280,950	0.02%	18.32
2023	189,428	189,428	0.02%	12.35

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

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

Source: School District Financial Reports

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

NOT APPLICABLE

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

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable ^a</u>	<u>Estimated Share of Overlapping Debt</u>
<u>Debt Repaid With Property Taxes</u>			
Township of Byram	\$ 1,589,712	100.00%	\$ 1,589,712
Borough of Netcong	2,291,961	100.00%	2,291,961
Borough of Stanhope	2,740,981	100.00%	2,740,981
Morris County County General Obligation Debt (All Constituent Municipalities) (1)	253,387,955	0.30%	765,386
Sussex County County General Obligation Debt (All Constituent Municipalities) (2)	95,444,925	7.28%	<u>6,948,391</u>
Subtotal, Overlapping Debt			14,336,431
Lenape Valley Regional School District Direct Debt			<u>-0-</u>
Total Direct and Overlapping Debt			<u>\$ 14,336,431</u>
(2) Township of Byram/County of Sussex -	5.45%		
(1) Borough of Netcong/County of Morris -	0.30%		
(2) Borough of Stanhope/County of Sussex -	1.83%		

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 that is borne by the residents and businesses of Byram, Netcong, and Stanhope. This process recognizes that, when considering the District's ability to issue and repay long-term, the entire debt burden borne by the residents and businesses should be taken into account. However this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping unit

^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.

Sources: Assessed value data used to estimate applicable percentages provided by the Morris and Sussex County Boards of Taxation; debt outstanding data provided by each governmental unit.

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

Legal Debt Margin Calculation for Fiscal Year 2023

Year	Township of Byram	Borough of Netcong	Borough of Stanhope	Total Equalized Valuation Basis
2020	\$ 1,015,562,987	\$ 288,836,963	\$ 330,014,800	\$ 1,634,414,750
2021	1,089,037,281	318,698,047	347,660,375	\$ 1,755,395,703
2022	1,183,622,861	330,933,278	389,388,670	\$ 1,903,944,809
	<u>\$3,288,223,129</u>	<u>\$ 938,468,288</u>	<u>\$ 1,067,063,845</u>	<u>\$5,293,755,262</u>
Average Equalized Valuation of Taxable Property				<u>\$1,764,585,087</u>
Debt Limit (4% of average equalization value) ^a				\$ 70,583,403
Net Bonded School Debt as of June 30, 2023				-0-
Legal Debt Margin				<u>\$ 70,583,403</u>

	Fiscal Year Ending June 30,				
	2014	2015	2016	2017	2018
Debt Limit	\$ 66,772,267	\$ 63,653,897	\$ 62,434,615	\$ 61,931,004	\$ 62,035,460
Total Net Debt Applicable to Limit					
Legal Debt Margin	<u>\$ 66,772,267</u>	<u>\$ 63,653,897</u>	<u>\$ 62,434,615</u>	<u>\$ 61,931,004</u>	<u>\$ 62,035,460</u>
Total Net Debt Applicable to the Limit As a Percentage of Debt Limit	0.00%	0.00%	0.00%	0.00%	0.00%
	Fiscal Year Ending June 30,				
	2019	2020	2021	2022	2023
Debt Limit	\$ 63,354,827	\$ 64,294,583	\$ 65,096,438	\$ 66,893,978	\$ 70,583,403
Total Net Debt Applicable to Limit					
Legal Debt Margin	<u>\$ 63,354,827</u>	<u>\$ 64,294,583</u>	<u>\$ 65,096,438</u>	<u>\$ 66,893,978</u>	<u>\$ 70,583,403</u>
Total Net Debt Applicable to the Limit As a Percentage of Debt Limit	0.00%	0.00%	0.00%	0.00%	0.00%

a Limit set by NJSA 18A:24-19 for a K 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

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN YEARS
UNAUDITED

Byram Township

Year	Population ^a	Personal Income ^b	Sussex County	
			Per Capita Personal Income ^c	Unemployment Rate ^d
2014	8,150	\$ 441,045,400	\$ 54,116	6.20%
2015	8,060	449,119,320	55,722	5.10%
2016	7,992	458,157,384	57,327	4.50%
2017	7,974	471,614,256	59,144	4.20%
2018	7,952	489,294,512	61,531	3.70%
2019	7,945	510,736,380	64,284	3.20%
2020	7,890	535,052,460	67,814	8.60%
2021	8,061	572,806,599	71,059	5.80%
2022	8,115	576,643,785 ***	71,059 *	3.50%
2023	8,115 **	576,643,785 ***	71,059 *	N/A

Netcong Borough

Year	Population ^a	Personal Income ^b	Morris County	
			Per Capita Personal Income ^c	Unemployment Rate ^d
2014	3,226	\$ 271,900,184	\$ 84,284	7.40%
2015	3,219	284,231,262	88,298	6.20%
2016	3,204	292,371,408	91,252	5.70%
2017	3,191	298,498,904	93,544	5.30%
2018	3,165	307,777,260	97,244	4.80%
2019	3,129	310,209,060	99,140	4.10%
2020	3,122	319,152,694	102,227	12.10%
2021	3,658	394,211,686	107,767	7.10%
2022	3,661	394,534,987 ***	107,767 *	4.70%
2023	3,661 **	394,534,987 ***	107,767 *	N/A

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN YEARS
UNAUDITED

Stanhope Borough

Year	Population ^a	Personal Income ^b	Sussex County	
			Per Capita Personal Income ^c	Unemployment Rate ^d
2014	3,476	\$ 188,107,216	\$ 54,116	5.90%
2015	3,387	188,730,414	55,722	5.50%
2016	3,355	192,332,085	57,327	5.30%
2017	3,335	197,245,240	59,144	4.60%
2018	3,323	204,467,513	61,531	4.20%
2019	3,311	212,844,324	64,284	3.30%
2020	3,288	222,972,432	67,814	9.90%
2021	3,545	251,904,155	71,059	5.80%
2022	3,560	252,970,040 ***	71,059 *	3.40%
2023	3,560 **	252,970,040 ***	71,059 *	N/A

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

** - Latest population data available (2022) was used for calculation purposes.

*** - Latest Township/Borough personal income available (2021) was used for calculation purposes.

N/A - Information not available

Source:

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

^b Personal income has been estimated based upon the municipal population and per capita personal income presented

^c Per capita personal income by municipality estimated based upon the 2000 Census published by the US Bureau of Economic Analysis.

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

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
PRINCIPAL EMPLOYERS - COUNTY OF SUSSEX
CURRENT YEAR AND NINE YEARS AGO
UNAUDITED

Employer	2022		2013		Percentage of Total Employment
	Employees	Percentage of Total Employment	Employer	Employees	
Selective Insurance Group Inc.	1000-4999	N/A	Crystal Springs Gold & Spa Resort	2,000	N/A
Crystal Springs Resort	1000-4999	N/A	Newton Memorial Hospital	1,200	N/A
Newton Medical Center	500-999	N/A	Selective Insurance	900	N/A
Sussex County Offices	500-999	N/A	County of Sussex	830	N/A
Thorlabs	500-999	N/A	Mountain Creek Resort	800	N/A
Mountain Creek Resort	500-999	N/A	Ames Rubber Corp.	445	N/A
Shop Rite	250-499	N/A	Shop Rite Supermarkets	301	N/A
Sussex County Community College	250-499	N/A	Andover Subacute & Rehab Center	300	N/A
United Methodist Community Bristol Glen	250-499	N/A	Sussex County Community College	300	N/A
Andover Subacute & Rehab Center	100-249	N/A	SCARC, Inc.	287	N/A
Total	<u>N/A</u>		Total	<u>7,363</u>	
Total County Labor Force	<u>N/A</u>			<u>N/A</u>	

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
PRINCIPAL EMPLOYERS - COUNTY OF MORRIS
CURRENT YEAR AND NINE YEARS AGO
UNAUDITED

	2022		2013		Percentage of Total Employment
	Employer	Employees	Employer	Employees	
Atlantic Health System		10,552	U.S Army Aramament R&D	5,841	2.27%
Novartis		6,500	Novartis	5,035	1.96%
Picantinnny Arsenal		6,000	Atlantic Health System	4,463	1.74%
Barclays		3,374	ADP	2,060	0.80%
Bayer		2,713	Bayer Healthcare, LLC	1,900	0.74%
ADP		2,400	County of Morris	1,674	0.65%
Accenture		2,344	Wyndham Worldwide Corporation	1,653	0.64%
PricewaterhouseCoopers		2,095	St Clare's	1,642	0.64%
Cigna		1,686	BASF Corporation	1,500	0.58%
Deloitte & Touche		1,646	Accenture	1,480	0.58%
Total		39,310	Total	27,248	10.60%
Total County Labor Force		262,719	Total County Labor Force	274,179	

N/A - Not Available

Source: Morris County and Sussex County Area Chamber of Commerce and Sussex County Department of Administration and Finance

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

LAST TEN FISCAL YEARS
UNAUDITED
(accrual basis of accounting)

<u>Function/Program:</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Instruction:										
Regular	55.0	55.0	55.0	55.0	53.0	50.0	50.0	50.0	50.0	51.0
Special Education	8.0	9.0	9.0	9.0	8.0	8.0	8.0	8.0	8.0	11.0
Other	3.0	3.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Support Services:										
Student & Instruction Related Services	23.0	24.0	24.0	24.0	23.0	22.0	22.0	22.0	22.0	24.0
School Administrative Services	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0
General and Business Administrative Services	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	4.0
Plant Operations and Maintenance	8.0	8.0	8.0	8.0	8.0	8.0	9.0	7.0	7.0	10.0
Pupil Transportation	6.0	6.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0
Total	116.0	118.0	118.0	118.0	114.0	110.0	111.0	109.0	109.0	116.0

Source: School District Financial Reports

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
OPERATING STATISTICS
LAST TEN FISCAL YEARS
UNAUDITED

Fiscal Year	Enrollment	Operating Expenditures ^a	Cost Per Pupil ^d	Percentage Change	Teaching Staff ^b	Pupil/Teacher Ratio		Average Daily Enrollment (ADE) ^c	Average Daily Attendance (ADA) ^c	% Change in Average Daily Enrollment	Student Attendance Percentage
						High School	School				
2014	828	\$ 14,356,731	\$ 17,339	-9.36%	66	13:1	13:1	828	785	5.48%	94.81%
2015	806	14,843,899	18,417	6.22%	67	12:1	12:1	806	765	-2.66%	94.91%
2016	803	15,719,424	19,576	6.29%	66	12:1	12:1	803	778	-0.37%	96.89%
2017	772	16,050,752	20,791	6.21%	67	12:1	12:1	772	730	-3.86%	94.56%
2018	719	16,556,481	23,027	10.75%	63	11:1	11:1	708	670	-8.29%	94.63%
2019	705	16,569,265	23,503	2.06%	60	11:1	11:1	687	651	-2.97%	94.76%
2020	682	16,217,095	23,779	1.18%	60	11:1	11:1	642	610	-6.55%	95.02%
2021	672	17,314,660	25,766	8.36%	60	11:1	11:1	666	610	3.74%	91.59%
2022	647	18,572,698	28,706	11.41%	60	11:1	11:1	647	473	-2.85%	73.11%
2023	676	20,571,725	30,432	6.01%	64	11:1	11:1	665	168	2.78%	25.26%

Sources: School District Records

Note: Enrollment based on annual October district count.

- a Operating expenditures equal total expenditures less debt service and capital outlay.
- b Teaching staff includes only full-time equivalents of certificated staff.
- c Average daily enrollment and average daily attendance are obtained from the School Register Summary (SRS).
- d The Cost per Pupil calculated above is the sum of the operating expenditures divided by enrollment. This cost per pupil may be different from other cost per pupil calculations.

LENAPE VALLEY 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>										
<u>High School</u>										
Square Feet	146,637	146,637	146,637	146,637	146,637	146,637	146,637	146,637	146,637	146,637
Capacity (students)	900	900	900	900	900	900	900	900	900	900
Enrollment	828	806	803	772	719	705	682	672	647	676

Number of Schools at June 30, 2023
 High School = 1

Source: School District Records

Note: Enrollment is based on the annual October district count.

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
GENERAL FUND SCHEDULE OF REQUIRED MAINTENANCE FOR SCHOOL FACILITIES
LAST TEN FISCAL YEARS
UNAUDITED

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

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
<u>School Facilities:</u>					
Lenape Valley High School District	<u>\$ 209,007</u>	<u>\$ 434,057</u>	<u>\$ 303,518</u>	<u>\$ 311,266</u>	<u>\$ 281,953</u>
	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
<u>School Facilities:</u>					
Lenape Valley High School District	<u>\$ 344,247</u>	<u>\$ 305,814</u>	<u>\$ 268,332</u>	<u>\$ 294,642</u>	<u>\$ 242,261</u>

Source: District records

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
INSURANCE SCHEDULE
JUNE 30, 2023
UNAUDITED

	<u>Coverage</u>	<u>Deductible</u>
School Package Policy - School Alliance Insurance Fund:	\$ 500,000,000	
Building & Personal Property		\$ 2,500
Inland Marine - Auto Physical Damage		\$ 1,000
General Liability including Auto, Employee Benefits		
Each Occurrence	\$ 5,000,000	
General Aggregate	\$ 100,000,000	
Product/Completed Ops		
Personal Injury		
Fire Damage	\$ 2,500,000	
Medical Expenses (excluding students taking part in athletics)	\$ 10,000	
Automobile Coverage		
Combined Single Limit		
Hired/Non-owned		
Environmental Impairment Liability	\$ 1,000,000	\$ 10,000
Fund Aggregate (excluding mold, fungus, legionella & PFAS)	\$ 25,000,000	\$ 100,000
Crime Coverage	\$ 50,000	\$ 1,000
Blanket Dishonesty Bond	\$ 500,000	\$ 1,000
Boiler and Machinery	\$ 100,000,000	\$ 2,500
Excess Liability (AL/GL)	\$ 5,000,000	
School Board Legal	\$ 5,000,000	\$ 5,000
Excess SLPL	\$ 5,000,000	
Cyber Liability	\$ 750,000	\$ 10,000
Workers' Compensation	NJ Statutory	
Employer's Liability	\$ 5,000,000	
Supplemental Indemnity	NJ Statutory	
Selective Insurance Company		
Bond for Business Administrator/Board Secretary	\$ 250,000	
Bond for Treasurer of School Moneys	\$ 250,000	
Student Accident - U.S. Fire and Insurance Company	\$ 5,000,000	

Source: 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
Lenape Valley Regional High School District
County of Sussex, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and the audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey (the "Office"), the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Board of Education of the Lenape Valley Regional High School District, in the County of Morris (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 October 6, 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
Lenape Valley Regional High School District
Page 2

Report on Compliance and Other Matters

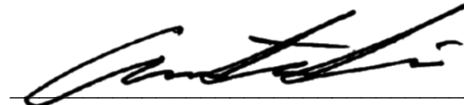
As part of obtaining reasonable assurance about whether the District’s financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material 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 results 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.

October 6, 2023
Mount Arlington, New Jersey

NISIVOCCIA LLP



Andrew Kucinski
Licensed Public School Accountant #2684
Certified Public Accountant



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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
 Lenape Valley Regional High School District
 County of Sussex, New Jersey

Report on Compliance for Each Major State Program

Opinion on Each Major State Program

We have audited the Lenape Valley 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.

Responsibilities of Management for Compliance

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

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 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.

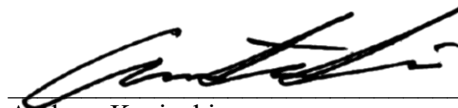
Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant 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.

October 6, 2023
Mount Arlington, New Jersey

NISIVOCCIA LLP



Andrew Kucinski
Licensed Public School Accountant #2684
Certified Public Accountant

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

Special Revenue Fund: U.S. Department of Education Passed-through State Department of Education: Elementary and Secondary Education Act	Assistance Listing Number	Grant or State Program Number	Grant Period	Award Amount	Balance 6/30/2022		Cash Received	Budgetary Expenditures	Cancelled	Balance 6/30/2023		Amount Provided to Subrecipients
					(Accounts Receivable)	Unearned Revenue				Budgetary Unearned Revenue	Accounts Receivable	
Title I, Part A Title I, Part A Total Title I Title II, Part A Title II, Part A Title II, Part A Total Title II Title IV Title IV Total Title IV Total Elementary and Secondary Education Act Special Education Cluster: I.D.E.A. Part B, Basic I.D.E.A. Part B, Basic Total Special Education Cluster Total U.S. Department of Education U.S. Department of Treasury - Passed-through State Department of Education: COVID 19 - Additional or Compensatory Special Education & Related Services for Students with Disabilities (ACSERS) Education Stabilization Fund: COVID 19 - CARES Emergency Relief COVID 19 - CRRSA - ESSER II COVID 19 - CRRSA - Learning Acceleration COVID 19 - CRRSA - Mental Health COVID 19 - ARP - ESSER III COVID 19 - ARP - Accelerated Learning COVID 19 - ARP - Summer Learning COVID 19 - ARP - Beyond School Day COVID 19 - ARP - Mental Health Total U.S. Department of Treasury Total Special Revenue Fund	84.010	ESEA261521	7/1/22-9/30/23	\$ 65,560	\$ (23,979)	\$ 23,979	\$ (65,560)			\$ (65,560)		
	84.010	ESEA261522	7/1/21-9/30/22	73,070	(23,979)	23,979	(65,560)					
	84.367A	ESEA261523	7/1/22-9/30/23	13,725			(13,725)				(13,725)	
	84.367A	ESEA261522	7/1/21-9/30/22	14,512	\$ 750	4,115				\$ 4,865		
	84.367A	ESEA261520	7/1/21-9/30/20	14,897	393					393		
					1,143	4,115		(13,725)			(13,725)	5,258
	84.424	ESEA261523	7/1/22-9/30/23	10,000	(5,750)	10,000	(10,000)				(10,000)	
	84.424	ESEA261522	7/1/21-9/30/22	10,000	(5,750)	10,000	(10,000)				(10,000)	4,250
					1,143	28,094		(89,285)			(89,285)	9,508
					151,919	(66,911)	66,911	(151,919)				
				148,489	(66,911)	218,830	(151,919)					
					(90,890)	246,924	(241,204)			(89,285)	9,508	
				122,553		122,553	(122,553)					
				204,081	(110,353)	110,353		\$ 10,000		\$ 10,000		
				25,000		5,600	(286)			5,314		
				45,000		4,732	(5,520)			9,724		
				458,659	(117,500)					(117,500)		
				50,000	(3,900)		(40,000)			(3,900)		
				40,000			(40,000)			(40,000)		
				40,000			(40,000)			(40,000)		
				45,000	(231,753)	243,238	(220,555)	10,000		25,038		
					(322,643)	490,162	(461,759)	10,000		25,038		
											9,508	

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

Federal Grantor/Pass Through Grantor Program/Cluster Title	Assistance Listing Number	Grant or State Program Number	Grant Period	Award Amount	Balance 6/30/2022		Cash Received	Budgetary Expenditures	Cancelled	Balance 6/30/2023		Amount Provided to Subrecipients
					(Accounts Receivable)	Unearned Revenue				Budgetary Unearned Revenue	Budgetary Accounts Receivable	
U.S. Department of Agriculture												
Child Nutrition Cluster:												
Food Distribution Program	10.555	N/A	7/1/22-6/30/23	\$ 15,993		\$ 15,993	\$ (12,519)			\$ 3,474		
Food Distribution Program	10.555	N/A	7/1/21-6/30/22	8,930			(1,167)					
COVID 19 - Seamless Summer Option - Lunch	10.555	N/A	7/1/21-6/30/22	202,648	\$ (4,748)	4,748						
Supply Chain Assistance Funding (1st/2nd Round)	10.555	N/A	1/1/22-9/30/23	34,269		34,269	(34,269)					
Supply Chain Assistance Funding (3rd Round)	10.555	N/A	10/1/22-9/30/24	10,204		10,204	(10,204)					
School Breakfast Program	10.555	N/A	7/1/22-6/30/23	5,959		5,496	(5,959)				\$ (463)	
National School Lunch Program - PB Lunch	10.555	N/A	7/1/22-6/30/23	1,851		1,789	(1,851)				(62)	
National School Lunch Program	10.555	N/A	7/1/22-6/30/23	39,273		37,834	(39,273)				(1,439)	
Total Child Nutrition Cluster					(4,748)	1,167	(105,242)			3,474	(1,964)	
Total U.S. Department of Agriculture					(4,748)	1,167	(105,242)			3,474	(1,964)	
Total Federal Awards					\$236,501	\$12,822	\$600,495	\$ (567,001)	\$10,000	\$28,512	\$ (215,560)	\$ -0-

N/A - Not Applicable

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

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

State Grantor/Program Title	Project or State Number	Grant Period	Award Amount	Balance 6/30/2022		Balance 6/30/2023		Memo	
				Budgetary (Accounts Receivable)	Cash Received	Budgetary Expenditures	Budgetary Unearned Revenue	Budgetary (Accounts Receivable)	Cumulative Total
				Expenditures	Received	Expenditures	Revenue	Expenditures	Expenditures
NJ Department of Education:									
Categorical Special Education Aid	23-495-034-5120-089	7/01/22-6/30/23	\$ 500,873	\$ 451,898	\$ (500,873)	\$ (48,975)	\$ 500,873	\$ (48,975)	\$ 500,873
Equalization Aid	23-495-034-5120-078	7/01/22-6/30/23	3,317,998	2,993,565	(3,317,998)	(324,433)	3,317,998	(324,433)	3,317,998
Categorical Security Aid	23-495-034-5120-084	7/01/22-6/30/23	20,481	18,478	(20,481)	(2,003)	20,481	(2,003)	20,481
School Choice Aid	23-495-034-5120-068	7/01/22-6/30/23	707,118	637,976	(707,118)	(69,142)	707,118	(69,142)	707,118
Transportation Aid	23-495-034-5120-014	7/01/22-6/30/23	177,329	159,990	(177,329)	(17,339)	177,329	(17,339)	177,329
Non-Public Transportation	23-495-034-5120-014	7/01/22-6/30/23	7,465		(7,465)	(7,465)		(7,465)	7,465
Extraordinary Aid	23-495-034-5120-044	7/01/22-6/30/23	263,687		(263,687)	(263,687)		(263,687)	263,687
On-Behalf TPAF Post Retirement Medical Benefits	23-495-034-5094-001	7/01/22-6/30/23	606,424	606,424	(606,424)		606,424		606,424
On-Behalf Long Term Disability Insurance	23-495-034-5094-004	7/01/22-6/30/23	670	670	(670)		670		670
On-Behalf TPAF Pension Contributions	23-495-034-5094-002	7/01/22-6/30/23	2,276,858	2,276,858	(2,276,858)		2,276,858		2,276,858
On-Behalf TPAF NCGI Premium	23-495-034-5094-003	7/01/22-6/30/23	31,589	31,589	(31,589)		31,589		31,589
Reimbursed TPAF Social Security	23-495-034-5094-003	7/01/22-6/30/23	482,341	433,770	(482,341)	(48,571)	482,341	(48,571)	482,341
Categorical Special Education Aid	22-495-034-5120-089	7/01/21-6/30/22	464,408	46,308					464,408
Equalization Aid	22-495-034-5120-078	7/01/21-6/30/22	3,317,998	330,851					3,317,998
Categorical Security Aid	22-495-034-5120-084	7/01/21-6/30/22	20,481	2,042					20,481
School Choice Aid	22-495-034-5120-068	7/01/21-6/30/22	685,477	68,352					685,477
Transportation Aid	22-495-034-5120-014	7/01/21-6/30/22	177,329	17,682					177,329
Non-Public Transportation	22-495-034-5120-014	7/01/21-6/30/22	6,402	6,402					6,402
Extraordinary Aid	22-495-034-5120-044	7/01/21-6/30/22	270,690	270,690					270,690
Total General Fund State Aid				8,353,545	(8,392,833)	(319,723)		(781,615)	13,335,618
Special Revenue Fund:									
Educational Programs and Student Services:									
Climate Change Education Grants to Schools	N/A	4/1/23-6/30/23	6,660	6,660	(6,600)		\$ 60		6,660
Total Special Revenue Fund				6,660	(6,600)		60		6,660
Total NJ Department of Education				8,360,205	(8,399,433)	(319,723)	60	(781,615)	13,342,278

LENAPE VALLEY 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	Award Amount	Balance 6/30/2022		Balance 6/30/2023		Memo	
				Budgetary (Accounts Receivable)	Cash Received	GAAP (Accounts Receivable)	Budgetary Unearned Revenue	Budgetary (Accounts Receivable)	Cumulative Total Expenditures
State Department of Agriculture									
Enterprise Funds:									
State School Breakfast Program	23-100-010-3350-023	7/01/22-6/30/23	\$ 256	\$ 239	\$ (17)	\$ (17)	\$ (17)	\$ (17)	\$ 256
State School Lunch Program	23-100-010-3350-023	7/01/22-6/30/23	2,355	2,272	(83)	(83)	(83)	(83)	2,355
State School Breakfast After the Bell Program	23-100-010-3350-023	7/01/22-6/30/23	390	359	(31)	(31)	(31)	(31)	390
COVID 19 - Seamless Summer Option	22-100-010-3350-023	6/30/21-6/30/22	4,781	62					4,781
Total Enterprise Fund			(62)	2,932	(131)	(131)	(131)	(131)	7,782
Total State Awards			<u>\$ (742,389)</u>	<u>\$ 8,363,137</u>	<u>\$ (319,854)</u>	<u>\$ (319,854)</u>	<u>\$ 60</u>	<u>\$ (781,746)</u>	<u>\$ 13,350,060</u>
Less: On-Behalf TPAF Pension System Contributions:									
On-Behalf TPAF Post Retirement Medical Benefits	23-495-034-5094-001	7/01/22-6/30/23	\$ 606,424						
On-Behalf Long Term Disability Insurance	23-495-034-5094-004	7/01/22-6/30/23	670						
On-Behalf TPAF Pension Contributions	23-495-034-5094-002	7/01/22-6/30/23	2,276,858						
On-Behalf TPAF NCGI Premium	23-495-034-5094-003	7/01/22-6/30/23	31,589						
Subtotal - On-Behalf TPAF Pension System Contributions			2,915,541						
Total State Awards - for Major Program Determination			<u>\$ (5,486,893)</u>						

N/A - Not Available/Applicable

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

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

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

NOTE 3. INDIRECT COST RATE

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

NOTE 4. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

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

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$3,343 for the General Fund and (\$123,656) for the Special Revenue Fund. See Exhibits C-3 for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the General and Special Revenue Funds. Awards and financial assistance revenue are reported on the Board’s basic financial statements on a GAAP basis as presented on the following page:

LENAPE VALLEY 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)

	Federal	State	Total
General Fund		\$ 8,396,176	\$ 8,396,176
Special Revenue Fund	\$ 566,394	25,621	592,015
Food Service Fund	105,242	3,001	108,243
Total Awards	\$ 671,636	\$ 8,424,798	\$ 9,096,434

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. Revenues and expenditures reported under the Food Distribution Program represent current year value received and current year distributions respectively.

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

Summary of Auditors' Results:

- The Independent Auditors' Report expresses an unmodified opinion on the financial statements of the District.
- There were no material weaknesses or significant deficiencies disclosed during the audit of the financial statements as reported in the *Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards*.
- No instances of noncompliance material to the financial statements of the District which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.
- There were no material weaknesses or significant deficiencies in internal control over major state programs disclosed during the audit as reported in the *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>State:</u>	<u>State Grant Number</u>	<u>Grant Period</u>	<u>Award Amount</u>	<u>Budgetary Expenditures</u>
State Aid Public:				
Categorical Special Education Aid	23-495-034-5120-089	7/1/22-6/30/23	\$ 500,873	\$ 500,873
Equalization Aid	23-495-034-5120-078	7/1/22-6/30/23	3,317,998	3,317,998
Categorical Security Aid	23-495-034-5120-084	7/1/22-6/30/23	20,481	20,481
School Choice Aid	23-495-034-5120-068	7/1/22-6/30/23	707,118	707,118

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

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

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

Findings and Questioned Costs for Federal Awards:

- Not applicable since federal expenditures were below the single audit threshold.

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

Findings and Questioned Costs for State Awards:

- The audit did not disclose any findings or questioned costs for state awards as defined in 2 CFR 200.516a of the Uniform Guidance or NJ OMB 15-08.

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

Status of Prior Year Findings:

There were no prior year findings.